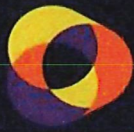




**Community  
Trust South**



TE POU ARATAKI POUNAMU O MURIHIKU

**Performance Report**  
**For the year ended 31 March 2023**

**Community Trust South**  
**Performance Report**  
**For year ended 31 March 2023**

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# Community Trust South

## Performance Report

### For year ended 31 March 2023

*in New Zealand Dollars (\$000s)*

## TRUST INFORMATION

### Trust Entity

The financial statements represented are those for the reporting entity Community Trust South (the "Parent"), its subsidiaries and associates (together the "Group").

Community Trust South ("the Trust") was formed under the Trustee Banks Restructuring Act 1988 and was incorporated under the Charitable Trusts Act 1957.

The financial statements comply with the Financial Reporting Act 2013 and the Community Trusts Act 1999.

As a not-for-profit Public Benefit Entity (PBE) domiciled in Invercargill New Zealand, the Trust distributes grants to qualifying organisations in the South region, Stewart Island, Queenstown, Arrowtown and Glenorchy. Through its granting programme the Trust aspires to achieve a thriving South by engaging in effective and innovative philanthropy and grantmaking, demonstrate our commitment to Te Tiriti o Waitangi principles, and to protect and grow our investment fund for the benefit of our community and future generations.

### Group Structure

Community Trust South Group consists of the Trust and its controlled entities, Invest South GP Limited and Invest South Limited Partnership. Controlled entities are all those entities over which the Trust has the power to govern the financial and operating policies of other entities so as to benefit from that entity's activities.

### Trustees

The Trust is governed by a Board consisting of up to ten trustees appointed by the Minister of Finance. Trustees are appointed for an initial term of up to four years and may, at the conclusion of their term, be appointed for a further term of up to four years. The Governance Charter provides the framework under which the Board and its Committees operate.

Trustees at 31 March 2023 were

Trustee	Date Appointed
Bill Moran (Heamana/Chair)	June 2019
Kirsty Pickett	September 2020
Stephen Canny	June 2019
David Goble	June 2019
Louise Fowler	September 2020
Leanne Samuel	August 2021
Leon Hartnett	August 2021
Mel Montgomery	August 2021
Aimee Kaio	October 2022

Trustee changes during the financial year were:

Mata Cherrington                      June 2015 (Retired August 2022)

The Board's workload is allocated to the following Committees:

- Investment
- GM performance review
- Audit, finance and risk management
- Te Whai Hua



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**Auditor**

KPMG, Christchurch

**Legal Counsel**

AWS Legal, Invercargill

**Investment Advisor**

JANA (commenced January 2023)

**Main Sources of Cash and Resources**

The Trust's main source of funds is from returns on its diversified investment portfolio. During the last financial year the portfolio has earned an annual investment return of -0.9% (2022: 0.4%)

**Contact Details**

Physical Address:	62 Don Street, Invercargill, 9810
Postal Address	PO Box 1646, Invercargill, 9840
Phone:	03 218 2034
Freephone:	0800 500 185
Email:	<a href="mailto:info@communitytrustsouth.nz">info@communitytrustsouth.nz</a>
Website:	<a href="http://www.communitytrustsouth.nz">www.communitytrustsouth.nz</a>



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**TRUSTEES' RESPONSIBILITY STATEMENT**

The Trustees of Community Trust South ("the Trust") are pleased to present the financial statements for the year ended 31 March 2023.

The Trustees are responsible for presenting financial statements in accordance with New Zealand law and generally accepted accounting practice, which present fairly the financial position of the Trust and Group as at 31 March 2023 and the results of their operations and cash flows for the year ended on that date.

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



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Heamana/Board Chair  
23 August 2023



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Trustee  
23 August 2023

**Community Trust South**  
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**STATEMENT OF SERVICE PERFORMANCE**

**WHO WE ARE AND WHAT WE DO**

Established in 1988, it is through the Community Trusts Act 1999 and our own Trust Deed that Community Trust South exists as a funder in perpetuity, working with and supporting communities throughout the south to achieve their aspirations.

Our Board consists of up to ten Trustees appointed by the Minister of Finance and four sub-committees (Investment, Audit Finance & Risk Management, Te Whai Hua, and CEO Performance Review) which assist the Board in undertaking its responsibilities. Guided by our Statement of Investment Performance Objectives (SIPO) and our perpetual nature, the Board invests the Trust's assets across a diversified portfolio and it is through investment returns that we fund our annual granting and operating costs. We are also the sole investor in Invest South, a private equity fund based in Invercargill, which aims to provide an investment return to Community Trust South and work with businesses to ensure they are connected, successful, resilient and dynamic.

Our values Manaakitanga | Respect, Tikanga | Integrity, Whanaungatanga | Approachable, Tūhonohono | Proactive, Kotahitanga | Connected, Kaitiakitanga | Responsible guide us and underpinning all that we do is our commitment to the Te Tiriti o Waitangi and to working in partnership with Iwi and Māori communities to support their aspirations.

Our strategic vision is for 'A Thriving South' covering Southland, Queenstown, Glenorchy, Arrowtown, Tapanui and Heriot areas. We support achieving our vision through protecting and growing our investment fund and through investing in communities by providing grants, community loans, scholarships for individuals, and through impact investing.

Four strategic pou (pillars) guide our funding:

- Health, Wellbeing & Active Lifestyles
- Education
- Art, Heritage & Culture
- Community Development & Community Economic Development

Through effective and innovative philanthropy and grant making we work with communities to get more people participating to enhance personal and community wellbeing and resilience. We understand there are unique needs of places and communities within our rohe (region) and the need to collaborate and partner to achieve greater impact.

While the Trust's office is located at 62 Don Street, Invercargill, our staff are out and about in our rohe (region) connecting with a diverse range of communities, organisations, and stakeholders.

**WHAT WE HAVE DONE**

We welcomed new Trustee Aimee Kaio (Kai Tahu, Kati Mamoe, Waitaha), the appointments of Bill Moran as Heamana (Chair) and Kirsty Pickett as Heamana Tuarua (Deputy Chair), and appointed an external member, Andrew Johnson, to our Investment Committee. The Trust reviewed two key advisors towards the end of 2022 appointing JANA as its Investment Advisor and KPMG as the Trust's auditors. Through establishing two key strategic policies in 2022 the Trust formalised its commitment to:

- Te Tiriti o Waitangi through Te Ara Titikaha – Our Te Tiriti o Waitangi Journey
- Climate Action

Our activities, achievements and highlights for the year ended 31 March 2023 have been focused on supporting our strategic vision and are outlined below.

**OUR PERFORMANCE**

**STRATEGIC OBJECTIVE:** Protect and grow our investment fund for the benefit of our community and future generations.

Guided by the Trust SIPO, our Investment Committee, supported by an Investment Advisor oversees the Trust's investments with the aim of restoring our investment portfolio value to its inflation-adjusted capital base over the long term.

The Trust's investment portfolio underperformed against the Trust's investment objective and the MSCI world index benchmark. Market volatility can occur from year to year and therefore the Trust's focus is on long term performance. Increased inflation, continued market volatility, the war in the Ukraine and other geopolitical challenges, have all impacted on investment returns in 2022/23.

The Trust's portfolio has historically had a balanced asset allocation, with an overall growth/defensive split of 65%/35%. This allocation did not provide the expected level of defense, as fixed income valuations have been impacted by the rapid increase in interest rates. The Trust's SIPO is under review, with an updated SIPO coming into effect in 2023/24.



**Community Trust South**  
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Indicator	2022-2023	2021-2022
Trust capital	\$239m (Target: \$293m)	\$248m (Target: \$275m)
Investment portfolio diversification	66.7% Growth Assets / 33.3% Income Assets (SIPO: 65%/35%)	65.1% Growth Assets / 34.9% Income Assets (SIPO: 65%/35%)
Investment portfolio return	-1.40% (SIPO objective: NZ CPI+4% rolling 10-year average 10.7%; Strategic Asset Allocation: -0.7%)	0.20% (SIPO NZ CPI+4% rolling 10-year average: 6.0%; Strategic Asset Allocation 4.1%)
Grants approved as percentage of Trust capital	2.56%	3.19%

**STRATEGIC OBJECTIVE:** Engage in effective and innovative philanthropy and grant making.

Our strategic vision provides the framework which we use to make granting decisions and outlines the direction we take for investing in community across our four strategic pou and associated priorities. We aim to ensure equitable access to opportunities throughout the Trust's rohe (region) through responding to needs and opportunities in our communities.

Providing a range of funding opportunities (general, major, and multi-year grants) helps us to target funding to meet our strategy, supporting both large and small community organisations and groups across a range of sectors through one off programme/project grants and operating grants as well as multiyear untagged operating support where there is strong alignment with our strategy. Ensuring awareness of, access to and diversity, equity and inclusion in our funding is achieved through strong community engagement (district visits, funding clinics and partnering with other funders).

Our special targeted funds include:

- *Tahua Pūtea ki ngā Papatipu Rūnaka* – developed in partnership with the four Papatipu Rūnaka of Murihiku in 2021 this \$320,000pa fund provides flexibility for Rūnaka to respond to whanau, hapū and Iwi wellbeing and aspirations.
- *Regional Sports Organisation & Compete Funds* - over \$650,000 assisted regional sports organisations to support hundreds of community clubs and local sporting groups across the South, encouraging more people to be physically active. It also helped premier sporting teams, arts, and cultural groups to participate outside the region and the hosting of premier events locally.
- *Principals' Discretionary Fund* - through an overall allocation of \$582,418 95 schools throughout the rohe were supported to ensure students have the opportunity to achieve their potential through enabling students experiencing financial hardship to participate in school activities, supporting schools to raise student achievement, address inequalities and/or reduce barriers to participation and enabling schools and students in isolated areas to have equity of opportunity to take part in educational, sporting and cultural opportunities.

We provide loans for community organisations as a way of producing measurable social impact and providing organisations with access to capital that might otherwise not be available. They also enable us to recycle our capital to assist other projects. In 2022/23 there were no new loans approved, however repayments were received on existing loans.

