

Summary Financial Statements

Consolidated Statement of Comprehensive Revenue and Expenses

For the year ended 31 March 2018

		Group	
		2018	2017
		\$000	\$000
	Note		
Revenue from exchange transactions			
Other Income		17	3
Investment Income		11,613	11,234
Net gain on sale of investments reclassified from equity		-	1,091
Total Income		11,630	12,328
Expenses			
Trust Activities		(347)	(489)
Investment Activities		(787)	(742)
Depreciation		(23)	(29)
Employee Remuneration		(267)	(256)
Trustee Fees and expenses	4	(150)	(144)
Total Expenses		(1,574)	(1,660)
Share of recognised revenue and expenses from associate		-	(138)
Operating Surplus for year before Impairment		10,056	10,530
Impairment of assets		-	(3,106)
Surplus / (Deficit) for the year		10,056	7,424
Other Comprehensive revenue and expense			
Available-for-sale fair value reserve - Net change in fair value		(97)	(1,329)
Net fair value on disposal of investments transferred to surplus or deficit		-	(1,091)
Artwork revaluation		-	666
Other comprehensive revenue and expense for the year		(97)	(1,754)
Total comprehensive revenue and expense for the year		9,959	5,670

Statement of changes in Trust funds

For the year ended 31 March 2018

		Group	
		2018	2017
		\$000	\$000
Opening Trust funds		141,808	140,189
Total comprehensive income for the year		9,959	5,670
Grants approved		(649)	(4,051)
Closing Trust funds		151,118	141,808



Statement of Financial Position

For the year ended 31 March 2018

	Group	
	2018	2017
	\$000	\$000
	Note	
Perpetual capital reserve	137,144	135,647
Artwork Revaluation reserve	967	968
Available-for-sale reserve	1,277	2,206
Grants reserve	559	608
Accumulated income reserve	11,171	2,380
TOTAL TRUST FUNDS	151,118	141,809
<i>Represented by:</i>		
Current Assets		
Cash and cash equivalents	139	1,732
Assets Held for Sale	-	700
Total current assets	139	2,432
Non-current assets		
Investments	149,446	141,295
Property, plant and equipment	545	563
Artwork	2,909	2,909
Loans to community organisations	3	7
Total non-current assets	152,903	144,774
TOTAL ASSETS	153,042	147,206
Current liabilities		
Creditors	58	47
Employee Entitlements	16	16
Grants	1,850	5,334
Total current liabilities	1,924	5,397
TOTAL LIABILITIES	1,924	5,397
NET ASSETS	151,118	141,809

Statement of cash flows

For the year ended 31 March 2018

	Group	
	2018	2017
	\$000	\$000
Net cash inflow/(outflow) from operating activities	(2,290)	(4,433)
Net cash inflow/(outflow) from investing activities	698	873
Net (decrease)/increase in cash and cash equivalents	(1,592)	(3,560)
Cash and cash equivalents at the beginning of the year	1,732	5,291
Cash and cash equivalents at the end of the year	139	1,732



Notes to the Summary Financial Statements

1. Reporting entity

The Rotorua Energy Charitable Trust (the "Trust") is a charitable trust established on 3 June 1994, pursuant to the Energy Companies Act 1992 and was incorporated under the Charitable Trusts Act 1957 on 2 November 1995. The Trust and its subsidiaries were registered as charitable entities under the Charities Act 2005 on 30 June 2008.

The Rotorua Energy Charitable Trust is involved in the management of assets held in trust and the distribution of income from these assets for the long-term benefit of the Rotorua District community.

2. Summary Financial Statements

These are the summary financial statements of Rotorua Energy Charitable Trust as at and for the year ended 31 March 2018 and comprise the operations of the Trust and its subsidiaries (together referred to as the "Group"). The specific disclosures included in these summary financial statements have been extracted from the full annual financial statements approved by Trustees on 22 June 2018.

These summary financial statements are presented in New Zealand dollars (\$NZD), which is the Group's functional currency. All financial information presented in New Zealand dollars been rounded to the nearest thousand dollars.

