



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

Date: Friday, 26 February 2021  
Time: 9.30am  
Meeting Room: Te Anau Library, 24 Milford Crecent  
Venue: Te Anau

---

## Milford Community Trust Agenda OPEN

---

### MEMBERSHIP

Chairperson	Councillor Ebel Kremer
Trustees	Rosco Gaudin Tim Holland Brad Johnstone Stephen Norris Tony Woodham

### IN ATTENDANCE

Committee Advisor	Alyson Hamilton
Community Partnership Leader	Simon Moran

Contact Telephone: 0800 732 732  
Postal Address: PO Box 903, Invercargill 9840  
Email: [emailsdc@southlanddc.govt.nz](mailto:emailsdc@southlanddc.govt.nz)  
Website: [www.southlanddc.govt.nz](http://www.southlanddc.govt.nz)

Full agendas are **available on Council's Website**  
[www.southlanddc.govt.nz](http://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 Half Year Financial Report to 31 December 2020	11
4.2 Invoicing Operators	17
4.3 Proposed Amendments to the Milford Community Trust Deed	21
4.4 Draft Statement of Intent 2021-2024	35

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](http://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, 05 November 2020



---

## OPEN MINUTES

---

Minutes of a meeting of Milford Community Trust held in the Te Anau Office, 24 Milford Crescent, Te Anau on Thursday, 5 November 2020 at 9.01. (9.01am - 9.51am, 9.51 to 10.04am).

---

### PRESENT

Chairperson	Councillor Ebel Kremer
Trustees	Rosco Gaudin
	Steven Norris (9.51am - 10.04am)
	Tony Woodham Via audio link

### IN ATTENDANCE

Committee Advisor	Alyson Hamilton
Department of Conservation	Antonia Croft
Community Partnership Leader	Simon Moran

The committee was unable to commence at 9.01am due to there being no quorum available. The meeting adjourned at 9.01am and reconvened at 9.51am.

Chairperson Councillor Kremer, Rosco Gaudin, Steven Norris, Tony Woodham (via audio link) were present when the meeting reconvened.

1 Apologies

There was an apology for lateness from Stephen Norris.

Moved Chairperson Kremer, seconded Rosco Gaudin and resolved:

That the Milford Community Trust accept the apology.

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of Interest

There were no conflicts of interest declared.

4 Public Forum

There was no public forum.

5 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

6 Confirmation of Minutes

Resolution

Moved Rosco Gaudin, seconded Chairperson Kremer and resolved:

That the minutes of Milford Community Trust meeting held on 19 June 2020 be confirmed as a true and correct record of that meeting.

Reports

4.1 Financial Report to 30 September 2020

Record No: R/20/10/62046

Financial accountant - Sheree Marrah and graduate accountant - Brie Lepper were in attendance (via zoom) for this item.

Mrs Marrah advised the purpose of the report is to provide the Trustees with the financial report for the period 1 July 2020 to 30 September 2020 and provides the Trustees with an updated statement of financial performance and financial position of the Trust.

Resolution

Moved Chairperson Kremer, seconded Rosco Gaudin and resolved:

That the Milford Community Trust:

- a) **Receives the report titled “Financial Report to 30 September 2020” dated 29 October 2020.**

4.2 Audit New Zealand's Draft Management Report to 30 June 2020

Record No: R/20/10/62685

Financial accountant - Sheree Marrah and graduate accountant - Brie Lepper were in attendance (via zoom) for this item.

Mrs Marrah provided a copy of the recently audited Audit New Zealand management report which was circulated to the trustees at the meeting.

Mrs Marrah advised the purpose of the report is to advise the trustees that as part of the audit process, Audit New Zealand provides the Milford Community Trust with a report on its audit findings which outline the work that was performed and any recommended areas for improvement.

The Trustees noted there are no new recommendations made for the current year.

Resolution

Moved Tony Woodham, seconded Chairperson Kremer and resolved:

That the Milford Community Trust:

- a) **Receives the report titled “Audit New Zealand's Draft Management Report to 30 June 2020” dated 27 October 2020.**

#### 4.3 Milford Performance Report

Record No: R/20/10/62979

Community partnership leader - Simon Moran was in attendance for this item.

Mr Moran advised the purpose of the report is to provide the trust with the Milford Community Trust Performance Report for the year ended 30 June 2020 for adoption.

##### Resolution

Moved Chairperson Kremer, seconded Rosco Gaudin and resolved:

That the Milford Community Trust:

- a) **Receives the report titled “Milford Performance Report” dated 27 October 2020.**
- 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 (attachment A) for the year ended 30 June 2020.
- e) Delegates authority to the Chairperson to sign the letter of representation to Audit New Zealand (attachment C) on behalf of Trust.
- f) Agrees that the audited performance report be delivered to shareholders and be made available to the public by 30 November 2020.

#### 4.4 Department of Conservation Update

Record No: R/20/10/63135

Department of Conservation representative, Antonia Croft updated the Trustees on Department activities. These included:

- update on ongoing compliance and health and safety matters
- sensor to monitor river levels has been installed and is operating
- repairs to flood protection work to commence soon
- following flooding there is a health and safety issue with the road to the car park to the chasm - this is a work in progress but there is an awareness that urgent action is required.

4.5 Chairperson's Report

Record No: R/20/10/63134

The Chairperson, Councillor Kremer, provided an update on a proposed change of location and design of the recreational centre facility which is to be resubmitted to DOC for approval.

Discussion took place on the need of a storage shed to be placed at the tennis courts for the purpose of storing sports equipment.

Members agreed to the purchase and installation of a storage shed at the tennis courts and further agreed to delegate authority to the Chair and Rosco Gaudin to progress this work and that the Trust provide funding of up to \$10,000 to be funded from the term deposit which is due for maturity 11 November 2020 and that any remaining funds from that term deposit be reinvested accordingly.

