



Notice is hereby given that a Meeting of the Milford Community Trust will be held on:

Date: Friday, 28 September 2018
Time: 9.30am
Meeting Room:
Venue: Real Journeys Fiordland Community Events Centre

Milford Community Trust Agenda OPEN

MEMBERSHIP

Chairperson Ebel Kremer
Trustees Rosco Gaudin
Tim Holland
Brad Johnstone
Jason Steele

IN ATTENDANCE

Committee Advisor Jenny Labruyere
Community Partnership Leader Simon Moran
Department of Conservation Antonia Croft

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Full agendas are available on Council's Website
www.southlanddc.govt.nz

Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.

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4.6	Walkway Update Trustee Holland to provide an update on the walkway project.	
4.7	Milford Community Association Report Trustee Johnstone to provide an Association update for Trustees.	
4.8	Department of Conservation Report Ms Croft to provide an update report on behalf of the department.	
4.9	Chairperson's Report The Chairperson, Councillor Ebel Kremer to report on matters with which he has been involved since the last meeting.	

1 Apologies

At the close of the agenda no apologies had been received.

2 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

3 Conflict of Interest

Committee Members are reminded of the need to be vigilant to stand aside from decision-making when a conflict arises between their role as a member and any private or other external interest they might have.

4 Public Forum

Notification to speak is required by 5pm at least two days before the meeting. Further information is available on www.southlanddc.govt.nz or phoning 0800 732 732.

5 Extraordinary/Urgent Items

To consider, and if thought fit, to pass a resolution to permit the committee to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) the reason why the item was not on the Agenda, and
- (ii) the reason why the discussion of this item cannot be delayed until a subsequent meeting.

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

"Where an item is not on the agenda for a meeting,-

- (a) that item may be discussed at that meeting if-
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion."

6 Confirmation of Minutes

3.1 Meeting minutes of Milford Community Trust, held 25 June 2018 .

OPEN MINUTES

Unconfirmed

Minutes of a meeting of Milford Community Trust held in the Real Journeys Fiordland Community Events Centre, Luxmore Drive , Te Anau on Monday, 25 June 2018 at 9.30am.

PRESENT

Chairperson
Trustees

Mike Schuck
Rosco Gaudin
Tim Holland
Mike McConachie
Jason Steele
Councillor Ebel Kremer

Arrived 10.20am

IN ATTENDANCE

Committee Advisor
Community Partnership Leader
Chief Financial Officer
Department of Conservation

Jenny Labruyere
Simon Moran
Anne Robson
Antonia Croft

1 Apologies

Apologies for non-attendance were lodged by Trustee Johnstone and Environment Southland representative K Swinney, and an apology for lateness lodged by Trustee Holland.

Moved Trustee Gaudin, seconded Trustee Steele and **resolved:**

That the Milford Community Trust accept the apologies for non-attendance by Trustee Johnston and Environment Southland's K Swinney, and an apology for lateness lodged by Trustee Holland.

2 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

3 Conflict of Interest

There were no conflicts of interest declared.

4 Public Forum

Ray Willett

Mr Willett sought the Trust's support to erect a statue in Milford in remembrance of explorer Donald Sutherland.

5 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

6 Confirmation of Minutes

Resolution

Moved Trustee Gaudin, seconded Cr Kremer **and resolved**

That the minutes of Milford Community Trust meeting, held on 23 February 2018 be confirmed as a true and correct record, subject to the addition of the word "satellite receiver" in report item 8.1 bullet point 2.

Reports

7.1 Financial Report to 31 May 2018

Record No: R/18/4/8643

Ms Anne Robson, Chief Financial Officer, presented the report.

Ms Robson updated the Trustees on the current financial position of the Trust including

investments funds, and requested an indication as to the extension of term investments which are set aside for the walkway project.

Trustees agreed for the \$125,00 walkway funds to remain on short term investment as this project is planned for completion in August/September 2018 when these funds will be required.

Furthermore, Ms Robson advised Trustees that rates for Milford are no longer collected through the Te Anau Community Board, the Board has recommended that Milford be removed from the Board's rating boundary.

Ms Robson added that the remodelling project for concessionaire fees is requiring some further investigation with the Department of Conservation, and should be achieved prior to the end of the 2019/2020 financial year.

Resolution

Moved Trustee McConachie, seconded Trustee Steele **and resolved**

That the Milford Community Trust:

- a) **Receives the report titled "Financial Report to 31 May 2018" dated 19 June 2018.**

7.2 Milford Community Trustee Appointments

Record No: R/18/6/13520

Simon Moran, Community Partnership Leader, presented the report.

Mr Moran outlined the purpose of the report is to advise Trustees of Council's decision on 18 June 2018 to appoint Cr Ebel Kremer as an interim Independent Chair of the Milford Community Trust for a period of 18 months and re-appoint Jason Steele as a Trustee.

Mr Moran sought a decision from the Trust on whether it is comfortable to continue with one Trustee position left vacant for the moment.

Mr Moran provided some background to the Trust, the need for the appointments, and the reason why the appointment of the Chair is for a shorter period of time than provided for in the Trust Deed. He recommends that the remaining Trustee position remain vacant for the time being.

Resolution

Moved Trustee Gaudin, seconded Trustee McConachie

That the Milford Community Trust:

- a) **Receives the report titled "Milford Community Trustee Appointments" dated 20 June 2018.**

- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Agrees to Option 1 - that the final Trustee position remain vacant for the time being and that this decision can be reconsidered at any future meeting of the Trust.**
- e) **Records and acknowledges its thanks to Mike Schuck for the time he has been involved with the Milford Community Trust as a Trustee and independent Chair.**
- f) **Records and acknowledges its thanks to Mike McConachie for his time as a Trustee on the Milford Community Trust.**

10.05am The meeting was adjourned due to a fire alarm being activated.

10.15am The meeting was re-convened.

10.20am Trustee Holland arrived

7.3 Walkway Update

Record No: R/18/6/13894

Mr Holland updated Trustees on the progress of the walkway project from Deepwater Basin to Freshwater Basin, as follows;

- Resource consent due to be lodged during the current week
- Appears to be able to be completed under budget partly due to the fact that NZTA are prepared to contribute the rock and gravel for the walkway
- Expected to begin construction in September
- Walkway to be all track with no boardwalk included
- Long term management arrangement between Milford Sound Tourism and Limited and the Department of Conservation.

Mr Holland also updated the Trust on the current MERT position which has been extended for a three month period while FENZ revisit contracts for this position.

8.1 Department of Conservation Report

Ms Croft updated the Trustees on Department activities. These included;

- Busiest tourist season ever
- The Department investigating alternatives for car parking issues in Milford

- Ms Croft to meet with the Department's South Island Director Aaron Flemming to discuss a number of issues arising in Milford and sought input from Trustees, as follows;
 - i. Carparking areas for medium to long term planning
 - ii. Illegal parking on the state highway
 - iii. Accommodation opportunities
 - iv. Shift in tourism trends to independent drivers
 - v. Emergency Services for Milford

8.2 Chairperson's Report

The Chairperson, Trustees Schuck, provided his final report to Trustees outlining recent projects the Trust has been working on, these included;

- The establishment of a community centre for the Milford community with a site secured, funding set aside, a concept plan developed and consultation with stakeholders occurring during the past year, however some reservations over the costing and on-going operating costs identified. Trustee Schuck expressed his desire for this project to continue as he believes this to be a worthwhile project needed by the community of Milford.
- The safety concerns of pedestrians walking on roadsides in Milford have been a concern for sometimes and Trustee Schuck praised the work done in particular by Trustee Holland to gain approval from all agencies with the resource consent about to be lodged and work expected to be completed prior to the coming summer season.
- Sutherland Statue – As raised by Mr Willett in public forum the Trustees and Ms Croft believed this matter is worthy of further investigation although is part of a bigger picture in regard to future development for the area over the coming years in conjunction with the department to include, more natural history information and the criteria for monuments in the national park.

