



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

Date: Wednesday, 26 February 2020
Time: 9.30am
Meeting Room: Te Anau Library Meeting Room
Venue: 24 Milford Road, Te Anau

Milford Community Trust Agenda OPEN

MEMBERSHIP

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

IN ATTENDANCE

Community Partnership Leader Simon Moran

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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.

TABLE OF CONTENTS

| ITEM | PAGE |
|------|------|
|------|------|

PROCEDURAL

| | | |
|----------|-----------------------------------|----------|
| 1 | Apologies | 5 |
| 2 | Leave of absence | 5 |
| 3 | Conflict of Interest | 5 |
| 4 | Public Forum | 5 |
| 5 | Extraordinary/Urgent Items | 5 |
| 6 | Confirmation of Minutes | 5 |

REPORTS

| | | |
|------------|--|-----------|
| 4.1 | Milford Community Trust - Statement of Intent 2020-2023 | 7 |
| 4.2 | Half Year Financial Report to 31 December 2019 | 19 |
| 4.3 | Financial Report to 31 January 2020 | 25 |

4.4 Department of Conservation Update

Ms Croft to provide an update on behalf of the department.

4.5 Chairperson's Report

The Chairperson, Councillor 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

Trust 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

Meeting minutes of Milford Community Trust, 10 December 2019

Milford Community Trust - Statement of Intent 2020-2023

Record No: R/20/2/4303
Author: Simon Moran, Community Partnership Leader
Approved by: Rex Capil, Group Manager Community and Futures

☒ Decision ☐ Recommendation ☐ Information

Purpose

- 1 To obtain the Milford Community Trust's approval of the Statement of Intent (SOI) and its subsequent reporting to Council and stakeholders.

Background

- 2 At its December meeting the trust considered a number of changes to its draft SOI for 2020 – 2023 and the document has been amended accordingly.
- 3 Following final approval from the trust, the SOI will be circulated and presented to Council and provided to the trust's stakeholders.

Key Issues

- 4 The key issues that are signalled in the SOI are:
 - the future direction of the trust
 - decide whether or not it is feasible to proceed with the development of a recreation centre building
 - the trust has decided to make provision for a funding grant of up to \$80,000 per year to assist with the provision of medical services in Milford Sound *Piopiota*hi.

Recommendation

That the Milford Community Trust:

- a) **Receives the report titled "Milford Community Trust - Statement of Intent 2020-2023" dated 19 February 2020.**
- b) **Approves the Draft Statement of Intent 2020 – 2023 and provides a copy to Council and stakeholders.**

Attachments

- A Milford Community Trust Statement of Intent 2020-2023 [↓](#)



MILFORD COMMUNITY TRUST

STATEMENT OF INTENT 2020 - 2023

STATEMENT OF INTENT

1. Introduction

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.

The Trust Deed defines Milford as the developed area of land and adjacent coastal marine area at the end of State Highway 94 at the head of Milford Sound. It defines the Milford community as being the residents of Milford, the holders of concessions from the Crown operating at Milford and Iwi.

The purpose of this Statement of Intent (SOI) is to:

- Set out the proposed activities of the Trust.
- Provide an opportunity for stakeholders to influence the direction of the organisation.
- Provide a basis for accountability of the Trustees to their stakeholders for the performance of the organisation.

This Statement of Intent covers the three years from 1 July 2020 to 30 June 2023. The statement is updated annually.

2. Objectives of the Trust

The objectives of the Trust are:

- (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.

3. Statement on the Trust's Approach to Governance

Establishment

The Milford Community Trust was established in 2007 following a process of consultation with residents, agencies and businesses with interests in Milford in accordance with 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 was incorporated under the Charitable Trusts Act 1957 on 18 May 2007. The Charities Commission has approved the Trust as being exempt for tax purposes.

The Trust reports to the Southland District Council.

Trust Structure

In accordance with Section 9 of the Trust Deed, the Trust is governed by a board of seven Trustees. Current representatives from stakeholder groups are shown in the table below:

| Designation | Name | Term Expires 30 June |
|--|----------------|-------------------------|
| Mararoa-Waimea Ward Councillor, ex-officio appointment | Ebel Kremer | Oct 2022 |
| Interim Chair | | Dec 2021 |
| Milford Community Association elected representative | Brad Johnstone | 2020 |
| Milford Community appointee | Tim Holland | 2020 |
| Milford Community appointee | Jason Steele | 2022 |
| Milford Community appointee | Rosco Gaudin | 2023 |
| Milford Community appointee | Vacant | |

Trust Operations

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. The Trustees also undertake to meet the regulatory and stakeholder requirements for governance, reporting and planning, particularly the local government reporting requirements and recognition of the National Park and World Heritage Area status of the Milford Sound *Piopiotahi* area.