Resolution

Moved Rosco Gaudin, seconded Chairperson Kremer and resolved:

That the Milford Community Trust:

- a) Agrees to the purchase of a storage shed to be situated at the tennis courts for the purpose of storing sports equipment.
- b) Delegates authority to the Chairperson and Trustee Rosco Gaudin to progress the purchase and installation of a storage shed at the tennis courts on behalf of the Trust.
- c) Approves funding of up to \$10,000 to be funded from the term deposit of \$50,000 due for maturity on 11 November 2020 and that the remaining balance to be reinvested accordingly.

The meeting concluded at 10.04am.

CONFIRMED AS A TRUE AND CORRECT RECORD AT A  
MEETING OF THE MILFORD COMMUNITY TRUST  
HELD ON THURSDAY, 5 NOVEMBER 2020.

DATE:.....

CHAIRPERSON:.....

---

## Half Year Financial Report to 31 December 2020

Record No: R/21/1/2411  
Author: Brie Lepper, Graduate Accountant  
Approved by: Anne Robson, Chief Financial Officer

Decision  Recommendation  Information

---

### Purpose

- 1 The purpose of this report is to present the half yearly financial report for the period ending 31 December 2020 for the Trustees information.
- 2 As at 31 December 2020 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.

<b>Milford Community Trust</b>			
<b>Statement of Financial Performance</b>			
<b>For the period to 31 December 2020</b>			
<b>Actual 30/06/20</b>	<b>Account Description</b>	<b>Actual 31/12/20</b>	<b>Annual Budget</b>
	<b><u>Income</u></b>		
112,938	Concessionaires Income	-	150,583
9,994	Interest	3,060	-
3,000	Trustees Fees Forgiven	900	-
<u>125,931</u>		<u>3,960</u>	<u>150,583</u>
	<b><u>Expenses</u></b>		
-	Accommodation and Meals	-	500
44	Administration	44	50
38	Advertising	-	600
4,208	Audit Fees	-	4,500
40	Bank Fees	-	40
(3)	Catering Expenses	-	500
10,000	Chairperson's Fees	5,000	10,000
1,502	Depreciation	729	1,472
	Grant to Milford Sound Tourism Ltd (Walkway)	-	-
346	General Expenses	(150)	500
832	Legal Fees	-	-
-	Medical Clinical Desk Support Grant	-	80,000
-	Mileage	-	1,500
3,030	Project Development and Planning	-	5,000
-	RNZ Licence	-	370
(7)	Room Hire	-	200
3,000	Trustees Fees	900	6,000
2,825	Insurance	2,900	2,882
<u>25,856</u>		<u>9,423</u>	<u>114,114</u>
<b><u>100,075</u></b>	<b>Net Operating Surplus/(Deficit)</b>	<b><u>(5,463)</u></b>	<b><u>36,469</u></b>
-	<b>Other Comprehensive Income</b>	-	-
<b><u>100,075</u></b>	<b>Total Comprehensive Income</b>	<b><u>(5,463)</u></b>	<b><u>36,469</u></b>

<b>Statement of Changes in Equity</b>		
<b>As at 31 December 2020</b>		
<b>Actual</b>		<b>Actual</b>
<b>30/06/20</b>		<b>31/12/20</b>
363,512	Total Equity at beginning of year	463,586
100,075	Net Surplus/(Deficit)	(5,463)
<u><b>463,586</b></u>	Equity at end of year	<u><b>458,125</b></u>

<b>Statement of Financial Position</b>		
<b>As at 31 December 2020</b>		
<b>Actual</b>		<b>Actual</b>
<b>30/06/20</b>		<b>31/12/20</b>
	<b>Equity</b>	
100	Trust Capital	100
463,486	Accumulated Funds	458,025
<u><b>463,586</b></u>		<u><b>458,125</b></u>
	<b>Represented by:</b>	
	<b>Current Assets</b>	
19	Accounts Receivable	-
2,545	Accrued Income	1,280
-	GST Receivable	1,073
819	BNZ Cheque Account	29
17,024	BNZ Savings Account	21,198
410,000	BNZ Term Deposits	390,000
<u>430,406</u>	<b>Total Current Assets</b>	<u>413,580</u>
	<b>Non Current Assets</b>	
100	Trust Capital	100
48,573	Recreational Pad	47,844
<u>479,079</u>	<b>Total Assets</b>	<u>461,525</u>
	<b>Current Liabilities</b>	
7,798	Accrued Expenses	3,400
2,507	Accounts Payable	-
5,187	GST Payable	-
<u>15,492</u>	<b>Total Liabilities</b>	<u>3,400</u>
<u><b>463,586</b></u>	<b>Net Assets</b>	<u><b>458,125</b></u>

**Milford Community Trust**  
**Statement of Cash Flows**  
**For the Period ended 31 December 2020**

<b>Actual 30/06/20</b>		<b>Actual 31/12/20</b>
	<b>Cash Flows From Operating Activities</b>	
113,507	Receipts from Concessionaires Income	19
-	Receipts from Grant Funding	-
8,981	Interest Received	4,325
6,961	Payments to Suppliers and Employees	(15,772)
(19,407)	Goods and Services Tax (net)	(5,187)
<b>110,042</b>	<b>Net Cash Flow from Operating Activities</b>	<b>(16,615)</b>
	<b>Cash Flow From Investing Activities</b>	
(410,000)	Investment in Term Deposit	(390,000)
-	Investment in Plant, Property and Equipment	-
275,000	Maturity of Term Deposit	410,000
<b>(135,000)</b>	<b>Net Cash Flow From Investing Activities</b>	<b>20,000</b>
	<b>Cash Flows From Financing Activities</b>	
-	Proceeds for Borrowings	-
-	Repayment of Borrowings	-
-	<b>Net Cash Flow From Financing Activities</b>	-
<b>(24,958)</b>	<b>Net Increase / (Decrease) In Cash</b>	<b>3,385</b>
42,801	Cash at 1 July	17,843
<b>17,843</b>	<b>Cash at 31 December</b>	<b>21,228</b>
	<b>Represented By</b>	
17,843	Cash and Bank	21,228
<b>17,843</b>		<b>21,228</b>

## Recommendation

That the Milford Community Trust:

- a) **Receives the report titled “Half Year Financial Report to 31 December 2020” dated 16 February 2021.**
- b) Approves the half yearly report for the six month period to 31 December 2020, 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.



