



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

Date: Monday, 28 June 2021
Time: 4.15pm
Meeting room: Via Zoom (digital technology)

Milford Community Trust Agenda OPEN

MEMBERSHIP

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

IN ATTENDANCE

Community partnership leader	Simon Moran
Committee advisor	Alyson Hamilton

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

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

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1 Apologies

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

2 Leave of absence

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

3 Conflict of Interest

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

4 Public Forum

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

5 Extraordinary/Urgent Items

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

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

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

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

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

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

6 Confirmation of Minutes

3.1 Meeting minutes of Milford Community Trust, 02 March 2021



OPEN MINUTES

Minutes of a meeting of Milford Community Trust held **via Zoom (digital technology)** on Tuesday, 2 March 2021 at 7pm.

PRESENT

Chairperson	Councillor Ebel Kremer
Trustees	Rosco Gaudin
	Tim Holland
	Stephen Norris

APOLOGIES

Brad Johnstone
Tony Woodham

IN ATTENDANCE

Committee Advisor	Alyson Hamilton
Community Partnership Leader	Simon Moran

1 Apologies

There were apologies from Brad Johnstone and Tony Woodham.

Moved Chairperson Kremer, seconded Tim Holland and resolved:

That the Milford Community Trust Committee accept the apologies.

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 Chairperson Kremer, seconded Rosco Gaudin and resolved:

That the minutes of Milford Community Trust meeting held on 5 November 2020 be confirmed as a true and correct record of that meeting.

Reports

4.1 Half Year Financial Report to 31 December 2020

Record No: R/21/1/2411

Community Partnership Leader – Simon Moran was in attendance for this item.

Mr Moran advised the purpose of the report is to present the half yearly financial report for the period ending 31 December 2020 for the Trustees information.

Resolution

Moved Tim Holland, seconded Rosco Gaudin and resolved:

That the Milford Community Trust:

- a) Receives the report titled **"Half Year Financial Report to 31 December 2020"** dated 25 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.

4.2 Invoicing Operators

Record No: R/21/1/2976

Community Partnership Leader – Simon Moran was in attendance for this item.

Mr Moran advised the purpose of the report is 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 the last two quarterly invoicing rounds of the 2020/2021 financial year due to the ongoing impacts on operators from Covid-19.

The meeting agreed not to invoice for the revenue budgeted to the end of December 2021 and requested staff forward a letter to Milford tourism operators advising of the Trust decision.

Resolution

Moved Chairperson Kremer, seconded Rosco Gaudin recommendation a, and b with changes (as indicated with ~~strike through~~ and underline) and resolved:

That the Milford Community Trust:

- a) **Receives the report titled "Invoicing Operators" dated** 25 February 2021.
- b) Agrees not to invoice for the revenue budgeted ~~for the last two quarters of the 2020/21 financial year (\$75,292 excl GST)~~ through to the end of December 2021.

4.4 Draft Statement of Intent 2021-2024

Record No: R/21/1/2090

Community Partnership Leader – Simon Moran was in attendance for this item.

Mr Moran advised the purpose of the report is to obtain the Milford Community Trust's approval of the Statement of Intent and its subsequent reporting to Council and stakeholders.

Resolution

Moved Chairperson Kremer, seconded Rosco Gaudin and resolved:

That the Milford Community Trust:

- a) **Receives the report titled “Draft Statement of Intent 2021-2024” dated 25 February 2021.**
- b) Approves the Draft Statement of Intent 2021 – 2024 and provides a copy to Council and stakeholders.

4.5 Chairperson's Report

Record No: R/21/2/8249

The Chairperson, Councillor Kremer provided an update on the progress of the purchase of the storage shed to be situated at the tennis courts and for the purchase of sports equipment.

The meeting adjourned at 7.58pm and is to reconvene at a suitable date/time for all Trustees and noting item 4.3 The Proposed Amendments to the Milford Community Trust Deed will be considered at this time.

The meeting reconvened on Thursday, 18 March 2021 at 7.44pm via Zoom (**digital technology**).

Chairperson Ebel Kremer (8.01pm – 8.07pm), Members Rosco Gaudin, Tim Holland, Brad Johnstone, Stephen Norris and Tony Woodham were present when the meeting reconvened.

1. Apologies

There was an apology for lateness from Chairperson Ebel Kremer.

Resolution

Moved Rosco Gaudin, seconded Stephen Norris and resolved:

That the Milford Community Trust Committee accept the apology.

Moved Stephen Norris, seconded Tony Woodham and resolved:

That Tim Holland Chair this meeting of the Milford Community Trust Committee.

4.3 Proposed Amendments to the Milford Community Trust Deed

Record No: R/21/1/2136

Community Partnership Leader – Simon Moran was in attendance for this item.

Mr Moran advised the purpose of the report is to seek direction from the Trust on whether it wishes to proceed with amending the existing Trust Deed and the extent of those changes.

During discussions on the document the committee agreed that in relation to the membership of the Milford Community Trust that clause 9 (b) iii was no longer required and requested this be deleted from the trust deed.

Following further discussion on the future of the Trust members felt there needed to be a robust way of making the Trust more visible to the public.

(The Chair Councillor Kremer joined the meeting via audio link at 8.01pm.)

Resolution

Moved Tim Holland (Acting Chair), seconded Rosco Gaudin recommendation a, b with changes (as indicated with underline) c, and resolved:

That the Milford Community Trust:

- a) **Receives the report titled “Proposed Amendments to the Milford Community Trust Deed” dated 25 February 2021.**
- b) Approves the amendments as proposed in Attachment A – *Proposed Amendments to the Milford Community Trust Deed* subject to a legal review and the deletion of clause 9 (b) iii.
- c) Approves council staff obtaining a legal review on behalf of the Trust.

