

**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 2014.

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 2014 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:

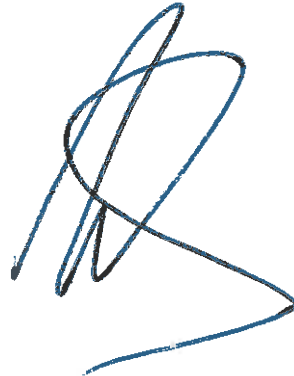


Trustee

24 July 2014

Trustee

24 July 2014



THE COMMUNITY TRUST OF SOUTHLAND
Summary Financial Statements for the year ended 31 March 2014

STATEMENTS OF COMPREHENSIVE INCOME
For the Year Ended 31 March 2014

	Group	
	2014	2013
	\$000	\$000
Sales (by subsidiary)	2,603	2,450
Dividends	4,786	7,705
Interest	2,890	3,127
Unrealised gains / (losses) from change in fair value of managed funds	(419)	10,483
Realised gains from change in fair value of managed funds	1,849	1,229
Other income	80	267
	<u>11,789</u>	<u>25,261</u>
Plus Share of associates earnings	252	143
Less Investing activity expenses	4,286	3,237
Net Surplus from Investing Activities	<u>7,755</u>	<u>22,167</u>
Trust expenses	1,209	1,255
Operating Surplus before Grants	<u>6,546</u>	<u>20,912</u>
Grants – payable in current year	5,435	5,544
Grants - not payable until future years	(1,146)	938
Discount on interest free loans	(313)	360
Net Surplus before Taxation	<u>2,570</u>	<u>14,070</u>
Taxation expense	57	104
Net Surplus after Taxation	<u>2,513</u>	<u>13,966</u>
Other comprehensive income	-	22
Total Comprehensive Income for the Year	<u>2,513</u>	<u>13,988</u>
Surplus is attributed to:		
Equity holders of the parent	2,455	13,859
Minority interest	58	107
	<u>2,513</u>	<u>13,966</u>
Total comprehensive income is attributed to:		
Equity holders of the parent	2,455	13,881
Minority interest	58	107
	<u>2,513</u>	<u>13,988</u>

THE COMMUNITY TRUST OF SOUTHLAND
Summary Financial Statements for the year ended 31 March 2014

STATEMENTS OF CHANGES IN EQUITY
For the Year Ended 31 March 2014

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 2012	\$158,460	\$570	\$39,159	(\$32,095)	\$284	\$ -	166,378
Net surplus 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>(\$18,490)</u>	<u>\$288</u>	<u>\$ -</u>	<u>\$180,263</u>
Net surplus / (deficit) 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>\$ -</u>	<u>\$75,841</u>	<u>(\$51,871)</u>	<u>\$321</u>	<u>\$ -</u>	<u>\$182,751</u>

THE COMMUNITY TRUST OF SOUTHLAND
Summary Financial Statements for the year ended 31 March 2014

STATEMENTS OF FINANCIAL POSITION
As at 31 March 2014

	Group	
	2014	2013
	\$000	\$000
Current Assets		
Cash and cash equivalents	1,493	1,601
Accounts receivable	303	513
Inventories	430	394
Prepayments	10	9
GST refund due	39	30
Loan receivables	1,040	738
Taxation refund due	8	81
Deposit paid on asset	-	597
Total Current Assets	<u>3,323</u>	<u>3,963</u>
Non-Current Assets		
Investment in managed funds	180,832	179,082
Investment in associates	2,566	4,645
Investments in listed equities	1,117	496
Investments in unlisted equities	4,987	5,345
Loan receivables	1,847	3,049
Goodwill	33	33
Intangibles	4	2
Property, plant and equipment	1,868	1,304
Total Non-Current Assets	<u>193,254</u>	<u>193,956</u>
Total Assets	<u>196,577</u>	<u>197,919</u>
Current Liabilities		
Accounts payable	252	740
Accruals	175	192
Employee entitlements	60	74
Grant obligations	9,715	10,189
Term loans	592	-
Total Current Liabilities	<u>10,794</u>	<u>11,195</u>
Non-Current Liabilities		
Grant obligations	3,032	6,262
Term loans	-	200
Total Non-Current Liabilities	<u>3,032</u>	<u>6,462</u>
Total Liabilities	<u>13,826</u>	<u>17,657</u>
NET ASSETS	<u>\$182,751</u>	<u>\$180,262</u>
Funds Employed		
Trust capital	158,460	158,460
Reserves	23,970	21,513
Equity attributable to equity holders of parent	182,430	179,973
Minority interest	321	289
TOTAL FUNDS EMPLOYED	<u>\$182,751</u>	<u>\$180,262</u>

THE COMMUNITY TRUST OF SOUTHLAND
Summary Financial Statements for the year ended 31 March 2014

STATEMENTS OF CASH FLOWS
For the Year Ended 31 March 2014

	Group	
	2014	2013
	\$000	\$000
Cash Flows from Operating Activities		
Cash was provided from (applied to):		
Receipts from customers	2,683	2,717
Interest and dividends	7,887	10,608
Payments to suppliers and employees	(4,547)	(2,909)
Other expenses	(904)	(1,256)
Grants paid	(7,993)	(7,050)
Net Cash Outflows from Operating Activities	<u>(2,874)</u>	<u>2,110</u>
Cash Flows from Investment Activities		
Cash was provided from (applied to):		
Managed funds	(649)	2,559
Investments in unlisted equities	340	(739)
Investments in listed equities	(292)	-
Loan receivables	1,171	(411)
Intangibles	(2)	-
Investment in associates/subsidiaries	1,970	(2,435)
Property, plant and equipment	(761)	(103)
Deposit paid on asset	597	(597)
Net Cash Inflows from Investing Activities	<u>2,374</u>	<u>(1,726)</u>
Cash Flows from Financing Activities		
Cash was (applied to):		
Term loans	392	200
Net Cash Inflows from Financing Activities	<u>392</u>	<u>200</u>
Net Increase / (Decrease) in Cash held	<u>(108)</u>	<u>584</u>
Add cash at beginning of year	1,601	1,017
Total Cash Balance at End of Year	<u>\$1,493</u>	<u>\$1,601</u>
Represented by:		
Cash and cash equivalents	<u>\$1,493</u>	<u>\$1,601</u>

THE COMMUNITY TRUST OF SOUTHLAND
Summary Financial Statements for the year ended 31 March 2014

SUPPLEMENTARY INFORMATION
For the Year Ended 31 March 2014

TRUSTEE FEES

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

	Fees 2014 \$000	Fees 2013 \$000
Tracy Hicks	24	28
Joan Kiernan	20	20
Robin Campbell (retired July 13)	9	22
Alison Broad (retired Sept 12)	-	9
Wayne Harpur (retired Sept 12)	-	8
Raewynne Evans (retired July 13)	4	17
Trish Lindsay	14	19
Craig Robins	16	18
Linette Sinclair	14	18
Toni Green (retired July 13)	4	16
Richard Wason (commenced Oct 12)	16	9
Penny Simmonds (commenced Oct 12)	14	8
Stephen Bragg (commenced Aug 13)	10	-
Lindsay Wright (commenced Aug 13)	10	-
Trish Boyle (commenced Aug 13)	10	-
	<u>\$165</u>	<u>\$192</u>

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 and Back Country Foods Ltd.

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 24 July 2014. 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 24 July 2014.





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 statements of financial position as at 31 March 2014, the summary statements of comprehensive income, the summary statements of changes in equity and the summary statements 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 2014.

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 2014 was completed on 24 July 2014 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.

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.



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 2014 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
24 July 2014

Dunedin