

Rotorua Energy Charitable Trust

Financial Statements contents

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Rotorua Energy Charitable Trust
Consolidated Statement of Comprehensive Revenue and Expense
For the year ended 31 March 2022

	2022 Group \$000	2021 Group \$000
Revenue from Exchange Transactions		
Investment Income	5	7,856
Other Income	20	444
Total Revenue	8,300	29,975
Expenses		
Trust Activities	6	(379)
Investment Activities	6	(919)
Depreciation	10	(9)
Loss on Disposal of Asset		(2)
Interest		(3)
Trustee Fees and Expenses	14	(149)
Employee Remuneration		(310)
Total Expenses	(1,771)	(1,605)
Surplus/(Deficit) for the year	6,529	28,375
Other Comprehensive revenue and expenses		
Available-for-sale fair value reserve - Net change in fair value	8c	355
Artwork revaluation	11	845
Other comprehensive revenue/(loss) and expense for the year	1,200	(338)
Total comprehensive revenue and expense for the year	7,729	28,037

Rotorua Energy Charitable Trust
Consolidated Statement of Changes in Net Assets / Equity
For the year ended 31 March 2022

NZ\$ '000	Note	Perpetual Capital Reserve	Artwork Revaluation Reserve	Available for sale reserve	Grant Reserve	Accumulated revenue & expense reserve	Total trust funds
Balance as at 1 April 2020		142,723	1,086	2,338	1,095	(6,900)	140,342
Total Comprehensive Revenue and Expenses		-	480	(818)	-	28,375	28,037
Transfers		2,290	-	-	5,000	(7,290)	-
Grants written back		-	-	-	206	-	206
Grants approved		-	-	-	(5,189)	-	(5,189)
At 31 March 2021		145,013	1,566	1,520	1,113	14,186	163,397
Total Comprehensive Revenue and Expenses	8(b)/8(c)	-	845	355	-	6,529	7,719
Transfers	8(e)	8,898	-	-	2,967	(11,866)	-
Grants written back	8(d)	-	-	-	65	-	63
Grants approved	12	-	-	-	(3,745)	-	(3,743)
At 31 March 2022		153,911	2,411	1,875	400	8,849	167,446

Rotorua Energy Charitable Trust
Consolidated Statement of Financial Position
As at 31 March 2022

	Note	2022 Group \$000	2021 Group \$000
Trust Funds			
Perpetual capital reserve	8a	153,911	145,013
Artwork Revaluation reserve	8b	2,411	1,566
Available-for-sale-reserve	8c	1,875	1,520
Grants reserve	8d	400	1,113
Accumulated revenue & expense reserve	8e	8,849	14,186
TOTAL TRUST FUNDS		167,446	163,397
Represented by:			
Current Assets			
Cash and cash equivalents	7	1,160	463
Other Assets		30	31
Assets Held for Sale	20	-	488
Total Current Assets		1,190	982
Non-current Assets			
Investments	9	171,097	169,682
Property, plant and equipment	10	71	30
Artworks	11	4,353	3,508
Total Non-current Assets		175,521	173,220
Total Assets		176,711	174,202
Current Liabilities			
Creditors		66	61
Employee Entitlements		27	19
Grants payable	12	2,170	2,718
Loans & Borrowings	13	2	5
Total Current Liabilities		2,265	2,803
Non-Current Liabilities			
Grants payable	12	7,000	8,000
Loans & Borrowings	13	-	2
Total Non-Current Liabilities		7,000	8,002
Total Liabilities		9,265	10,805
Total Net Assets		167,446	163,397

For and on behalf of the Trustees of Rotorua Energy Charitable Trust:



Stewart Edward
Chairman



Gregg Brown
Trustee \ Chair of Investment Committee \
Member of Audit Committee

Rotorua Energy Charitable Trust
Consolidated Statement of Cash Flows
For the year ended 31 March 2022

	2022	2021
	Group	Group
	\$000	\$000
Note		
Cash flows from Operating Activities		
Dividends Received	-	29
Other Income	1	6
Proceeds from sale of investments	5,894	6,788
Payments to suppliers, trustees & employees	(859)	(750)
Grants paid	(5,276)	(6,504)
Grants Received	62	206
Net cash inflow / (outflow) from operating activities	(178)	(225)
Cash flows from Investing Activities		
Proceeds from sale of property, plant and equipment	941	-
Purchase of property, plant and equipment	(61)	(8)
Net cash inflow / (outflow) from investing activities	880	(8)
Cash flows from Financing Activities		
Loans Advanced/(Repaid)	(5)	(5)
Net cash inflow / (outflow) from financing activities	(5)	(5)
Net increase / (decrease) in cash and cash equivalents	697	(238)
Cash and cash equivalents at the beginning of the year	463	701
Cash and Cash Equivalents at the end of the year	1,160	463
7		