The meeting concluded at 8.07pm.

CONFIRMED AS A TRUE AND CORRECT RECORD AT A
MEETING OF THE MILFORD COMMUNITY TRUST
HELD ON TUESDAY, 2 MARCH 2021

DATE:.....

CHAIRPERSON:.....

Financial Report to 31 May 2021

Record No: R/21/6/33263
Author: Brie Lepper, Graduate accountant
Approved by: Anne Robson, Chief financial officer

☐ Decision ☐ Recommendation ☒ Information

Purpose

- 1 This financial report is for the period 1 July 2020 to 31 May 2021 and provides the Trustees with an updated statement of financial performance and financial position of the Trust for that period.

Commentary

- 2 The 30 June 2020 comparative financial results included in this report have been audited by Audit New Zealand and are consistent with the 2019/2020 Performance Report.

Financial Performance

- 3 As resolved by the Trust at their June 2020 and March 2021 meetings, the full year of concessionaire's income for 2020/2021 will not be invoiced and therefore no concessionaire's income has been received to date.
- 4 The majority of expenses to date relate to chairman fees, insurance and legal fees. Insurance costs are for the placement of trustees liability, statutory liability and public liability insurance for the period 1 July 2020 to 30 June 2021. The legal fees relate to advice received on amending the trust deed. The negative general expenses relate to an accrual completed at 30 June 2020 for potential disbursements relating to the audit for the year ended 30 June 2020. As the audit was completed remotely by Audit NZ, no disbursements were incurred.

Financial Position

- 5 The Trust continues to have a strong cash position with \$20,614 held in the cheque/savings accounts. \$10,000 is being held to fund the purchase and installation of a storage shed at the tennis courts as agreed at the meeting on the 5 November 2020. The savings account receives interest at a rate of 0.1% p.a. Surplus funds are transferred to the savings account, or invested as appropriate, on a regular basis.
- 6 Additionally, \$390,000 is invested in term deposits as outlined in the table below:

Bank	Amount	Interest Rate	Term	Maturity Date	Total Expected Interest
BNZ	\$30,000	0.85%	212 days	11/6/2021	\$148.11
BNZ	\$50,000	0.60%	124 days	30/08/2021	\$101.92
BNZ	\$60,000	0.99%	215 days	8/11/2021	\$349.89
BNZ	\$100,000	1.00%	275 days	27/1/2022	\$753.42
BNZ	\$150,000	1.10%	304 days	24/3/2022	\$1,374.25
Total:	\$390,000				\$2,727.59

Milford Community Trust			
Statement of Financial Performance			
For the period to 31 May 2021			
Actual 30/06/20	Account Description	Actual 31/05/21	Annual Budget
Income			
112,938	Concessionaires Income	-	150,583
9,994	Interest	5,478	-
3,000	Trustees Fees Forgiven	2,100	-
<u>125,931</u>		<u>7,578</u>	<u>150,583</u>
Expenses			
-	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	9,167	10,000
1,502	Depreciation	1,336	1,472
	Grant to Milford Sound Tourism Ltd (Walkway)	-	-
346	General Expenses	(150)	500
832	Legal Fees	822	-
-	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	2,100	6,000
2,825	Insurance	2,900	2,882
<u>25,856</u>		<u>16,218</u>	<u>114,114</u>
100,075	Net Operating Surplus/(Deficit)	(8,640)	36,469
-	Other Comprehensive Income	-	-
100,075	Total Comprehensive Income	(8,640)	36,469

Statement of Changes in Equity As at 31 May 2021		
Actual 30/06/20		Actual 31/05/21
363,512	Total Equity at beginning of year	463,586
100,075	Net Surplus/(Deficit)	(8,640)
463,586	Equity at end of year	454,948

Statement of Financial Position As at 31 May 2021		
Actual 30/06/20		Actual 31/05/21
	Equity	
100	Trust Capital	100
463,486	Accumulated Funds	454,848
463,586		454,948
	Represented by:	
	Current Assets	
19	Accounts Receivable	-
2,545	Accrued Income	385
-	GST Receivable	123
819	BNZ Cheque Account	402
17,024	BNZ Savings Account	20,212
410,000	BNZ Term Deposits	390,000
430,406	Total Current Assets	411,122
	Non Current Assets	
100	Trust Capital	100
48,573	Recreational Pad	47,237
479,079	Total Assets	458,459
	Current Liabilities	
7,798	Accrued Expenses	2,567
2,507	Accounts Payable	945
5,187	GST Payable	-
15,492	Total Liabilities	3,512
463,586	Net Assets	454,948

Recommendation

That the Milford Community Trust:

- a) **Receives the report titled “Financial Report to 31 May 2021” dated** 18 June 2021.

Attachments

There are no attachments for this report.

Annual Report Audit Plan for the year ending 30 June 2021

Record No: R/21/6/33830
Author: Brie Lepper, Graduate accountant
Approved by: Anne Robson, Chief financial officer

☒ Decision

☐ Recommendation

☐ Information

Purpose

- 1 The purpose of this report is for the Trust to approve the Annual Report Audit Plan as proposed by Audit New Zealand (Audit NZ) for the year ending 30 June 2021.