Indicator	2022-2023	2021-2022
Funding approved	\$6.1m (Grants budget: \$7.5m)	\$7.9m (Grants budget: \$8m)
Funding by Strategic pou:		
Health, Wellbeing & Active Lifestyles	\$2,712,638 (44.3%)	\$3,856,514 (48.7%)
Education	\$1,101,669 (18%)	\$1,389,780 (17.5%)
Art, Heritage & Culture	\$853,535 (13.9%)	\$929,577 (11.7%)
Community Development & Community Economic Development	\$1,459,693 (23.8%)	\$1,752,038 (22.1%)
Funding by Area by Territorial Authority		
Invercargill City Council (41.5% of rohe population <sup>2</sup> )	\$2,790,729 (45.5%)	\$3,599,239 (45.4%)
Southland District Council (23.8% of rohe population <sup>2</sup> )	\$1,567,305 (25.6%)	\$1,992,997 (25.1%)
Gore District Council (9.5% of rohe population <sup>2</sup> )	\$718,700 (11.7%)	\$744,565 (9.4%)
Queenstown Lakes District Council – Wakatipu (23.4% of rohe population <sup>2</sup> )	\$898,322 (14.7%)	\$1,518,121 (19.1%)



**Community Trust South**  
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Clutha District Council – West Otago (1.7% of rohe population <sup>2</sup> )	\$152,478 (2.5%)	\$72,987 (0.9%)
Funding by type		
General Granting (under \$75,000)	\$2,030,540 (33%)	\$2,522,373 (31.8%)
Major Grants (over \$75,000)	No Major Grant Round held	\$1.15m (14.5%)
Multi-year grants (Target: ≤45%)	\$2,482,612 (41%)	\$2,631,206 (33.2%)
Special Targeted Funds	\$1,540,132 (25%)	\$1,584,059 (20.0%)
Scholarships for individuals (Create, Sport & Leadership)	\$74,250 (1%)	\$40,271 (0.5%)
Community loans (Target: ≤ 5% of Trust capital)	5 loans \$3,103,125 (1.30%)	5 loans \$3,122,500 (1.26%)

**STRATEGIC OBJECTIVE: Demonstrate commitment to and understanding of Te Tiriti o Waitangi Principles**

In 2022 we developed Te Ara Titikaha – Our Te Tiriti o Waitangi Journey Strategic policy which sets out our commitment to Te Tiriti o Waitangi including how we will ensure Trustees and staff understand Te Tiriti o Waitangi principles, it also holds us accountable to action. Te Whai Hui, a sub-committee of the Board, assists the Trust in embedding our commitment into our culture and mahi. Enhancing collective understanding of Te Tiriti o Waitangi ensures we are better able to reflect our commitment in practice and throughout 2022/23 opportunities were provided for Trustees and staff to enhance their understanding and upskill in areas such as te reo and tikanga.

The Minister of Finance appoints Trustees, and to give effect to our commitment to Te Tiriti o Waitangi and the principle of partnership the Trust is committed to recommending a Manawhenua endorsed presence on the Board.

Engaging with Iwi and Māori kanohi ki te kanohi (face to face) helps to establish strong and enduring relationships and throughout 2022/23 we held a board meeting at Te Rau Aroha Marae, and two trustees and two staff attended a Foundation North hosted Combined Community Trusts Te Tiriti o Waitangi Ako, followed by attending Waitangi Day at Te Tii Waitangi Marae, Waitangi Treaty Grounds.

Indicator	2022-2023	2021-2022
Manawhenua endorsed Trustee	Achieved	Achieved
Trustees who whakapapa Māori	2 of 9	2 of 9
Kaupapa Māori organisations supported	9	7
Proportion of funding benefiting Māori (self-reported by applicant)	11% of total grant funding (Comparison to 12% CTS rohe Māori population <sup>2</sup> )	12.3% of total grant funding (Comparison 12% CTS rohe Māori population <sup>2</sup> )

**CLIMATE ACTION**

Climate change is one of the most significant issues and long-term challenges facing communities, our region and Aotearoa New Zealand. There is a pressing need to respond to climate change and philanthropy can play an active role. By signing the Aotearoa Funders Commitment on Climate Action in 2021 we committed to act. In 2022 we developed a strategic policy on Climate Action setting out our commitment and initial approach to climate change. We aim to achieve net zero carbon emissions by 2050 or sooner and the first step is to have action plans in place for our operations, granting and investment by the end of 2023. We have measured our operational carbon footprint and will begin work on our operational plan to reduce emissions during the 2023/24 year.

Indicator	2022-2023	2021-2022
Aotearoa Funders Commitment on Climate Action - Annual reporting	First report completed	Funders commitment signed

1. General business connection, pipeline, and attendance at (as opposed to just invited to) Invest South events.

2. Based on Statistics NZ populations estimates.

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**STATEMENTS OF COMPREHENSIVE REVENUE AND EXPENSE**

For the year ended 31 March 2023

		Group		Parent	
	Note	2023	2022	2023	2022
<b>Revenue</b>					
Dividends	12	1,709	1,438	1,402	1,144
Interest	3	811	303	808	303
Fair value gains/(losses) from managed funds	13	(4,258)	(771)	(4,258)	(771)
Other income		191	212	206	227
Share of profit from associates	15	528	579	-	-
Gains/(losses) from change in fair value of other investments	11	834	1,139	-	-
<b>Total Revenue</b>		<b>(185)</b>	<b>2,900</b>	<b>(1,842)</b>	<b>903</b>
<b>Operating Expenses</b>					
Investing activity expenses	4	2,052	2,039	1,340	1,507
Trust operating expenses	4	1,320	1,195	1,320	1,195
Grants committed to community groups	5	5,580	7,815	5,580	7,815
Discount on concessionary loans		33	(5)	33	(5)
<b>Total Expenses</b>		<b>8,985</b>	<b>11,044</b>	<b>8,273</b>	<b>10,512</b>
<b>Net Surplus/(Deficit) before taxation</b>		<b>(9,170)</b>	<b>(8,144)</b>	<b>(10,115)</b>	<b>(9,609)</b>
<b>Other Comprehensive Income</b>					
Property revaluation		-	407	-	407
<b>Total Comprehensive Income/(Deficit) for the year</b>		<b>(9,170)</b>	<b>(7,737)</b>	<b>(10,115)</b>	<b>(9,202)</b>
<b>Total Comprehensive Income/(Deficit) is attributed to:</b>					
Owners of the parent		(9,170)	(7,737)	(10,115)	(9,202)
		(9,170)	(7,737)	(10,115)	(9,202)

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**STATEMENTS OF CHANGES IN NET ASSETS/EQUITY**

For the year ended 31 March 2023

Group	Trust Capital	Capital Maintenance Reserve	Grants Maintenance Reserve	Asset Revaluation Reserve	Accumulated Revenue and Expense	Total
Opening balance at 1 April 2020	158,460	116,861	(19,677)	398	-	256,042
Total comprehensive revenue and expense	-				(7,737)	(7,737)
Transactions with owners						
Transfer to/(from) reserves	-	17,725	(25,869)	407	7,737	-
Closing balance at 31 March 2022	158,460	134,586	(45,546)	805	-	248,305
Total comprehensive revenue and expense	-	-	-	-	(9,170)	(9,170)
Transactions with owners						
Transfer to/(from) reserves	-	18,399	(27,569)	-	9,170	-
Closing balance at 31 March 2023	158,460	152,985	(73,115)	805	-	239,135
Parent	Trust Capital	Capital Maintenance Reserve	Grants Maintenance Reserve	Asset Revaluation Reserve	Accumulated Revenue and Expense	Total
Opening balance at 1 April 2021	158,460	98,420	(10,130)	398	-	247,148
Total comprehensive revenue and expense	-		-	-	(9,202)	(9,202)
Transactions with owners						
Transfer to/(from) reserves	-	17,725	(27,334)	407	9,202	-
Closing balance at 31 March 2022	158,460	116,145	(37,464)	805	-	237,946
Total comprehensive revenue and expense	-	-	-	-	(10,115)	(10,115)
Transactions with owners						
Transfer to/(from) reserves	-	18,399	(28,514)	-	10,115	-
Closing balance at 31 March 2023	158,460	134,544	(65,978)	805	-	227,831



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**STATEMENTS OF FINANCIAL POSITION**

As at 31 March 2023

	Note	Group		Parent	
		2023	2022	2023	2022
<b>Current Assets</b>					
Cash and cash equivalents		891	4,301	411	3,729
Accounts receivable	9	34	39	2	10
Other current assets		51	22	51	22
Loan receivables	10	1,075	63	1,075	63
<b>Total Current Assets</b>		<b>2,051</b>	<b>4,425</b>	<b>1,539</b>	<b>3,824</b>
<b>Non-Current Assets</b>					
Investment in managed funds	14	197,131	208,267	197,131	208,267
Investment in associates	15	2,486	1,958	-	-
Investment in equities	11	20,334	17,509	-	-
Loan receivables	10	21,963	22,515	20,226	20,491
Related party advances	22	-	-	13,570	11,570
Property, plant and equipment	17	1,370	1,350	1,362	1,340
<b>Total Non-Current Assets</b>		<b>243,284</b>	<b>251,599</b>	<b>232,289</b>	<b>241,668</b>
<b>Total Assets</b>		<b>245,335</b>	<b>256,024</b>	<b>233,828</b>	<b>245,492</b>
<b>Current Liabilities</b>					
Accounts payable (exchange transactions)		164	108	72	33
Other current liabilities		329	254	218	156
Grant obligations	8	3,504	4,737	3,504	4,737
<b>Total Current Liabilities</b>		<b>3,997</b>	<b>5,099</b>	<b>3,794</b>	<b>4,926</b>

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**STATEMENTS OF FINANCIAL POSITION**

As at 31 March 2023

	Note	Group		Parent	
		2023	2022	2023	2022
<b>Non-Current Liabilities</b>					
Grant obligations	8	2,203	2,620	2,203	2,620
<b>Total Non-Current Liabilities</b>		<b>2,203</b>	<b>2,620</b>	<b>2,203</b>	<b>2,620</b>
<b>Total Liabilities</b>		<b>6,200</b>	<b>7,719</b>	<b>5,997</b>	<b>7,546</b>
<b>Net Assets</b>		<b>239,135</b>	<b>248,305</b>	<b>227,831</b>	<b>237,946</b>
<b>Net Assets/Equity comprise:</b>					
Trust capital	6	158,460	158,460	158,460	158,460
Reserves	7	80,675	89,845	69,371	79,486
<b>Net Assets/Equity attributable to equity holders of parent</b>		<b>239,135</b>	<b>248,305</b>	<b>227,831</b>	<b>237,946</b>

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**STATEMENTS OF CASHFLOWS**

For the year ended 31 March 2023

	Group		Parent	
	2023	2022	2023	2022
<b>Cash Flows from Operating Activities</b>				
Receipts from:				
Receipts from customers	-	-	15	9
Interest and dividends	1,442	1,736	1,131	1,442
Foreign exchange	4,530	572	4,530	572
Grants/Scholarships repaid	13	39	13	39
Other income	-	-	1	2
<b>Total cash inflows from operating activities</b>	<b>5,985</b>	<b>2,347</b>	<b>5,690</b>	<b>2,064</b>
Payments to:				
Suppliers, trustees and staff	2,561	2,669	2,090	2,271
Other expenses	641	466	432	382
Foreign exchange	4,269	2,138	4,269	2,138
Grants to community organisations	7,235	6,575	7,235	6,575
<b>Total cash outflows from operating activities</b>	<b>14,706</b>	<b>11,848</b>	<b>14,026</b>	<b>11,366</b>
<b>Net cash (outflow) from operating activities</b>	<b>(8,721)</b>	<b>(9,501)</b>	<b>(8,336)</b>	<b>(9,302)</b>
<b>Cash Flows from Investment Activities</b>				
Receipts from:				
Investment in managed funds	14,885	34,773	14,885	34,773
Loan receivable repayments	307	1,507	19	1,270
<b>Total cash inflow from investing activities</b>	<b>15,192</b>	<b>36,280</b>	<b>14,905</b>	<b>36,043</b>
Payments to:				
Investment in unlisted equities	1,994	1,368	-	-
Investment in managed funds	7,837	934	7,837	934
Loan receivable advances	-	20,247	-	20,247
Associated party advance	-	-	2,000	1,840
Property, plant and equipment	50	21	49	14
<b>Total cash outflow from investing activities</b>	<b>9,881</b>	<b>22,570</b>	<b>9,887</b>	<b>23,035</b>
<b>Net cash (outflow) from investing activities</b>	<b>5,311</b>	<b>13,710</b>	<b>5,018</b>	<b>13,008</b>
<b>Net Increase / (Decrease) in Cash held</b>	<b>(3,410)</b>	<b>4,209</b>	<b>(3,318)</b>	<b>3,706</b>
Add cash at beginning of year	4,301	92	3,729	23
<b>Total Cash Balance at End of Year</b>	<b>891</b>	<b>4,301</b>	<b>411</b>	<b>3,729</b>
<b>Represented by</b>				
Cash and cash equivalents	891	4,301	411	3,729
<b>Total Cash Balance</b>	<b>891</b>	<b>4,301</b>	<b>411</b>	<b>3,729</b>



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**STATEMENT OF ACCOUNTING POLICIES AND EXPLANATORY NOTES**

**1. Reporting entity**

The financial statements represented are those for the reporting entity Community Trust South (the "Parent"), its subsidiaries and associates (together the "Group").