Mr Schuck then thanked Trustee McConachie for his contribution to the Trust and added that with his own departure from the Trust, Trustee Schuck advised that Councillor Kremer will be interim Chair for the immediate future, and thanked fellow Trustees and staff for all the work carried out throughout the past year.

The meeting concluded at 11.00am

CONFIRMED AS A TRUE AND CORRECT RECORD AT A
MEETING OF THE MILFORD COMMUNITY TRUST
HELD ON 25 JUNE 2018.

DATE:.....

CHAIRPERSON:.....

Financial Report to 31 August 2018

Record No: R/18/9/20890
Author: Brie Lepper, Graduate Accountant
Approved by: Anne Robson, Chief Financial Officer

☐ Decision ☐ Recommendation ☒ Information

Commentary

Financial Performance

- 1 Concessionaire income for the first quarter has been invoiced in September. It was initially hoped that the Department of Conservation (DOC) would have been able to have completed the update of the concessionaire percentages before the invoices were sent. However, due to other commitments at DOC this hasn't been possible. As noted in a separate report, the invoices sent to concessionaires for the first instalment have been based on the 2017/18 percentages, with amendments to be made to future instalments invoiced when the updated percentages are received from DOC.

Financial Position

- 2 The Milford Community Trust (MCT) continue to have a strong cash position with \$115,426 across the call and current accounts. The call account receives interest at a rate of 0.1% p.a.
- 3 Additionally, \$165,000 is invested in term deposits as outlined in the table below. Staff would appreciate an update from the trustees as to when any substantial costs may be incurred to ensure the re-investment terms are appropriate.

Bank	Amount	Interest Rate	Term	Maturity Date	Expected Interest
BNZ	\$41,748.18	3.15%	120 Days	17/10/2018	\$658.56
BNZ	\$73,059.31	3.15%	120 Days	10/10/2018	\$1,152.48
BNZ	\$50,000.00	3.25%	90 Days	10/09/2018	\$552.05

- 4 As at the date of this report, the \$50,000 term deposit has matured and it has been combined with \$100,000 from the call account and reinvested for a period of 120 days, maturing on 10 January 2019.

Milford Community Trust
Statement of Financial Performance
For the period to 31 August 2018

Actual 30/06/18	Account Description	Actual 31/8/18	Annual Budget
	<u>Income</u>		
124,449	Concessionaires Income	-	136,893
1,000	Grant Income	-	-
4,399	Interest	1,244	-
<u>129,849</u>		<u>1,244</u>	<u>136,893</u>
	<u>Expenses</u>		
326	Accommodation and Meals	-	800
44	Administration	-	67
(9)	Advertising	-	600
4,140	Audit Fees	-	5,000
41	Bank Fees	79	40
91	Catering Expenses	109	500
4,751	Chairperson's Fees	-	10,000
1,597	Depreciation	258	1,613
-	Environment Southland - Consent Fees	-	15,000
-	Walkway	-	130,000
2,326	General Projects	-	500
-	Medical Clinic	-	26,000
130	Emergency Services Provider	-	42,000
219	Mileage	-	3,000
-	Project Development and Planning	-	5,000
360	RNZ Licence	-	370
178	Room Hire	43	300
-	Trustees Fees	-	6,000
2,455	Insurance	-	2,605
<u>16,650</u>		<u>489</u>	<u>249,395</u>
<u>113,199</u>	Net Operating Surplus/(Deficit)	<u>754</u>	<u>(112,502)</u>
-	Other Comprehensive Income	-	-
<u>113,199</u>	Total Comprehensive Income	<u>754</u>	<u>(112,502)</u>

**Statement of Changes in Equity
For the period to 31 August 2018**

Actual 30/06/18		Actual 31/8/18
213,204	Total Equity at beginning of year	326,403
113,199	Net Surplus / (Deficit)	754
326,403	Equity at end of year	327,157

**Statement of Financial Position
As at 31 August 2018**

Actual 30/06/18		Actual 31/8/18
	Equity	
100	Trust Capital	100
326,303	Accumulated Funds	327,057
326,403		327,157
	Represented by:	
	Current Assets	
763	Accounts Receivable	-
517	Accrued Income	1,407
-	GST Receivable	23
2,976	Bank Account - 00	4,335
695	Savings Account - 025	111,091
289,807	Term Deposits	164,807
294,759	Total Current Assets	281,664
	Non Current Assets	
100	Trust Capital	100
51,624	Recreational Pad	51,366
346,483	Total Assets	333,130
	Current Liabilities	
5,973	Accrued Expenses	5,973
518	Accounts Payable	-
13,589	GST Payable	-
20,080	Total Liabilities	5,973
326,403	Net Assets	327,156

Recommendation

That the Milford Community Trust:

- a) **Receives the report titled “Financial Report to 31 August 2018” dated 18 September 2018.**

Attachments

There are no attachments for this report.

Milford Community Trust Performance Report 2017/18

Record No: R/18/9/21334

Author: Simon Moran, Community Partnership Leader

Approved by: Rex Capil, Group Manager Community and Futures

☒ Decision

☐ Recommendation

☐ Information

Purpose

- 1 To provide the Trust with the Milford Community Trust Performance Report for the 2017/18 financial year so it can be adopted.

Executive Summary

- 2 The Performance Report for the year ended 30 June 2018 reports against the objectives and finance budget set in the Statement of Intent for the same year. This report outlines some of the key highlights and the Trust's responsibility as a Council Controlled organisation.

Recommendation

That the Milford Community Trust:

- a) **Receives the report titled "Milford Community Trust Performance Report 2017/18" dated 14 September 2018.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Adopts the Milford Community Trust Performance Report for the year ended 30 June 2018.**
- e) **Agrees that the audited performance report be delivered to shareholders and be made available to the public by 30 September 2018.**

Background

- 3 The Performance Report is a means of accounting for the Trust's activities for the 2017/18 financial year. It reports on targets and budgets in the Statement of Intent 2017/2020. A summary of this information is also included in the Southland District Council's own Annual Report.
- 4 As the Trust is a Council Controlled Organisation, it is required to comply with sections of the Local Government Act 2002 outlined below. Part of this includes the delivery of the audited Performance Report to shareholders; for this purpose the Trust shareholders have been defined as the Southland District Council, the Department of Conservation and Environment Southland. The Trust must also make the Performance Report information available to the public.

Factors to Consider

Legal and Statutory Requirements

- 5 Under the Local Government Act 2002, the Trust must prepare and adopt a Performance Report in respect of each financial year

Costs and Funding

- 6 The Statement of Financial Performance (Page 10 of the Annual Report) outlines the actual income and expenditure compared to budget. The Trust ended with a surplus of \$113,199 compared with a budgeted deficit of \$104,703.
- 7 The surplus is primarily due to
- No decision has yet been made on whether to proceed with the Cleddau Recreation Centre therefore the budgeted \$110,000 has not been spent.
 - The \$46,920 for the Milford Emergency Response Team Leader role was not spent due to the funding and employment of that position being taken over by Fire and Emergency New Zealand.
 - The Chairman and Trustees have not claimed all of the fees that they were entitled to claim (\$12,249 saving).
- 8 \$5,000 was set aside for project development and planning this has not been required this year.