Executive summary

- 2 Audit NZ have provided the audit plan for the 2020/2021 Annual Report of Milford Community Trust (MCT/ the Trust) on the 10 June 2021.
- 3 This report provides a summary of this document for the Trust's information. A full copy of the document is attached for your information (attachment A). The Audit Plan outlines the audit risks and issues, audit process, reporting protocols, logistics and expectations relating to the upcoming audit.
- 4 As a result of Covid-19, Audit NZ is having difficulty obtaining the auditors necessary to undertake their full work programme. The Office of the Auditor General is aware of the issue and has given Audit NZ a priority tool to decide which audit will be done first. As a result Audit NZ are currently unable to confirm when the audit will be completed and it is most likely that it will not be completed within the statutory timeframes.
- 5 To assist with the auditing process, Audit NZ has also introduced an Audit Dashboard. This is an online portal for sharing documents between Council and Audit NZ and will hopefully add efficiencies to the process.
- 6 Other than the outstanding audit timetable, Council staff have no issues with the content of the Audit Plan.

Recommendation

That the Milford Community Trust:

- a) **receives the report titled “Annual Report Audit Plan for the year ending 30 June 2021” dated** 18 June 2021,
- 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) accepts the Annual Report Audit Plan for the year ending 30 June 2021, as set out in attachment A noting that the audit timetable is still to be agreed
- e) **delegates authority to Council’s Financial Accountant to agree the 2020/2021 audit timetable** with Audit NZ.

Background

- 7 The purpose of this report is to provide a summary of the document recently received from Audit NZ.

Audit Plan:

- 8 Audit NZ director, Dereck Ollsson met with the Trust chair and Council staff on 31 May 2021 to discuss the audit for the 2020/2021 year, specifically the future intentions of the Trust and audit logistics. These discussions formed the basis of the matters to be included in the audit plan.
- 9 The audit plan for the year ended 30 June 2021 outlines:
- audit risks and issues;
 - Audit NZ's audit process;
 - reporting protocols;
 - audit logistics; and
 - expectations
- 10 For a more detailed discussion on the above matters, please refer to Attachment A of this report.
- 11 At the date of this report, Audit NZ are unable to confirm the audit timetable. Audit NZ will continue discussing the timetable with Council staff to endeavour to ensure there is sufficient time for the Trust to review the final performance report prior to adoption.
- 12 Council staff will continue to compile the Trust's annual report and required performance information consistent in line with prior years timelines, which will see the performance report and associated financial information complete and available for audit by 6 August 2021.
- 13 Audit NZ have implemented an online portal (AuditDashboard) for both Council and Audit NZ staff to upload documents during the audit process. This should allow for easier collaboration, file sharing and tracking between Council and Audit NZ.
- 14 Other than the outstanding audit timetable as noted above, Council staff have no issues with the content of the Audit Plan.

Issues

- 15 The purpose of an audit is to provide an objective independent examination of the financial statements and performance information, which increases the value and credibility of the Annual Report produced by management, thus increasing user confidence in the document. As such, it is in Trust's interest for Audit NZ to define the audit programme of work.
- 16 The only issue with the proposed Audit Plan is the outstanding audit timetable. Staff recognise that as a result of Audit NZ's resourcing and prioritisation framework. There is a risk that the audit may not be completed by the statutory deadline (30 September 2021). Council staff are awaiting guidance from Audit NZ on what the potential implications are if the statutory deadline is not met.

Factors to consider

Legal and statutory requirements

- 17 Section 67(1) of the Local Government Act 2002 requires the Trust to prepare and have a report delivered to the shareholders each financial year. Section 69(1) also requires the financial statements to include an Auditor's Report.
- 18 In accordance with Section 14(1) of the Public Audit Act 2001, the Trust's Annual Report must be audited by the Office of the Auditor-General. Audit New Zealand is the authorised audit service provider on behalf of the Auditor-General.

Community views

- 19 No consultation is required as the Annual Report reflects the actual results of activities undertaken during the year compared to the Statement of Intent, which has been provided to all major stakeholders.

Policy implications

- 20 There are no policy implications.

Analysis

Options Considered

- 21 There are two options to be considered in this report as outlined below.

Analysis of Options

Option 1 – accept the Annual Report Audit Plan for the year ended 30 June 2021, as attached.

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> allows the Annual Report process to continue as proposed. confirms the key details around the audit for the year ended 30 June 2021. 	<ul style="list-style-type: none"> none, unless the Trust requires clarification and this is not sought before signing.

Option 2 – Request clarification or inclusion of any issue that the Trust wants included in the Audit Plan before accepting them

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> the Trust is able to seek the clarification it requires or discuss the inclusion of any issue it would like incorporated into the Audit Plan. 	<ul style="list-style-type: none"> could delay the audit process if the Trust and Audit NZ cannot agree to appropriate arrangements.

Recommended Option

- 22 Option 1 Accept the Annual Report Audit Plan for the year ended 30 June 2021 as provided, noting the outstanding audit timetable.

Next Steps

- 23 Council staff will compile the 2020/2021 Annual Report to enable the final audit to be undertaken prior to 30 September 2021, however recognising that Audit NZ may not have capacity to complete the audit by the statutory deadline (30 September 2021).

Attachments

- A Audit NZ Audit Plan for the year ending 30 June 2021 [↓](#)

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Audit plan

Milford Community Trust

For the year ending 30 June 2021

Audit plan

I am pleased to present our audit plan for the audit of Milford Community Trust (the Trust) for the year ending 30 June 2021. The purpose of this audit plan is to discuss:

Audit risks and issues	2
Our audit process	4
Reporting protocols	7
Audit logistics	8
Expectations	10

The contents of this plan should provide a good basis for discussion when we meet with you.

We will be happy to elaborate further on the matters raised in this plan.

Our work improves the performance of, and the public's trust in, the public sector. Our role as your auditor is to give an independent opinion on the financial statements and performance information. We also recommend improvements to the internal controls relevant to the audit.