## Invoicing Operators

Record No: R/21/1/2976  
Author: Simon Moran, Community Partnership Leader  
Approved by: Rex Capil, Group Manager Community and Futures

Decision  Recommendation  Information

### Purpose

- 1 To seek direction from the Trust on whether it wishes to continue to provide financial relief to the tourism operators in Milford Sound Piopiotahi by foregoing the revenue from last two quarterly invoicing rounds of the 2020/21 financial year due to the ongoing impacts on operators from Covid-19.

### Background

- 2 Milford tourism operators were firstly affected by the February 2020 floods closely followed by Covid-19 and its ongoing effects on the industry due to the borders being closed to international visitors. Although there is ongoing talk about a potential 'trans-Tasman bubble' it isn't clear when that might happen or if the effects of them would have significant benefits to Milford businesses. Whilst there is some domestic tourism occurring it isn't having a marked effect for all businesses.
- 3 The only significant capital works project the Trust has programmed is the recreation centre in the Cleddau village. The Trust will need to apply again to the Department of Conservation for a concession for the centre however, even assuming it is successful a final decision whether to proceed with the project may also depend on the extent of the recovery in the next 12-18 months.
- 4 In the meantime the Trust's financial position is strong as can be seen in the half-year financial report also included in this meeting's agenda. With few expenses likely to be incurred in the next six months the Trust is in a position to consider foregoing the budgeted revenue in order to assist operators in these financially difficult times.
- 5 The Trustees may recall that they previously agreed, due to the consequences of the flooding and the impacts on tourism of Covid-19, defer the construction of the Milford recreation centre until the 2021/22 financial year. The Trust may wish to consider whether economic conditions for the operators warrant reviewing whether the timing is still appropriate. It is suggested in the Draft Statement of Intent to undertake design and consenting in 2021/22 and construction in 2022/23.

### Financial Implications

- 6 A decision to provide relief by foregoing revenue for the next two invoicing periods on top of the three that have already been foregone equates to a loss of income of approximately \$188,000 (excl GST). The Trust is forecast to have approximately \$466,000 in cash reserves at the end of the 2020/21 financial year but it will be closer to \$400,000 if invoicing for further funding is foregone.
- 7 The Draft Statement of Intent 2021-2024 assumes that it is still the intention of the Trust to proceed with construction of the recreation centre which was planned to cost \$550,000. Of that cost \$50,000 is to be incurred in the 2021/22 financial year and \$500,000 in the 2022/23 financial year.

- 8 Funding was budgeted to come from cash reserves (\$300,000) and a loan of \$200,000 but given changes suggested in the Draft Statement of Intent 2021-2024, particularly the removal of the funding of medical staff it is likely that the cost of the building could be covered by reserves if invoicing for the full annual amount of \$150,000 recommences in the 2021/22 financial year.

### Matters to Consider

- 9 Before agreeing to forego a further six months (making it 15 months in total) of income the Trust should consider the following matters -
- 10 A loan may be required for the recreation centre – The actual cost of the centre will not be known until the Trust has worked through a tender process. If the cost of design and construction is higher than estimated and the Trust does not have sufficient cash reserves at that point it may need to consider taking a loan for the project.
- 11 The need to take a smaller loan is more likely if the Trust continued to invoice as per its usual schedule.
- 12 Foregoing further income – It is possible that the economy, and in particular tourism, will not pick up in the next six months. In that situation the Trust may need to consider whether to forego further income.
- 13 Foregoing further income could impact on projects the Trust is looking to invest in.
- 14 Effect on Operators – It is possible that some operators that are currently contributing to the Trust will not be in business in six months. The Trust may need to consider whether it seeks lower revenue from the operators. Alternatively, the current level of revenue may be spread over fewer operators at a greater cost to individual operators than they are currently being invoiced.

### Legal Implications

- 15 The Local Government Act 2002, section 64 notes that a Council Controlled Organisation (CCO) must have a Statement of Intent that complies with clauses 9 and 10 of Schedule 8.
- 16 Schedule 8 outlines the purpose of a Statement of Intent, which is to state publicly the activities and intentions of the CCO for the year and any objectives to which those activities will contribute, providing an opportunity for the shareholder (Council) to influence the direction of the organisation on the basis of accountability of the Trustees to Council.
- 17 Section 66 of the LGA states that within two months of the end of the first half of each financial year the board of a CCO must deliver to shareholders a report on the organisation's operations during that half year.
- 18 Staff are of the view that there no changes are needed to the Statement of Intent as there is still an intention to continue with the activities outlined in it albeit the timing may be delayed.

### Options

- 19 The Trust could choose either to forego revenue from the final two quarterly invoicing rounds 2020/21 or not, or another combination if it wished.

### Next Steps

- 20 The Trust will advise operators of its decision.

## Recommendation

That the Milford Community Trust:

- a) **Receives the report titled “Invoicing Operators” dated** 10 February 2021.
- b) That the Milford Community Trust agrees not to invoice for the revenue budgeted for the last two quarters of the 2020/21 financial year (\$75,292 excl GST).

## Attachments

There are no attachments for this report.



## Proposed Amendments to the Milford Community Trust Deed

Record No: R/21/1/2136  
Author: Simon Moran, Community Partnership Leader  
Approved by: Rex Capil, Group Manager Community and Futures

Decision  Recommendation  Information

### Purpose

- 1 To seek direction from the Trust on whether it wishes to proceed with amending the existing Trust Deed and the extent of those changes.