Community Trust South ("the Trust") was formed under the Trustee Banks Restructuring Act 1988 and was incorporated under the Charitable Trusts Act 1957.

The financial statements comply with the Financial Reporting Act 2013 and the Community Trusts Act 1999.

These financial statements have been approved for issue by the Trustees on 23 August 2023.

**2. Statement of Accounting Policies**

**Statement of Compliance**

The financial statements of the group have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). The Parent and Group are considered public benefit entities for financial reporting purposes.

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand and comply with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities.

The group qualifies and has elected to prepare financial statements as a Tier 2 reporting entity as total expenditure is less than \$30 million, and the group is not considered publicly accountable as defined by XRB A1.

**(a) Basis of preparation**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

*(i) Historical cost convention*

The financial statements have been prepared on the basis of historical cost as modified by the revaluation of certain assets as identified in specific accounting policies below.

*(ii) Presentation and functional currency*

These financial statements are presented in New Zealand dollars, which is the Parent and Group's functional and presentation currency. All figures are rounded to the nearest thousand dollars.

*(iii) Going concern assumption*

These financial statements have been prepared on a going concern basis.

*(iv) Selection of accounting policies*

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

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**2. Statement of Accounting Policies (continued)**

*(v) Critical Accounting Estimates & Judgements*

In the application of NZ PBE IPSAS management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ to these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revisions affect only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and key sources of estimate uncertainty:

- *Assessing impairment of investments*

The group follows the guidance in PBE IPSAS 26 and PBE IPSAS 29 to determine when an investment is impaired. The determination requires significant judgement. In making this judgement, the group evaluates, among other factors, the duration and extent to which the recoverable amount of an investment is less than its carrying value; and the financial health of and short-term business outlook of the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

- *Assessing fair value of financial instruments*

Judgement is required in calculating the fair value of financial instruments. Fair value is based on inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). Refer to note 19.

**(b) Principles of consolidation**

The Group financial statements incorporate the financial statements of the Trust and all entities controlled by the Trust (its subsidiaries) that comprise the Group, being Community Trust South (the parent entity) and its controlled entities, Invest South GP Limited and Invest South Limited Partnership.

Controlled entities are all those entities over which the Group has the power to govern the financial and operating policies of other entities so as to benefit from that entity's activities.

Controlled entities which form part of the Group are consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of controlled entities by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the Group's share of the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the surplus or deficit.

Intercompany transactions, balances, and unrealised gains on transactions between subsidiary companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

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**2. Statement of Accounting Policies (continued)**

*(i) Transactions with minority interests*

The Group treats transactions with minority interests as transactions with equity owners of the Group. For purchases from minority interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to minority interests are also recorded in equity.

*(ii) Associates*

Associates are all entities over which the Group has significant influence but not control, generally evidenced by a holding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its associates' post-acquisition profits or losses is recognised in the surplus or deficit for the year, and its share of post-acquisition movements in reserves is recognised in other comprehensive revenue and expense. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in the surplus or deficit for the year.

**(c) Income tax**

The Parent is exempt from income tax under section CW52 of the Income Tax Act 2007.

The Group's current year income tax for the period is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

**(d) Exchange revenue**

Exchange revenue is measured at the fair value of the consideration received or receivable. Such revenue is reduced for estimated customer returns, rebates and other similar allowances.

*(i) Sales of services*

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.



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**2. Statement of Accounting Policies (continued)**

*(ii) Interest income*

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loan and receivables are recognised using the original effective interest rate.

*(iii) Dividend income*

Dividend income is recognised when the right to receive payment is established.

**(e) Non-exchange revenue**

The recognition of non-exchange revenue from grants, donations, legacies, and bequests depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue. Stipulations that are conditions that specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the conditions are satisfied. Stipulations may exist that are in essence restrictions - which do not specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated. Such stipulations therefore do not result in the recognition of a non-exchange liability and do result in the immediate recognition of non-exchange revenue.

**(f) Goods and Services Tax (GST)**

The statements of comprehensive revenue and expense have been prepared so that all components are stated exclusive of GST. All items in the statements of financial position are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

**(g) Impairment of non financial assets**

All non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Cash-generating assets are assets held with the primary objective of generating a commercial return. An asset generates a commercial return when it is deployed in a manner consistent with that adopted by a profit-oriented entity.

For cash generating assets, value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the assets.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach - depending on the nature of the asset and impairment, and the availability of information.

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**2. Statement of Accounting Policies (continued)**

**(h) Property, plant & equipment**

Property, plant, and equipment are those assets held by the Group for the purpose of carrying on its business activities on an ongoing basis.

All plant and equipment are stated at cost less depreciation and impairment. The cost of purchased assets includes the original purchase consideration given to acquire the assets, and the value of other directly attributable costs that have been incurred in bringing the assets to the location and condition necessary for their intended service.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All repairs and maintenance are charged to the statements of comprehensive revenue and expenses during the financial period in which they are incurred.

Depreciation is charged so as to write off the cost of assets, other than freehold land, over their estimated useful lives, using the straight-line or diminishing value method. The estimated useful lives, residual values and depreciation methods are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The following rates have been used:

Buildings	1.5-12.5%	Straight line
Plant & equipment	8-80%	Straight line
Leasehold alterations	3-40%	Straight line
Office equipment	8-67%	Straight line

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the surplus or deficit for the year.

Land and buildings are measured at fair value and were revalued at 31 March 2022. Fair value is determined on the basis of an independent valuation prepared by external valuation experts, based on a discounted cash flows or capitalisation of net income approach. The fair values are recognised in the financial statements of the Trust and are reviewed at the end of each reporting period to ensure the carrying value of land and buildings is not materially different from their fair values.

Any revaluation increase arising on the revaluation of land and buildings is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense in surplus or deficit, in which case the increase is credited to the surplus or deficit to the extent of the decrease previously charged. A decrease in the carrying amount arising on the revaluation of land and buildings is charged as an expense in the surplus or deficit to the extent it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of the asset.

Depreciation on revalued buildings is charged to surplus or deficit. On the subsequent sale of the revalued property, the attributable revaluation surplus remaining in the asset revaluation reserve, net of any related deferred taxes, is transferred directly to retained earnings.



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**2. Statement of Accounting Policies (continued)**

**(i) Trade and other receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off as bad debts in the period in which they are identified. A provision for doubtful receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the surplus or deficit.

**(j) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, bank overdrafts, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(k) Currency translation**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

**(l) Employee entitlement**

Liabilities for wages and salaries (including non-monetary benefits and annual leave) to be settled within 12 months of the reporting date are recognised in employee entitlements in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

**(m) Investments in subsidiaries and associates**

Investment in subsidiaries and associates in the parent financial statements are stated at cost less any impairment losses.

**(n) Trade and other payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or in the normal operating cycle of the business if longer. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**(o) Statements of cash flows**

The Statements of Cash Flows are prepared exclusive of goods and services tax (GST), which is consistent with the method used in the statements of comprehensive income.

'Operating activities' represents all transactions and other events that are not investing or financing activities.

'Investing activities' are those activities relating to the acquisition and disposal of property, plant & equipment and investments.

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**2. Statement of Accounting Policies (continued)**

**(p) Financial assets and liabilities**

*(i) Investments*

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are recognised at fair value through surplus or deficit.

*(ii) Financial assets*

Financial assets are classified into the following specified categories; financial assets “at fair value through surplus or deficit” (or “FVTSD”), “held to maturity” investments, “available for sale” financial assets, and “loans and receivables”. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

*(iii) Financial assets at fair value through surplus or deficit*

The Group classifies its managed funds and investments in listed and unlisted equities as financial assets at fair value through surplus or deficit. These financial assets are designated by management at fair value through surplus or deficit at inception.

Financial assets designated at fair value through surplus or deficit at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Trust’s documented investment strategy and for which information is provided internally to key management personnel on that basis.

Regular-way purchases and sales of managed funds are recognised on the trade date - the date on which the Group commits to purchase or sell the investment. Investments are derecognised when the rights to receive cash flows from the managed funds have expired or the Group has transferred substantially all risks and rewards of ownership.

Financial assets at fair value through surplus or deficit are initially recognised at fair value. Transaction costs are expensed in the surplus or deficit. Subsequent to initial recognition, all financial assets at fair value through surplus or deficit are measured at fair value. Gains and losses arising from changes in the fair value are presented in the surplus or deficit in the period in which they arise. Interest income from financial assets at fair value through surplus or deficit is recognised in the surplus or deficit as part of the gains and losses arising from changes in the fair value. Dividend income from financial assets at fair value through surplus or deficit is recognised in the surplus or deficit as part of the gains and losses arising from changes in the fair value when the Group’s right to receive payments is established.

*(iv) Loans and receivables*

Loans and Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Accounts receivable, advances to third parties, short term deposits and trust advances are carried at amortised cost using the effective interest method less impairment.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or where appropriate, a shorter period, to the net carrying amount of the financial asset.

Concessionary loans issued are loans issued to third parties at rates and/or terms below market. Any difference between fair value and transaction price of the concessionary loan at initial recognition is recognised as a finance cost in surplus or deficit.



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**2. Statement of Accounting Policies (continued)**

*(v) Available for sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

*(vi) Impairment of financial assets*

Financial assets, other than those at fair value through surplus or deficit, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of accounts receivable where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in surplus or deficit.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through surplus or deficit to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

*(vii) Other financial liabilities*

Other liabilities include accounts payable and grants committed not paid.

Other financial liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount of the financial liability.