The summary financial report cannot be expected to provide as complete an understanding as provided by the full financial statements of the statement of comprehensive income and expenses, changes in trust funds, statement of financial position and cash flows of the Group.

These summary financial statements are in compliance with IPSAS 43 - Summary financial statements.

An unmodified audit opinion has been received on the full financial statements for the year ended 31 March 2018. A copy of the full Group financial statements for the year ended 31 March 2018 is available on the Trust website www.rotoruatrust.org.nz or alternatively may be obtained by contacting the Trust on (07) 347 6239.

3. Basis of preparation

(a) Statement of compliance

The full financial statements, from which this summary has been extracted from, have been prepared in accordance with the provisions of section 9(b) of the Trust Deed and New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the Public Benefit Entity Accounting Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted.

The Group qualifies as a Tier 2 reporting entity as in one of the previous two years it has had between \$2m and \$30m operating expenditure and is not publicly accountable.

The financial statements were approved by Trustees on 22 June 2018.

(b) Specific accounting policies

All specific accounting policies have been applied on the same bases as those used in the full financial statements of the Group.



4. Trustee fees and expenses

Trustee fees and expenses paid during the year or due and payable are as follows:

In thousands of New Zealand dollars	2018	2017
T G Coffey	22	7
P C East	-	14
S J Edward	39	14
G W Hall	-	25
S M Kai Fong	22	21
J M La Grouw	22	21
T H Maxwell	-	14
M Raukawa-Tait	22	7
L G Thurston	-	14
B T Yates	22	7
	<u>150</u>	<u>144</u>

5. Related Parties

Key management personnel of the Group include Trustees and Senior Management.

All compensation paid to key management personnel of the Group comprised short-term benefits. No post-employment, termination benefits, share-based payments or other long term benefits were paid to these parties during the year (2017: nil).

6. Grants

Grants approved have been accounted for on the following basis:

In thousands of New Zealand dollars	2018	2017
Opening Balance - Grants payable	5,334	6,310
Grants Written back	(1,454)	-
Grants Paid	(4,133)	(5,027)
Grants Approved	<u>2,103</u>	<u>4,051</u>
Closing Balance - Grants payable	<u>1,850</u>	<u>5,334</u>
Represented by:		
Current grants		
Approved and unpaid	1,164	4,654
Obligations for the next financial year	534	534
Scholarships	<u>152</u>	<u>146</u>
	<u>1,850</u>	<u>5,334</u>





Independent Auditor's Report

To the beneficiaries of Rotorua Energy Charitable Trust

Report on the summary consolidated financial statements

Opinion

In our opinion, the accompanying summary consolidated financial statements of Rotorua Energy Charitable Trust (the Trust) and its subsidiaries (the Group) on pages 1 to 4:

- i. Has been correctly derived from the audited Group financial statements for the year ended on that date; and
- ii. Is a fair summary of the Group financial statements, in accordance with PBE FRS 43 Summary Financial Statements.

The accompanying summary consolidated financial statements comprises:

- The summary consolidated statement of financial position as at 31 March 2018;
- The summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- Notes, including a summary of significant accounting policies and other explanatory information.



Basis for opinion

We conducted our audit in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

Other than in our capacity as auditor we have no relationship with, or interests in, the Group.



Use of this Independent Auditor's Report

This report is made solely to the beneficiaries as a body. Our audit work has been undertaken so that we might state to the beneficiaries 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 beneficiaries as a body for our audit work, this report, or any of the opinions we have formed.



Responsibilities of the Trustees for the summary Consolidated Financial Statements

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

- The preparation and fair presentation of the summary consolidated financial statements in accordance with PBE FRS 43 Summary Financial Statements; and
- Implementing necessary internal control to enable the preparation of a summary consolidated set of financial statements that is correctly derived from the audited consolidated financial statements.



x Auditor's Responsibilities for the summary Consolidated Financial Statements

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with (or are a fair summary of) the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

We expressed an unmodified audit opinion on the consolidated financial statements in our audit report dated 22 June 2018.

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

KPMG

Tauranga

22 June 2018