

**THE COMMUNITY TRUST OF SOUTHLAND
TRUSTEE'S RESPONSIBILITY STATEMENT**

The Trustees of The Community Trust of Southland ("the Trust") are pleased to present the summary financial statements for the year ended 31 March 2013.

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 Trust and Group as at 31 March 2013 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 Trust 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 Trust and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

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



15 August 2013

Trustee



15 August 2013

THE COMMUNITY TRUST OF SOUTHLAND
Summary Financial Statements For The Year Ended 31 March 2013

STATEMENTS OF COMPREHENSIVE INCOME
For the Year Ended 31 March 2013

	Group	
	2013	2012
	\$000	\$000
Sales (by subsidiary)	2,450	2,330
Dividends	7,705	5,423
Interest	3,127	3,515
Unrealised Gains / (losses) from change in fair value of managed funds	10,483	(3,412)
Realised Gains from change in fair value of managed funds	1,229	1,171
Other income	267	281
	<u>25,261</u>	<u>9,308</u>
Plus Share of Associates Earnings	143	73
Less Investing Activity Expenses	3,237	3,458
	<u>22,167</u>	<u>5,923</u>
Net Surplus from Investing Activities		
Trust Expenses	1,255	1,295
	<u>20,912</u>	<u>4,628</u>
Operating surplus before grants		
Grants – payable in current year	5,544	9,549
Grants - not payable until future years	938	2,444
Discount on Interest Free Community Loans	360	-
	<u>14,070</u>	<u>(7,365)</u>
Net surplus / (deficit) before taxation		
Taxation expense	104	74
	<u>13,966</u>	<u>(7,439)</u>
Net surplus / (deficit) after taxation		
Other comprehensive income / (loss)	22	(58)
	<u>13,988</u>	<u>(\$7,497)</u>
Total comprehensive income / (loss) for the year		
Surplus / (Deficit) is attributed to:		
Equity holders of the parent	13,859	(7,544)
Minority interest	107	105
	<u>13,966</u>	<u>(\$7,439)</u>
Total comprehensive income / (loss) is attributed to:		
Equity holders of the parent	13,881	(7,602)
Minority interest	107	105
	<u>13,988</u>	<u>(\$7,497)</u>

STATEMENTS OF CHANGES IN EQUITY
For the Year Ended 31 March 2013

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 31 March 2011	\$158,460	\$570	\$38,984	(\$24,295)	\$125	\$ -	\$173,844
Net surplus after taxation	-	-	-	-	105	(7,544)	(7,439)
Revaluation of land / buildings	-	-	(58)	-	-	-	(58)
Minority Interest Adjustment	-	-	-	-	54	-	54
Transfer to / (from) reserves	-	-	233	(7,801)	-	7,544	(24)
Balance at 31 March 2012	<u>\$158,460</u>	<u>\$570</u>	<u>\$39,159</u>	<u>(\$32,096)</u>	<u>\$284</u>	<u>\$ -</u>	<u>\$166,377</u>
Net surplus / (deficit) after taxation	-	-	-	-	107	13,859	13,966
Revaluation of land / buildings	-	-	-	-	-	22	22
Minority Interest Adjustment	-	-	-	-	(103)	-	(103)
Transfer to / (from) reserves	-	(570)	846	13,605	-	(13,881)	-
Balance at 31 March 2013	<u>\$158,460</u>	<u>\$-</u>	<u>\$40,005</u>	<u>(\$18,491)</u>	<u>\$288</u>	<u>\$ -</u>	<u>\$180,262</u>

STATEMENTS OF FINANCIAL POSITION
As at 31 March 2013

	Group	
	2013	2012
	\$000	\$000
Current Assets		
Cash and cash equivalents	1,601	1,017
Accounts receivable	513	290
Inventories	394	243
Prepayments	9	9
GST refund due	30	54
Loan receivables	738	1,616
Taxation Refund Due	81	-
Deposit paid on Asset	597	-
	<hr/>	<hr/>
Total current assets	3,963	3,229
Non-Current Assets		
Investment in Managed Funds	179,082	170,338
Investment in Associates	4,645	2,186
Investments in Listed equities	496	168
Investments in Un-listed equities	5,345	4,295
Loan Receivables	3,049	2,288
Goodwill	33	33
Intangibles	2	2
Property, plant and equipment	1,304	1,308
Database development	-	186
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Total non-current assets	193,956	180,804
	<hr/>	<hr/>
Total assets	197,919	184,033
Current Liabilities		
Accounts payable	740	409
Current tax liabilities	-	67
Other creditors	-	15
Accruals	192	35
Employee entitlements	74	112
Grant Obligations	10,189	10,946
	<hr/>	<hr/>
Total Current Liabilities	11,195	11,584
Non-current Liabilities		
Grant Obligations	6,262	6,073
Term Loans	200	-
	<hr/>	<hr/>
Total non-current liabilities	6,462	6,073
	<hr/>	<hr/>
Total liabilities	17,657	17,657
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NET ASSETS	\$180,262	\$166,376
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Funds Employed		
Trust capital	158,460	158,460
Reserves	21,513	7,632
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Equity attributable to equity holders of parent	179,973	166,092
Minority Interest	289	284
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TOTAL FUNDS EMPLOYED	\$180,262	\$166,376
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STATEMENTS OF CASH FLOWS
For the Year Ended 31 March 2013