### Background

- 2 The Trust has been discussing its future and in particular the streamlining the operation for some time. It has previously decided to leave two of the Trustee positions vacant while it worked through these issues, however, it became clear that those positions would need to be filled in order to make any substantive decisions about the Trust.
- 3 The recent advertisement calling for Trustees resulted in two applications for the two vacant trustee positions and Cr Kremer is both the 'Te Anau Ward' trustee and has been reappointed as interim Chair of the Trust.
- 4 The Trust can alter the Trust Deed in accordance with Clause 14(k) which provides that –  
*14. The trustees shall have and may exercise the following powers, authorities and discretions:*

*(k) The trustees may resolve to alter, amend any provisions of this deed provided that:*

- i. Any resolution to effect an alteration or addition must be passed by a majority of not less than three quarters of the trustees one of whom must be the trustee appointed under Clause 9(b)(iii) at a meeting of the trustees where not less than twenty one clear days prior written notice of intention to move the amendment or alteration is given to all trustees, and*
- ii. No amendment or alteration may be made to the trust deed in any respect which it would have the effect of causing the trust to cease to be a charitable trust or to amend the objects of the trust to include any objective which is not a charitable objective.*

Clause 9(b)(iii) is

*9(b) The seven trustees shall comprise:*

*(iii) One trustee being the duly elected councillor of the Te Anau Ward of Council from time to time*

- 5 Written notice of the intention to alter and amend provisions of the Trust Deed was by email from the Chair to the Trustees on 13 January 2021.

---

## Key Issues

- 6 The Trust's activities have been relatively low level over a number of years with the main contributions being funding grants towards projects that benefit the community undertaken by other entities rather than projects that the Trust has undertaken itself. The exception to that would be the recreation centre if it continues to progress. That said, once built, the stated intention is for the Trust to have an ownership and oversight role rather than a management role in relation to that facility.
- 7 The intent of the proposed amendments is to streamline and clarify the workings of the Trust including the number of meetings and trustees required, the process for trustee appointments, and to remove from the objects of the Trust a specific reference relating to matters that may have been delegated to it by other organisations (a situation that appears not to have occurred and unlikely to in the future).

## Other matters to consider

- 8 Prior to applying to the New Zealand Companies Office for an alteration to the Trust Deed it may be prudent to advise operators of the Trust's plans. Although technically it is simply up to the Trustees to determine whether or not to amend the deed it seems reasonable to let the funders know what is planned and the reasons why.
- 9 The Trust, albeit a Council Controlled Organisation, should be operating more independently from the council. The changes proposed reflect that approach and the Trust will need to start considering how it will provide for its own administration, financial management and reporting in the future.

## Next steps

- 10 A legal review of the proposed changes should be undertaken and any legal issues raised reported back to the Trust with suggested amendments for a further decision.
- 11 If there are no legal issues raised the Trust will be advised of this and an application will then be made to the New Zealand Companies Office for a "Variation of trust/Alteration of rules of a charitable trust board" under Sections 16 and 23 Charitable Trusts Act 1957.

## Recommendation

That the Milford Community Trust:

- a) **Receives the report titled "Proposed Amendments to the Milford Community Trust Deed" dated 10 February 2021.**
- b) Approves the amendments as proposed in Attachment A – *Proposed Amendments to the Milford Community Trust Deed* subject to a legal review.
- c) Approves council staff obtaining a legal review on behalf of the Trust.

## Attachments

- A Proposed Amendments to the Milford Community Trust Deed [↓](#)

## Milford Community Trust

---

**This Trust Deed** is made and executed on ..... 2007, **between** Southland District Council - a body corporate under the Local Government Act 2002 (called the settlor”) of one part.

**And**

Antoinette Diane Ridley of Te Anau, registered nurse

Jason David Steele of Milford Sound, branch manager

Deborah Jane Taylor of Arrowtown, barrister

Roger Neil Wilson of Invercargill, chartered accountant

Helen Elizabeth Thomas of Milford Sound, manager

Michael William Schuck of Te Anau, chief executive officer

John Roy Robson of Te Anau, general manager

(called “the trustees”) of the other part

### Recitals

- A. The settlor desires to create the trust to be known as the **Milford Community Trust** as a charitable trust within the meaning of the Charitable Trust Act 1957 upon the trusts declared in this deed.
- B. The trustees have been appointed by the settlor in accordance with this deed as the initial trustees of the trust subject to their agreeing to accept the appointment as a trustee.
- C. The settlor has agreed to pay the initial trustees the sum of **one hundred dollars** (\$100) to enable the trust to be properly constituted.

## Provision of the deed

### 1. Interpretation

In this deed, unless the context otherwise requires:

<b>Chairperson</b>	Means the independent chairperson
<b>Council</b>	Means Southland District Council
<b>Financial year</b>	Means a year ending on 30 June
<b>Independent Chairperson</b>	Means the Trustee appointed in accordance with Clause 9(b)(ii) hereto.
<b>Milford</b>	Means the developed area of land and adjacent costal marine area at the end of State Highway 94 at the head of Milford Sound Piopiotahi
<b>Milford community</b>	Means the residents of Milford, the holders of concessions from the Crown operating at Milford, and iwi
<b>Objects of the trust</b>	Means the objects or purposes of the trust specified in Clause 4
<b>the Trust</b>	Means the trust established by this deed
<b>the Trustees</b>	Means the trustees for the time-being of the trust
<b>Trust fund</b>	Means all the funds of the trust described as the “trust fund” in Clause 5, and includes all capital and income for the time-being held by the trustees of the trust
<b>Trustee Appointments Recommendations Panel</b>	Means a panel of three persons appointed by the Council’s Chief Executive from time to time as required.

### 2. Name of trust

- (a) The trust established under and by this deed shall be known as the “Milford Community Trust”
- (b) The trust shall be incorporated under Pt II of the Charitable Trusts Act 1957.

### 3. Declaration of the trust

- (a) The settlor hereby directs and declares and its trustees **hereby** acknowledge and accept that the trustees shall stand possessed of the trust fund upon the trusts and with the powers herein set forth.

### 4. Objects of the trust

- (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 identity, viability and wellbeing are maintained and enhanced.
- (b) To liaise with and communicate with all individuals, organisations, groups and their parties with interest 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 access, use or invest funds and enter into arrangements, contracts and other agreements upon such securities or in such a manner and upon such terms and conditions that the trustees seem suitable for the purpose of furthering the objects and purposes of the trust.
- (f) To carry out such other lawful activities which are incidental or conducive to attaining the objects and purposes of the trust.