Rotorua Energy Charitable Trust
Notes to and Forming Part of the Consolidated Financial Statements
For the year ended 31 March 2022

1. Reporting Entity

The Rotorua Energy Charitable Trust (the “Trust”) is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013).

These consolidated financial statements for the year ended 31 March 2022 comprise the controlling entity and its subsidiaries (together referred to as the ‘Group’). Refer to Note 16.

2. Basis of Preparation

a) Statement of Compliance

The consolidated financial statements have been prepared in accordance with 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.

These financial statements were authorised for issue by the Trustees on 27 June 2022.

b) Measurement Basis

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position, which are measured at fair value:

- Investments (Note 9)
- Artworks (Note 11)

c) Functional and presentation currency

The financial statements are presented in New Zealand dollars (\$NZD) which is the Group’s functional and presentation currency, rounded to the nearest thousand. There has been no change in the functional currency of the Group during the year.

3. Use of judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Rotorua Energy Charitable Trust

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended 31 March 2022

The following is the significant management judgement in applying the accounting policies of the Group that have a significant effect on the financial statements:

Recognition of Grants payable

The criteria used to determine whether or not a grant is payable or recognised as a contingent liability is disclosed in Note 4(d).

4. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Group.

a) Basis of Consolidation

I. Controlled entities (Refer Note 16)

Controlled entities are entities controlled by the Group, being where the Group has power to govern the financial and operating policies of another entity so as to benefit from that entity's activities. The financial statements of the Group's controlled entities are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Subsequent changes in a controlled entity that do not result in a loss of control are accounted for as transactions with controllers of the controlling entity in their capacity as controllers, within net assets/equity.

II. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

b) Revenue

Revenue from investments

Investment income comprises interest, dividends, and valuation gains/(losses) on investments.

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Group and revenue can be reliably measured. Revenue is measured at the fair value of consideration received.

I. Interest Income

Interest income is recognised on a time-proportion basis using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rotorua Energy Charitable Trust
Notes to and Forming Part of the Consolidated Financial Statements
For the year ended 31 March 2022

II. Dividend Income

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

III. Investment Income

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 surplus or deficit in the period in which they arise using the latest available market values.

c) Income Tax

As a registered charity, the Group is wholly exempt from New Zealand income tax under section CW42 of the Income Tax Act 2007.

d) Grants and Grants payable

The Group makes discretionary grants. Each year a grants amount is transferred from the Accumulated Revenue and Expenses Reserve into a Grants Reserve. Grants to eligible organisations are recognised as a transfer from the Grants Reserve when they are approved by the Board of Trustees.

Grants payable are those grants which have been approved, and there are no other significant obligations to be met and the grant has not been paid by the reporting date (see Note 12). Grants covering multiple years are recognised proportionally in each year they relate. Where grants have been approved in current or previous years but are subject to fulfilment of further conditions in future years, they are treated as contingent liabilities (see Note 19).

e) Goods and Services Tax

Rotorua Energy Charitable Trust ("RECT") is registered for GST. All amounts are stated exclusive of GST except for income and expenses relating to exempt supply and accounts payable and receivable which are stated inclusive of GST. Rotorua Trust Perpetual Capital Fund Ltd ("RTPCFL") is not registered for GST. Therefore all amounts related to this entity are stated inclusive of GST (if any).

f) Employee benefits

Short-term employee benefits

Short-term employee benefit liabilities are recognised when the Group has a legal or constructive obligation to remunerate employees for services provided within 12 months of reporting date, and is measured on an undiscounted basis and expensed in the period in which employment services are provided.

g) Financial Instruments

The Group initially recognises financial instruments when the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a

Rotorua Energy Charitable Trust

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended 31 March 2022

transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group classifies financial assets into the following categories: *fair value through surplus or deficit*, *loans and receivables*, and *available-for-sale*.

The Group classifies financial liabilities into the following categories: *fair value through surplus or deficit*, and *amortised cost*.