**3. Interest**

Cash and cash equivalents  
Interest on managed funds

Group		Parent	
2023	2022	2023	2022
-	-	-	-
811	303	808	303
<b>811</b>	<b>303</b>	<b>808</b>	<b>303</b>

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**4. Investing Activity and Trust Expenses**

The breakdown of expenses into investing activity costs and Trust operating costs for the group for the year ended 31 March 2023 is as follows:

Group	Note	Investing Activity Expenses	Trust Operating Expenses	Total Group
Trustee fees	18	-	160	160
Director fees		143	-	143
Employee entitlements		335	643	978
Fund manager fees		1,340	-	1,340
Depreciation/Amortisation		3	27	30
Audit of financial statements - KPMG		50	44	94
Legal expenses		-	52	52
Administration expenses		181	394	575
		<b>2,052</b>	<b>1,320</b>	<b>3,372</b>

The breakdown of expenses into investing activity costs and Trust operating costs for the group for the year ended 31 March 2022 is as follows:

Group	Note	Investing Activity Expenses	Trust Operating Expenses	Total Group
Trustee fees	18	-	154	154
Director fees		139	-	139
Employee entitlements		220	634	854
Fund manager fees		1,507	-	1,507
Depreciation/Amortisation		2	35	37
Audit of financial statements - PricewaterhouseCoopers		48	33	81
Legal expenses		3	12	15
Administration expenses		120	327	447
		<b>2,039</b>	<b>1,195</b>	<b>3,234</b>

The breakdown of expenses into investing activity costs and Trust operating costs for the parent for the year ended 31 March 2023 is as follows:

Parent	Note	Investing Activity Expenses	Trust Operating Expenses	Total Parent
Trustee fees	18	-	160	160
Employee entitlements		-	643	643
Fund manager fees		1,340	-	1,340
Depreciation/Amortisation		-	27	27
Audit of financial statements - KPMG		-	44	44
Legal expenses		-	52	52
Administration expenses		-	394	394
		<b>1,340</b>	<b>1,320</b>	<b>2,660</b>

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**4. Investing Activity and Trust Expenses (continued)**

The breakdown of expenses into investing activity costs and Trust operating costs for the parent for the year ended 31 March 2022 is as follows:

Parent	Note	Investing Activity Expenses	Trust Operating Expenses	Total Parent
Trustee fees	18	-	154	154
Employee entitlements		-	634	634
Fund manager fees		1,507	-	1,507
Depreciation/Amortisation		-	35	35
Audit of financial statements - PricewaterhouseCoopers		-	33	33
Legal expenses		-	12	12
Administration expenses		-	327	327
		<b>1,507</b>	<b>1,195</b>	<b>2,702</b>

**5. Grants**

Grants to eligible organisations are recognised as an expense in the Statement of Comprehensive Revenue and Expense when they are approved by the Trustees of the Group. Payments to grant recipients are made on the satisfaction of specified funding conditions. Grants covering multiple years are recognised as a commitment in principal for future years.

	Group		Parent	
	2023	2022	2023	2022
Grants approved in current year	6,128	7,928	6,128	7,928
Grants withdrawn for current year	(9)	(50)	(9)	(50)
Grant withdrawn in prior years	(170)	(45)	(170)	(45)
Grants repaid	(6)	(21)	(6)	(21)
Scholarships repayable	-	(5)	-	(5)
Grants approved in principal relating to future years	(363)	8	(363)	8
	<b>5,580</b>	<b>7,815</b>	<b>5,580</b>	<b>7,815</b>

**6. Trust Capital**

Opening and closing balance	158,460	158,460	158,460	158,460
	<b>158,460</b>	<b>158,460</b>	<b>158,460</b>	<b>158,460</b>

Trust Capital represents the realised value of its original asset, being shares in Trust Bank New Zealand.

**7. Reserves**

Capital maintenance reserve	152,985	134,586	134,544	116,145
Grants maintenance reserve	(73,115)	(45,546)	(65,978)	(37,464)
Asset revaluation reserve	805	805	805	805
	<b>80,675</b>	<b>89,845</b>	<b>69,371</b>	<b>79,486</b>

*(i) Capital Maintenance Reserve*

The Capital Maintenance Reserve represents the additional amount necessary to preserve the real value of the Trust Capital allowing for inflation as measured by the Consumers Price Index (all groups).



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**7. Reserves (continued)**

*(ii) Grants Maintenance Reserve*

The Grants Maintenance Reserve indicates whether the Trust has maintained a grants reserve over the inflation adjusted capital base. The negative reserve indicates that grants have been distributed out the inflation adjusted capital base. In years when net income from investments is higher than both inflation and granting levels, surplus income is transferred to this reserve. In years when both inflation and granting levels are higher than net investment income, the resulting deficit further decreases this reserve.

*(iii) Asset Maintenance Reserve*

The Asset Revaluation Reserve reflects the gains/(losses) resulting from the revaluation of land and buildings. These movements in fair value are reflected through the Statement of Comprehensive Revenue and Expense.

**8. Grant Obligations**

Grants approved by the Board but unpaid at balance date are recognised as Current Liabilities. For grants that cover multiple years, the portion that relates to future years, which have been approved in principal by the board are recognised as Non-Current Liabilities.

Commitments of \$5,706,612 (2022: \$7,356,944) exist for grants of the Group and \$5,706,612 (2022: \$7,356,944) for the Parent which will be distributed from either capital or income sources in future years.

	Group		Parent	
	2023	2022	2023	2022
Balance at 1 April	7,357	6,091	7,357	6,091
Grants approved in current year	6,128	7,928	6,128	7,928
Grants paid in current year	(7,235)	(6,575)	(7,235)	(6,575)
Grants approved in principal relating to future years	(363)	8	(363)	8
Grants withdrawn for current year	(9)	(50)	(9)	(50)
Grants withdrawn for prior years	(171)	(45)	(171)	(45)
	<b>5,707</b>	<b>7,357</b>	<b>5,707</b>	<b>7,357</b>
The years in which these commitments fall due are as follows:				
Current	3,504	4,737	3,504	4,737
Within 1-2 years	1,532	1,749	1,532	1,749
Within 2-3 years	671	871	671	871
	<b>5,707</b>	<b>7,357</b>	<b>5,707</b>	<b>7,357</b>

**9. Accounts Receivable**

Trade receivables	34	39	2	10
Allowance for doubtful debts	-	-	-	-
	<b>34</b>	<b>39</b>	<b>2</b>	<b>10</b>

The allowance for doubtful debts in relation to trade receivables is provided for based on estimated irrecoverable amounts determined by reference to current customer circumstances and past default experience. In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the reporting date.

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	Group		Parent	
	2023	2022	2023	2022
<b>10. Loan Receivables</b>				
Loans	23,106	22,613	21,369	20,589
Discount provision	(67)	(35)	(67)	(35)
	<b>23,038</b>	<b>22,578</b>	<b>21,302</b>	<b>20,554</b>
Loans to unlisted equity entities/associates	1,737	2,024	-	-
Concessionary loans to community groups	236	288	236	288
Impact Investment Loan	21,066	20,266	21,066	20,266
	<b>23,038</b>	<b>22,578</b>	<b>21,302</b>	<b>20,554</b>
Current portion	1,075	63	1,075	63
Non-current portion	21,963	22,515	20,226	20,491
	<b>23,038</b>	<b>22,578</b>	<b>21,302</b>	<b>20,554</b>
Loan receivables to entities where the Group are also a shareholder are interest free. One of these is repayable upon 12 month notice period, the other loan is repayable at the discretion of the company.				
<b>Concessionary Loans to Community Groups</b>				
South Catlins Charitable Trust	116	126	116	126
South Alive Centre	150	150	150	150
Te Anau Boat Club	38	47	38	47
Face value of loans outstanding	<b>303</b>	<b>323</b>	<b>303</b>	<b>323</b>
Discount Provision	(67)	(35)	(67)	(35)
Total concessionary loans	<b>236</b>	<b>288</b>	<b>236</b>	<b>288</b>
Opening balance	288	1,299	288	1,299
Amounts advanced	-	247	-	247
Amounts repaid	(19)	(1,270)	(19)	(1,270)
Interest charged	-	7	-	7
Unwinding of discount recognised in surplus/deficit	(33)	5	(33)	5
Closing balance	<b>236</b>	<b>288</b>	<b>236</b>	<b>288</b>

Generally concessionary loans are at below market interest rates and may be interest free. To comply with PBE Standards, concessionary loans have been discounted to present value at the assessed market rate of 8.39% (2022: 5.24%). This has resulted in \$32,732 being recorded as an expense this year (2022: Income of \$4,604). The discount is unwound when loans are repaid and this is reflected in the Statement of Comprehensive Revenue and Expenses.

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	Group		Parent	
	2023	2022	2023	2022
10. Loan Receivables (continued)				
Impact Investment Loan				
Invercargill Central Ltd (ICL)	21,066	20,266	21,066	20,266
	<u>21,066</u>	<u>20,266</u>	<u>21,066</u>	<u>20,266</u>

Impact investments are investments made with the intent to generate a measurable positive social or environment impact alongside an investment return and on the basis that the value of the expected social or environment impact exceeds the value of any lost investment return. The ICL investment is for a 10 year term, with an interest rate of 4%pa on the original \$20,000,000 investment. The investment is recorded at cost plus accrued interest to date.

11. Investment in Unlisted Equities

Investment in Unlisted Equities	20,334	17,509	-	-
	<u>20,334</u>	<u>17,509</u>	<u>-</u>	<u>-</u>

Investments in unlisted equities are shown at fair value

Gain/(losses) from change in fair value of investments

Investments in Unlisted equities	834	1,139	-	-
	<u>834</u>	<u>1,139</u>	<u>-</u>	<u>-</u>

12. Revenue

Dividends	1,709	1,438	1,402	1,144
	<u>1,709</u>	<u>1,438</u>	<u>1,402</u>	<u>1,144</u>

13. Fair value gains/(losses) from managed funds

Unrealised gains / (losses) from change in fair value of managed funds	(5,182)	(4,336)	(5,182)	(4,336)
Realised gains/(losses) from change in fair value of management funds	331	6,877	331	6,877
Unrealised gains/(losses) from foreign exchange	308	(1,438)	308	(1,438)
Realised gains/(losses) from foreign exchange	284	(1,873)	284	(1,873)
	<u>(4,258)</u>	<u>(771)</u>	<u>(4,258)</u>	<u>(771)</u>



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**14. Managed Funds**

The Group has funds with 12 investment managers (fund managers) at 31 March 2023 as follows:

- Direct Capital
- Fisher Funds
- Hunter Investment Management
- Hyperion
- Magellan Global Fund
- Milford Asset Management
- Mint Asset Management
- Morrison & Co
- Pioneer Capital Limited Partnership
- Platinum
- Resolution Capital
- Waterman Fund

The fair value of the managed funds investments as at 31 March 2023 was as follows:

	BNZ	Direct	Fisher	Hunter	Hyperion	Magellan	Milford	Mint	Morrison	Pioneer	Pioneer	Platinum	Resolution	Waterman	Total
	Forex	Capital	Funds	Fund				Asset	& Co	Capital	Capital	Capital	Capital		
										II	IV				
Australasian equities	-	-	-	-	-	-	-	30,977	-	-	-	-	-	-	30,977
Overseas equities	-	-	-	-	13,012	14,420	16,576	-	-	-	-	29,557	-	-	73,563
NZ fixed interest	-	-	20,536	-	-	-	-	-	-	-	-	-	-	-	20,536
Overseas fixed interest	-	-	-	26,491	-	-	-	-	-	-	-	-	-	-	26,491
Foreign exchange contracts	392	-	-	-	-	-	-	-	-	-	-	-	-	-	392
Cash	-	-	12,732	-	-	-	-	-	-	-	-	-	-	-	12,732
Private Equity	-	16	-	-	-	-	-	-	-	754	1,029	-	-	910	2,708
Infrastructure	-	-	-	-	-	13,682	-	-	7,627	-	-	-	-	-	21,309
Property	-	-	-	-	-	-	-	-	-	-	-	-	8,422	-	8,422
<b>Total</b>	<b>392</b>	<b>16</b>	<b>33,268</b>	<b>26,491</b>	<b>13,012</b>	<b>28,101</b>	<b>16,576</b>	<b>30,977</b>	<b>7,627</b>	<b>754</b>	<b>1,029</b>	<b>29,557</b>	<b>8,422</b>	<b>910</b>	<b>197,131</b>

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**14. Managed Funds (continued)**

The fair value of the managed funds investments as at 31 March 2022 was as follows:

	BNZ Forex Capital	Direct Capital	Fisher Funds	Hunter Fund	Hyperion	Magellan Global Equity	Milford	Mint Asset	Morrison & Co	Pioneer Capital	Pioneer Capital	Platinum Capital	Resolution Capital	Waterman	Total
										II	IV				
Australasian equities	-	-	-	-	-	-	-	31,132	-	-	-	-	-	-	31,132
Overseas equities	-	-	-	-	14,820	15,651	17,026	-	-	-	-	25,070	-	-	72,567
NZ fixed interest	-	-	20,762	-	-	-	-	-	-	-	-	-	-	-	20,762
Overseas fixed interest	-	-	-	29,246	-	-	-	-	-	-	-	-	-	-	29,246
Foreign exchange contracts	[396]	-	-	-	-	-	-	-	-	-	-	-	-	-	[396]
Cash	-	-	17,139	-	-	-	-	-	-	-	-	-	-	-	17,139
Private Equity	-	151	-	-	-	-	-	-	-	1,118	907	-	-	1,635	3,811
Infrastructure	-	-	-	-	-	15,110	-	-	7,903	-	-	-	-	-	23,013
Property	-	-	-	-	-	-	-	-	-	-	-	-	10,993	-	10,993
<b>Total</b>	<b>(396)</b>	<b>151</b>	<b>37,901</b>	<b>29,246</b>	<b>14,820</b>	<b>30,761</b>	<b>17,026</b>	<b>31,132</b>	<b>7,903</b>	<b>1,118</b>	<b>907</b>	<b>25,070</b>	<b>10,993</b>	<b>1,635</b>	<b>208,267</b>

Exposure to currency, interest rate and credit risk arises in the normal course of the fund managers' management of the managed funds. A range of hedging policies are in place whereby the fund managers use derivative financial instruments as a means of managing exposure to fluctuations in foreign exchange rates and interest rates. While these financial instruments are subject to the risk of market rates changing subsequent to acquisition, such changes would generally be offset by opposite effects and the items being hedged.

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**14. Managed Funds (continued)**

**Fair Value Measurement**

The following table details the basis for the valuation of financial assets measured at fair value. This includes those financial assets that are fair valued through the surplus or deficit. Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair Value may be determined using different methods depending on the type of asset.

Asset category	Basis of fair value measurement
Australasian equities - Platinum, Mint, Magellan, Resolution Capital, Hyperion, Milford	Based on quoted market prices at the balance sheet date
Overseas equities - Platinum, Magellan, Resolution Capital, Hyperion, Milford	Based on quoted market prices at the balance sheet date
New Zealand equities & infrastructure - Morrison	Based on quoted market prices at the balance sheet date
NZ fixed interest - Fisher Funds	Based on quoted market prices at the balance sheet date where such quoted market prices are available, and otherwise based on valuation techniques that maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates
NZ cash - Fisher Funds	
Foreign exchange contracts - BNZ	
Overseas fixed interest - Hunter	
Australasian private equities - Pioneer, Morrison, Direct Capital, Waterman	The fair value is based on net asset value of the private equity partnership, determined using valuation techniques such as market multiples, discounted cashflows and precedent transactions using observable inputs where available.

**15. Investment in Associates**

Associates	Percentage Held 2023	Percentage Held 2022	Balance Date	Principal Activity	Consolidated 2023	Carrying Amount 2022
New Zealand Beeswax Limited	39.2%	39.2%	31 March	Beeswax processing and manufacturing	2,486	1,958

The entity is incorporated in New Zealand.

*Movements in carrying amounts*

	Group		Parent	
	2023	2022	2023	2022
Balance at 1 April	1,958	1,379	-	-
Share of associate earnings	528	579	-	-
Balance at 31 March	2,486	1,958	-	-



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**16. Investment in Subsidiaries**

The consolidated financial statements incorporate the assets, liabilities, and results of the following subsidiaries in accordance with the accounting policy described in note 2(b):

Subsidiaries are incorporated in New Zealand.

Subsidiaries	Percentage Held		Balance	Principal Activity
	2023	2022	Date	
Invest South GP Limited	100%	100%	31 March	Investment management services
Invest South Limited Partnership	100%	100%	31 March	Private equity investment

**17. Property, Plant and Equipment**  
**Group**

	Land	Buildings	Equipment	Furniture & Fitting	Motor vehicles	Total
Cost or Valuation as at 1 April 2022	585	772	94	209	0	1,660
Additions	-	-	7	1	41	49
Revaluation	-	-	-	-	-	-
Unwinding Asset Valuations	-	-	(7)	-	-	(7)
Cost or Valuation at 31 March 2023	585	772	95	210	41	1,704
Accumulated depreciation at 1 April 2022	-	72	72	166	-	311
Depreciation	-	11	12	6	1	30
Unwinding Accumulated Depreciation	-	-	(7)	-	-	(7)
Accumulated depreciation at 31 March 2023	-	83	78	172	1	334
Net book value 31 March 2022	585	700	22	43	43	1,350
Net book value 31 March 2023	585	690	17	38	40	1,370

Parent	Land	Buildings	Equipment	Furniture & Fitting	Motor vehicles	Total
Cost or Valuation as at 1 April 2022	585	772	95	190	-	1,642
Additions	-	-	7	1	41	49
Revaluation	-	-	-	-	0	0
Unwinding Asset Valuations	-	-	(7)	-	-	(7)
Cost or Valuation at 31 March 2023	585	772	95	191	41	1,685
Accumulated depreciation at 1 April 2022	-	72	73	157	-	303
Depreciation	-	11	12	3	1	27
Unwinding Accumulated Depreciation	-	-	(7)	-	-	(7)
Accumulated depreciation at 31 March 2023	-	83	78	161	1	323
Net book value 31 March 2022	585	700	22	33	33	1,340
Net book value 31 March 2023	585	690	17	31	40	1,362

A revaluation of freehold land and buildings was completed in March 2022. The values listed are those calculated by Chadderton Valuation, an independent valuer at that date less an annual depreciation allowance. Refer to the policy which is outlined within Note 2(h).

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**18. Key Management Personnel**

The compensation of the Executives, Trustees & Directors, being the key management personnel is set out below:

	Group		Parent	
	2023	2022	2023	2022
Short term employee benefits - Executives	358	343	170	165
Trustee fees - Trustees	160	154	160	154
Directors fees - Directors	143	139	-	-
	<b>661</b>	<b>636</b>	<b>330</b>	<b>319</b>
Key management comprised the following number of FTEs				
Executives	2.00	1.67	1.00	1.00
Trustees	1.00	1.00	1.00	1.00
Directors	0.27	0.27	-	-
	<b>3.27</b>	<b>2.94</b>	<b>2.00</b>	<b>2.00</b>

**18. Key Management Personnel (continued)**

Trustee fees are set by the Minister of Finance at a fixed annual amount. Trustee remuneration as follows:

	2023	2022
Aimee Kaio (appointed October 2022)	7	-
Bill Moran	30	20
David Goble	17	16
Kirsty Pickett (appointed September 2020)	19	16
Leanne Samuel (appointed August 2021)	15	9
Leon Hartnett (appointed August 2021)	15	9
Lindsay Wright (retired August 2021)	-	5
Louise Fowler (appointed September 2020)	15	14
Mata Cherrington (retired August 2022)	12	23
Mel Montgomery (appointed August 2021)	15	9
Michael Wilson (retired November 2021)	-	8
Stephen Canny	15	14
Trish Boyle (retired August 2021)	-	11
	<b>160</b>	<b>154</b>

The Board approved the implementation of external committee members for both the Audit, Finance and Risk Committee and the Investment Committee. Remuneration was paid as follows:

Kathryn Ball (appointed July 2021 - AFRM Chair)	6	3
Ross Jackson (retired July 2021 - AFRM Chair)	-	4
Andrew Johnson (appointed August 2022 - Investment Committee member)	17	-
	<b>23</b>	<b>7</b>

**19. Financial Instruments**

**Financial Risk Management**

The Group's activities expose it to a variety of financial risks including market risk (including fair value interest rate risk, cash flow interest rate risk, currency risk, and equity price risk), credit risk and liquidity risk.

The Group has policies to manage the risks associated with financial instruments. The Group is risk averse and seeks to minimise exposure from its treasury activities. The Group has established investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

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#### 19. Financial Instruments (continued)

##### Market Risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and equity prices. There has been no change to the Group's exposure to market risks or in the manner it manages and measures the risk.

The investment valuations are based on the prevailing economic, market and other conditions as at 31 March 2023. Such conditions can change significantly over relatively short periods of time. The situation is continuing to evolve, and many uncertainties remain as to the effect that it will have on the Group and the broader domestic and global economies.

The measures the Trustees have put in place to manage these risks are:

- to retain an investment advisor to advise the Trust as to appropriate investment objectives, policies, and strategies;
- to use external fund managers to undertake the management of the investments; and
- to operate a widely diversified portfolio of investments.

##### (i) Fair Value Interest Rate Risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group's exposure to fair value interest rate risk is limited to its fixed rate cash at bank and fixed rate cash and fixed interest deposits with fund managers.

##### (ii) Cash Flow Interest Rate Risk

Cash flow interest rate risk is the risk that the cash flows from a variable rate financial instrument will fluctuate because of changes in market interest rates. Investments issued at variable interest rates expose the Group to cash flow interest rate risk.

##### (iii) Currency Risk

Currency risk is the risk that the value of a foreign currency denominated financial instrument will fluctuate due to changes in foreign exchange rates.