Policy Implications

- 9 Section 67 of the Local Government Act 2002 requires that a Council Controlled Organisation must deliver to the shareholders, and make available to the public a report on the organisation's operations during the year. The information required to be included are defined in Section 68 and 69 of the Local Government Act 2002 and the Trust's own Statement of Intent for the financial year.
- 10 Section 68 requires enough information to be included to enable an informed assessment of the operations of the Trust including an assessment of performance against the Statement of Intent and an explanation of any major variances.

-
- 11 Section 69 requires that the report include an auditor's report and that the audited statements be prepared within generally accepted accounting practice which incorporates the New Zealand International Financial Reporting Standards.

Next Steps

- 12 Once the Trust adopts the Performance Report for the year ended 30 June 2018 the signed version will be forwarded to the auditors and in accordance with paragraph 11 above the final auditor's report can be issued.

Attachments

- A Performance Report 2018 [↓](#)
B Auditors Report 2018 [↓](#)



MILFORD COMMUNITY TRUST

PERFORMANCE REPORT

FOR THE YEAR ENDED 30 JUNE 2018

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ENTITY INFORMATION

Legal Name:

Milford Community Charitable Trust

Type of Entity and Legal Basis:

Charitable Trust

Registration Number:

CC39881

Mission:

The Milford Community Trust was established in 2007 by the Southland District Council and the Department of Conservation with the assistance of Environment Southland for the purposes of providing leadership and governance for the Milford community.

Structure of the Trust:**Date of Settlement:**

May 2007

Settlor:

Southland District Council

Current Trustees:

Michael N Schuck
Ebel Kremer
Tim Holland
Jason Steele
Bradley Johnstone
Mike McConachie
Rosco Gaudin

Term of Office:

Four Years (Chairperson)
Councillor
Four Years
Four Years
Three Years
Four Years
Four Years

Manager:

Southland District Council

Secretary:

Southland District Council - Jenny Labruyère

Trust Capital:

100 dollars

Main Sources of Resources:

Milford Community Trust's primary source of income is via a concessionaire's fee charged to local organisations on a quarterly basis.

Chairperson's Report

The main work that the Trust was to undertake over the past year was to be the establishment of a community centre. A site is secured and some funding set aside. Community consultation has produced a concept plan. Some consultation with major stakeholders occurred during the past twelve months with majority support but with reservations from many over the cost and better information on future operating costs and management of the facility. Consultation is on-going to answer these concerns.

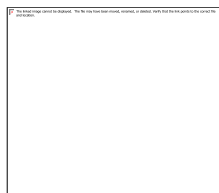
For some time there has been concern for the safety of people walking from Deepwater Basin to Freshwater Basin on the side of the Milford Road. This has got progressively worse as the number of vehicles using the road increases. The Trust is pleased to have got approval from all agencies for the construction of a walking track that will allow pedestrians safe alternative to the road. A resource consent is about to be lodged and the Trust expects the track to be ready in time for next season. Thank you to all involved in achieving this result, particularly, Trustee Tim Holland.

There will be a few changes to the make-up of the Trust in the coming year. After eleven years on the Trust, eight as Chairperson, I have decided not to offer myself for a further term. For the immediate future councillor Ebel Kremer will be interim chair. Also standing down is Trustee Mike McConachie. Thankyou Mike for all your work for the Trust.

Perhaps it is time to get a representative of the fishing industry back onto the Trust.

Thank you to all my fellow Trustees, Simon Moran and especially Jenny Labruyere for all your good work throughout the year.

I hope the Trust can complete the process of building a community centre at Deepwater Basin. I am convinced of its need and am certain all the concerns can be addressed and in the future people will look back and agree that the decision to proceed was a good one.

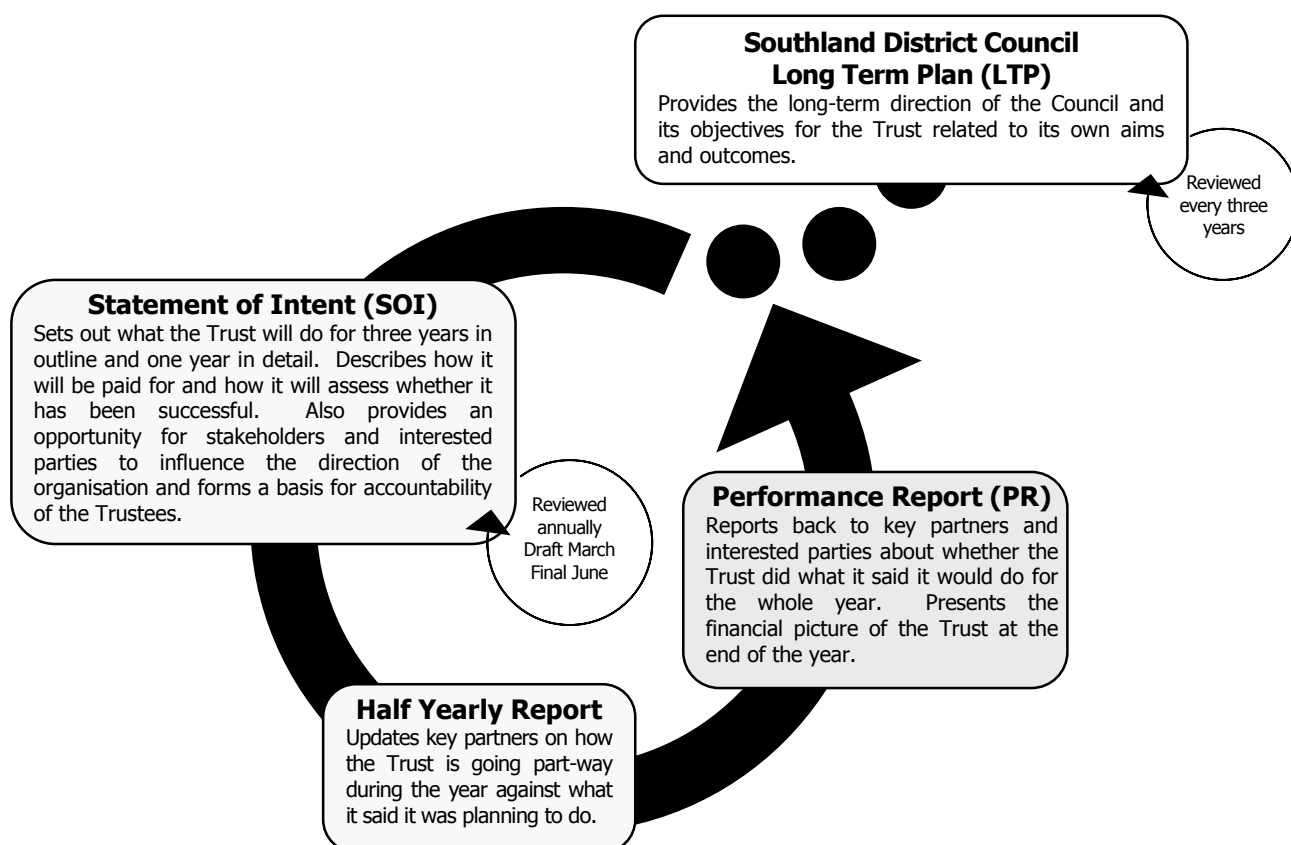


Mike Schuck
Independent Chairperson
Milford Community Trust

What is the Performance Report?