## 5. Funds of the trust

- (a) The trustees may raise and use moneys for the purposes of the trust by such lawful means as they deem appropriate and may accept any grants or donations for such purposes from any persons, organisation or group and upon such conditions as they think fit, provided that no condition shall be at variance with the objects of the trust.
- (b) The trust fund shall be applied for and towards those services, and activities necessary for the promotion and advancement of all charitable, recreational and other purposes being purposes beneficial to the Milford community as a whole.
- (c) The trust fund comprises the said sum of \$100.00 and all other moneys or property hereafter paid, transferred or donated to the trustees to be held on the trusts hereby declared, or raised, received or collected by them or otherwise required by any means whatever, and the income from any investment thereof and any accumulations of income therefrom made pursuant to the provisions hereafter contained and all moneys investments and property from time to time representing the same.
- (d) In applying or using any part of the capital or income for the trust fund in the implementation of the objects and purposes of the trust, the trustees may pay any amount to any person or organisation for such purposes as the trustees may require and direct, being purposes exclusively within the objects of the trust **and** the receipt of such payment by any such person or organisation shall constitute a sufficient discharge for the trustees.

## 6. The trustees

- (a) Each of the trustees shall signify in writing to Council, agreement to accept appointment as a trustee
- (b) The term of office of each trustee shall be as follows:
  - i. Milford community elected trustee – three years
  - ii. Independent chairperson – four years
  - iii. Trustees appointed in terms of clause 9(b)(i)– four years (except where the initial term of appointment is specified beside the name of a trustee in the schedule)
- (c) All trustees shall also be appointed by Council. In making the appointments of those trustees who have been nominated for appointment in terms of Clauses 9(b)(i) and (ii) Council shall adopt the recommendation of the Trustee Appointments Recommendations Panel (or the Council's Chief Executive where the number of suitable candidates matches the number of trustee positions available) unless Council considers that there are good reasons not to do so.
- (d) In making any recommendation for the appointment of a trustee in terms of Clause 9(b) the Trustee Appointments Recommendations Panel (or Council's Chief Executive) shall:
  - i. Have due regard to the nominees knowledge of, or experience in business, leadership, governance issues or that persons interest or involvement in the Milford community.

- ii. Ensure that in the event of nominations of persons to represent the Milford Sound Tourism Limited and/or Southern Discoveries Limited and/or Real Journeys Limited and/or Wayfare Group Limited or their successors, recommend one or more of those nominees with the intent that the three trustees appointed in terms of Clause 9(b)(i) shall be subject to nomination, compromise at any one time not less than one and not more than two such nominees.

(e) Subject to Clause 7(a) a trustee may hold office on more than one occasion.

## 7. Eligibility for appointment as a trustee

- (a) The following persons shall not be capable of being appointed or reappointed, or holding office, as a trustee:
  - i. A bankrupt who has not obtained a final order of discharge, or whose order of discharge has been suspended for a term not yet expired or is subject to a condition not yet fulfilled.
  - ii. A person who is convicted of any offence punishable by imprisonment for a term of two years or more.
  - iii. A person who is convicted of any offence punishable by imprisonment for a term of less than two years and is sentenced to imprisonment for that offence.
  - iv. A person who is disqualified under Section 151 of the Companies Act 1993 applies.
  - v. A mentally distorted person within the meaning of the Mental Health (Compulsory Assessment and Treatment) Act 1992.
  - vi. A person who is under 18 years of age.

## 8. Termination of office of a trustee

- (a) A trustee may at any time resign office by notice in writing delivered to the chairperson for the time being of a trust. The resignation will take effect as from the date specified in the notice or in the absence of any such date on the date the notice is delivered to the chairperson of the trust. The chairperson of the trust shall forward a copy of such notice to the chief executive of Council.
- (b) A trustee shall be deemed to have resigned office as a trustee without notice if at any time that trustee is incapable of acting as a trustee or holding office as a trustee pursuant to Clause 7.
- (c) A trustee may be removed from office at any time by resolution of Council upon receiving a recommendation to that effect from the trust. Any decision to remove a trustee shall only be made where Council is satisfied on reasonable grounds that:
  - i. There has been a neglect of duty, or misconduct proved on the part of the trustee, and/or
  - ii. The trustee has acted or is acting in a manner prejudicial, or likely to be prejudicial, to the interests of the trust

Before passing any resolution in accordance with this clause, Council shall give the trustee affected a reasonable opportunity to be heard on the matters relating to the recommendation of the trust.

- (d) If any trustee dies or resigns or ceases to hold office, the office of that trustee shall become vacant. The vacancy shall be filled by Council who shall have regard to any nomination for that vacancy made by the Trustee Appointments Recommendation Panel (or Council's Chief Executive) or the result of

any required election and any person appointed shall hold office for the residue of the term of office of that trustee.

- (e) If any trustee resigns or ceases to hold office, the trustee shall immediately inform Council of that fact by notice in writing.

## 9. Milford Community Trust

- (a) The trust shall consist of a total of five (5) trustees appointed by Council.
- (b) The five trustees shall compromise:
  - i. Three trustees being persons who have been nominated by two members of the Milford community in accordance with Clause 6(d)(ii) to the Trustee Appointments Recommendation Panel and recommended by that panel to Council for appointment.
  - ii. One trustee to be appointed as the independent chairperson upon the recommendation of the Trustee Appointments Recommendation Panel.
  - iii. One trustee who is a resident (temporary or permanent) of Milford and is elected by those persons who are members of the Milford community.

## 10. Meeting of the trustees

- (a) The trustees meet together for the despatch of business, adjourn, and otherwise regulate their meetings as they think fit. Except where some other majority is required by this deed, questions arising at any meeting shall be decided by a simple majority of votes. In the case of an equality of votes (where a simple majority is required), the chairperson shall have a second or casting vote. The chairperson or any two of the trustees may at any time summon a meeting of the trustees. Notice of each meeting of the trustees shall be given by sending or delivering the same to the last known place of residence of, or other address for service notified by, each trustee.
- (b) If the independent chairperson is not present within 15 minutes of the commencement time of any meeting of the trustees, then those trustees present may choose one of their members to be chairperson of the meeting.
- (c) The quorum shall be a majority of the trustees.
- (d) The trustees shall cause minutes to be kept of their meetings.
- (e) The trustees may from time to time delegate any of their powers to committees consisting of not less than two members of the trust and of such other persons (if any) as they think fit. Any committee so formed shall in exercise of the powers so delegated conform to any regulations that may be imposed on it by the trustees.
- (f) The relevant provisions of the standing orders adopted by Council shall apply to all meetings of the trust and any of its committees in so far as they are not inconsistent with the specific terms of this deed.