Foreign exchange risk arises from transactions and recognised assets that are denominated in a currency that is not the Group's presentation currency.

##### (iv) Equity Price Risk

The Group is exposed to equity price risk. This arises from managed funds held by the Trust and classified as financial assets at fair value through surplus or deficit.

##### Credit Risk Management

Credit risk is the risk that a third party will default on its obligation to the Group, causing the Group to incur a loss.

The Group from time to time has significant funds in trading bank deposits. The Group limits risk by spreading the deposits over several trading banks. The Group has not required collateral or other security to support its financial instruments. The Group further limits risk through its policy of placing managed funds with eleven separate fund managers, with each fund manager having an investment mandate which requires that they diversify their instruments on the Group's behalf. The Group has sought and obtained the advice of professional investment advisors prior to making its investment allocations and placement decisions.



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## Performance Report

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#### 19. Financial Instruments (continued)

##### Liquidity Risk Management

Liquidity risk is the risk that the Group will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, the Group maintains a target level of investments that collectively provide liquidity equivalent to an average level of two years' grant distributions allowing for expected interest income.

##### Capital Risk Management

The Group's objective when managing Group capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns for the community. The capital structure of the Group consists of Group capital and reserves. The Trustees review the Trust funds and risks associated with the Trust funds, with advice and guidance from the Trust's investment advisor.

Following the sale of the Trust's shares in Trust Bank New Zealand Limited in April 1996 for \$158,460,000, the Trustees agreed that the value of the Trust at that time should be maintained for the benefit of current and future generations living in the region. For this purpose the Trustees agreed that \$158,460,000 would be considered as the "Trust Capital" value of the Trust. Trustees further agreed that over the long term the net assets of the Trust would not be allowed to reduce to a level below the inflation-adjusted real value of this Trust Capital.

The Trustees have adopted an investment strategy with a targeted long term real annual rate of return of 4.0% (after inflation) of the Trust's capital value. Recognising that actual returns are likely to fluctuate from year to year, the Trust retains the variation from the target in Trust funds so that in years when investment returns are less than the target sufficient funds are available to meet expenditure and make distributions. If the Trust fund falls below the value that needs to be maintained for the benefit of current and future generations, the level of expenditure and distributions are reviewed by the Trust.

The Trust's present grants policy is to distribute annually as grants an amount equivalent to 3.25% of the Trust's actual capital base. This amount has been calculated based on the Trustees' long-term investment expectations, together with the objective of maintaining the capital value of the fund for the benefit of current and future generations. The need to rebuild capital, and the robustness of the community sector in the Trust's area, will be considerations in any decision to increase or decrease the grants budget. As a result, there may be fluctuations between the grants distributed and the actual target.

The Trust uses the services of an investment advisor to pursue an investment policy considered appropriate for the Trust. The Policy aims to achieve a long-term asset allocation as follows:

Liquidity – Cash	4.0%
Income – Cash	1.0%
Income – NZ Bonds	5.0%
Income – Overseas Bonds	5.0%
Income – NZ Loan	8.0%
Income – Private Credit	7.0%
Growth – Infrastructure/Property	15.0%
Growth – Listed Shares	40.0%
Growth – Global Private Equity	5.0%
Growth – NZ Private Equity	10.0%
	<u>100%</u>

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**19. Financial Instruments (continued)**

**Fair Values**

Although the General Partner uses its best judgement in estimating the fair value of investments, there are inherent limitations in any estimation techniques. The fair value estimates presented herein are not necessarily indicative of an amount the Group could realise in a current transaction.

PBE IPSAS 30 requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following Levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities,

Level 2 – Inputs other than quotes prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and

Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The Level in the fair value hierarchy within which the fair value measurement is categorised in its entirety should be determined on the basis of the lowest Level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes ‘observable’ requires significant judgement by the General Partner. The General Partner considers observable data to be market data that is readily available, regularly distributable or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Group’s financial assets (by class) measured at fair value on the statement of financial position.

**31 March 2023**

**Financial assets at fair value through profit or loss**

Investment in managed funds

Unlisted equity securities

Level 1	Level 2	Level 3	Total
60,151	126,645	10,335	197,131
-	-	20,334	20,334
<b>60,151</b>	<b>126,645</b>	<b>30,669</b>	<b>217,464</b>

**31 March 2022**

**Financial assets at fair value through profit or loss**

Investment in managed funds

Unlisted equity securities

66,751	129,802	11,714	208,267
-	-	17,509	17,509
<b>66,751</b>	<b>129,802</b>	<b>29,222</b>	<b>225,776</b>



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**19. Financial Instruments (continued)**

	Investment in managed funds	Unlisted equity securities
Balance at 1 April 2022	208,267	17,509
Additional investments/transfers	12,107	1,991
Settlements and repayments	(19,416)	-
Change in value of financial assets at fair value through profit or loss	(4,258)	834
Reinvested earnings	431	-
Balance at 31 March 2023	197,131	20,334
Balance at 1 April 2021	241,362	15,030
Additional investments/transfers	7,810	1,340
Settlements and repayments	(40,185)	-
Change in value of financial assets at fair value through profit or loss	(771)	1,139
Reinvested earnings	51	-
Balance at 31 March 2022	208,267	17,509

Included in profit or loss for the year is a net gain of \$834,307 (31 March 2022: net profit of \$1,138,571) relating to level 3 assets held at the end of the reporting year. Fair value gains or losses on those assets are included in "change in fair value of financial assets at FVTPL" in the statement of comprehensive income.

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include listed equity securities and the investment in a listed bond fund.

Loans receivable carried at amortised cost using the effective interest method less impairment. The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or where appropriate, a shorter period, to the net carrying amount of the financial asset.

It is the trustee's determination that the transaction price is the best evidence of fair value for unlisted equities. Therefore, where possible they have used recent share purchase/offer price to determine the fair value of unlisted equities. If there have been no recent share transactions or offers, then a valuation is requested to determine the fair value.

**20. Contingencies**

There are no contingent liabilities or contingent assets relating to the Group at 31 March 2023 (2022: Nil).

**21. Capital Commitments**

In May 2019, trustee's approved a loan for \$2,500,000 to Hawthorndale Care Village (formerly Calvary Hospital Southland Foundation), at balance date the loan has not been drawn down.

In March 2022, trustee's approved a loan for \$300,000 to Waihopai Runaka Holdings Ltd, at balance date the loan has not been drawn down. Subsequent to year-end Waihopai Runaka Holdings Ltd advised that this loan was no longer required.

At balance date the Trust had committed a total of \$16.3m (2022: \$16.3m) to New Zealand based private equity funds. Of this sum \$14.0m (2022: \$13.5m) has been drawn down to date. The calls on the remaining committed funds are made by Fund Managers as further investments are made. The timing of these calls is uncertain.



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**22. Related Party Transactions**

**Transactions with Key Management Personnel**

*(i) Transactions with Employees*

Key management employees declared interests in relation to organisations that grants were approved during the year as detailed below. Interests were declared when these grants were considered, and key management took no part in the grant assessment or deliberations relating to organisations they had an interest in.

	2023	2022
<b>J Flutey</b>		
Phoenix Synchro (Southland)	4,610	4,450
<b>Total</b>	<b>4,610</b>	<b>4,450</b>
<b>D Williams</b>		
Touch Southland	59,768	48,350
<b>Total</b>	<b>59,768</b>	<b>48,350</b>
<b>Overall Total</b>	<b>64,378</b>	<b>52,800</b>

**22. Related Party Transactions (continued)**

*(ii) Transactions with Trustees*

Trustees declared interests in relation to organisations that grants were approved and people for whom scholarships were approved during the year totalling \$1,315,607 as detailed below (2022: \$1,848,843). Interests were declared when these grants and scholarships were considered.

	2023	2022
<b>A Kaio</b>		
Hokonui Runaka	80,000	-
Invercargill Community Connections Charitable Trust Board	75,000	-
Invercargill Public Art Trail Charitable Trust	37,000	-
Waihopai Runaka	80,000	-
	<b>272,000</b>	<b>-</b>
<b>M Cherrington</b>		
Rangatahi Tumeke Charitable Trust	-	30,000
Serena Lyders	-	330
Te Runaka o Awarua Charitable Trust	-	50,000
Waihopai Runaka	-	80,000
<b>Total</b>	<b>-</b>	<b>160,330</b>
<b>D Goble</b>		
Arrowtown Golf Club	-	18,000
Queens Park Golf Club	-	10,000
Southland disAbility Enterprises	-	70,000
Whanake House Charitable Trust	-	15,000
Youthline Southland Charitable Trust	-	6,000
<b>Total</b>	<b>-</b>	<b>119,000</b>

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**22. Related Party Transactions (continued)**

	<b>2023</b>	<b>2022</b>
<b>B Moran</b>		
Active Southland	-	185,000
Alena Saili	2,500	3,000
Barbara Grieve	2,500	-
Bradly Knipe	2,500	-
Chamber Music at The World's Edge Foundation	25,000	15,500
Corbin Strong	2,500	3,000
Cycling New Zealand	-	20,000
Erin Criglington	2,500	-
Jason McKenzie	2,500	3,000
Kate Heffernan	2,500	-
Nicholas Boessiere	2,500	3,000
Shannon Saunders	2,500	-
Sport Otago	21,600	20,000
Te Atamira Whakatipu Community Trust	-	75,000
Tori Peters	2,500	-
Turn up the Music Trust	4,500	10,000
Wakatipu Community Foundation	-	50,000
<b>Total</b>	<b>76,100</b>	<b>387,500</b>
<b>L Fowler</b>		
Hokonui Runaka	80,000	-
Presbyterian Support Southland	140,000	144,550
Rangatahi Tumeke Charitable Trust	-	30,000
Te Runaka o Awarua Charitable Trust	-	130,000
Tuurama Trust	-	20,000
Waihopai Runaka	80,000	80,000
<b>Total</b>	<b>300,000</b>	<b>404,550</b>
<b>K Pickett</b>		
Southland Teachers & Judges of Highland & National Dancing	2,000	2,000
Queenstown Highland Dance Club	350	-
Te Anau Community Events	20,000	-
<b>Total</b>	<b>22,350</b>	<b>2,000</b>
<b>S Canny</b>		
Bradly Knipe	2,500	-
Corbin Strong	2,500	-
Cycling Southland	52,657	-
Erin Criglington	2,500	-
Nicholas La Boesseire	2,500	-
Rangatahi Tumeke Charitable Trust	-	30,000
Southland Regional Development Agency Limited	239,500	279,000
Southland Warm Homes Trust	-	25,000
<b>Total</b>	<b>302,157</b>	<b>334,000</b>

**Community Trust South**  
**Performance Report**  
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*in New Zealand Dollars (\$000s)*

**22. Related Party Transactions (continued)**

	2023	2022
<b>L Hartnett</b>		
Olivia Cochrane	-	2,820
Spirit Army Charitable Trust	45,000	-
<b>Total</b>	<b>45,000</b>	<b>2,820</b>
<b>M Montgomery</b>		
Lochiel School	-	8,613
Southland Indoor Leisure Centre Charitable Trust	250,000	200,000
Stadium Southland Ltd	18,000	8,000
<b>Total</b>	<b>268,000</b>	<b>216,613</b>
<b>L Samuel</b>		
CCS Disability Action Southland	30,000	-
Miharo Murihku Trust	-	55,000
Southland disAbility Enterprises	-	70,000
Te Runaka o Awarua Charitable Trust	-	50,000
<b>Total</b>	<b>30,000</b>	<b>175,000</b>
<b>T Boyle</b>		
COIN South	-	20,000
Halfmoon Bay School	-	1,700
<b>Total</b>	<b>-</b>	<b>21,700</b>
<b>L Wright</b>		
Catherine Cotter	-	330
Southern Wellbeing Trust	-	25,000
<b>Total</b>	<b>-</b>	<b>25,330</b>
<b>Overall Total</b>	<b>1,315,607</b>	<b>1,848,843</b>

*(iii) Transactions with Trustees*

Trustees declared interests in relation to payments made to organisations for services provided, these transactions occurred at arm's length. The payments approved during the year totalling \$nil as detailed below (2022:\$30,000).