Each year a Performance Report is produced for the Milford Community Trust which compares activities performed with those intended as set out in the Trust's Statement of Intent for the year. This information allows the operation of the Trust to be assessed by its key partners and other interested parties. This document reports in the Trust's activities during the year 1 July 2017 to 30 June 2018 which was the period of the Statement of Intent 2017/2020.

As a Council Controlled Organisation (CCO), the Milford Community Trust has obligations to report on its activities under the Local Government Act 2002.



Performance Information

This section reports on the Trust's performance compared against what was intended in the Statement of Intent.

Objectives

The Trust has several key objectives which guide its activities, namely:

- (a) To manage and carry out services and undertake leadership, planning and advocacy for the general benefit of the Milford community so as to ensure as far as possible that the infrastructure of the community and its sense of identity, viability and wellbeing are maintained and enhanced.
- (b) To liaise with and communicate with all individuals, organisations, groups and other parties with interests in the Milford community for all purposes which are beneficial to the community.
- (c) To represent the interests of the Milford community to ensure that the natural environments and outstanding values of the Milford Sound area are safeguarded and protected for all residents and visitors to the area.
- (d) To monitor and maintain an overview of all activities and services provided within the Milford community.
- (e) To consider and report on all matters either referred to and/or delegated to it from time to time by the Department of Conservation and the Southland District Council and on any matter of interest or concern to the Milford community.
- (f) To access, use or invest funds and enter into arrangements, contracts and other agreements upon such securities or in such manner and upon such terms and conditions that the Trustees deem suitable for the purpose of furthering the objects and purposes of the Trust.
- (g) To carry out such other lawful activities which are incidental or conducive to attaining the objects and purposes of the Trust.

Reporting on the activities of the Trust as well as actual performance against planned targets provides information which can be used to evaluate progress being made towards these objectives. The Trust's Statement of Intent includes a number of performance targets and specific projects which are reported on below.

Governance Report

The Milford Community Trust was established in 2007 following a process of consultation with residents, agencies and businesses with interests in Milford. This followed the special consultation process set out in the Local Government Act 2002. The inaugural meeting of the Trust was held on 18 April 2007.

The Trust is governed by a board of seven Trustees with representatives from stakeholder groups as shown in the table below. The Trust Deed sets out the way in which business of the Trust is to be conducted. A strong driver is that the local Milford community should determine its own priorities and agree on the funding for these. The Trust strives to regularly review its performance and to be open and accountable to the community through public meetings.

Four meetings, which are open to the public, were held during the year. These meetings were held as follows;

22 September 2017 at Te Anau
01 December 2017 at Te Anau
23 February 2018 at Milford
25 June 2018 at Te Anau

Trustees are detailed in the table below;

The Designation	Trustee Name	Appointed	Term Expires
Independent Chair	Michael Schuck	July 14	June 18
Te Anau Ward Councillor, ex-officio appointment	Ebel Kremer	Oct 16	Oct 19
Milford Community Association elected representative	Bradley Johnstone	June 17	June 20
Milford Community appointees	Rosco Gaudin	Aug 15	June 19
	Jason Steele	June 18	June 21
	Mike McConachie	Nov 14	June 18
	Tim Holland	Aug 16	June 20

Trustee appointments

The independent Chair and two trustees' terms expired at the end of June – the Chair and Trustee McConachie did not seek reappointment.

Performance Targets

The information below sets out how the Trust performed against the key performance indicators from the Statement of Intent chosen to reflect the level of service to be provided.

The table shows what Level of Service the Trust said it would provide, how this will be measured, the target for the 2017/2018 year and whether the targets were achieved, partially achieved or not achieved and the reason for any significant variance.

What the Trust said will provide	How the Trust said it will measure the service provided		
Level of Service	Key Performance Indicator	Target	Achievement
Maintain a structure that facilitates local decision-making.	Hold public forums in Milford each year.	1	Achieved. One forum was held on 23 February 2018. (2016/17 : Achieved)
Keep the Milford community informed about Trust plans and outcomes.	Community newsletters following MCT meetings.	2	Not achieved through newsletters. The Milford Community Association Trustee maintains a Facebook page through which information is shared. (2016/17 : Not Achieved)
Provide leadership and advocacy on major issues.	Number of Milford Community Trust meetings held annually	4	Achieved. Four meetings were held in 2017/18 in September, December, February, and June (2016/17 : Achieved)
Response to issues raised by the community.	Percentage of issues raised at Milford Community Association meetings responded to prior to next meeting.	85%	Achieved 100%. No issues were raised by the community's representative on the Trust. (2016/17: Achieved 100%)

What the Trust said it will provide	How the Trust said it will measure the service provided		
Level of Service	Key Performance Indicator	Target	Achievement
Milford Community Association meetings	To be reported at MCT meetings.	4	Not achieved – there is an opportunity at each meeting for a report to be tabled and this occurred at 1 of the four meetings due to the availability of the representative. There was also one informal Milford Community Association meeting was held with members of the Trust during the past year in February, with 2 members attending. (2016/17 : Not Achieved)

Activity Report

The information below reports on the planned activities included in the Statement of Intent 2017/2020 as well as any unplanned for activities actually carried out during the year.

Activity Description	Date	Status
Planned Activities		
Advocate and assist with other organisations for strategic improvements in community planning in Milford Sound.	June 2018	There have been ongoing discussions with the Department of Conservation primarily through their representatives who attend the Trust meetings.
Advocate and investigate funding options with other organisations for public toilets and shelter at the airport and completion of the walking track to the Lodge	June 2018	No progress has been made in relation to the public toilets/shelter at the airport. The Trust considered that at this time it is up to the Lodge to drive the walking track project and to come back to it with further information.
Assist Milford Community Association in the development of Cleddau Village recreation area which is to accommodate community centre.	June 2018	A meeting was held with concessionaires in February 2018 at which time a concept proposal/business case was discussed. Not many attended so it was determined that the Chair will arrange to personally meet with each concessionaire to discuss the future of this project. Those meetings will occur in 2018/19.
Provide funding for medical support, services and facilities for the Milford Emergency Response Team station.	June 2018	The MERT team leader role was absorbed into the Fire and Emergency NZ (FENZ) structure during the year. The Trust will assist the MERT with emergency equipment when required.
Funding of the Team Leader Emergency Services and investigate the role of the Fiordland Medical Trust on emergency services	June 2018	The MERT team leader role was absorbed into the FENZ structure during the year. Discussions were held with the Fiordland Medical Centre in January 2018, however, they are in abeyance awaiting the outcome and direction of the FENZ restructure.

Activity Description	Date	Status
Review of the Trust and charging mechanism with stakeholders including concessionaires	June 2018	No changes were made – the review was discussed between the Trust and Council's Chief Financial Officer in December 2017 and June 2018. The remodelling project for concessionaire fees requires further investigation with the Department of Conservation, and should be achieved prior to the end of the 2019/2020 financial year.
Engage with NZTA for the development of the walking track from the airport to Deepwater Basin Road, car parking at the rock climbing area.	June 2018	Construction of the track is budgeted for in the 2018/19 year and it is expected to be completed by December 2018 subject to obtaining resource consents. The work is being led by Milford Sound Tourism Ltd.
Advocate for the continuation of maintaining beautification and roading within the village.	June 2018	Lobbying of the Department of Conservation and Council has continued primarily through the Trust meetings where representatives are present.
Unplanned Activities		
None		
Information Requirements		
Draft Statement of Intent approved by the Trust.	30 March 2018	Achieved. The Draft was approved by the Trust at its 23 rd February 2018 meeting.
Final Statement of Intent prepared and circulated to key partners.	30 June 2018	Achieved.
Half yearly report prepared and circulated to key partners.	30 March 2018	Achieved. The report was approved by the Trust at its 23 rd February 2018 meeting.