## 11. Conflicts of interest

It is acknowledged that because of the unique situation in Milford Sound and the size of the community there will be conflicts of interest which arise from time to time for a trustee. Each trustee may exercise the trustee's own discretion, and notwithstanding the existence of an actual or potential conflict of interest of a non-pecuniary nature vote on any such matter before the trust **provided that**

the trustee is satisfied that such a vote takes into account the best interests of the trust and will result in an outcome that is most conducive to the trusts obligations and responsibilities in Milford.

## 12. Financial requirements

- (a) The trustees shall ensure that full and correct accounts of all the financial transactions of the trust and its assets, liabilities and funds are kept.
- (b) The trustees shall, after the end of each financial year, have prepared financial statements including a balance sheet and income expenditure account and notes thereto, giving a true and fair view of the financial affairs of the trust for the financial year.
- (c) The trust will prepare and deliver to Council the “Half-yearly Report” and the “Annual Report” in terms of Sections 66 and 67 of The Local Government Act 2002.
- (d) The financial statements shall be audited by the auditor-general.
- (e) The auditor-general shall certify whether the financial statements are properly drawn up and give a true and fair view of the financial affairs of the trust for the financial year.
- (f) The trustees may only invest the trust fund in Council approved authorised investments

## 13. Officers of the trust

The trustees may from time to time appoint such officers of the trust as the trustees may think fit. The trustees shall prescribe the relevant duties and conditions of the appointment for any such officers.

## 14. Powers of the trustees

The trustees shall have and may exercise the following powers, authorities and discretions:

- (a) To use the whole or any part of the current net annual income derived by the trustees in any financial year, and to apply all or any part of such income for any specified purpose if they should think fit
- (b) To sell all or any part of the real or personal property or interest therein compromising the trust fund or any part thereof at such a price on such terms and subject to such conditions as they in their absolute discretion think fit with power to allow the whole or any part of the purchase money to remain on mortgage of the property sold.
- (c) To lease or take on lease any freehold or leasehold property in interest therein with or without chattels for such period at such rent on such terms (including at the discretion of the trustees a compulsory or optional purchasing clause) and subject to such conditions as they think fit and to accept or effect such renewals or surrenders of leases and tenancies as they think fit.
- (d) To borrow moneys on mortgage bank overdraft or otherwise on such terms and subject to such conditions as the trustees think fit.
- (e) To employ, pay and retain the services of any person, firm, company or corporation upon such terms as they think fit.
- (f) To permit any trustee for the time-being engaged in any profession or business and any firm with which that trustee may be associated to charge and be paid all proper professional or other charges for any business done by that trustee or firm for the trust.

- (g) To make such arrangements as the trustees think fit for the operation of any bank accounts held by the trustees, including specification of the signatures required for such operation.
- (h) To pay out of the trust fund all property costs incurred in the administration of the trust including (without limiting the generality of the foregoing) rents, salaries, superannuation contributions for employees, accounting and audit fees, general office expenses and other outgoings.
- (i) Generally to maintain, repair, improve and develop any real or personal property which or an interest in which for the time-being forms part of the trust fund in such manner as the trustees think fit and for that purpose to pay and apply such of the capital and income of the trust fund as they think fit.
- (j) The powers conferred by or under The Trustee Act 1956 on a trustee will be in addition to the powers conferred on the trustees under this deed and shall apply for the extent that unless there is a contrary intention expressed in the deed then the provisions of The Trustee Act 1956 shall apply.
- (k) The trustee may resolve to alter, amend any provisions of this deed provided that:
  - i. Any resolution to effect an alteration or addition must be passed by a majority of not less than three quarters of the trustees where not less than twenty one clear days prior written notice of intention to move the amendment or alteration is given to all trustees, and
  - ii. No amendment or alteration may be made to the trust deed in any respect which it would have the effect of causing the trust to cease to be a charitable trust or to amend the objects of the trust to include any objective which is not a charitable objective.

## 15. Liability of trustees

- (a) No trustee shall be liable for any loss not attributable to dishonestly of the trustee or to the wilful commission by the trustee of an act known to the trustee to be a breach of trust.
- (b) No trustee shall be bound to take any proceedings against a co-trustee for any breach or alleged breach of trust committed by such co-trustee.

## 16. Common seal

The common seal of the trust shall only be affixed pursuant to a resolution of its trust board or of a committee of the trustees authorised by the trust board on their behalf and every instrument to which the common seal is affixed shall be signed by two trustees.

## 17. Remuneration and reimbursement of trustees

- (a) The remuneration payable to the trustee shall be paid at such rate as Council from time to time approves in that behalf having regard to the relevant policies of Council.
- (b) The trustees shall be entitled to be reimbursed for their expenses in accordance with the provisions of the Fees and Travelling Allowances Act 1951 as if they were members of a statutory board within the meaning of that act.

## 18. Private pecuniary interests

Nothing expressed or implied in this deed shall permit or allow the activities of the trust or any business carried on by or on behalf or for the benefit of the trust to be carried on for the private pecuniary profit of any individual.

## 19. Liquidation of trust

- (a) If in the opinion of the trust, it shall become no longer possible or feasible to carry out the objects of the trust then the trust may, by resolution, liquidate the trust. No resolution dissolving the trust shall take effect unless it has been passed by a majority of the trust and only after three months' notice of intention to move such resolution has been given in writing to each trustee.
- (b) Such dissolution shall not take effect unless at a subsequent meeting of the trust called for the purpose (such meeting to be held not earlier than 28 days and not later than 42 days after the date of the meeting declaring such dissolution), such dissolution is confirmed by resolution to that effect carried forward by majority of the trust.
- (c) Should the trust be dissolved, then any moneys and property remaining after the due settlement of the affairs of the trust and the payment of all just debts and claims shall be handed to such charitable society, association, institution, organisation or corporation as in the sole and absolute opinion of the trustees has objects similar to those of this trust as may be specified in the said resolution.