If there are additional matters that you think we should include, or any matters requiring clarification, please discuss these with me.

Yours sincerely



Dereck Ollsson
Appointed Auditor
10 June 2021

Audit risks and issues

Focus areas



Based on the planning work and discussions that we have completed to date, we set out in the table below the main audit risks and issues. These will be the main focus areas during the audit.

Audit risk/issue	Our audit response
Covid-19	
<p>On 11 March 2020, the World Health Organisation declared the outbreak of a coronavirus (Covid-19) a pandemic and New Zealand went into Level 4 lockdown from 25 March until 27 April 2020 and remained in Level 3 lockdown until 13 May 2020.</p> <p>Last year, we considered the impact of Covid-19 on the financial statements for the year ended 30 June 2020. The Covid-19 pandemic is still significantly impacting people and organisations globally. The borders remain closed and it is likely the pandemic will continue to have effects throughout the year ended 30 June 2021. As part of our audit we will continue to monitor how Covid-19 has impacted the Trust and the Board of Trustees' (the Board's) response thereto.</p> <p>Our office has published guidance for financial statement preparers on the impact of Covid-19 on public sector reporting entities that you may find useful.</p> <p>Refer to: https://auditnz.parliament.nz/good-practice/public-sector-reporting/bulletin-one</p>	<p>We will discuss and gain an understanding of how Covid-19 has continued to impact your business, including any potential going concern issues including the review of management's assessment of the use of the going concern assumption and obtain an up-to-date understanding of the intention on the future of the Trust.</p>
The risk of management override of internal controls	
<p>There is an inherent risk in every organisation of fraud resulting from management override of internal controls. Management are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Auditing standards require us to treat this as a significant risk on every audit.</p>	<p>Our audit response to this risk includes:</p> <ul style="list-style-type: none"> • testing the appropriateness of selected journal entries; • reviewing accounting estimates for indications of bias; and • evaluating any unusual or one-off transactions, including those with related parties.

Please tell us about any additional matters we should consider, or any specific risks that we have not covered. Additional risks may also emerge during the audit. These risks will be factored into our audit response and our reporting to you.

Fraud risk

Misstatements in the financial statements and performance information can arise from either fraud or error. The distinguishing factor between fraud and error is whether the underlying action is intentional or unintentional. In considering fraud risk, two types of intentional misstatements are relevant – misstatements resulting from fraudulent reporting, and misstatements resulting from misappropriation of assets.

The primary responsibility for the prevention and detection of fraud and error rests with the , with assistance from management. In this regard, we will discuss the following questions with you:

- What role does Board play in relation to fraud? How do you monitor management's exercise of its responsibilities?
- Has a robust fraud risk assessment been completed? If so, are the Board satisfied that it had appropriate input into this process?
- How does management provide assurance that appropriate internal controls to address fraud risks are in place and operating?
- What protocols/procedures have been established between the trustees and management to keep you informed of instances of fraud, either actual, suspected, or alleged?
- Are you aware of any actual, suspected, or alleged fraud? If so, have the results of management's investigation been reported to the Board? Has appropriate action been taken on any lessons learned?