Compensation

In the Statement of Intent, the Trust indicated that it would require funding (investment) from parties for undertaking particular activities. The Trust is required to report on compensation provided by key partners in particular. The table below details the actual compensation versus what was budgeted in the Statement of Intent.

Contribution	Activity	2017/2018 Budgeted	2017/2018 Actual	Comment
Key Partners				
Other Sources				
Concessionaires (via Concession Activity Fee)	Governance Costs	\$124,449	\$124,449	Concessionaires have been invoiced for all Governance costs incurred during the year

Value of Stakeholders Investment

The net value of the stakeholders' investment in the Trust is estimated to be valued at \$326,402 as at 30 June 2018. The assessment uses the value of stakeholders' funds as a guide.

Milford Community Trust
Statement of Financial Performance
For the year ended 30 June 2018

	Actual 2018	Budget 2018	Actual 2017
Revenue			
Concessionaires Income	124,449	124,449	113,135
Grant	1,000	-	-
Interest Income	4,399	-	2,696
Total Revenue	129,849	124,449	115,831
Expenses			
Accommodation and Meals	326	800	209
Administration Fees	44	68	51
Advertising - Newspaper	(9)	600	70
Audit Fees	4,140	5,000	4,103
Bank Fees	41	40	42
Bowen Falls	-	-	5,500
Catering Expenses	91	500	-
Chairpersons Fees	4,751	10,000	4,834
Cleddau Village Recreation Building	-	110,000	-
Environment Southland - Consent Fees	-	15,000	-
Depreciation	1,597	-	538
Emergency Services Provider	130	46,920	41,634
ERT Plant & Equipment Purchases	-	2,500	-
General Expenses	2,326	500	162
Deepwater Basin Walkway	-	20,000	-
Loss on Disposal of Asset	-	-	985
Mileage	219	3,000	749
Project Development & Planning	-	5,000	-
Radio Tower	360	370	-
Room Hire	178	300	598
Trustees Fees	-	6,000	2,400
Insurance	2,455	2,554	2,455
Total Expenses	16,650	229,152	64,329
Surplus/(Deficit) for the Year	113,199	(104,703)	51,502

The above statement should be read in conjunction with the following Statement of Accounting Policies and Notes to the Financial Statements.

Milford Community Trust
Statement of Financial Position
As at 30 June 2018

	Note	Actual 2018	Budget 2018	Actual 2017
Assets				
Current Assets				
Bank Accounts and Cash	2	3,671	15,000	33,667
Short Term Deposit	3	289,807	36,750	110,000
Debtors		863	100	30,116
Accrued Income		517	-	1,331
GST Recievable		-	-	2,466
Total Current Assets		294,859	51,850	177,581
Non-Current Assets				
Property, Plant and Equipment	4	51,624	-	53,221
Total Non-Current Assets		51,624	-	53,221
Total Assets		346,482	51,850	230,802
Liabilities				
Current Liabilities				
Accrued Expenses		5,973	5,797	6,325
Creditors		518	-	11,272
GST Payable		13,589	5,198	-
Total Current Liabilities		20,080	10,995	17,598
Non-Current Liabilities				
		-	-	-
Total Non-Current liabilities		-	-	-
Total Liabilities		20,080	10,995	17,598
Net Assets		326,402	40,855	213,204
Accumulated Funds				
	7			
Trust Capital		100	100	100
Accumulated surplus(deficit)		326,302	40,755	213,104
Total Accumulated Funds		326,402	40,855	213,204

The above statement should be read in conjunction with the following Statement of Accounting Policies and Notes to the Financial Statements.

 Trustee

 Trustee

Date Signed: 21 September 2018

Milford Community Trust
Statement of Cash Flows
For the year ended 30 June 2018

	Actual 2018	Actual 2017
Cash Flows from Operating Activities		
Cash was received from:		
Reciepts from Concessionaires Income	149,887	87,036
Grants	1,000	-
Interest Received on Bank Accounts and Cash	5,214	1,448
Cash was applied to:		
Goods and Services Tax (Net)	18,468	(10,177)
Payment to Suppliers and Employees	(24,758)	(52,924)
Net Cash Flows from Operating Activities	149,812	25,383
Cash Flows from Investing Activities		
Cash was received from:		
Term Deposit Maturity	110,000	70,000
Cash was applied to:		
Investment In Property, Plant and Equipment	-	(53,759)
Investment In Term Deposit	(289,807)	(110,000)
Net Cash Flows from Investing Activities	(179,807)	(93,759)
Net Cash Flows from Financing Activities	-	-
Net Increase / (Decrease) in Cash	(29,995)	(68,376)
Opening Cash	33,667	102,044
Closing Cash	3,671	33,667

The above statement should be read in conjunction with the following Statement of Accounting Policies and Notes to the Financial Statements.

Statement of Accounting Policies

For the year ended 30 June 2018

BASIS OF PREPARATION

Milford Community Trust has applied PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2 million.

All transactions in the Performance Report are reported using the accrual basis of accounting.

The financial statements are prepared under the assumption that the entity will continue to operate in the foreseeable future.

SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition

Concessionaires Fees

Revenue is recorded when the fee is due to be received.

Donated Assets

Revenue from donated assets is recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the value of the asset is readily obtainable and significant.

Interest

Interest revenue is recorded as it is earned during the year.

Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment and the loss is recorded as a bad debt expense. Debtors are shown as GST inclusive.

Bank Accounts and Cash

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks.

Term Deposits

Term Deposits with Banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered, it is written down to the expected recoverable amount.

Creditors and Accrued Expenses

Creditors and accrued expenses are measured at the amount owed.

Property, Plant and Equipment

Property, plant and equipment is recorded at cost, less accumulated depreciation and impairment losses.

Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a diminishing value basis that will write off the cost of the assets over their useful lives. This is calculated using the following rates:

Equipment	40% Diminishing Value
Buildings	3% Straight Line

Income Tax

The Trust is exempt from income tax as it is a Charitable Trust registered under the Charities Commission.

Budget Figures

The budget figures are derived from the 2017-2020 Statement of Intent as approved by the Trustees on 20 February 2017. The budget figures have been prepared in accordance with tier 3 standards, using accounting policies that are consistent with those adopted by the Trustees in preparing these financial statements.

Changes in Accounting Policies

There have been no changes to the accounting policies applied in the financial statements to the prior year.

Goods and Services Tax

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

Notes to the Financial Statements

For the year ended 30 June 2018

1. Post balance date events

There have been no significant subsequent events between the balance sheet date and the signing of the financial statements that require disclosure or adjustment in the financial statements.

2. Bank accounts and cash

Account	2018	2017
BNZ Current Account	2,976	15,869
BNZ Call Account	695	17,797
Total	3,671	33,667

Interest rates on the BNZ Current and Call accounts at 30 June 2018 are 0.1% and 0.1% per annum respectively (2017: 0.1% and 0.1%).

