

**THE COMMUNITY TRUST OF SOUTHLAND
TRUSTEES' RESPONSIBILITY STATEMENT**

The Trustees of The Community Trust of Southland ("the Trust") are pleased to present the summary financial statements of The Community Trust of Southland Group "the Group" for the year ended 31 March 2015.

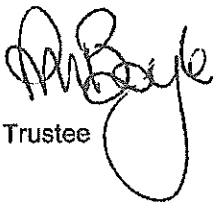
The Trustees are responsible for presenting financial statements in accordance with New Zealand law and generally accepted accounting practice, which give a true and fair view of the financial position of the Group as at 31 March 2015 and the results of their operations and cash flows for the year ended on that date.

The Trustees consider the summary financial statements of the Group have been prepared using accounting policies which have been consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Trustees believe that proper accounting records have been kept which enable with reasonable accuracy, the determination of the financial position of the Group and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

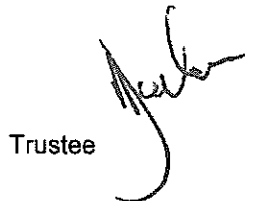
The Trustees have responsibility for the maintenance of a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. The Trustees consider that they have taken adequate steps to safeguard the assets of the Trust, and to prevent and detect fraud and other irregularities.

The Summary Financial Statements are signed on behalf of the Board by:



Trustee

27 August 2015



Trustee

27 August 2015

THE COMMUNITY TRUST OF SOUTHLAND
Summary Financial Statements for the year ended 31 March 2015

STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended 31 March 2015

	Group	
	2015	2014
	\$000	\$000
Sales (by subsidiary)	11,964	2,603
Dividends	9,183	4,786
Interest	244	2,890
Unrealised gains / (losses) from change in fair value of managed funds	10,143	(419)
Realised gains from change in fair value of managed funds	3,005	1,849
Other income	-	80
Fair value gains on remeasurement of salmon stock (subsidiary)	2,705	-
	<u>37,244</u>	<u>11,789</u>
Plus Share of associates earnings	-	252
Less Investing activity expenses	12,151	4,286
Less losses from change in fair value of other investments	641	-
Less loss on foreign exchange contracts	79	-
	<u>24,373</u>	<u>7,755</u>
Net Surplus from Investing Activities		
Trust expenses	1,259	1,209
	<u>23,114</u>	<u>6,546</u>
Operating Surplus before Grants		
Grants – payable in current year	5,843	4,852
Grants - not payable until future years	(901)	(563)
Discount on interest free loans	(20)	(313)
	<u>18,192</u>	<u>2,570</u>
Net Surplus before Taxation		
Taxation expense	992	57
	<u>17,200</u>	<u>2,513</u>
Net Surplus after Taxation		
Other comprehensive income	-	-
	<u>\$17,200</u>	<u>\$2,513</u>
Total Comprehensive Income for the Year		
Surplus is Attributed to:		
Equity holders of the parent	16,464	2,455
Minority interest	736	58
	<u>\$17,200</u>	<u>\$2,513</u>
Total Comprehensive Income is Attributed to:		
Equity holders of the parent	16,464	2,455
Minority interest	736	58
	<u>\$17,200</u>	<u>\$2,513</u>

THE COMMUNITY TRUST OF SOUTHLAND
Summary Financial Statements for the year ended 31 March 2015

STATEMENT OF CHANGES IN EQUITY
For the Year Ended 31 March 2015

Group	Trust Capital	Unspent Grants Reserve	Capital Maintenance Reserve	Grants Maintenance Reserve	Minority Interest	Other	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 April 2013	\$158,460	\$Nil	\$40,005	(\$18,490)	\$288	-	180,263
Net surplus after taxation	-	-	-	-	58	2,455	2,513
Revaluation of land / buildings	-	-	-	-	-	-	-
Minority interest adjustment	-	-	-	-	(25)	-	(25)
Transfer to / (from) reserves	-	-	35,836	(33,381)	-	(2,455)	-
Balance at 31 March 2014	<u>\$158,460</u>	<u>\$Nil</u>	<u>\$75,841</u>	<u>(\$51,871)</u>	<u>\$321</u>	<u>\$ Nil</u>	<u>\$182,751</u>
Net surplus after taxation	-	-	-	-	736	16,464	17,200
Revaluation of land / buildings	-	-	-	-	-	-	-
Minority interest adjustment	-	-	-	-	(33)	-	(33)
Reserves in acquisition of subsidiary	-	-	-	-	1,171	-	1,171
Transfer to / (from) reserves	-	-	16,464	-	-	(16,464)	-
Balance at 31 March 2015	<u>\$158,460</u>	<u>\$Nil</u>	<u>\$92,305</u>	<u>(\$51,871)</u>	<u>\$2,195</u>	<u>\$Nil</u>	<u>\$201,089</u>