<b>M Cherrington</b>		
Centre for Social Impact	-	30,000
	-	30,000
<b>Overall Total</b>	<b>-</b>	<b>30,000</b>



**Community Trust South**  
**Performance Report**  
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**22. Related Party Transactions (continued)**

**Transactions with subsidiaries**

The Limited Partner of Invest South Limited Partnership is Community Trust South. Community Trust South is owed \$13,570,079 from Invest South Limited Partnership (2022: \$11,570,079).

Community Trust South received office rental income of \$15,000 from Invest South GP Limited (2022: \$9,500).

Community Trust South received income for Boardpro subscription of \$528 from Invest South GP Limited (2022: \$528).

**Transactions between subsidiaries**

Invest South GP Limited is the general partner to Invest South Limited Partnership. During the year, Invest South Limited Partnership paid a management fee to Invest South GP Limited of \$727,232 (2022: \$546,309). At 31 March 2023 Invest South GP Limited was due to receive \$80 (2022: \$723) from Invest South Limited Partnership.

At 31 March 2023 Invest South Limited Partnership owed \$13,570,079 to Community Trust South (2022: \$11,570,079).

	2023	2022
Invest South GP Limited	188,637	153,780
Community Trust South	13,570,079	11,570,079
	<b>13,758,716</b>	<b>11,723,859</b>

The advances are unsecured, repayable on demand and interest free. It is not expected the advances will be repaid or received in the next 12 months.

Shareholder loans have been advanced to New Zealand Beeswax Limited, \$1,368,146 (2022: \$1,655,876) For the year ended 31 March 2023 no interest has been charged on the New Zealand Beeswax Limited (2022: \$Nil). The loan's repayment terms require a notice period of at least 12 months.

Shareholder loans have been advanced to Waikaka Gold Mines Limited, \$368,388 (2022: \$368,388). For the year ended 31 March 2023 no interest has been charged on the Waikaka Gold Mines Limited (2022: \$nil). The loan is repayable at the discretion of Waikaka Gold Mines Limited.

**23. Events Occurring after Balance Date**

The Trustees approved at the May 2023 Board meeting, a community loan of \$1,000,000 to Fiordland Health Trust, repayable over a 10 year term.

The Trustees approved at the June 2023 Board meeting, a significant grant of \$5,000,000 to the ICC for the Southland Museum Project.

# Community Trust South

## Performance Report

### For year ended 31 March 2023

*in New Zealand Dollars (\$000s)*

#### 24. Grants

Grantee	Grant Amount	Grantee	Grant Amount
Able Charitable Trust (Southern Family Support)	20,000	Diabetes New Zealand	2,000
Active Southland	198,000	Diocese Trust Board of the Anglican Dioceses of Dunedin (Wakatipu Anglican Parish)	40,000
Age Concern Southland	63,000	Dipton School	1,500
Alzheimers Society Southland	8,000	Donovan Primary School	11,960
Aparima College	4,985	Drummond Primary School	2,221
Arrowtown Autumn Festival	5,500	Dunedin Civic Orchestra	1,300
Arrowtown Charitable Trust	8,000	Dunedin Community Care Trust	10,000
Arrowtown Creative Arts Society	10,000	East Gore School	3,917
Arrowtown School	14,795	Eastern Southland Basketball Association	12,004
Arrowtown Volunteer Fire Brigade Trust	35,000	Edendale Primary School	13,689
Arts Murihiku Charitable Trust	70,000	Epilepsy Association of New Zealand	8,000
Arts On Tour NZ Trust	7,000	FEMME - Southland Girls' High School	2,500
Ascot Community School	10,284	Fernworth Primary School/Te Kura o Whare Pa	8,885
Athletics Southland	9,474	Fiordland College	7,006
Attic Arts Centre Charitable Trust	5,000	Fiordland Community Garden Charitable Trust	1,606
Aurora College	16,688	Fiordland Community House	3,000
Autism New Zealand	5,500	Fiordland Vintage Machinery Museum	5,000
Balfour School	2,451	First Thursdays Queenstown	2,000
Barnardos New Zealand	42,000	Garston School	1,500
Blue Mountain College	4,751	Glenorchy School	1,500
Bluff School	4,458	Golf Southland	35,015
Bone Marrow Cancer Trust	25,725	Gore and Districts Senior Citizens Club Choir	1,100
Borland Lodge Adventure and Education Trust	40,000	Gore Bowling Club	3,500
Bowls Southland	21,341	Gore Country Music Club	2,000
Bush Haven Native Bird Rehabilitation Trust	1,000	Gore District Council	2,500
C. S. Art Charitable Trust	19,000	Gore High School	10,975
Cancer Society of New Zealand, Otago and Southland Division	30,700	Gore Main School	5,778
CareerFest Southland	8,500	Gorge Road School	1,500
CCS Disability Action Southland	30,000	Graeme Dingle Foundation Southland	73,500
Central Lakes Family Services	105,000	Grey Power Southland Association	10,500
Central Southland College	13,030	GymSport New Zealand	15,880
Central Southland Hospital Charitable Trust	11,000	Halfmoon Bay School	1,687
Chamber Music at the World's Edge Foundation	25,000	Happiness House Trust	22,000
Chamber Music New Zealand Trust	8,000	Hauroko Valley Primary School	11,032
Chamber of Commerce Southland	4,500	Head Injury Society of Southland	7,875
Child Cancer Foundation	2,500	Head Light Trust	10,000
Citizens Advice Bureau Invercargill	15,500	Heartland Cricket Trust	3,000
Citizens Advice Bureau Queenstown	15,125	Heddon Bush School	2,210
City of Invercargill Highland Pipe Band	5,400	Hedgehope School	1,500
City Sports Machinery	9,272	Heriot School	2,596
COIN South	20,000	Heritage South	5,950
Cook Islands Christian Church (Invercargill, Southland) Society Trust	2,046	Hillside Primary School	1,500
Crohn's & Colitis New Zealand Charitable Trust	5,000	Hockey Southland	28,550
Croquet Southland	5,380	Hokonui Runanga Health and Social Services Trust	80,000
Croydon Aviation Heritage Board	5,000	Ice Sports Southland	16,700
Cycling Southland	52,657	Inclusive Activity Murihiku	2,500
Dan Davin Literary Foundation	5,500	Indian Community Southland	4,000
		Invercargill Community Connections Charitable Trust (IC2 Trust)	75,000



**Community Trust South**  
**Performance Report**  
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**24. Grants**

<b>Grantee</b>	<b>Grant Amount</b>	<b>Grantee</b>	<b>Grant Amount</b>
Invercargill Kennington Pony Club	2,300	Newfield Park School	7,409
Invercargill Middle School	4,939	Northern Southland College	5,431
Invercargill Musical Theatre	21,000	Northern Southland Community Pool Trust	9,700
Invercargill Netball Centre	7,140	Northern Southland Community Resource Centre	17,000
Invercargill Pistol Club	5,000	Charitable Trust	
Invercargill Public Art Trail Charitable Trust	37,000	Northern Southland Reforestation Trust	4,000
Invercargill Rock n Roll Club	1,000	NZ Family and Foster Care Federation	8,000
Invercargill Secondary Schools' Network Trust	90,000	Ohai Senior Citizens	1,100
James Hargest College	37,575	Oreti Surf Life Saving Club	4,713
Jubilee Budget Advisory Service Limited	10,500	Otago Secondary Schools Sports Association	5,000
Jubilee SuperGrans Limited	7,000	Otago Southland Area of New Zealand Pony Clubs	5,000
Kaiwera Recreation, Reserve & Hall Society	3,000	Otama School	1,500
KidsCan Charitable Trust	8,000	Otatara School	6,817
Kingsview School	1,921	Otautau and District Community Charitable Trust	13,500
Kiwi Harvest Limited	15,000	Otautau School	5,339
Knapdale School	1,867	Pacific Island Advisory and Cultural Trust	40,000
Learning Differences Aotearoa Trust	21,000	Parent to Parent NZ (Southland Branch)	8,000
Leukaemia & Blood Cancer New Zealand	5,000	Parkinson's New Zealand	1,000
Life Education Trust Heartland Otago/Southland	7,120	People First New Zealand	2,000
Life Education Trust Southland	17,855	Perinatal Mental Health New Zealand	3,000
Limehills School	4,575	Philanthropy New Zealand	5,500
Lions Club of Ohai-Nightcaps	2,450	Phoenix Synchro (Southland)	9,610
Lochiel School	2,620	Presbyterian Support Southland	140,000
Longford Intermediate	5,900	Pukerau School	2,224
Loss and Grief Support Trust Southland	46,500	Queenstown Alpine Ski Team	15,494
Lumsden & Areas Activities for Miniature Bodies Society	2,000	Queenstown Art Society	10,000
Lumsden School	2,626	Queenstown Childcare Centre	5,615
Makarewa School	12,706	Queenstown Highland Dance Club	350
Mararoa School	1,680	Queenstown Ice Hockey Club	4,278
Marching Southland Association	5,265	Queenstown Lakes Baby Box Charitable Trust	20,000
Mataura & Districts Marae Charitable Trust	73,500	Queenstown Lakes District Council	8,000
Mataura & Districts Senior Citizens Association	1,100	Queenstown Mountain Bike Club	16,549
Mataura School	4,852	Queenstown Primary School	19,023
Mataura Youth Centre Trust	5,500	Queenstown Writers and Readers Festival	2,000
Menzies College	11,325	Charitable Trust	
Mid Northern Southland Toy Library	2,500	Remarkable Theatre	3,500
Miharo Murihiku Trust	60,000	Remarkables Primary School	14,391
Mobility Assistance Dogs Trust	2,000	Rimu Primary School	2,674
Mossburn Community Facilities	2,000	Riversdale Arts	8,500
Mossburn Community Pool	4,000	Riversdale School	12,746
Mossburn Primary School	1,879	Riversdale Tennis Club	10,000
Murihiku Young Parents Learning Centre Trust	1,000	Riverton Community Charitable Trust	18,500
Muster Te Anau	5,000	Riverton District Baths Society	8,000
Myross Bush School	3,903	Riverton Primary School	4,439
Netball South Zone	167,779	Riverton Senior Citizens Association	2,100
New River Primary School	8,514	Road Safety Education Limited	2,000
New Zealand Council of Victim Support Groups	18,000	Ronald McDonald House Charities New Zealand Trust	17,025
New Zealand Country Music Festival Trust	38,000	Royal New Zealand Foundation of the Blind	17,500
New Zealand Songwriters Trust	8,250	Royal New Zealand Plunket Trust	47,000