3. Investments

Account	2018	2017
Term Deposit(s)	289,807	110,000
Total	289,807	110,000

Four term deposits are held with BNZ at 30 June 2018.

- A \$41,089 deposit, maturing 17/10/18, at 3.15% interest.
- A \$71,906 deposit, maturing 10/10/18, at 3.15% interest.
- A \$50,000 deposit, maturing 10/09/18, at 3.25% interest.
- A \$125,000 deposit, maturing 13/07/18, at 1.89% interest.

Two term deposits are held with BNZ at 30 June 2017.

- A \$40,000 deposit, maturing 17/7/17, at 3.30% interest.
- A \$70,000 deposit, maturing 24/7/17, at 3.30% interest.

4. Property, plant and equipment

	Equipment	Land Improvements	Total
Carrying Amount at 1 July 2016	985	-	985
Additions	-	53,759	53,759
Disposals (net of Accumulated Depreciation)	(985)	-	(985)
Depreciation Expense	-	(538)	(538)
Carrying Amount at 30 June 2017	-	53,221	53,221
Carrying Amount at 1 July 2017	-	53,221	53,221
Additions	-	-	-
Disposals (net of Accumulated Depreciation)	-	-	-
Depreciation Expense	-	(1,597)	(1,597)
Carrying Amount at 30 June 2018	-	51,624	51,624

*Land Improvements relates to the construction of the Cleddau Village Recreational Reserve Asphalt Pad. Construction was completed in March 2017.

5. Contingent assets and liabilities

There are no contingent assets or liabilities as at 30 June 2018 (Nil June 2017).

6. Commitments

The Trust has no commitments as at 30 June 2018 (Nil June 2017).

7. Accumulated Funds

	2018	2017
Contributed Capital		
Balance at 1 July	100	100
Balance at 30 June	100	100
Accumulated Surplus		
Balance at 1 July	213,204	161,602
Surplus/(Deficit) for the year	113,199	51,502
Balance at 30 June	326,402	213,104
Accumulated funds	326,402	213,204

8. Related Parties

Department of Conservation and Southland District Council with the assistance of Environment Southland worked together setting up a Council Controlled Organisation in the form of this Trust, and therefore are the stakeholders of the Trust.

The Trust had transactions with DOC during the year of \$3,825 (2017 \$3,477) for current year concessionaires income. An amount of \$763 was outstanding at balance date.

The Trust paid money to Southland District Council during the year totalling \$5,951 (2017 \$9,521). These costs are for the reimbursement of Trust expenses and Chairman Fees paid for by the Southland District Council. There were no amounts outstanding at balance date. The Trust received a grant from Southland District Council during the year of \$1,000. (2017 – nil) No amounts were outstanding to the Trust at balance date.

The Trust had no transactions with Environment Southland during the year (2017 Nil).

Additionally, Trustees and the Chairperson have interests in organisations within Milford Sound which contribute to the trust through payment of a concessionaire's fee. Related party disclosures have not been made for transactions with these organisations as the setting of these fees is conducted under terms and conditions no more or less favourable than those that it is reasonable to expect the Trust would have adopted in dealing with the party at arm's length in the same circumstances.

9. Explanation of major variances against budget

Explanations for major variations from the Trust's budgeted figures in the 30 June 2018 Statement of Intent are as follows:

- **Statement of Financial Performance**
 - A grant was received from the Southland District Council Community Initiatives Fund to provide sports equipment for the recreational pad.
 - Cleddau Village Recreation Building construction was not undertaken during the year as the viability of this project is still being discussed with operators.
 - No consent fees were spent in the 2018/2019 as Department of Conservation and Environment Southland are still in discussions.
 - Costs in relation to the Emergency Services Provider were met by Fire & Emergency New Zealand so the Trust did not need to provide this funding.
 - The walkway has approval from all agencies and resource consent is about to be lodged. It will be constructed in the 2018/2019 year.
- **Statement of Financial Position**
 - Term Deposits are higher than budgeted primarily due to work on the Cleddau Village Recreation Building not commencing and other projects being differed in the 2017/2018 financial year. All surplus funds have been invested in term deposits.

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Report to the Board on the audit of

Milford Community Trust

For the year ended 30 June 2018

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Key messages

We have completed the audit for the year ended 30 June 2018.

This report sets out our findings from the audit and draws attention to areas where the Trust is doing well and where we have made recommendations for improvement.

Audit opinion

We intend to issue an unmodified audit opinion prior to the legislative deadline of 30 September 2018.

Matters identified during the audit

Our final audit involved ensuring that Milford Community Trust's results were fairly reflected in its financial statements, with specific attention paid to the matters that were outlined in our audit plan at the beginning of the audit.

In this report we discuss our findings in relation to these matters.

Thank you

We would like to thank the Trustees, management and staff for their assistance received throughout the audit.



Ian Lothian
Appointed Auditor
6 September 2018

1 Recommendations



Our recommendations for improvement and their priority are based on our assessment of how far short current practice is from a standard that is appropriate for the size, nature, and complexity of its business. We have developed the following priority ratings for our recommended improvements.

Priority	Explanation
Urgent	Needs to be addressed <i>urgently</i> These recommendations relate to a significant deficiency that exposes the Trust to significant risk or for any other reason need to be addressed without delay.
Necessary	Address at the earliest reasonable opportunity, <i>generally within six months</i> These recommendations relate to deficiencies that need to be addressed to meet expected standards of best practice. These include any control weakness that could undermine the system of internal control.
Beneficial	Address, <i>generally within six to 12 months</i> These recommendations relate to areas where the Trust is falling short of best practice. In our view it is beneficial for management to address these, provided the benefits outweigh the costs.

1.1 New recommendations

The following table summarises our recommendations and their priority.

Recommendation	Reference	Priority
Disclose all pecuniary and non-pecuniary interests in the interests register.	Section 3	Necessary
Appoint two new trustees during the 2019 financial year to ensure compliance with the Trust Deed.	Section 3	Necessary
Ensure all invoices are accrued into the year they relate to.	Section 4	Necessary

1.2 Status of previous recommendations

Set out below is the status of previous year's recommendations:

Recommendation	First raised	Status
Necessary		
Independently review all journals.	2016/17	The majority of journals are independently reviewed, but not the full population.
Renew the 2012 Fraud Policy.	2016/17	The fraud policy has still not been updated. We reviewed the 2012 policy against best practice guidelines and for the most part the policy complies with best practice, but it should include processes for regular reviews to occur in areas that are most susceptible to fraud.

2 Our audit report

2.1 We issued an unmodified audit report



We intend to issue an unmodified audit opinion prior to the legislative deadline of 30 September 2018

This means that we were satisfied that the financial statements and statement of service performance present fairly the Trust's activity for the year and its financial position at the end of the year.

In forming our audit opinion, we considered whether the Trust's results of its activities were fairly reflected in its financial statements and specifically concentrated on the matters that were outlined in our audit plan at the beginning of the audit. These matters are discussed in section 3 of this report.

2.2 Uncorrected misstatements

The financial statements are free from material misstatements, including omissions.

During the audit, we have discussed with management any misstatements that we found, other than those which were clearly trivial. There were no significant misstatements identified during the audit that have been corrected.

2.3 Quality and timeliness of information provided for audit



Management is required to provide information for audit relating to annual report of the Trust. This includes the draft annual report with supporting working papers.

Management provided all requested information in a timely manner and to a high quality. This allowed the audit to run smoothly and be completed within the agreed timeframes.