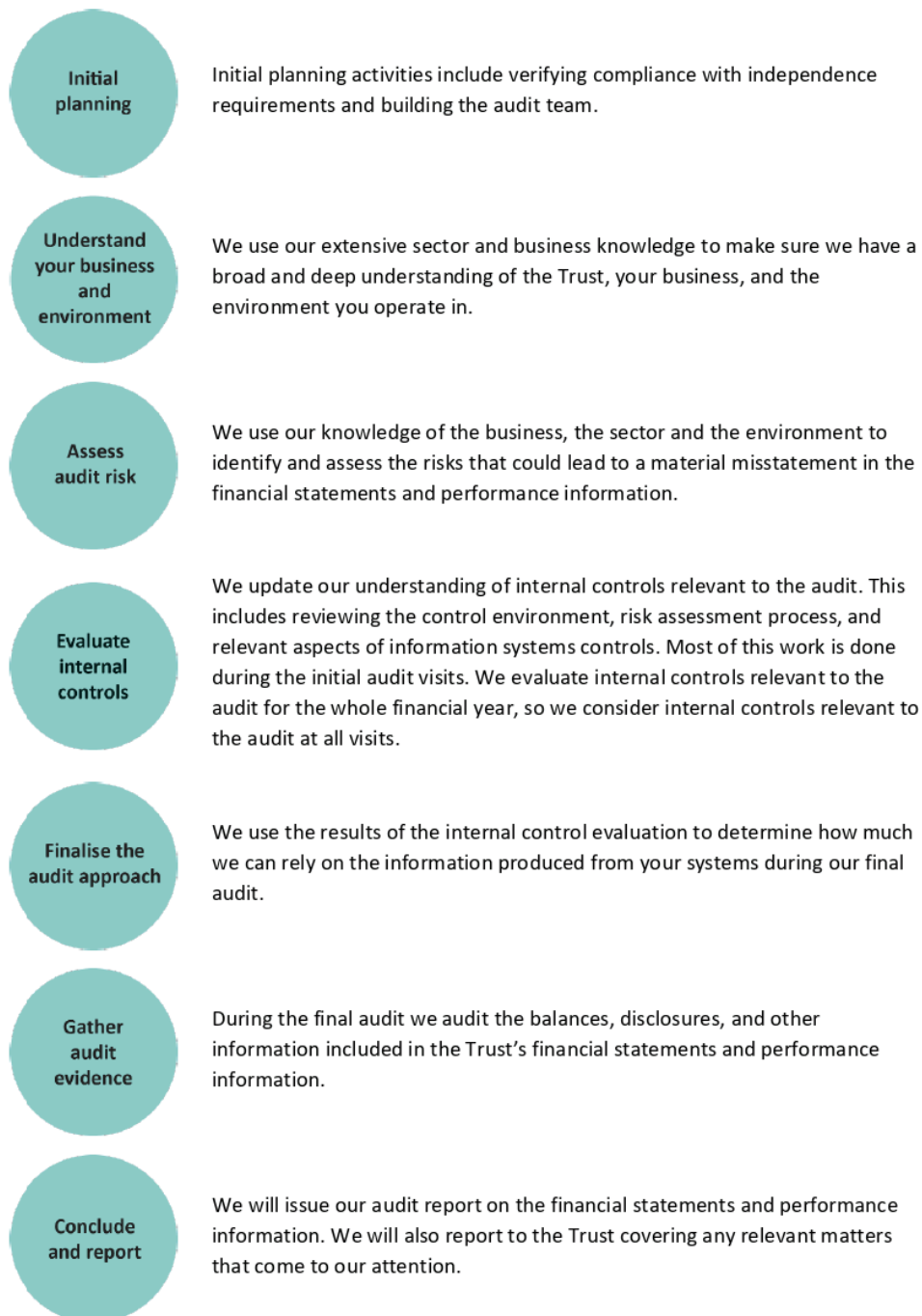
Our responsibility

Our responsibility is to obtain reasonable, but not absolute, assurance that the financial statements and performance information are free from material misstatement resulting from fraud. Our approach to obtaining this assurance is to:

- identify fraud risk factors and evaluate areas of potential risk of material misstatement;
- evaluate the effectiveness of internal controls in mitigating the risks;
- perform substantive audit procedures; and
- remain alert for indications of potential fraud in evaluating audit evidence.

The Auditor-General has published useful information on fraud that can be found at oag.parliament.nz/reports/fraud-reports.

Our audit process



Materiality

In performing our audit, we apply materiality. In the public sector, materiality refers to information that if omitted, misstated, or obscured could reasonably be expected to:

- influence readers' overall understanding of the financial statements and service performance information; and
- influence readers in making decisions about the stewardship and allocation of resources, or assessing your performance.

This definition of materiality is broader than the one used in the private sector.

It is a matter of judgement whether information is material. We consider the nature (qualitative) and amount (quantitative) of each item judged in the surrounding circumstances and its impact. In the public sector qualitative considerations are of equal significance as quantitative considerations. Qualitative considerations are of primary importance in our assessment of materiality in the context of disclosures for transparency and accountability reasons, and in evaluating any non-compliance with laws and regulations.

The Board and management need to consider materiality in preparing the financial statements and service performance information and make their own assessment of materiality from a preparer's perspective. IFRS Practice Statement 2, Making Materiality Judgements, provides guidance on how to make materiality judgements from a financial statements preparer's perspective. Although this guidance is primarily aimed at for-profit entities, the same principles can be applied by public benefit entities. Management and the Board should not rely on our materiality assessment as a basis for owning and making judgements about the integrity of the financial statements and service performance information.

Professional judgement and professional scepticism

Many of the issues that arise in an audit, particularly those involving valuations or assumptions about the future, involve estimates. Estimates are inevitably based on imperfect knowledge or dependent on future events. Many financial statement items involve subjective decisions or a degree of uncertainty. There is an inherent level of uncertainty which cannot be eliminated. These are areas where we must use our experience and skill to reach an opinion on the financial statements and performance information.

The term "opinion" reflects the fact that professional judgement is involved. Our audit report is not a guarantee but rather reflects our professional judgement based on work performed in accordance with established standards.

Auditing standards require us to maintain professional scepticism throughout the audit. Professional scepticism is an attitude that includes a questioning mind and a critical assessment of audit evidence. Professional scepticism is fundamentally a mind-set. A sceptical mind-set drives us to adopt a questioning approach when considering information and in forming conclusions.

Exercising professional scepticism means that we will not accept everything we are told at face value. We will ask you and management to provide evidence to support what you tell us. We will also challenge your judgements and assumptions and weigh them against alternative possibilities.

How we consider compliance with laws and regulations

As part of the Auditor-General's mandate, we consider compliance with laws and regulations that directly affect your financial statements or general accountability. Our audit does not cover all of your requirements to comply with laws and regulations.

Our approach involves first assessing the systems and procedures that you have in place to monitor and manage compliance with laws and regulations relevant to the audit. We may also complete our own checklists. In addition, we will ask you about any non-compliance with laws and regulations that you are aware of. We will evaluate the effect of any such non-compliance on our audit.

Wider public sector considerations

A public sector audit also examines whether:

- the Trust carries out its activities effectively and efficiently;
- waste is occurring or likely to occur as a result of any act or failure to act by the Trust;
- there is any sign or appearance of a lack of probity as a result of any act or omission by the Trust or by one or more of its members, office holders, or employees; and
- there is any sign or appearance of a lack of financial prudence as a result of any act or omission by the Trust or by one or more of its members, office holders, or employees.

Reporting protocols

Communication with management and the Board



We will meet with management and the Board throughout the audit. We will maintain ongoing, proactive discussion of issues as and when they arise to ensure there are “no surprises”.

Reports to the Board



We will provide a draft of all reports to management for discussion and clearance purposes. In the interests of timely reporting, we ask management to provide their comments on the draft within 15 working days. Once management comments are received the report will be finalised and provided to the Board.

We will also follow up on your progress in responding to our previous recommendations.

Audit logistics

Our team



Our engagement team is selected to ensure that we have the right subject matter expertise and sector knowledge. Each member of the audit team has received tailored training to develop their expertise.