Resources Available to the Trust

Standing Orders, a Code of Conduct for Trustees and administrative support are available from Southland District Council.

Significant Policies

Financial Delegations Policy
Suspected Fraud Policy

Where appropriate, further policy guidance is obtained from relevant council and other statutory authority policy and this will be reviewed as necessary.

4. The Nature and Scope of the Activities to be Undertaken

Vision

The Trust's vision is:

The long-term sustainability of Milford Sound *Piopiota*hi, with a community focus.

Strategic Goals

The primary goals of the Trust are to:

- Provide leadership and governance for the Milford community in Milford Sound *Piopiota*hi.
- Advocate for the general benefit of the Milford community.

Within the over-arching vision and strategic goals, the more specific focus areas for 2020 – 2023 are:

Planning:

- Determine the future direction of the Trust.
- Advocating for better planning to address specific issues: highway safety, control of illegal camping, toilet facilities, community facilities, coordinated emergency response, and recognition of the area's World Heritage status.

Communication:

- Communicate the roles of the Trust and other authorities more clearly to the Milford community.
- Affirm the Trust role as a voice for the Milford community.
- Maintain relationships with Milford infrastructure providers.
- Provide clear information to concessionaires regarding intentions and implementation of Trust policies.
- Consult with the community and concessionaires to develop a strategic project plan for the Trust to deliver for the benefit of the community.

Advocacy:

- Advocate, as required, on behalf of the Milford community to central government, Environment Southland, Department of Conservation, Southland District Council, Iwi and other authorities.

Planned Activities/Services**2020/21:**

- Advocate and assist with other organisations for strategic improvements in community planning in Milford Sound.
- Provide funding for medical support services and facilities.
- Review of the Trust and charging mechanism with stakeholders including concessionaires.
- Facilitate the construction of the Milford recreation centre if the project gets approval.
- Advocate the continuation of maintaining beautification and roading issues within the Village and Deepwater Basin.
- Assist the Milford Community Association with the on-going development of the Cleddau Village Recreation Area to accommodate the community centre.

2021/22:

- Advocate and assist with other organisations for strategic improvements in community planning in Milford Sound.
- Provide funding for medical support services and facilities.
- Advocate the continuation of maintaining beautification and roading within the village.

2022/23:

- Advocate and assist with other organisations for strategic improvements in community planning in Milford Sound.
- Provide funding for medical support services and facilities.
- Advocate the continuation of maintaining beautification and roading within the village.

5. Ratio of Total Assets: Equity

Total assets are defined to include cash, investment and bank balances, accounts receivable, investments, prepayments, fixed assets (net of accumulated depreciation), intangible assets (net of accumulated amortisation), loans (none), etc.

Total equity is defined to include accumulated funds and retained earnings.

6. Significant Accounting Policies

The following accounting policies have been adopted by the Trust.

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 straight line basis that will write off the cost of the assets over their useful lives. This is calculated using the following rates:

| | | |
|------------------|----|------------------|
| Recreational Pad | 3% | Diminishing Line |
| Buildings | 2% | Straight Line |

Income Tax

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

Loans

Loans are recognised at the amount borrowed from the lender, less any repayments made.

Budget Figures

The budget figures are derived from the Statement of Intent as approved by the Trustees at the beginning of the financial year. 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.

7. Key Performance Targets

These are agreed through the Long Term Plan (LTP) public consultation process undertaken by the Southland District Council. These targets can be changed only through a formal review of the LTP.

| Level of service | Key performance indicator | Actual | Target | | | Confirmation source |
|---|---|--------|--------|-------|-------|---|
| | | 18/19 | 19/20 | 20/21 | 21/22 | |
| Maintain a structure that facilitates local decision making. | Number of Milford Community Trust meetings held annually. | 4 | 4 | 4 | 4 | Agenda/minute records on file. |
| Keep the Milford community informed about Trust plans and outcomes. | Hold public forums in Milford each year. | 1 | 1 | 1 | 1 | Agenda/minute records on file which note meeting location |

8. Information to be reported to Council

In each year the Trust will comply with all reporting requirements under the Local Government Act 2002 (particularly Sections 66 to 69 of that Act). In particular, it will provide:

- A draft Statement of Intent detailing all matters required under the Local Government Act 2002 by 1 March each year for consideration prior to commencement of the new financial year.
- A half yearly report by the end of February each year (specific dates as set by Council).
- An annual report by the end of September each year (specific dates as set by Council).