3 Matters raised in the audit plan



In our Audit Plan of 1 May 2018, we identified the following matters as the main audit risks and issues:

Audit risk/issue	Outcome
Management Override	
<p>There is an inherent risk in every organisation of fraud resulting from management override of internal controls.</p> <p>Management are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>Auditing standards require us to treat this as a risk on every audit.</p>	<p>To address this risk, during the audit we:</p> <ul style="list-style-type: none"> • tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; • reviewed accounting estimates, including the estimation of impairment, for bias and evaluated whether there was any risk of material misstatement due to fraud from bias; and • evaluated the business rationale for significant transactions that were outside the normal course of business, or that otherwise appeared to be unusual given our understanding of the Trust. <p>We found no indications of management override that would result in a material misstatement, in the financial statements, due to fraud.</p>
Non-financial performance reporting	
<p>Each year, we audit the performance information contained in the annual report and report on whether it fairly reflects the achievements measured against the targets and other measures in the Statement of Intent (Sol).</p> <p>We expect Sol's to have taken into account guidance from the Auditor-General's report Statements of Corporate Intent: Legislative compliance and performance reporting published in June 2007.</p>	<p>As part of our audit we:</p> <ul style="list-style-type: none"> • considered the appropriateness of performance measures and targets; • determined whether the performance information fairly reflects the performance measures and targets outlined in the Sol; and • checked the reported levels of achievement for the significant performance measures, including explanations for variances. <p>We have no concerns to report.</p>

Audit risk/issue	Outcome
Related parties and conflicts of interest	
<p>Related party transactions represent a particular area of risk in most public sector audits.</p> <p>Conflicts of interest are an area of concern because of probity, and the potential for matters to gain a high profile. The Auditor-General continues to receive many queries, and requests for inquiries, on conflicts of interest. A conflict of interest, which is not well managed, can create significant legal and reputational risks.</p> <p>The 2007 report on Managing conflicts of interest: guidance for public entities sets out the Auditor-General's view of what constitutes good practice in the public sector.</p> <p>It is primarily the responsibility of the Trust to identify and manage conflicts of interest.</p>	<p>We updated our understanding of how the Trust identifies, discloses, and manages related parties. We found that there is an interest register in place but it was not complete. We would like to remind the Trust that it is important to disclose all pecuniary and non-pecuniary interests, irrespective as to whether those related parties transact with the Trust or not, so the public can have confidence in the integrity of the process.</p> <p>We also tested the related parties' transactions and balances, and gained assurance that the disclosure in the financial statements is appropriate.</p> <p>We did not identify any issues regarding conflicts of interest.</p>
Sensitive expenditure	
<p>Sensitive expenditure is an area that continues to undergo significant public scrutiny.</p> <p>In February 2007 the Auditor General published: <i>Controlling sensitive expenditure: Guidelines for public entities (the Sensitive Expenditure Guidelines)</i>. It is an expectation that the sensitive expenditure policies, of all public entities, cover the principles in these best practice guidelines. It is also expected that the policies are applied in practice.</p>	<p>We sample tested sensitive expenditure, which the Trust incurred during the period, for compliance with the Trust's policies and accepted good practice in the public sector.</p> <p>We have no issues to report.</p>
Legislative compliance	
<p>To discharge the Auditor-General's mandate, we carry out an audit of legislative compliance. We limit this review to obtaining assurance that you have complied with significant legislative requirements that may</p>	<p>We assessed the systems and procedures that the Trust has in place to ensure compliance with significant legislation. We assessed whether the processes, in place, are appropriate for the size and structure of the Trust.</p>

Audit risk/issue	Outcome
<p>directly affect the financial statements or general accountability.</p> <p>Our review does not cover all of the Company's legislative compliance requirements.</p>	<p>No significant breaches of applicable legislation were disclosed to us or identified during our audit testing.</p> <p>We note that from our review of the Trust Deed, the Trust should have seven trustees. After June 2018, the Trust will not comply with this aspect of their Trust Deed. We recommend that this is remedied and steps are taken to appoint two new trustees during the 2019 financial year.</p>

4 Other findings



During the audit, we identified one further matter which requires management attention, as detailed below:

Audit risk/issue	Outcome
Cut-off of expenditure	
<p>During our testing of expenditure we noted an instance where an invoice was received a year later than the work was performed for the Trust.</p> <p>In this case the amount was not material to be a prior period error, and has instead been recognised in the 2018 financial year.</p>	<p>All expenditure that the Trust has not yet received an invoice for (especially around year-end) should be communicated to the finance team so that appropriate accruals can be made and to enable expenditure to be reflected in the appropriate financial year.</p>

5 Public sector audit



The Trust is accountable to a local authority and to the public for their use of public resources. Everyone who pays taxes or rates has a right to know that the money is being spent wisely and in the way the Trust said it would be spent.

As such, public sector audits have a broader scope than private sector audits. As part of our audit, we have considered if the Trust has fairly reflected the results of its activities in its financial statements and non-financial information.

We also consider if there is any indication of issues relevant to the audit with:

- compliance with its statutory obligations that are relevant to the annual report;
- the Trust carrying out its activities effectively and efficiently;
- the Trust incurring waste as a result of any act or failure to act by a public entity;
- any sign or appearance of a lack of probity as a result of any act or omission, either by the Trust or by one or more of its members, office holders, or employees; and
- any sign or appearance of a lack of financial prudence as a result of any act or omission by a public entity or by one or more of its members, office holders, or employees.

Based on the audit work completed, we have not identified or been notified of any concerns regarding the above points other than what has been addressed in section three.

6 Useful publications



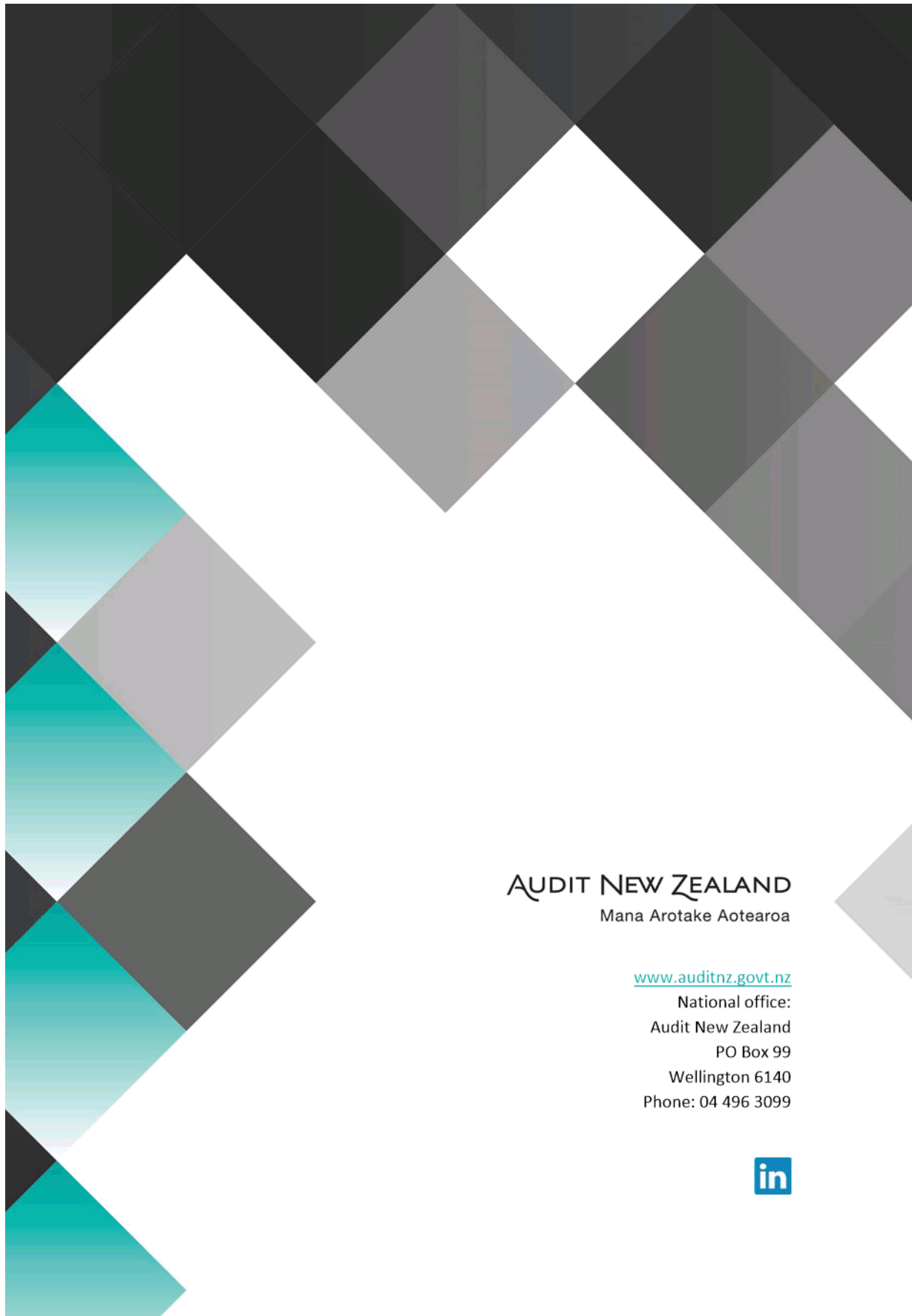
Based on our knowledge of the Trust, we have included some publications that the Board and management may find useful.

