



## **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 statements of financial position as at 31 March 2012, the summary statements of comprehensive income, summary statements of changes in equity and summary statements 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 2012.

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 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 2012 was completed on 2 August 2012 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 2012 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

Dunedin

2 August 2012

**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 2012.

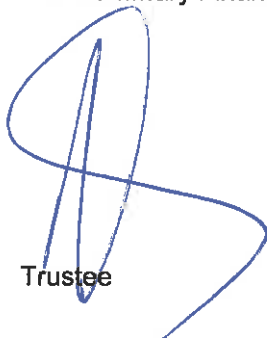
The Trustees are responsible for presenting financial statements in accordance with New Zealand law and generally accepted accounting practice, which give a true and fair view of the financial position of the Trust and Group as at 31 March 2012 and the results of their operations and cash flows for the 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

26/ 7 / 2012



Trustee

26/ 7 / 2012

**THE COMMUNITY TRUST OF SOUTHLAND**  
**Summary Financial Statements For The Year Ended 31 March 2012**

**STATEMENTS OF COMPREHENSIVE INCOME**  
**For the Year Ended 31 March 2012**

	<b>Group</b>	
	<b>2012</b>	<b>2011</b>
	<b>\$000</b>	<b>\$000</b>
<b>Income:</b>		
Sales	2,330	2,079
Dividends	5,423	4,189
Interest	3,515	3,489
Unrealised Gains/(losses) from change in fair value of managed funds	(3,412)	1,152
Realised Gains from change in fair value of managed funds	1,171	3,756
(Losses) from change in fair value of other investments recognised at FVTPL	-	(111)
Share of Associates Earnings	73	-
Other income	281	9
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	9,381	14,563
<b>Expenses:</b>		
Cost of sales	963	1,013
Depreciation	130	118
Bad debts	2	47
Fund managers fees	741	754
Trustees fees	183	194
Directors fees	71	78
Employee entitlements	1,204	1,097
Administration expenses	1,116	857
Impairment provision on investments	181	7
Loss on sale of investments	107	-
Other expenses	-	97
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	4,698	4,262
Operating surplus before grants	<hr/>	<hr/>
	4,683	10,301
Grants – payable in current year	9,549	8,588
Grants – not payable until future years	2,444	816
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Net surplus / (deficit) before taxation	(7,311)	897
Taxation expense	74	105
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<b>Net surplus / (deficit) after taxation</b>	(7,385)	792
Other comprehensive income / (deficit)	(58)	-
	<hr/>	<hr/>
<b>Total comprehensive income / (deficit) for the year</b>	(\$7,443)	\$792
	<hr/> <hr/>	<hr/> <hr/>
<b>Surplus / (Deficit) is attributed to:</b>		
Equity holders of the parent	(7,490)	762
Minority interest	105	30
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	(\$7,385)	\$792
	<hr/> <hr/>	<hr/> <hr/>
<b>Total comprehensive income / (deficit) is attributed to:</b>		
Equity holders of the parent	(7,548)	762
Minority interest	105	30
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	(\$7,443)	\$792
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**STATEMENTS OF CHANGES IN EQUITY**  
**For the Year Ended 31 March 2012**

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 2010	\$158,460	\$570	\$34,662	(\$20,753)	\$95	\$ -	\$173,034
Net surplus after taxation	-	-	-	-	30	762	792
Revaluation of land / buildings	-	-	18	-	-	-	18
Transfer to / (from) reserves	-	-	4,304	(3,542)	-	(762)	-
Balance at 31 March 2011	<u>\$158,460</u>	<u>\$570</u>	<u>\$38,984</u>	<u>(\$24,295)</u>	<u>\$125</u>	<u>\$ -</u>	<u>\$173,844</u>
Net surplus / (deficit) after taxation	-	-	-	-	105	(7,490)	(7,385)
Revaluation of land / buildings	-	-	(58)	-	-	-	(58)
Minority Interest Adjustment	-	-	-	-	54	-	54
Transfer to / (from) reserves	-	-	233	(7,747)	-	7,490	(24)
Balance at 31 March 2012	<u>\$158,460</u>	<u>\$570</u>	<u>\$39,159</u>	<u>(\$32,042)</u>	<u>\$284</u>	<u>\$ -</u>	<u>\$166,431</u>