Copies of the Trust's reports are forwarded to the other major stakeholder authorities, being the Southland District Council, Department of Conservation and Environment Southland.

9. Key Issues

- The future direction of the Trust
- Decide whether or not it is feasible to proceed with the development of a recreation centre building.
- The Trust has decided to make provision for a funding grant of up to \$80,000 per year to assist with the provision of Medical Services in Milford Sound *Piopiota*hi.

10. Activities for which Other Investment is sought

The value of the annual concession to be charged will continue to be reviewed each year. For 2020/2021, the total amount being sought from concessionaires is \$150,583 excluding GST. Any surplus funds will be held by the Trust in its bank account for future project funding.

Included within the Forecast Expenditure of the Trust is Management and Administration costs of \$34,113.

The operational and project costs are those which the Milford Community Trust considers will provide benefit for all concessionaires at Milford and should be recovered from the Milford concessionaires through the Implied Concession Activity Fee, apportioned as per the Department of Conservation apportionment of cost schedule. The costs indicated above in the supporting forecasted accounts are funded from the annual implied concession activity fee and monies held.

Future budgeted costs are indicative only and will be reviewed annually by the Trustees.

Other Project Funding:

In addition to the above operational and project costs, there are also costs associated with other significant projects that fall either directly or indirectly under the influence of the Milford Community Trust but have all or a majority of proposed funding through means other than apportioned implied concessionaires fees. There may also be a portion of public good associated with these projects.

In this Statement of Intent the Trustees are seeking to borrow to fund the anticipated shortfall of the cost to build the recreation centre. The shortfall is expected to be no more than \$300,000, and will be repaid over five years, commencing from 1 July 2021. Based on the current and forecast financial position of the Trust, the financials included in this Statement of Intent have been prepared on the assumption that \$200,000 will be borrowed, at an interest rate of 4.65% per annum.

In accordance with sections 3.3 and 3.4 of Southland District Council Investment and Liability Management Policy, Milford Community Trust has the ability to approach Southland District Council to borrow funds.

11. Estimate of Value of Stakeholders Investment

The net value of the stakeholders' investment in the Trust is estimated to be valued at \$100. This value shall be reassessed by the Trustees on completion of the annual accounts or at any other time determined by the Trustees. The method of assessment will use the value of stakeholders' funds as determined in the annual accounts as a guide.

12. Other Matters

No distribution is intended within the period of the Statement or succeeding years, noting the Trust's status as a charitable organisation.

Any subscription for, purchase or otherwise acquiring shares in any company or other organisation requires the prior approval of the Trustees.

MILFORD COMMUNITY TRUST
PROSPECTIVE FINANCIAL STATEMENTS 2020-2023
Prospective Statement of Financial Performance