Financial instruments are initially measured at fair value, plus for those financial instruments not subsequently measured at fair value through surplus or deficit, directly attributable transaction costs.

Subsequent measurement is dependent on the classification of the financial instrument, and is specifically detailed in the accounting policies below.

I. Fair value through surplus or deficit

A financial instrument is classified as *fair value through surplus or deficit on initial recognition*. The Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy.

Financial instruments classified as *fair value through surplus or deficit* are subsequently measured at fair value with gains or losses being recognised in surplus or deficit.

Financial assets at fair value through surplus or deficit comprise Mercer unlisted open-ended investment funds, NZ unlisted equity investments and NZ listed equity investments.

II. Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses (refer Note 4(g)). *Loans and receivables* comprise cash and cash equivalents.

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with maturities of 3 months or less.

III. Available-for-sale financial assets

Available-for-sale (AFS) financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets.

Rotorua Energy Charitable Trust
Notes to and Forming Part of the Consolidated Financial Statements
For the year ended 31 March 2022

The Group manages such investments and makes purchase and sales decisions based on their fair value in accordance with the Group's documented risk management or investment strategy.

AFS financial assets are originally valued at cost and subsequently measured at fair value with gains or losses (other than foreign exchange gains or losses) recognised in other comprehensive revenue and expense and presented in the *AFS fair value reserve* within net assets/equity.

Upon de-recognition, the accumulated gain or loss within net assets/equity is reclassified to surplus or deficit.

AFS financial assets comprise unlisted private equity investments, listed equity investments and investments in hedge funds.

The Trust has invested in the following private equity funds: Public Infrastructure Partners Fund, Pioneer Capital NZ Fund I and WNT Ventures Fund 3. These investments have been recognised in the Trust's Statement of Financial Position based on the Trust's share of each investments net assets (which are all subject to fair value measurement).

Uncalled capital is disclosed further in Note 17.

h) Impairment of non-derivative financial assets

A financial asset not subsequently measured at fair value through surplus or deficit is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

1. Financial assets classified as available-for-sale

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity to surplus or deficit.

The cumulative loss that is reclassified from equity to surplus or deficit is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in surplus or deficit.

i) Property, plant and equipment

1. Recognition and measurement

Items of property plant and equipment are initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

Rotorua Energy Charitable Trust

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended 31 March 2022

All of the Group's items of property plant and equipment are subsequently measured in accordance with the *cost model*, except for artwork which are subsequently measured in accordance with the *revaluation model*.

II. Depreciation

For property, plant and equipment, depreciation is based on the cost of an asset less its residual value.

Depreciation is recognised in surplus or deficit on a diminishing value basis over the estimated useful lives of each component of an item of property, plant and equipment. Land is not depreciated.

The diminishing value depreciation rates are:

- Buildings	2022: 10% DV 2021: 4% - 25% SL (classified as Assets held for sale, refer to Note 20)
- Plant and equipment	6% - 80% SL; 13% - 67% DV

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

j) Artwork

Artwork valuations are performed annually to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Gains and losses on artwork revaluation are recognised in other comprehensive revenue and expense and presented in the *artwork revaluation reserve* within Net Assets/Equity.

Any revaluation losses in excess of credit balance of the *artwork revaluation reserve* for artwork are recognised in surplus or loss as an impairment.

k) Impairment of Non-Financial Assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

l) Cash Flows

The consolidated statement of cash flows is presented using the direct method.

Cash and cash equivalents are highly liquid investments that are readily convertible to cash with an insignificant risk of changes in value, with maturities of 3 months or less. As such the statement of cash flows does not reflect the movement of cash balances within the Mercer portfolio or other private equity investments.

Cash flows from operating activities include all transactions that relate to the operations of the trust, and are not classified as investing activities. Cash flow from operating activities includes cash flows from the realisation of investments classified as fair value through surplus or deficit and available for sale.

Rotorua Energy Charitable Trust
Notes to and Forming Part of the Consolidated Financial Statements
For the year ended 31 March 2022

Cash flows from investing activities comprise the purchase and sale of property, plant and equipment and artwork, and sale and purchase of investments not classified as fair value through surplus or deficit or available for sale.