## Schedule

	NAME OF TRUSTEE AND <b>"OFFICE"</b> WHERE APPLICABLE	TERM OF OFFICE (SEE CLAUSE 6(B))
<b>1</b>	<b>Antoinette Diane Ridley</b> Councillor of the Te Anau Ward	(not applicable as ex-officio)
<b>2</b>	<b>Jason David Steele</b> Milford community elected trustee	Three years
<b>3</b>	<b>Deborah Jane Taylor</b> Independent chairperson	Four years
<b>4(a)</b>	<b>Roger Neil Wilson</b> Appointment in terms of Clause 9(b)(i) of the trust deed	Two years
<b>4(b)</b>	<b>Helen Elizabeth Thomas</b> Appointment in terms of Clause 9(b)(i) of the trust deed	Two years
<b>4(c)</b>	<b>Michael William Schuck</b> Appointment in terms of Clause 9(b)(i) of the trust deed	Four years
<b>4(d)</b>	<b>John Roy Robson</b> Appointment in terms of Clause 9(b)(i) of the trust deed	Four years

THE COMMON SEAL of the  
Southland District Council as  
Settlor was hereunto affixed in the  
presence of:

\_\_\_\_\_ **MAYOR**

\_\_\_\_\_ **CHEIF EXECUTIVE**

SIGNED by **Antoinette Diane Ridley**

As trustee in the presence of:

\_\_\_\_\_  
Signature of trustee

Witness signature \_\_\_\_\_

Print full name \_\_\_\_\_

Occupation \_\_\_\_\_

Address \_\_\_\_\_

SIGNED by **Jason David Steele**

As trustee in the presence of:

\_\_\_\_\_  
Signature of trustee

Witness signature \_\_\_\_\_

Print full name \_\_\_\_\_

Occupation \_\_\_\_\_

Address \_\_\_\_\_

SIGNED by **Deborah Jane Taylor**

As trustee in the presence of:

\_\_\_\_\_  
Signature of trustee

Witness signature \_\_\_\_\_

Print full name \_\_\_\_\_

Occupation \_\_\_\_\_

Address \_\_\_\_\_

SIGNED by **Roger Neil Wilson**

As trustee in the presence of:

\_\_\_\_\_  
Signature of trustee

Witness signature \_\_\_\_\_

Print full name \_\_\_\_\_

Occupation \_\_\_\_\_

Address \_\_\_\_\_

SIGNED by **Helen Elizabeth Thomas**

As trustee in the presence of:

\_\_\_\_\_  
Signature of trustee

Witness signature \_\_\_\_\_

Print full name \_\_\_\_\_

Occupation \_\_\_\_\_

Address \_\_\_\_\_

SIGNED by Michael William Schuck

As trustee in the presence of:

\_\_\_\_\_  
Signature of trustee

Witness signature \_\_\_\_\_

Print full name \_\_\_\_\_

Occupation \_\_\_\_\_

Address \_\_\_\_\_

SIGNED by John Roy Robson

As trustee in the presence of:

\_\_\_\_\_  
Signature of trustee

Witness signature \_\_\_\_\_

Print full name \_\_\_\_\_

Occupation \_\_\_\_\_

Address \_\_\_\_\_

---

## Draft Statement of Intent 2021-2024

Record No: R/21/1/2090

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 The Trust did not have a meeting in December so a draft of the SOI was circulated by email to all Trustees for comment and as at the time of writing this report nothing was raised.
- 3 Given there has not been a meeting where the draft has been discussed and the implications of decisions the Trustees are being asked to make in other papers at this meeting it is still possible to make some amendments to the SOI should the Trust wish.
- 4 There is a legislative requirement under Schedule 8 of the Local Government Act that the SOI is made available to its shareholders on or before 1 March each year. Therefore, if any changes are requested by the Trust then it is important to consider whether it is also happy to approve the SOI subject to those changes being made.

### Key Issues

- 5 The key issues that are signalled in the SOI are:
  - changes to the Trust Deed to better reflect the future direction of the trust
  - decide whether or not it is feasible to proceed with the development of a recreation centre building
  - withdrawing the previously budgeted funding grant of up to \$80,000 per year to assist with the provision of medical services in Milford Sound *Piopiota*.

### Next Steps

- 6 Following final approval from the trust, the SOI will be circulated and presented to Council and provided to the trust's stakeholders.

## Recommendation

That the Milford Community Trust:

- a) **Receives the report titled “Draft Statement of Intent 2021-2024” dated** 10 February 2021.
- b) Approves the Draft Statement of Intent 2021 – 2024 and provides a copy to Council and stakeholders.

## Attachments

- A Draft Statement of Intent 2021-2024 [↓](#)



**DRAFT**  
**MILFORD COMMUNITY  
TRUST**

**STATEMENT OF INTENT  
2021 - 2024**

## **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 2021 to 30 June 2024. This 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 Interim Chair	Ebel Kremer	Oct 2022 Dec 2021
Milford Community Association elected representative	Brad Johnstone	2023
Milford Community appointee	Tony Woodham	2024
Milford Community appointee	Steve Norris	2024
Milford Community appointee	Rosco Gaudin	2023
Milford Community appointee	Tim Holland	2024

#### 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 *Piopiota* 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  
Sensitive Expenditure Policy

Where appropriate, further policy guidance is obtained from relevant council's and other statutory authorities and reviewed and updated 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 Piopiotahi, 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 *Piopiotahi*.
- Advocate for the general benefit of the Milford community.

Within the over-arching vision and strategic goals, the more specific focus areas for 2021 – 2024 are:

### **Planning:**

- Determine the future direction of the Trust.

▪

### **Communication:**

- Maintain relationships with the community and 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.

- 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.

### **Planned Activities/Services**

#### **2021/22:**

- Advocate with, and assist, other organisations for strategic improvements in community planning and development in Milford Sound.