| Account Description | Actuals 2018/2019 | Forecast 2019/2020 | Budget 2020/2021 | Budget 2021/2022 | Budget 2022/2023 |
|---|----------------------|-----------------------|----------------------|----------------------|----------------------|
| <u>Income</u> | | | | | |
| Concessionaires Income | 136,893 | 150,583 | 150,583 | 150,583 | 150,583 |
| Grant | - | - | - | - | - |
| Trustee Fees Forgiven | 3,600 | - | - | - | - |
| Interest | 6,943 | - | - | - | - |
| | <u>147,436</u> | <u>150,583</u> | <u>150,583</u> | <u>150,583</u> | <u>150,583</u> |
| <u>Expenses</u> | | | | | |
| <u>Management/Administration</u> | | | | | |
| Accommodation and Meals | (95) | 500 | 500 | 500 | 500 |
| Administration | 44 | 50 | 50 | 50 | 50 |
| Advertising | - | 600 | 600 | 600 | 600 |
| Audit Fees | 4,199 | 4,500 | 4,500 | 4,500 | 5,000 |
| Bad Debts | - | - | - | - | - |
| Bank Fees | 79 | 40 | 40 | 40 | 40 |
| Catering Expenses | 98 | 500 | 500 | 500 | 500 |
| Chairperson's Fees | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Depreciation - Recreational Pad | 1,549 | 1,502 | 1,472 | 1,443 | 1,414 |
| Depreciation - Recreational Centre | - | - | - | 11,000 | 11,000 |
| Emergency Services Provider | - | - | - | - | - |
| General Expenses | 420 | 500 | 500 | 500 | 500 |
| Interest on Loan - Recreation Centre | - | - | - | 8,531 | 6,803 |
| Mileage | 338 | 1,500 | 1,500 | 1,500 | 1,500 |
| Project Development and Planning | - | 5,000 | 5,000 | 5,000 | 5,000 |
| RNZ Licence | - | 740 | 370 | 370 | 370 |
| Room Hire | 185 | 200 | 200 | 200 | 200 |
| Trustees Fees | 3,900 | 6,000 | 6,000 | 6,000 | 6,000 |
| Insurance | 2,675 | 2,825 | 2,882 | 2,939 | 2,998 |
| Deepwater Basin Walkway | 86,934 | - | - | - | - |
| | <u>110,327</u> | <u>34,457</u> | <u>34,113</u> | <u>53,673</u> | <u>52,475</u> |
| <u>Grants</u> | | | | | |
| Medical Support | - | 40,000 | 80,000 | 80,000 | 80,000 |
| | - | 40,000 | 80,000 | 80,000 | 80,000 |
| Total Expenses | <u>110,327</u> | <u>74,457</u> | <u>114,113</u> | <u>133,673</u> | <u>132,475</u> |
| Net Operating Surplus/(Deficit) | <u>37,110</u> | <u>76,126</u> | <u>36,470</u> | <u>16,911</u> | <u>18,109</u> |

Capital Projects

| | | | | |
|-----------------------|---|---------------|----------------|---|
| <u>Project</u> | | | | |
| Recreation Centre | - | 50,000 | 500,000 | - |
| | - | <u>50,000</u> | <u>500,000</u> | - |

Prospective Statement of Changes in Equity

| | Actuals 2018/2019 | Forecast 2019/2020 | Budget 2020/2021 | Budget 2021/2022 | Budget 2022/2023 |
|-------------------------|----------------------|-----------------------|---------------------|---------------------|---------------------|
| Balance at 1 July | 326,402 | 363,512 | 439,638 | 476,108 | 493,018 |
| Net Surplus / (Deficit) | 37,110 | 76,126 | 36,470 | 16,911 | 18,109 |
| Capital Funding | | | | | |
| Equity at end of year | 363,512 | 439,638 | 476,108 | 493,018 | 511,127 |

Prospective Statement of Financial Position

| | Actuals 2018/2019 | Forecast 2019/2020 | Budget 2020/2021 | Budget 2021/2022 | Budget 2022/2023 |
|---|----------------------|-----------------------|---------------------|---------------------|---------------------|
| Equity | | | | | |
| Accumulated Funds | 363,412 | 439,538 | 476,008 | 492,918 | 511,027 |
| Trust Capital | 100 | 100 | 100 | 100 | 100 |
| | 363,512 | 439,638 | 476,108 | 493,018 | 511,127 |
| Represented by: | | | | | |
| Current Assets | | | | | |
| Accounts Receivable | 773 | 100 | 100 | 100 | 100 |
| Accrued income | 1,532 | - | - | - | - |
| Bank Account - 00 | 3,756 | 5,000 | 5,000 | 5,000 | 5,000 |
| Bank Account - 25 | 39,046 | 10,000 | 10,000 | 10,000 | 10,000 |
| Term Deposit - Recreation Centre | 110,000 | - | - | - | - |
| Term Deposit - Surplus Funds | 165,000 | 334,350 | 35,565 | 64,573 | 57,079 |
| GST Recievable | 1,388 | - | - | - | - |
| | 321,494 | 349,450 | 50,665 | 79,673 | 72,179 |
| Non Current Assets | | | | | |
| Recreational Pad | 50,075 | 48,573 | 47,101 | 45,659 | 44,245 |
| Recreational Centre | - | - | 550,000 | 539,000 | 528,000 |
| Recreational Centre - WIP | - | 50,000 | - | - | - |
| | 50,075 | 98,573 | 597,101 | 584,659 | 572,245 |
| Total Assets | 371,569 | 448,023 | 647,766 | 664,331 | 644,424 |
| Current Liabilities | | | | | |
| Accrued Expenses | 7,859 | 5,000 | 5,000 | 5,000 | 5,000 |
| Accounts Payable | 198 | - | - | - | - |
| Term Loan - Recreation Centre - Current | - | - | 36,376 | 38,104 | 39,914 |
| GST Payable | - | 3,385 | (33,342) | 2,689 | 2,777 |
| | 8,057 | 8,385 | 8,034 | 45,793 | 47,691 |
| Non-Current Liabilities | | | | | |
| Term Loan - Recreation Centre - Non Current | - | - | 163,624 | 125,520 | 85,606 |
| | - | - | 163,624 | 125,520 | 85,606 |
| Total Liabilities | 8,057 | 8,385 | 171,658 | 171,313 | 133,297 |
| Net Assets | 363,512 | 439,638 | 476,108 | 493,018 | 511,127 |