5. Investment Income

	2022 Group \$000	2021 Group \$000
Dividends	-	29
Proceeds from TMP Limited Liquidation	830	-
Gain/(loss) on investments	7,026	29,946
	7,856	29,975

6. Expenses

	2022 Group \$000	2021 Group \$000
Trust Activities		
Advice & Facilitation	45	13
Audit Fees - KPMG	28	29
Consultants fees	59	30
Insurance	24	21
Legal	4	5
Occupancy Expenses	20	31
Other expenses	110	118
Public & statutory reporting	11	9
Property repairs	-	1
Sponsorship and promotion	78	29
Total Trust Activities	379	286
Investment Activities		
Artwork Storage	18	18
Investment Management	901	839
Total Investment Activities	919	857

7. Cash and cash equivalents

	2022 Group \$000	2021 Group \$000
Current Assets		
Bank balances	1,160	463
Cash and cash equivalents in statement of cash flows	1,160	463

There are no restrictions over any of the cash and cash equivalent balances held by the Group.

Rotorua Energy Charitable Trust

Notes to and Forming Part of the Consolidated Financial Statements

For the year ended 31 March 2022

8. Reserves

The Rotorua Energy Charitable Trust was established on 3 June 1994 with a gift of \$100 from the settlor, Rotorua Electricity Limited.

(a) Perpetual capital reserve

On 1 September 1994 the Trust received shares representing 51 per cent of the issued voting capital in Rotorua Electricity Limited, valued at \$32,016,652.

On 30 September 2002 Trustees established a perpetual capital reserve amounting to \$100,000,000 through the transfer of an additional \$67,983,348 from the accumulated income reserve, to the original gift of shares in Rotorua Electricity Limited.

Trustees have determined that this reserve which was established to protect the fund for future generations should be restated each financial year to take account of movements in the Consumer Price Index (CPI). The CPI adjustment is made quarterly, with a total adjustment of 6% being applied in 2022 (2021: 1.6%). The allocation for the current year is \$8,898,086 (2021: \$2,290,523).

	2022 Group \$000	2021 Group \$000
Opening Balance	145,013	142,723
Current year "CPI" allocation	8,898	2,290
Closing Balance	<u>153,911</u>	<u>145,013</u>

(b) Artwork Revaluation reserve

The revaluation reserve relates to the revaluation of artworks.

	2022 Group \$000	2021 Group \$000
Opening Balance	1,566	1,086
Artwork Revaluation	845	480
Closing Balance	<u>2,411</u>	<u>1,566</u>

(c) Available-for-sale reserve

For all available for sale financial assets, movements in fair value are recognised through the available-for-sale-reserve. When the relevant asset is derecognised, upon sale, other disposal or permanent impairment, the cumulative fair value changes recognised directly in equity are transferred to the profit and loss and the reserve is adjusted accordingly.

Rotorua Energy Charitable Trust
Notes to and Forming Part of the Consolidated Financial Statements
For the year ended 31 March 2022

	2022 Group \$000	2021 Group \$000
Opening Balance	1,520	2,338
Current year net change in fair value	355	(818)
Closing Balance	1,875	1,520

(d) Grant reserve

Each year trustees approve a level of grants to be made available to the community. This amount is transferred to the grant reserve. The balance in the grant reserve represents the balance available for grants at year end after the transfer to the reserve of \$3,000,000 (2021: \$5,000,000) and the deduction of grants approved during the financial year. In the event grants approved exceed the level of funds transferred to the grant reserve trustees will address the shortfall in the following years allocation.

The balance in this reserve is available to be utilised in future years to support grants to the community.

	2022 Group \$000	2021 Group \$000
Opening Balance	1,113	1,095
Transfer from accumulated income	3,000	5,000
Grants approved	(3,743)	(5,205)
Cash received to pay grants	(33)	92
Grants received back in cash	48	114
Grants written back	15	17
Closing Balance	400	1,113

(e) Accumulated income and expense reserve

The accumulated income and expenses reserve represents the balance of income retained or losses accumulated, after the specific transfer of income in each financial year to the perpetual capital reserve and grant reserve.