Our senior audit team members are:

Dereck Ollsson

Appointed Auditor

Monique Kruger

Audit Manager

Timetable



Our proposed timetable is:

Draft annual report available for audit (including notes to the financial statements)	TBC
Final audit begins	TBC
Final financial statements available, incorporating all the amendments agreed to between us	TBC
Verbal audit clearance given	TBC
Annual report available, including any Chair and Chief Executive's overview or reports	TBC
Audit opinion issued	TBC
Draft management report issued	TBC

The timetable above cannot be confirmed at this point. There is the possibility that, due to the rolling impact of resource priorities and industry challenges, there may be disruptions that will require changes to our resourcing and hence impact on the trust timeline. We will communicate an updated timetable in due course, especially where it means the statutory timeline is at risk.

AuditDashboard

During the audit, your staff provide us with a significant number of files. These files contain information that we have asked for about your internal controls or financial and non-financial information to support the contents of your annual report. When all of this information is available in a timely manner, it helps the audit process to run as smoothly and effectively as possible for both you and us.

During 2021 we are implementing a new online portal called AuditDashboard. AuditDashboard allows for easier collaboration and file sharing between and your audit team. It is a robust, secure digital platform that is specifically designed to streamline the process of sharing information with us. More information on this new tool can be found at: [Information about AuditDashboard](#).

The benefits of AuditDashboard

Your team will be invited to collaborate on one central request list in a shared space. The ability to drag and drop files makes it easy to fulfill requests. Real-time status updates provide greater visibility to everyone and helps to keep everyone organised and on the same page. It will be easy to:

- see what has been asked for;
- assign specific tasks to your own people and see who each request is assigned to;
- see when each request is due and track the progress of requests;
- exchange information securely; and
- see what has been uploaded.

There will be no change to the information that the audit team asks for. Rather than emailing an Excel spreadsheet, we will request information using AuditDashboard, which your team will then use to upload files.

Rather than obtaining information from management as we need it, we will send requests in advance. Your team will have time to gather the relevant information, upload the files, and submit them to us at any time that suits them up to the due date. When we start work, we will already have access to this information and can get started straight away.

We intend to start using AuditDashboard at our final audit stage. We will provide the Finance Manager with an overview and agreement to use AuditDashboard. We expect compliance with this agreement will already be covered by your computer-use policy. We need to receive the agreement back prior to implementing AuditDashboard on your audit.

We will work with your team to onboard them to AuditDashboard, answer any questions you might have, and ensure your team understand how to use it.

Expectations



For the audit process to go smoothly for both you and us, there are expectations that each of us need to meet.

Our respective responsibilities are set out in our audit engagement letter.

We expect that:

- you will provide us with access to all relevant records and provide information in a timely manner;
- staff will provide an appropriate level of assistance;
- the draft financial statements, including all relevant disclosures, will be available in accordance with the agreed timetable;
- management will make available a detailed workpaper file supporting the information in the financial statements; and
- the annual report, financial statements and performance information will be subjected to appropriate levels of quality review before being provided to us.

To help you prepare for the audit, we will liaise with management and provide them with a detailed list of the information we will need for the audit. We have also published information to help explain the audit process:



Health and safety



The Auditor-General and Audit New Zealand take seriously their responsibility to provide a safe working environment for audit staff.

Under the Health and Safety at Work Act 2015, we need to make arrangements with management to keep our audit staff safe while they are working at your premises.

We expect you to provide a work environment for our audit staff that minimises or, where possible, eliminates risks to their health and safety. This includes providing adequate lighting and ventilation, suitable desks and chairs, and safety equipment where required. We also expect management to provide them with all information or training necessary to protect them from any risks they may be exposed to at your premises. This includes advising them of emergency evacuation procedures and how to report any health and safety issues.



Proposed amendments to the Trust's Deed

Record no: R/21/6/34083
Author: Simon Moran, Community partnership leader
Approved by: Matt Russell, Group manager services and assets

☒ Decision ☐ Recommendation ☐ Information

Purpose

- 1 For the Trustees to consider the additional amendments to the Milford Community Trust's Deed following a legal review.

Background

- 2 The Trust has previously agreed to the majority of the amendments shown in the 'track change' version of the Trust's Deed (Attached) and that a legal review should be undertaken.
- 3 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

- 4 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. At its meeting on 2 March 2021 the six Trustees unanimously agreed that the Trust Deed be amended and that a legal review of the proposed amendments be undertaken.
- 5 This report is therefore simply to ask the Trustees for their approval of the final version of the variation to the Deed that will be submitted to Charities Services.

Legal Review

- 6 The reviewers considered that the proposed amendments would not affect either the opportunity for community representation on the Trust or the charitable status of the Trust.

- 7 They did however, suggest that a few slight changes would be helpful to clarify the Trustees intent, specifically 8(e) and 14(k)(i).
- 8 Additionally, the Trustees asked whether there needed to be a specific reference to meetings being able to be held by audio and visual links. The reviewers suggested for clarification it would be better to insert a new sub-clause that addresses that issue – this has been included as sub-clause 10(g).
- 9 It was also noted by the reviewers that the application to vary the Deed must be made within one month of the resolution.

Authority to submit a variation request

- 10 Section 9 of the Charities Services Form 2 (Attached) requires that the person submitting it have the authority to do so. As it isn't entirely clear who has this authority a recommendation has been included in this report requesting Simon Moran be given authority to submit the variation to Charities Services on behalf of the Trust.

Next Steps

- 11 All Trustees will need to sign the copy of the varied Trust Deed before it is submitted and the Trust's seal will also need to be applied.