Half Year Financial Report to 31 December 2019

Record No: R/20/2/4304

Author: Simon Moran, Community Partnership Leader

Approved by: Rex Capil, Group Manager Community and Futures

☐ Decision

☐ Recommendation

☒ Information

Purpose

- 1 The purpose of this report is to present the half yearly financial report for the period ending 31 December 2019 for the Trustees information.
- 2 As at 31 December 2019 there has been minimal expenditure. The Trust continues to be in a strong financial position with a significant amount of cash invested in term deposits, awaiting the progression of the community centre project.

| Milford Community Trust | | | |
|------------------------------------|--|--------------------|------------------|
| Statement of Financial Performance | | | |
| For the period to 31 December 2019 | | | |
| Actual 30/06/19 | Account Description | Actual 31/12/19 | Annual Budget |
| <u>Income</u> | | | |
| 136,893 | Concessionaires Income | 75,292 | 150,583 |
| 6,943 | Interest | 4,571 | - |
| 3,600 | Trustees Fees Forgiven | 1,800 | - |
| 147,436 | | 81,663 | 150,583 |
| <u>Expenses</u> | | | |
| (95) | Accommodation and Meals | - | 800 |
| 44 | Administration | 44 | 67 |
| - | Advertising | - | 600 |
| 4,199 | Audit Fees | - | 4,300 |
| 79 | Bank Fees | - | 40 |
| 98 | Catering Expenses | (3) | 500 |
| 10,000 | Chairperson's Fees | 5,000 | 10,000 |
| 1,549 | Depreciation | 720 | 1,613 |
| 86,934 | Grant to Milford Sound Tourism Ltd (Walkway) | - | - |
| 420 | General Expenses | 196 | 500 |
| - | Legal Fees | 832 | - |
| - | Medical Clinical Desk Support Grant | - | 15,000 |
| 338 | Mileage | - | 1,500 |
| - | Project Development and Planning | - | 5,000 |
| - | RNZ Licence | - | 370 |
| 185 | Room Hire | (7) | 600 |
| 3,900 | Trustees Fees | 1,500 | 6,000 |
| 2,675 | Insurance | 2,825 | 2,605 |
| 110,327 | | 11,109 | 49,495 |
| 37,110 | Net Operating Surplus/(Deficit) | 70,554 | 101,088 |
| - | Other Comprehensive Income | - | - |
| 37,110 | Total Comprehensive Income | 70,554 | 101,088 |

Statement of Changes in Equity
For the period to 31 December 2019

| Actual 30/06/19 | | Actual 31/12/19 |
|----------------------------------|-----------------------------------|----------------------------------|
| 326,403 | Total Equity at beginning of year | 363,512 |
| 37,110 | Net Surplus / (Deficit) | 70,554 |
| 363,512 | Equity at end of year | 434,066 |