	2022 Group \$000	2021 Group \$000
Opening Balance	14,186	(6,900)
Current year surplus / (Deficit)	6,529	28,375
Transfer to grant reserve	(2,967)	(5,000)
Transfer to perpetual capital reserve	(8,898)	(2,290)
Closing Balance	8,849	14,186

Rotorua Energy Charitable Trust

Notes to and Forming Part of the Consolidated Financial Statements
For the year ended 31 March 2022

9. Investments

	2022 Group \$000	2021 Group \$000
Financial assets designated as at fair value through surplus or deficit		
Mercer unlisted open-ended investment fund(s)	165,730	164,690
	<u>165,730</u>	<u>164,690</u>
Financial assets designated as available for sale		
Unlisted private equity investments	5,367	4,992
	<u>5,367</u>	<u>4,992</u>
Total investments	<u>171,097</u>	<u>169,682</u>

Mercer (NZ) Ltd is the Trust investment manager. The Trust holds an investment in a Mercer unlisted open-ended investment fund. The Trust has classified this investment as fair value through surplus or deficit. Trustees have determined that the most appropriate measurement base of fair value is based on the closing unit price of the fund.

The Trust also holds Unlisted private equity. The Trust has classified these investments as fair value through other comprehensive income. Trustees have determined that the most appropriate measurement base of fair value is based on the year end managers valuation.

The Trust also held equity security holdings in Taupo Motorsport Park Limited. These shares were liquidated in the 2022 financial year and the Trust received \$829,715 which has been recognised as investment income in the current year. The Trust held 700,000 shares at 31 March 2021 (10.88%) and did not have an appointee to the Board. The investment was held at nil value on the balance sheet last year.

Rotorua Energy Charitable Trust
Notes to and Forming Part of the Consolidated Financial Statements
For the year ended 31 March 2022

10. Property, Plant & Equipment

	Land and Buildings \$000	Plant and Equipment \$000	Total \$000
Cost			
Balance at 1 April 2020	699	238	936
Addition	-	7	7
Transfer to Assets Held for Sale	(699)	-	(699)
Balance at 1 April 2021	-	245	245
Addition	16	45	61
Disposals	-	(176)	(176)
Balance at 31 March 2022	<u>16</u>	<u>114</u>	<u>130</u>
Accumulated Depreciation			
Balance at 1 April 2020	197	199	396
Depreciation	14	16	30
Transfer to Assets Held for Sale	(211)	-	(211)
Balance at 1 April 2021	-	215	215
Depreciation	-	9	9
Disposals	-	(165)	(165)
Balance at 31 March 2021	<u>-</u>	<u>59</u>	<u>59</u>
Net Book Value			
As at 31 March 2020	502	39	540
As at 31 March 2021	<u>-</u>	<u>30</u>	<u>30</u>
As at 31 March 2022	<u>16</u>	<u>55</u>	<u>71</u>

11. Artwork

	2022 Group \$000	2021 Group \$000
Opening balance	3,508	3,028
Revaluation	845	480
Closing Balance	<u>4,353</u>	<u>3,508</u>

The Trust owns Nineteenth, Twentieth and Twenty First Century artworks which reflect the unique nature of the Rotorua area and its people.

The collection was independently valued by Paragon Matter Art Services and represents the value as at 31 March 2022.

The artworks are maintained and stored by the Rotorua Museum of Art & History – Te Whare Taonga O Te Arawa.

Rotorua Energy Charitable Trust

Notes to and Forming Part of the Consolidated Financial Statements
For the year ended 31 March 2022

12. Grants Payable

	2022 Group \$000	2021 Group \$000
Opening Balance - Grants payable	10,718	12,034
Grants Written back	(15)	(17)
Grants Paid	(5,276)	(6,504)
Grants Approved	3,743	5,205
Closing Balance - Grants payable	9,170	10,718
Represented by:		
Current	2,170	2,718
Non-Current	7,000	8,000
Closing Balance	9,170	10,718

13. Loans and Borrowings

The Group has entered into a finance lease agreement for a motor vehicle with Toyota Financial Services during the year. The lease is for a 36 month period with monthly repayments of \$732. The agreed residual value at the end of this period is \$18,647 and there is no option to purchase the vehicle at the end of the lease.

	2022 Group \$000	2021 Group \$000
Current	2	5
Non-Current	-	2
Closing Balance	2	7

14. Trustees Fees and Expenses

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

	2022 Group \$000	2021 Group \$000
G Brown	22	22
T G Coffey	22	22
S J Edward	39	39
M Keefe	22	22
J M La Grouw	22	22
M Raukawa-Tait	22	22
	149	149

Rotorua Energy Charitable Trust

Notes to and Forming Part of the Consolidated Financial Statements
For the year ended 31 March 2022

15. Related Parties

The ultimate controlling party of the Group is the Rotorua Energy Charitable Trust.