**Community Trust South**  
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*in New Zealand Dollars (\$000s)*

24. Grants			
Grantee	Grant Amount	Grantee	Grant Amount
Rugby Southland	169,907	Southland Mountain Bike Club	9,382
Ruru Specialist School	2,500	Southland Multicultural Trust	40,000
Sacred Heart School	1,999	Southland Multiple Sclerosis Society	15,500
Salford School	20,582	Southland Orienteering Club	4,886
Scholarships - Create	8,500	Southland Regional Development Agency Limited	239,500
Scholarships - Leadership	11,500	Southland Regional Heritage Committee	15,000
Scholarships - Sport	29,250	Southland Schools Pipe Band Programme Trust	21,000
Scholarships - Sport (Youth Olympics)	25,000	Southland Secondary Schools Sports	21,000
Scope Aotearoa Charitable Trust	3,000	Southland Social Sciences Fair	2,000
Shakespeare in the Park Charitable Trust	2,000	Southland Society of Model Engineers	1,750
Shama, Ethnic Women's Trust	23,912	Southland Softball Association	13,740
Sharks Basketball Limited	70,000	Southland Sports Car Club	10,000
Shotover Primary School	17,019	Southland Table Tennis	8,715
Show Me Shorts Film Festival Trust Board	3,000	Southland Teachers and Judges of Highland and National Dancing	2,000
Showquest Charitable Trust	5,000		
Songbirds	349	Southland Tennis Association	9,306
South Coast Environment Society	28,000	Southland Triathlon and Multisport Club	5,599
South Sea Spray Trust	75,000	Southland Warm Homes Trust	25,000
Southern Lakes Tennis Association	1,944	Southland Water Polo Club	12,888
Southern REAP	47,000	Southland Workers' Educational Association	28,500
Southland Adventist Christian School	2,635	Southland Yachting Association	6,645
Southland Amateur Rowing Association	8,439	Southland Youth One Stop Shop	72,500
Southland Art Foundation	8,500	Special Olympics Southland	17,500
Southland Art Society	3,000	SPELD NZ	11,000
Southland Badminton Association	10,095	Spirit Army Charitable Trust	45,000
Southland Basketball Association	36,889	Sport Otago	21,600
Southland Beneficiaries and Community Rights Centre	32,500	Squash City Invercargill	5,000
		Squash Southland	14,339
Southland Blind Low Vision Bowling Club	1,000	St John's Girls' School	3,373
Southland BMX Club	34,501	St Joseph's School Invercargill	4,770
Southland Board Riders Association	4,817	St Joseph's School Queenstown	3,696
Southland Boys' High School	40,760	St Mary's School (Gore)	5,805
Southland Canoe Club	4,610	St Patrick's School (Nightcaps)	1,588
Southland Community House Charitable Trust	27,500	St Patricks School Invercargill	9,878
Southland Cricket Association	45,493	St Peter's College	10,346
Southland Deaf Community	2,000	St Teresa's School Bluff	1,500
Southland disAbility Enterprises Limited	36,500	St Theresa's School Inverecargill	6,976
Southland District Rugby Football League	15,351	St Thomas School Winton	3,029
Southland Filipino Society	8,000	Stadium Southland Limited	18,000
Southland Food Bank Trust	15,500	Stewart Island Senior Citizens	2,100
Southland Football	44,848	Surfing For Farmers Charitable Trust	3,000
Southland Girls High School	24,050	Swimming Southland	20,771
Southland Indoor Bowls Centre	8,060	Takitimu Community Development Committee	13,500
Southland Indoor Leisure Centre Charitable Trust	250,000	Takitimu Primary School	2,792
Southland Justices of the Peace Association	2,000	Talent Development Southland Charitable Trust	57,500
Southland Kiribati Community and Youth	9,260	Talk Link Trust	20,000
Southland Literacy Association	2,763	Tangata Whenua Community and Voluntary Sector Research Centre	3,000
Southland Migrant Walking Together Organisation & Multilingual & Activity Centre Charitable Trust	5,000	Tapanui School	2,355

**Community Trust South**  
**Performance Report**  
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24. Grants			
Grantee	Grant Amount	Grantee	Grant Amount
Tautawhi Whanau Rangatapu Charitable Trust	35,000	Volley South	23,692
Te Anau Bowling Club	50,000	Volunteering New Zealand	15,997
Te Anau Community Events Charitable Trust	20,000	Waianiwa School	1,560
Te Anau Golden Age Club	1,600	Waiau Area School	4,286
Te Anau Rodeo Club	9,000	Waihopai City Lions Club	5,000
Te Anau School	8,970	Waihopai Runaka	80,000
Te Anau Waitangi Charitable Trust	11,000	Waihopai School	8,402
Te Kāhui Manu Titi Charitable Trust	30,000	Waikaia School	1,500
Te Kura Whakatipu o Kwarau	4,040	Waikaia Trails Trust	25,000
Te Oriori Trust	30,000	Waikaka Primary School	2,608
Te Rourou Vodafone Aotearoa Foundation	25,000	Waikoiko School	1,500
Te Tipua School	1,500	Wakatipu High School	28,250
Te Wharekura o Arowhenua	26,798	Wallacetown School	2,120
The Boys' Brigade in New Zealand	5,500	Wallacetown Senior Citizens	1,100
The CanInspire Charitable Trust	2,300	Waverley Park School	8,131
The Conductive Education (Southern) Charitable Trust	21,000	Wellington Museums Trust	5,000
		West Gore School	5,510
The Edendale Tennis Club	1,000	West Otago Community Centre Society	75,000
The Girl Guides Association New Zealand	5,500	West Otago Swimming Pool Management Board	23,000
The Hill Family Foundation for Art and Music	3,000	Whakatipu Youth Trust	31,500
The Hokonui Heritage Centre Trust	40,000	Whanake House Charitable Trust	10,000
The Invercargill City Charitable Trust Board	8,000	Windsor North School	8,098
The Kiwi Kit Community Trust	5,000	Winter Games New Zealand	10,000
The Lightfoot Initiative Charitable Trust	22,000	Winton School	8,086
The Nattering Knitter	5,000	Woodlands Full Primary School	2,933
The New Zealand Rhododendron Association	3,500	Wyndham School	13,875
The Samoan Congregational Christian Church in Invercargill Trust Board	3,000	Youthline Southland Charitable Trust	6,500
			<b>6,127,534</b>
The Scout Association of New Zealand	6,500	Less:	
The South Centre Anglican Care Trust Board	31,500	Grants committed in principal	363,426
The Southland Christmas Parade Charitable Trust	15,500	Grants repaid	5,606
The Southland Dog Training Club	2,000	Grants written off	179,093
The Stewart Island Promotion Association	20,000		548,125
The Stroke Foundation of New Zealand Trust	5,500		
The Wanda Foundation	2,500		<b>5,579,409</b>
The Young Men's Christian Association of Invercargill Charitable Trust	31,500		
Thornbury School	2,065		
Tisbury School	3,485		
Toi Rakiura Arts Trust Stewart Island	8,500		
Tokanui School	2,066		
Touch Southland	59,768		
Tuatapere Community Worker Support Trust	3,000		
Tuesday Walk Group	2,000		
Turn Up The Music Trust Board	4,500		
Tuturau Primary School	1,500		
Tūturu Charitable Trust	20,000		
University of Otago Foundation Trust	5,500		
Verdon College	16,766		



# Independent Auditor's Report

To the Trustees of Community Trust South

## Report on the audit of consolidated performance report

### Opinion

In our opinion, the Consolidated performance report of Community Trust South (the 'Trust') and its subsidiaries (the 'Group') on pages 5 to 42 presents fairly, in all material respects:

- i. the Trust's and Group's financial position as at 31 March 2023, its statements of comprehensive revenue and expenses, statement of changes in net assets/equity and cash flows for the year ended on that date; and
- ii. the service performance for the year ended 31 March 2023 in accordance with the Trust's service performance criteria;

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (Not For Profit) issued by the New Zealand Accounting Standards Board.

We have audited the accompanying Consolidated Performance report which comprises:

- the Trust and Group statement of financial position as at 31 March 2023;
- the Trust and Group statements of comprehensive revenue and expenses, statement of changes in net assets/equity and cash flows for the year then ended;
- notes, including a summary of significant accounting policies; and
- the Trust and Group statement of service performance on pages 5 to 7.



### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'), and the audit of the statement of service performance, in accordance with the New Zealand Auditing Standard 1 *The Audit of Service Performance Information* ('NZ AS 1'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the trust and Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) and NZ AS 1 are further described in the *Auditor's responsibilities for the audit of the Consolidated performance report* section of our report.



### Other matter

The consolidated performance report of Community Trust South and the Group, for the year ended 31 March 2022, was audited by another auditor who expressed an unmodified opinion on those statements on 17 August 2022.



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## Other matter

The statement of service performance for the year ended 31 March 2022, was not audited.

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## Use of this independent auditor's report

This independent auditor's report is made solely to the Trustees as a body. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in the independent auditor's 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 Trustees as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.

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## Responsibilities of the Trustees for the consolidated performance report

The Trustees, on behalf of the trust, are responsible for:

- the preparation and fair presentation of consolidated performance report in accordance with generally accepted accounting practice in New Zealand (being Public Benefit Entity Standards Reduced Disclosure Regime (Not For Profit)) issued by the New Zealand Accounting Standards Board;
  - implementing necessary internal control to enable the preparation of a consolidated performance report that is free from material misstatement, whether due to fraud or error;
  - service performance criteria that are suitable in order to prepare service performance information in accordance with generally accepted accounting practice in New Zealand (being Public Benefit Entity Standards Reduced Disclosure Regime (Not For Profit)); and
  - assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.
- 

## Auditor's responsibilities for the audit of the consolidated performance report

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole and the statement of service performance is free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs NZ and NZ AS 1 will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate and collectively, they could reasonably be expected to influence the economic decisions of users taken on the basis of this consolidated performance report.



A further description of our responsibilities for the audit of this consolidated performance report is located at the External Reporting Board (XRB) website at:

Please refer to the XRB website at: <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-17/>

This description forms part of our independent auditor's report.

A handwritten signature of the KPMG firm, written in blue ink. The signature is stylized and cursive, appearing to read 'KPMG'.

KPMG  
Christchurch

23 August 2023