Statement of Financial Position
As at 31 December 2019

| Actual 30/06/19 | | Actual 31/12/19 |
|----------------------------------|-----------------------------|----------------------------------|
| | Equity | |
| 100 | Trust Capital | 100 |
| 363,412 | Accumulated Funds | 433,966 |
| 363,512 | | 434,066 |
| | Represented by: | |
| | Current Assets | |
| 673 | Accounts Receivable | 19 |
| 1,532 | Accrued Income | 3,423 |
| 1,388 | GST Receivable | - |
| 3,756 | BNZ Cheque Account | 22,592 |
| 39,046 | BNZ Savings Account | 11,725 |
| 275,000 | BNZ Term Deposits | 360,000 |
| 321,395 | Total Current Assets | 397,759 |
| | Non Current Assets | |
| 100 | Trust Capital | 100 |
| 50,075 | Recreational Pad | 49,355 |
| 371,570 | Total Assets | 447,215 |
| | Current Liabilities | |
| 7,859 | Accrued Expenses | 3,100 |
| 198 | Accounts Payable | - |
| - | GST Payable | 10,048 |
| 8,057 | Total Liabilities | 13,148 |
| 363,512 | Net Assets | 434,066 |

Milford Community Trust
Statement of Cash Flows
For the Period ended 31 December 2019

| Actual 30/06/19 | | Actual 31/12/19 |
|----------------------------------|--|----------------------------------|
| | Cash Flows From Operating Activities | |
| 136,972 | Receipts from Concessionaires Income | 87,239 |
| - | Reciepts from Grant Funding | - |
| 5,929 | Interest Received | 2,680 |
| (103,570) | Payments to Suppliers and Employees | (14,792) |
| (15,007) | Goods and Services Tax (net) | 1,388 |
| 24,324 | Net Cash Flow from Operating Activities | 76,515 |
| | Cash Flow From Investing Activities | |
| (275,000) | Investment in Term Deposit | (360,000) |
| - | Investment in Plant, Property and Equipment | - |
| 289,807 | Maturity of Term Deposit | 275,000 |
| 14,807 | Net Cash Flow From Investing Activities | (85,000) |
| | Cash Flows From Financing Activities | |
| - | Proceeds for Borrowings | - |
| - | Repayment of Borrowings | - |
| - | Net Cash Flow From Financing Activities | - |
| 39,131 | Net Increase / (Decrease) In Cash | (8,485) |
| 3,671 | Cash at 1 July | 42,802 |
| 42,802 | Cash at 31 December | 34,317 |
| | Represented By | |
| 42,802 | Cash and Bank | 34,317 |
| 42,802 | | 34,317 |

Recommendation

That the Milford Community Trust:

- a) **Receives the report titled “Half Year Financial Report to 31 December 2019” dated 19 February 2020.**
- b) **Approves the half yearly report for the six month period to 31 December 2019, and recommends that the report be submitted to the Southland District Council for information purposes and subsequently distributed to the Trust’s stakeholders.**

Attachments

There are no attachments for this report.

Financial Report to 31 January 2020

Record No: R/20/2/4305
Author: Brie Lepper, Graduate Accountant
Approved by: Anne Robson, Chief Financial Officer

☐ Decision ☐ Recommendation ☒ Information

Purpose

- 1 This financial report provides the Trustees with a statement of financial performance and financial position of the Trust for the period 1 July 2019 to 31 January 2020.

Commentary

Financial Performance

- 2 The concessionaire's income represents the first three quarters. The third quarter invoicing was completed in January with payments expected to be received by 20 February 2020.
- 3 The majority of expenses to date relate to chairman fees, trustee fees, legal fees and insurance. Legal fees relate to costs associated with discussions around the trust deed. Insurance costs are for the placement of the following policies for the period 1 July 2019 to 30 June 2020: trustees liability, statutory liability and public liability insurance.

Financial Position

- 4 The Milford Community Trust (MCT) continues to have a strong cash position. \$22,571 is held in the cheque/savings accounts, the savings account receives interest at a rate of 0.1% p.a. Surplus funds are invested as appropriate, on a regular basis. Additionally, \$360,000 is currently invested in term deposits as outlined in the table below:

| Bank | Amount | Interest Rate | Term | Maturity Date | Total Expected Interest |
|---------------|------------------|---------------|----------|---------------|-------------------------|
| BNZ | \$120,000 | 3.18% | 215 Days | 24/02/2020 | \$2,248 |
| BNZ | \$80,000 | 3.12% | 271 Days | 09/03/2020 | \$1,853 |
| BNZ | \$50,000 | 2.63% | 186 Days | 28/04/2020 | \$670 |
| BNZ | \$50,000 | 2.60% | 152 Days | 11/05/2020 | \$541 |
| BNZ | \$60,000 | 2.80% | 213 Days | 26/06/2020 | \$856 |
| Total: | \$360,000 | | | | \$6,169 |

Concessionaries Contributions

- 5 As you are aware we have been indicating for a number of months the Trust's intention to update the data used to calculate the concessionaire contribution percentage. The data required is passenger numbers, staff bedrooms, staff numbers, square meterage and improvement value. At

this time as we are still awaiting information from DOC, therefore we have issued the third quarter concessionaire invoices using the same percentages as 2018/2019.