No related party debts have been written off or forgiven during the year.

Key management personnel

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

All compensation paid to key management personnel of the Trust comprised short-term benefits. No post-employment, share-based payments or other long term benefits were paid to these parties during the year (2021: Nil).

	2022 Group \$000	2021 Group \$000
Salary and other payments (Excluding Trustees)	124	124
Benefits and other emoluments	4	4
Full-time equivalent managers	1	1

Refer to Note 14 for Trustee fees paid.

Other Related Parties

Trustees declared interests in relation to grants approved to the following organisations during the year. Interests were declared when these grants were considered and Trustees took no part in deliberations relating to organisations they had an interest in.

Conflicts of Interest 2021/22

Organisation	Trustee(s) with Interest	Grants Approved during the Year \$000s
Aratika Cancer Trust (Operating costs)	G Brown	10
Big Brothers Big Sisters Rotorua (Operating costs)	J McCullough	30
Geyser Community Foundation (Partnership Agreement)	J La Grouw	45
Geyser Community Foundation (Laurie Durand Ohi Rangatahi Memorial Fund)	J La Grouw	30
Graeme Dingle Foundation Rotorua (Kiwi Can programme)	M Keefe	25
John Paul College (School musical)	G Brown	8
John Paul College (Role Model Funding)	G Brown	1
John Paul College (Co-Curricular Funding)	G Brown	26
Lakes Water Quality Society	S Edward, G Brown	10
Life Education Trust - Rotorua (Educator and programme costs)	J La Grouw	13
Ngongotaha Primary School (Community mural)	J McCullough	10
NZ Aria Trust (Lockwood NZ Aria)	J La Grouw	20
Rotorua District Riding for the Disabled (Horse care and operating costs)	J La Grouw	9
Rotorua Show Jumping Event	G Brown	2
Manaaki Ora Charitable Trust (Rongomau I Te Whanau - Pathway to Peace)	S Edward	60
Tipu Waiariki Trust (Mulcher - help us clear the way)	G Brown	81
		380

Rotorua Energy Charitable Trust

Notes to and Forming Part of the Consolidated Financial Statements
For the year ended 31 March 2022

16. Group Entities Subsidiaries

The entities in the Group are as follows:

	Ownership Interest	
	2022	2021
Rotorua Trust Perpetual Capital Fund Limited	100%	100%
Thirteen Fifty Eight Investments Limited	100%	100%

All Subsidiary companies are incorporated in New Zealand and have a balance date of 31 March.

17. Commitments & Guarantees

The Group made an initial capital commitment in WNT ventures Fund 3 for \$1,000,000 in the current financial year, of which \$870,000 is uncalled to date.

18. Significant Events

The Global Pandemic caused by the Covid-19 crisis which first gripped the world in early 2020 continues today, however rapid (economic) responses by governments globally as well as vaccine rollouts have lessened the economic and health impacts of the crisis.

However significant disruptions to world trade and supply chains now exist, along with persistently high worldwide inflation.

Rising interest rates and world central bank responses to try and reign in inflation, along with geopolitical uncertainties have continued to unsettle global equity markets and exacerbate supply shortages.

19. Contingent Liabilities and Commitments

There are no contingent liabilities or commitments as at 31 March 2022 (2021: nil) other than those disclosed in note 17.

20. Assets Held for Sale

At 31 March 2021 the Trustees had entered into an unconditional sale of the property situated at 1358 Eruera Street, Rotorua. The sale price was \$970,000 and settlement occurred on the 19th May 2021.

	2022 Group \$000	2021 Group \$000
Property at 1358 Eruera Street, Rotorua	-	488
	-	488

Rotorua Energy Charitable Trust
Notes to and Forming Part of the Consolidated Financial Statements
For the year ended 31 March 2022

The following capital gain and depreciation recovered were included in “Other Income” as a result of the sale:

Other Income

	2022	2021
	Group	Group
	\$000	\$000
Capital Gain from Sale of 1358 Eruera Street, Rotorua	295	-
Depreciation Recovered from Sale of 1358 Eruera Street, Rotorua	148	-
Rent Income	1	5
	444	5

21. Subsequent Events

Subject to the ongoing impacts of Covid-19 and the global uncertainties as described in Note 18, there are no material events subsequent to balance date that would have an effect on the financial statements.