Determine the future direction of the Trust. ▪.

- Facilitate the construction of the Milford recreation centre once project is approved by Department of Conservation.

▪

#### **2022/23:**

- Advocate with, and assist, other organisations for strategic improvements in community planning in Milford Sound.
- Maintain oversight of the management of the Milford Recreation Centre.

#### **2023/24:**

- Advocate with, and assist, other organisations for strategic improvements in community planning in Milford Sound.
- Maintain oversight of the management of the Milford Recreation Centre.

▪

## **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 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 by the Trust and made available to the public, by inclusion in Southland District Council's Long Term Plan (LTP).

Level of service	Key performance indicator	Actual	Target			Confirmation source
		19/20	21/22	22/23	23/24	
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.	0	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 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.

### 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 2021/2022, 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 \$34,094 (excluding GST).

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 forecasting to have sufficient cash to fund the anticipated cost to build the recreation centre.

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, in the instance the Trust has insufficient cash to fund the recreation centre project.

### **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 this 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 2021-2024**  
**Prospective Statement of Financial Performance**

Account Description	Actuals 2019/2020	Forecast 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
<b><u>Income</u></b>					
Concessionaires Income	112,938	75,292	150,583	150,583	150,583
Grant	-	-	-	-	-
Trustee Fees Forgiven	3,000	-	-	-	-
Interest	9,994	-	-	-	-
	<u>125,931</u>	<u>75,292</u>	<u>150,583</u>	<u>150,583</u>	<u>150,583</u>
<b><u>Expenses</u></b>					
<b><u>Management/Administration</u></b>					
Accommodation and Meals	-	500	500	500	500
Administration	44	44	44	44	44
Advertising	38	600	600	600	600
Audit Fees	4,208	4,316	4,451	4,750	5,000
Bank Fees	40	40	40	40	40
Catering Expenses	(3)	500	500	500	500
Chairperson's Fees	10,000	10,000	10,000	10,000	10,000
Depreciation - Recreational Pad	1,502	1,457	1,428	1,399	1,371
Depreciation - Recreational Centre	-	-	-	-	11,000
General Expenses	346	500	500	500	500
Operations and Maintenance of Rec Centre	-	-	-	-	30,000
Legal Costs	832	-	-	-	-
Mileage	-	1,500	1,500	1,500	1,500
Project Development and Planning	3,030	5,000	5,000	5,000	5,000
RNZ Licence	-	740	370	370	370
Room Hire	(7)	200	200	200	200
Trustees Fees	3,000	6,000	6,000	6,000	6,000
Insurance	2,825	2,900	2,958	3,017	3,078
	<u>25,856</u>	<u>34,297</u>	<u>34,091</u>	<u>34,421</u>	<u>75,703</u>
<b><u>Grants</u></b>	-	-	-	-	-
	-	-	-	-	-
<b>Total Expenses</b>	<u>25,856</u>	<u>34,297</u>	<u>34,091</u>	<u>34,421</u>	<u>75,703</u>
<b>Net Operating Surplus/(Deficit)</b>	<u><b>100,075</b></u>	<u><b>40,994</b></u>	<u><b>116,492</b></u>	<u><b>116,162</b></u>	<u><b>74,880</b></u>

**Capital Projects**

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

**MILFORD COMMUNITY TRUST**  
**PROSPECTIVE FINANCIAL STATEMENTS 2021-2024**  
**Prospective Statement of Changes in Equity**

	Actuals 2019/2020	Forecast 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
Balance at 1 July	363,512	463,587	504,581	621,073	737,235
Net Surplus / (Deficit)	100,075	40,994	116,492	116,162	74,880
Capital Funding					
Equity at end of year	<b>463,587</b>	<b>504,581</b>	<b>621,073</b>	<b>737,235</b>	<b>812,115</b>

**MILFORD COMMUNITY TRUST**  
**PROSPECTIVE FINANCIAL STATEMENTS 2021-2024**  
**Prospective Statement of Financial Position**

	Actuals 2019/2020	Forecast 2020/2021	Budget 2021/2022	Budget 2022/2023	Budget 2023/2024
<b>Equity</b>					
Accumulated Funds	463,487	504,481	620,973	737,135	812,015
Trust Capital	100	100	100	100	100
	<b>463,587</b>	<b>504,581</b>	<b>621,073</b>	<b>737,235</b>	<b>812,115</b>
<b>Represented by:</b>					
<b>Current Assets</b>					
Accounts Receivable	119	100	100	100	100
Accrued income	2,545	-	-	-	-
Bank Account - 00	819	5,000	5,000	5,000	5,000
Bank Account - 25	17,024	10,000	10,000	10,000	10,000
Term Deposit - Recreation Centre	110,000	-	-	-	-
Term Deposit - Surplus Funds	300,000	451,862	521,691	105,475	227,128
GST Receivable	-	-	-	-	-
	430,506	466,962	536,791	120,576	242,229
<b>Non Current Assets</b>					
Recreational Pad	48,573	47,116	45,688	44,289	42,918
Recreational Centre	-	-	-	550,000	539,000
Recreational Centre - WIP	-	-	50,000	-	-
	48,573	47,116	95,688	594,289	581,918
<b>Total Assets</b>	<b>479,079</b>	<b>514,078</b>	<b>632,479</b>	<b>714,865</b>	<b>824,146</b>
<b>Current Liabilities</b>					
Accrued Expenses	7,798	5,000	5,000	5,000	5,000
Accounts Payable	2,507	-	-	-	-
GST Payable	5,187	4,496	6,406	(27,370)	7,031
	15,492	9,496	11,406	(22,370)	12,031
<b>Non-Current Liabilities</b>					
	-	-	-	-	-
	-	-	-	-	-
<b>Total Liabilities</b>	<b>15,492</b>	<b>9,496</b>	<b>11,406</b>	<b>(22,370)</b>	<b>12,031</b>
<b>Net Assets</b>	<b>463,587</b>	<b>504,581</b>	<b>621,073</b>	<b>737,235</b>	<b>812,115</b>