**STATEMENTS OF FINANCIAL POSITION**  
**As at 31 March 2012**

	Group	
	2012	2011
	\$000	\$000
<b>Current Assets</b>		
Cash and cash equivalents	621	677
Accounts receivable	290	424
Inventories	243	220
Prepayments	9	9
GST refund due	54	88
Other receivables	93	45
Investments – Other – Advances to third parties	1,074	-
Trust advances to third parties	542	-
<b>Total current assets</b>	<u>2,926</u>	<u>1,463</u>
<b>Non-Current Assets</b>		
Investment in Managed Funds	170,338	176,371
Investment in Associates	2,186	-
Investments Other		
- Investments in listed equities	168	168
- Investments in un-listed equities	4,297	4,533
- Advances to third parties	1,125	2,526
- Short term deposits	395	365
Goodwill	32	32
Intangibles	2	-
Trust advances to third parties	1,125	1,875
Property, plant and equipment	1,308	1,388
Database development	186	171
<b>Total non-current assets</b>	<u>181,162</u>	<u>187,429</u>
<b>Total assets</b>	<u>184,088</u>	<u>188,892</u>
<b>Current Liabilities</b>		
Bank overdraft	-	3
Accounts payable	409	460
Current tax liabilities	67	54
Other creditors	15	19
Accruals	35	52
Employee entitlements	112	61
Grant Obligations	10,946	10,289
	<u>11,584</u>	<u>10,938</u>
<b>Non-current Liabilities</b>		
Grant Obligations	6,073	4,111
<b>Total liabilities</b>	<u>17,657</u>	<u>15,049</u>
<b>NET ASSETS</b>	<u>\$166,431</u>	<u>\$173,843</u>
<b>Funds Employed</b>		
Trust capital	158,460	158,460
Reserves	7,687	15,258
	<u>166,147</u>	<u>173,718</u>
Equity attributable to equity holders of parent	166,147	173,718
Minority Interest	284	125
<b>TOTAL FUNDS EMPLOYED</b>	<u>\$166,431</u>	<u>\$173,843</u>

**STATEMENTS OF CASH FLOWS**  
**For the Year Ended 31 March 2012**

	<b>Group</b>	
	<b>2012</b>	<b>2011</b>
	<b>\$000</b>	<b>\$000</b>
<b>Cash Flows from Operating Activities</b>		
Cash was provided from (applied to):		
Receipts from customers	2,695	2,037
Interest and dividends	8,938	535
Payments to suppliers and employees	(3,172)	(3,091)
Other expenses	(1,178)	(1,091)
Grants paid	(9,341)	(9,716)
<b>Net cash outflows from Operating Activities</b>	<u>(2,058)</u>	<u>(11,326)</u>
 <b>Cash Flows from Investment Activities</b>		
Cash was provided from (applied to):		
Managed Funds	3,791	13,025
Investments in unlisted equities	(2,113)	(2,093)
Advances to third parties	-	605
Short term deposits	-	519
Investment in associates/subsidiaries	242	-
Trust advances	208	(106)
Property, plant and equipment	(108)	(258)
Database development	(15)	(63)
<b>Net cash inflows from Investing Activities</b>	<u>2,005</u>	<u>11,629</u>
<b>Net increase / (decrease) in Cash held</b>	<u>(53)</u>	<u>303</u>
Add cash at beginning of year	674	371
<b>Total Cash Balance at End of Year</b>	<u><u>\$621</u></u>	<u><u>\$674</u></u>
Represented by:		
Cash and cash equivalents	621	677
Bank Overdraft	-	(3)
	<u><u>\$621</u></u>	<u><u>\$674</u></u>

**SUPPLEMENTARY INFORMATION**  
**For the Year Ended 31 March 2012**

**TRUSTEE FEES**

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

	<b>Meetings Attended</b>	<b>Fees 2012 \$000</b>	<b>Fees 2011 \$000</b>
Tracy Hicks	47	31	33
Alison Broad	50	20	21
Wayne Harpur	46	14	15
Raewynne Evans	41	15	18
Trish Lindsay	49	21	21
Joan Kiernan	46	17	16
Craig Robins	41	17	19
Linette Sinclair	49	19	21
Toni Green	42	13	15
Robin Campbell	50	16	15
		<hr/> <b>\$183</b> <hr/>	<hr/> <b>\$194</b> <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 it's 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 2 August 2012. The full financial statements have been prepared in accordance with full NZ GAAP as a public benefit entity and the Group has made an explicit and unreserved statement of compliance with IFRS's in the full financial report. 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](http://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](mailto: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 26 July 2012