	Group	
	2013	2012
	\$000	\$000
Cash Flows from Operating Activities		
Cash was provided from (applied to):		
Receipts from customers	2,717	2,743
Interest and dividends	10,608	8,938
Payments to suppliers and employees	(2,909)	(3,294)
Other expenses	(1,256)	(1,056)
Grants paid	(7,049)	(9,342)
Net cash outflows from Operating Activities	<u>2,111</u>	<u>(2,011)</u>
Cash Flows from Investment Activities		
Cash was provided from (applied to):		
Managed Funds	2,559	3,685
Investments in unlisted equities	(739)	292
Loan Receivables	(412)	249
Intangibles	-	(3)
Investment in associates/subsidiaries	(2,435)	(2,112)
Property, plant and equipment	(103)	(107)
Deposit paid on asset	(597)	-
Database development	-	(15)
Net cash inflows from Investing Activities	<u>(1,727)</u>	<u>1,989</u>
Cash Flows from Financing Activities		
Cash was (applied to):		
Term loans	200	-
Net cash inflows from Financing Activities	<u>200</u>	<u>-</u>
Net increase / (decrease) in Cash held	584	(22)
Add cash at beginning of year	1,017	1,039
Total Cash Balance at End of Year	<u>\$1,601</u>	<u>\$1,017</u>
Represented by:		
Cash and cash equivalents	<u>\$1,601</u>	<u>\$1,017</u>

SUPPLEMENTARY INFORMATION
For the Year Ended 31 March 2013

TRUSTEE FEES

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

	Fees 2013 \$000	Fees 2012 \$000
Robin Campbell	22	16
Joan Kiernan	20	17
Tracy Hicks	28	31
Alison Broad (retired Sept 12)	9	20
Wayne Harpur (retired Sept 12)	8	14
Raewynne Evans	17	15
Trish Lindsay	19	21
Craig Robins	18	17
Linette Sinclair	18	19
Toni Green	16	13
Richard Wason (commenced Oct 12)	9	-
Penny Simmonds (commenced Oct 12)	8	-
	<hr/> \$192 <hr/>	<hr/> \$183 <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 wholly owned subsidiary entities, Southland Community Trust Charities Limited, Invest South Holdings Limited, Invest South GP Limited, and Invest South Limited Partnership.

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 21 August 2013. 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 15 August 2013.



Independent Auditors' Report on Summary Financial Statements

to the Trustees of The Community Trust of Southland

We have audited the accompanying summary financial statements, which comprise the summary statement of financial position as at 31 March 2013, the summary statement of comprehensive income, summary statement of changes in equity and summary statement of cash flows for the year then ended, and related notes, which are extracted from the audited financial statements of The Community Trust of Southland and the Group for the year ended 31 March 2013.

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 and the Group.

Trustees' Responsibility for the Summary Financial Statements

The Trustees are responsible for the preparation of a summary of the audited financial statements in accordance with the accounting standard FRS-43: Summary Financial Statements.

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.

Other than in our capacity as auditors we have no relationships with, or interests in, The Community Trust of Southland or any of its subsidiaries and associates.

Opinion on the Financial Statements

Our audit of the financial statements for the year ended 31 March 2013 was completed on 21 August 2013 and our unmodified opinion was issued on that date. We have not undertaken any additional audit procedures from the date of the completion of our audit.

Opinion on the Summary Financial Statements

In our opinion, the summary financial statements have been correctly derived from the audited financial statements of The Community Trust of Southland and the Group for the year ended 31 March 2013 and are consistent, in all material respects, with those financial statements, in accordance with FRS-43.

Restriction on Distribution or Use

This report is made solely to the Trustees of The Community Trust of Southland, as a body. Our audit work has been undertaken so that we might state to the Trustees those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Community Trust of Southland and the Trustees, as a body, for our audit work, for this report or for the opinions we have formed.

PricewaterhouseCoopers

Chartered Accountants
21 August 2013

Dunedin