Description	Where to find it
Client updates	
<p>In March 2018, we hosted a series of client updates. The theme was “Our high performing and accountable public sector”.</p> <p>These included speakers from both Audit New Zealand and external organisations.</p>	<p>On our website under publications.</p> <p>Link: Client updates</p>
Model financial statements	
<p>Our model financial statements reflect best practice we have seen to improve financial reporting. This includes:</p> <ul style="list-style-type: none"> • significant accounting policies are alongside the notes to which they relate; • simplifying accounting policy language; • enhancing estimates and judgement disclosures; and • including colour, contents pages and subheadings to assist the reader in navigating the financial statements. 	<p>On our website under publications.</p> <p>Link: Model Financial Statements</p>
Tax matters	
<p>As the leading provider of audit services to the public sector, we have an extensive knowledge of sector tax issues. These documents provide guidance and information on selected tax matters.</p>	<p>On our website under publications and resources.</p> <p>Link: Tax Matters</p>
Data in the public sector	
<p>The OAG has published a series of articles about how data is being used in the public sector. These cover:</p> <ul style="list-style-type: none"> • functional leadership; • building capability and capacity; • collaboration; and • security. 	<p>On the OAG’s website under publications.</p> <p>Link: Data in the public sector</p>

Description	Where to find it
Matters arising from the 2016/18 audits	
The OAG has published a report on the results of the 2016/17 audits for the sector.	On the OAG's website under publications. Link: Recent publications

Appendix 1: Disclosures

Area	Key messages
Our responsibilities in conducting the audit	<p>We carried out this audit on behalf of the Controller and Auditor-General. We are responsible for expressing an independent opinion on the financial statements and performance information and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001.</p> <p>The audit of the financial statements does not relieve management or the Board of their responsibilities.</p> <p>Our Audit Engagement Letter contains a detailed explanation of the respective responsibilities of the auditor and the Board.</p>
Auditing standards	<p>We carried out our audit in accordance with the Auditor-General's Auditing Standards. The audit cannot and should not be relied upon to detect every instance of misstatement, fraud, irregularity or inefficiency that are immaterial to your financial statements. The Board and management are responsible for implementing and maintaining your systems of controls for detecting these matters.</p>
Auditor independence	<p>We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners, issued by New Zealand Auditing and Assurance Standards Board.</p> <p>Other than the audit, we have no relationship with, or interests in, the Trust.</p>
Fees	<p>The audit fee for the year is \$4,140, as detailed in our Audit Proposal Letter.</p> <p>No other fees have been charged in this period.</p>
Other relationships	<p>We are not aware of any situations where a spouse or close relative of a staff member involved in the audit occupies a position with the Trust that is significant to the audit.</p> <p>We are not aware of any situations where a staff member of Audit New Zealand has accepted a position of employment with the Trust during or since the end of the financial year.</p>



AUDIT NEW ZEALAND

Mana Arotake Aotearoa

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Update on Invoices sent for the 2018/19 Concessionaires fees

Record No: R/18/9/21614
Author: Brie Lepper, Graduate Accountant
Approved by: Anne Robson, Chief Financial Officer

☐ Decision ☐ Recommendation ☒ Information

Concessionaires Fees

- 1 This year's Concessionaires fees have been based on last year's percentage share as per the attached letter that went out to concessionaires with the first quarter invoices in September.
- 2 The Department of Conservation (DOC) are responsible for advising the percentage share that each concessionaire pays. This is based on information they gather around passenger numbers, bedrooms, square meterage occupied etc. It has been a number of years since an update has occurred. As such, DOC staff have recognised the need to bring up to date the factors for each concessionaire used to calculate the percentage share. Two factors are still to be completed in regards to staff numbers and accommodation area. To do this DOC have engaged a consultant and are also undertaking accommodation monitoring in September/October. It is hoped that any amendments necessary to the amounts invoiced as a result of updated percentages can be reflected in the second invoice sent. If for whatever reason this is not possible, it is anticipated that the change will be undertaken in the third instalment at the latest.
- 3 Once completed, the information that DOC is collecting will also support the review of the concessionaire percentage model the committee has previously indicated it wanted to undertake.

Recommendation

That the Milford Community Trust:

- a) **Receives the report titled "Update on Invoices sent for the 2018/19 Concessionaires fees" dated 13 September 2018.**

Attachments

- A Letter to all Concesionaires regarding invoicing [↓](#)



12 September 2018

Concessionaire

Dear Sir/Madam

Updating of Concessionaire information for invoicing for the 2018-2019 financial year

Please find attached your invoice for the first quarter of the Milford Community Trust (MCT) 2018-19 concessionaire levy. This instalment is based on your percentage share calculated last year, multiplied by the total budgeted income sought for this year by the MCT.

This year the Department of Conservation (DOC) has sought to update the information about your organisation that generates the percentage share you are charged. The percentage is based on a number of factors being staff numbers, improvement value, square meterage, passenger numbers and bedrooms. Although DOC have progressed with this update, they have been delayed by undertaking a survey to further gather more information. As such, MCT have at this stage used last year's percentage split for the first quarter invoice that is attached. Once the updated information is received from DOC a correction will be made through the following instalment. We will keep you updated on this and advise you of the updated percentage share and the revised amount required to be paid.

If you require any further information please contact me on 0800 732 732 or shelley.delallana@southlanddc.govt.nz.

Yours faithfully

A handwritten signature in black ink, appearing to read "Shelley", is written over a light blue horizontal line.

Shelley Dela Llana
Accountant
Milford Community Trust