6

| Milford Community Trust Statement of Financial Performance For the period to 31 January 2020 | | | |
|---|--|----------------------------------|--------------------------------|
| Actual 30/06/19 | Account Description | Actual 31/01/20 | Annual Budget |
| <u>Income</u> | | | |
| 136,893 | Concessionaires Income | 112,938 | 150,583 |
| 6,943 | Interest | 5,473 | - |
| 3,600 | Trustees Fees Forgiven | 1,800 | - |
| <u>147,436</u> | | <u>120,211</u> | <u>150,583</u> |
| <u>Expenses</u> | | | |
| (95) | Accommodation and Meals | - | 800 |
| 44 | Administration | 44 | 67 |
| - | Advertising | 38 | 600 |
| 4,199 | Audit Fees | - | 4,300 |
| 79 | Bank Fees | - | 40 |
| 98 | Catering Expenses | (3) | 500 |
| 10,000 | Chairperson's Fees | 5,833 | 10,000 |
| 1,549 | Depreciation | 840 | 1,613 |
| 86,934 | Grant to Milford Sound Tourism Ltd (Walkway) | - | - |
| 420 | General Expenses | 196 | 500 |
| - | Legal Fees | 832 | - |
| - | Medical Clinical Desk Support Grant | - | 15,000 |
| 338 | Mileage | - | 1,500 |
| - | Project Development and Planning | - | 5,000 |
| - | RNZ Licence | - | 370 |
| 185 | Room Hire | (7) | 600 |
| 3,900 | Trustees Fees | 1,500 | 6,000 |
| 2,675 | Insurance | 2,825 | 2,605 |
| <u>110,327</u> | | <u>12,099</u> | <u>49,495</u> |
| 37,110 | Net Operating Surplus/(Deficit) | 108,111 | 101,088 |
| - | Other Comprehensive Income | - | - |
| 37,110 | Total Comprehensive Income | 108,111 | 101,088 |

**Statement of Changes in Equity
For the period to 31 January 2020**

| Actual 30/06/19 | | Actual 31/01/20 |
|----------------------------|-----------------------------------|----------------------------|
| 326,403 | Total Equity at beginning of year | 363,512 |
| 37,110 | Net Surplus / (Deficit) | 108,111 |
| 363,512 | Equity at end of year | 471,623 |

**Statement of Financial Position
As at 31 January 2020**

| Actual 30/06/19 | | Actual 31/01/20 |
|----------------------------|-----------------------------|----------------------------|
| | Equity | |
| 100 | Trust Capital | 100 |
| 363,412 | Accumulated Funds | 471,523 |
| 363,512 | | 471,623 |
| | Represented by: | |
| | Current Assets | |
| 673 | Accounts Receivable | 43,293 |
| 1,532 | Accrued Income | 4,324 |
| 1,388 | GST Receivable | - |
| 3,756 | BNZ Cheque Account | 2,846 |
| 39,046 | BNZ Savings Account | 19,726 |
| 275,000 | BNZ Term Deposits | 360,000 |
| 321,395 | Total Current Assets | 430,188 |
| | Non Current Assets | |
| 100 | Trust Capital | 100 |
| 50,075 | Recreational Pad | 49,235 |
| 371,570 | Total Assets | 479,524 |
| | Current Liabilities | |
| 7,859 | Accrued Expenses | 1,433 |
| 198 | Accounts Payable | 825 |
| - | GST Payable | 5,641 |
| 8,057 | Total Liabilities | 7,900 |
| 363,512 | Net Assets | 471,623 |

Recommendation

That the Milford Community Trust:

- a) **Receives the report titled “Financial Report to 31 January 2020” dated 19 February 2020.**

Attachments

There are no attachments for this report.