Recommendation

That the Milford Community Trust:

- a) **receives the report titled "Proposed amendments to the Trust's Deed" dated 22 June 2021.**
- b) approves the proposed changes to the Milford Community Trust Board Deed.
- c) approves the request to vary the rules of the Milford Community Trust Board Deed as approved by recommendation (b) be submitted to Charities Services within one month of this resolution being agreed to.
- d) authorises Simon Moran to submit the request in accordance with recommendation (c) on behalf of the Milford Community Trust Board.

Attachments

- A Amended Trust Deed [↗](#)
- B Form 2 - Charities Services [↗](#)

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:

Chairperson	Means the independent chairperson
Council	Means Southland District Council
Financial year	Means a year ending on 30 June
Independent Chairperson	Means the Trustee appointed in accordance with Clause 9(b)(ii) hereto.
Milford	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
Milford community	Means the residents of Milford, the holders of concessions from the Crown operating at Milford, and iwi
Objects of the trust	Means the objects or purposes of the trust specified in Clause 4
the Trust	Means the trust established by this deed
the Trustees	Means the trustees for the time-being of the trust
Trust fund	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
Trustee Appointments Recommendations Panel	Means a panel of comprising the holders (for the time-being) of the following positions: three persons appointed by the Council's Chief Executive from time to time as required. Southland conservator of the Department of Conservation Chief executive of the Southland District Council General manager of the Southland Regional Council The trustee elected by the community at Milford, in accordance with Clause 9(b)(iv) hereto The chairperson of the Trustee Appointments Recommendations Panel shall be the chief executive of the Southland District Council who shall have a casting vote in relation to any appointment

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 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 in any matter of interest or concern to the Milford community.~~
- ~~(f)(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.
- ~~(g)(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 — Councillor Te Anau Ward — ex officio.~~
 - ~~ii — Milford community elected trustee — three years~~
 - ~~iii — Independent chairperson — four years~~
 - ~~iv — Trustees appointed in terms of clause 9(b)(i) — (except where the initial term of appointment is specified beside the name of a trustee in the schedule) — 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 ~~Development Authority Tourism Limited~~ and/or ~~Tourism Holdings 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 ~~four-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 ~~dies or~~ resigns or ceases to hold office ~~or dies while in office~~, the ~~remaining~~ trustees shall immediately inform Council of that fact by notice in writing.

9. Milford Community Trust

- (a) The trust shall consist of a total of ~~seven~~ ~~(7)~~ ~~five~~ (5) trustees appointed by Council.
- (b) The ~~seven~~ ~~five~~ trustees shall comprise:
 - i. Four 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 being the duly elected councillor of the Te Anau Ward of Council from time to time.~~
 - iv. ~~One trustee to be elected by those persons who are members of the Milford community at a public meeting called by the trust for that purpose within three months of the triennial local elections.~~

Commented [SM1]: Not considered necessary by the Trustees, including the incumbent, to be warranted due to a sustained lack of interest

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 ~~three~~ 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.
- (g) A meeting of the Trustees may be held
 - a. by a quorum of the members, being assembled together at the time and place appointed for the meeting; or
 - b. by means of audio, audio and visual, or electronic communication provided that—
 - i. all of the members who wish to participate in the meeting have access to the technology needed to participate in the meeting; and
 - ii. a quorum of members can simultaneously communicate with each other throughout the meeting.

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 trust's 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 comprising 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 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.

Commented [SM2]: The question for the Trustees here is whether it should be three or four trustees that are required to agree to amend the trust deed. Previously, 75% of 7 trustees was 5.25 which meant you actually needed 6 of the 7 anyway. If you drop it to 3 trustees it would be 60% but also means that nearly half would be disagreeing with the proposed changes.

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 "OFFICE" WHERE APPLICABLE	TERM OF OFFICE (SEE CLAUSE 6(B))
Ebel Kremer Ward Councillor	ex-officio
Interim Chairperson	December 2021
Brad Johnstone Milford community elected trustee	Three years
Tim Holland Appointment in terms of Clause 9(b)(i) of the trust deed	Two years
Stephen Norris Appointment in terms of Clause 9(b)(i) of the trust deed	Two years
Rosco Gaudin Appointment in terms of Clause 9(b)(i) of the trust deed	Four years
Tony Woodham Appointment in terms of Clause 9(b)(i) of the trust deed	Four years

THE COMMON SEAL of the
Milford Community Board Trust
was hereunto affixed in the presence
of:

_____ CHAIRPERSON

_____ TRUSTEE

SIGNED by Ebel Kremer
As trustee in the presence of:

Signature of trustee

Witness signature _____

Print full name _____

Occupation _____

Address _____

SIGNED by Brad Johnstone
As trustee in the presence of:

Signature of trustee

Witness signature _____

Print full name _____

Occupation _____

Address _____

SIGNED by Rosco Gaudin
As trustee in the presence of:

Signature of trustee

Witness signature _____

Print full name _____

Occupation _____

Address _____

SIGNED by Stephen Norris
As trustee in the presence of:

Signature of trustee

Witness signature _____

Print full name _____

Occupation _____

Address _____

SIGNED by Tim Holland
As trustee in the presence of: _____
Signature of trustee

Witness signature _____

Print full name _____

Occupation _____

Address _____

SIGNED by Tony Woodham
As trustee in the presence of: _____
Signature of trustee

Witness signature _____

Print full name _____

Occupation _____

Address _____

**CHARITIES
SERVICES**

Ngā Ratonga Kaupapa Atawhai

Form 2**UPDATE DETAILS FORM FOR A
CHARITABLE ENTITY**

Section 40 of the Charities Act 2005

Please complete this form in block print with a black or blue pen. All fields marked with an asterisk (*) are mandatory.