THE COMMUNITY TRUST OF SOUTHLAND
Summary Financial Statements for the year ended 31 March 2015

STATEMENT OF FINANCIAL POSITION
As at 31 March 2015

	Group	
	2015	2014
	\$000	\$000
Current Assets		
Cash and cash equivalents	631	1,493
Accounts receivable	1,395	303
Inventories	1,298	430
Biological assets - salmon stock	5,625	-
Prepayments	27	10
GST refund due	-	39
Loan receivables	743	1,040
Taxation refund due	-	8
Total Current Assets	9,719	3,323
Non-Current Assets		
Investment in managed funds	193,980	180,832
Investment in associates	-	2,566
Investments in listed equities	637	1,117
Investments in unlisted equities	6,024	4,987
Loan receivables	1,160	1,847
Goodwill	509	33
Intangibles	67	4
Property, plant and equipment	3,693	1,868
Total Non-Current Assets	206,070	193,254
Total Assets	215,789	196,577
Current Liabilities		
Bank overdraft	252	-
Accounts payable	1,052	252
Taxation payable	69	-
Deferred tax payable	750	-
Accruals	411	175
Employee entitlements	34	60
Grant Obligations	8,662	9,715
Term Loans	1,339	592
Total Current Liabilities	12,569	10,794
Non-current Liabilities		
Grant Obligations	2,131	3,032
Total Non-Current Liabilities	2,131	3,032
Total Liabilities	14,700	13,826
NET ASSETS	\$201,089	\$182,751
Funds Employed		
Trust capital	158,460	158,460
Reserves	40,434	23,970
Equity attributable to equity holders of parent	198,894	182,430
Minority interest	2,195	321
TOTAL FUNDS EMPLOYED	\$201,089	\$182,751

STATEMENT OF CASH FLOWS
For the Year Ended 31 March 2015

	Group	
	2015	2014
	\$000	\$000
Cash Flows from Operating Activities		
Cash was provided from/(applied to):		
Receipts from customers	11,724	2,683
Interest and dividends	9,337	7,887
Payments to suppliers and employees	(10,864)	(4,547)
Other expenses	(2,523)	(904)
Grants paid	(6,976)	(7,993)
	<hr/>	<hr/>
Net Cash Inflows/(Outflows) from Operating Activities	698	(2,874)
	<hr/>	<hr/>
Cash Flows from Investment Activities		
Cash was provided from/(applied to):		
Managed Funds	-	(649)
Investments in unlisted equities	(1,122)	340
Investments in listed equities	480	(292)
Loan Receivables	857	1,171
Intangibles	-	(2)
Investment in associates/subsidiaries	(1,303)	1,970
Property, plant and equipment	(371)	(761)
Deposit paid on asset	-	597
	<hr/>	<hr/>
Net Cash Inflows/(Outflows) from Investing Activities	(1,459)	2,374
	<hr/>	<hr/>
Cash Flows from Financing Activities		
Cash was provided from/(applied to):		
Term loans	(205)	392
	<hr/>	<hr/>
Net Cash Inflows/(Outflows) from Financing Activities	(205)	392
	<hr/>	<hr/>
Net Increase / (Decrease) in Cash held	(966)	(108)
Add cash at beginning of year	1,493	1,601
Add new subsidiary's cash at beginning of year	(148)	-
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Total Cash Balance at End of Year	\$379	\$1,493
	<hr/> <hr/>	<hr/> <hr/>
Represented by:		
Cash and cash equivalents	631	1,493
Bank overdraft	(252)	-
	<hr/>	<hr/>
Total Cash Balance	\$379	\$1,493
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THE COMMUNITY TRUST OF SOUTHLAND
Summary Financial Statements for the year ended 31 March 2015

SUPPLEMENTARY INFORMATION
For the Year Ended 31 March 2015

TRUSTEE FEES

Trustee meeting fees and honoraria are set by the Minister of Finance, and were paid to Trustees as follows:

	Fees 2015 \$000	Fees 2014 \$000
Tracy Hicks	24	24
Joan Kiernan	19	20
Robin Campbell (retired July 13)	-	9
Raewynne Evans (retired July 13)	-	4
Trish Lindsay (retired May 14)	2	14
Craig Robins	16	16
Linette Sinclair	14	14
Toni Green (retired July 13)	-	4
Richard Wason	16	16
Penny Simmonds	14	14
Stephen Bragg (commenced Aug 13)	14	10
Lindsay Wright (commenced Aug 13)	16	10
Trish Boyle (commenced Aug 13)	19	10
Ross Jackson (commenced June 2014)	11	-
	<hr/> \$165 <hr/>	<hr/> \$165 <hr/>

REPORTING ENTITY

The Community Trust of Southland ("the Trust") was formed under the Trustee Banks Restructuring Act 1988 and is incorporated under the Charitable Trusts Act 1957. The consolidated Summary Financial Statements presented are those for The Community Trust of Southland (the "Group"). The Group consists of The Community Trust of Southland, and its subsidiary entities, Southland Community Trust Charities Limited, Invest South Holdings Limited, Invest South GP Limited, Invest South Limited Partnership, Back Country Foods Ltd, Aoraki Smokehouse Salmon Ltd and Hutton Salmon Limited.

These summary financial statements have been prepared in accordance with FRS 43: Summary Financial Statements. The specific disclosures included in the Summary Financial Report have been extracted from the full audited financial statements and an unmodified opinion has been issued on 31 August 2015. The full financial statements have been prepared in accordance with full NZ GAAP as a public benefit entity. Users of the Summary Financial Statements should note that the information contained therein cannot be expected to provide a complete understanding as provided in the full financial report of the Group.

These Summary Financial Statements are presented in New Zealand dollars (\$), which is the Groups' functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand.

Users who require additional information are encouraged to access the full financial statements on the Group's website at www.ctos.org.nz. Users who do not have access to the website can request a printed version from the following address:

The Community Trust of Southland
PO Box 1646
Invercargill 9840

Ph: (03) 218-2034
Email: info@ctos.org.nz

Or collect a copy from the Trust's offices at 62 Don Street, Invercargill.

The Summary Financial Statements are authorised for issue by the Board of Trustees on 27 August 2015.



Report of the Independent Auditors' on the Summary Financial Statements

to the Trustees of The Community Trust of Southland

The accompanying summary financial statements, on pages 2 to 6 which comprise the summary statement of financial position as at 31 March 2015, the summary statement of comprehensive income, the summary statement of changes in equity and the summary statement of cash flow for the year then ended, and related notes, are derived from the audited financial statements of The Community Trust of Southland for the year ended 31 March 2015.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of The Community Trust of Southland.

Our audit of the financial statements for the year ended 31 March 2015 was completed on 31 August 2015 and our unmodified opinion was issued on that date. We have not undertaken any additional audit procedures in relation to those financial statements from the date of the completion of our audit and those financial statements and the summary financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

This report is made solely to the Trustees, as a body. Our work has been undertaken so that we might state those matters we are required to state to them in a report from the auditor and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees, as a body, for this report, or for the opinions we have formed. In addition, we take no responsibility for, nor do we report on, any part of the annual report not specifically mentioned in our report.

Trustees' Responsibility for the Summary Financial Statements

The Trustees are responsible for the preparation of the summary financial statements in accordance with FRS-43: *Summary Financial Statements* (FRS 43).

Auditors' Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) 810: *Engagements to Report on Summary Financial Statements*.

We are independent of the Group. Other than in our capacity as auditors we have no relationship with, or interests in, The Community Trust of Southland or any of its subsidiaries.



Report of the Independent Auditors' on the Summary Financial Statements

The Community Trust of Southland

Opinion

In our opinion, the summary financial statements on pages 2 to 6 derived from the audited financial statements of The Community Trust of Southland for the year ended 31 March 2015 are consistent, in all material respects, with those audited financial statements, in accordance with FRS-43.

Restriction on Use of our Report

This report has been prepared for inclusion in the annual report. We disclaim any responsibility for reliance on this report or the amounts included in the summary financial statements, for any purpose other than that for which they were prepared.

PricewaterhouseCoopers

Chartered Accountants
31 August 2015

Dunedin