You **must** complete sections 1 and 9 of this form. For all other sections, you only need to complete the sections where you are making changes.

Please tick below the sections you are updating:*

- ☐ 1 CURRENT CHARITY DETAILS (compulsory)*
- ☐ 2 LEGAL NAME CHANGE
- ☐ 3 CHANGE TO BALANCE DATE
- ☐ 4 ADDRESS OF SERVICE
- ☐ 5 NEW OFFICER DETAILS
- ☐ 6 OFFICER REMOVAL OR DISQUALIFICATION
- ☐ 7 PURPOSE & STRUCTURE
- ☒ 8 CHARITY RULES
- ☐ 9 REVIEW & CERTIFY (compulsory)*

NOTE: You can view the information currently listed under your charity on the Charities Register at www.charities.govt.nz

1 CURRENT CHARITY DETAILS

You **must** complete this section. You can find these details on the Charities Register at www.charities.govt.nz

Current Charity Name*

MILFORD COMMUNITY TRUST BOARD

Registration (CC) Number*

CC 39881

Charity NZBN Number
(see nzbn.govt.nz for details)

2 LEGAL NAME CHANGE

PLEASE NOTE: If your charity is registered with the Companies Office as an incorporated society, a registered charitable trust, or a company, you must send changes to its name to the Companies Office for their approval **before** notifying us.

Enter your charity's new legal name*

If your charity is known by any other name
(including trading name), enter it here*

3 CHANGE TO BALANCE DATE

If you wish to change the balance date (financial year end) for your charity, please complete this section.

Enter your charity's **current** balance date
(day/month/year)*

Enter your charity's **new** balance date
(day/month/year)*

If the period between the current and new balance dates is more than 15 months, or if you will not have a balance date in each calendar year, we will need to approve this change. Please explain why you are making this change.

4 ADDRESS OF SERVICE

If your address of service has changed, please enter the new details below.

Charity's Postal Address*

Charity's Street Address
(if different from postal address)

Phone (including area code)*

Fax

Email*

Primary Contact Details

If your primary contact's details have changed, please enter the new details below. This is the person we contact if we have questions about your charity. These details **will not** appear on the public Charities Register on our website.

First Name*

Last Name*

Email*

Phone (including area code)*

Other Phone

Fax

Alternative Contact

If you wish to provide an alternative contact's details, or if your existing alternative's contact details have changed, please enter the new details below. This is the person we will contact if the primary contact person above is not available. These details **will not** appear on the public Charities Register on our website.

First Name

Last Name

Email

Phone (including area code)

Other Phone

Fax

5 NEW OFFICER DETAILS

You must ensure that all new officers qualify to be officers under section 16 of the Charities Act 2005.

To qualify, an officer **must not** be:

- Disqualified from being an officer under the rules of your charity
- An individual who is under the age of 16 years
- An individual who, or a body corporate that, is disqualified from being an officer of a charitable entity by the Charities Registration Board under section 31(4) of the Charities Act 2005
- Undischarged bankrupt
- Convicted of a crime involving dishonesty (section 2(1) of the Crimes Act 1961) or tax evasion or other offence under section 143B of the Tax Administration Act 1994 and sentenced within the last seven years
- Prohibited from being a director or promoter of, or being concerned or taking part in the management of, an incorporated or unincorporated body under the Companies Act 1993, the Financial Markets Conduct Act 2013, or the Takeovers Act 1993
- Subject to a property order under the Protection of Personal and Property Rights Act 1988, or have their property managed by a trustee corporation under section 32 of that Act (this relates to people who are not fully able to manage their affairs)
- A body corporate that is being wound up, is in liquidation or receivership, or is subject to statutory management under the Corporations (Investigation and Management) Act 1989

Once you have checked that new officers are qualified to become officers, please enter their details below (individuals or body corporates). If they do not qualify under the Act but you would like to apply for a waiver, please enter their details below and attach a letter explaining your reasons.

Officer 1

Effective Date (DD/MM/YY)*	<input type="text"/>
Full Name* (For a body corporate, enter its formal name)	<input type="text"/>
Position Held*	<input type="text"/>
Date of Birth* (Not applicable if a body corporate)	<input type="text"/>
Home Address* (Not applicable if a body corporate)	<input type="text"/>

Officer 2

Effective Date (DD/MM/YY)*	<input type="text"/>
Full Name* (For a body corporate, enter its formal name)	<input type="text"/>
Position Held*	<input type="text"/>
Date of Birth* (Not applicable if a body corporate)	<input type="text"/>
Home Address* (Not applicable if a body corporate)	<input type="text"/>

Officer 3

Effective Date (DD/MM/YY)*

Full Name*

(For a body corporate, enter its formal name)

Position Held*

Date of Birth*

(Not applicable if a body corporate)

Home Address*

(Not applicable if a body corporate)

Officer 4

Effective Date (DD/MM/YY)*

Full Name*

(For a body corporate, enter its formal name)

Position Held*

Date of Birth*

(Not applicable if a body corporate)

Home Address*

(Not applicable if a body corporate)

Officer 5

Effective Date (DD/MM/YY)*

Full Name*

(For a body corporate, enter its formal name)

Position Held*

Date of Birth*

(Not applicable if a body corporate)

Home Address*

(Not applicable if a body corporate)

If you have more than five new officers, please provide their details on a separate sheet of paper and attach to this form. Alternatively, please re-print pages 4-5, enter their details and attach to this form.

6 OFFICER REMOVAL OR DISQUALIFICATION

To notify us of any officers you are removing from your charity, or to request a waiver for an officer who has been disqualified, please complete the information below.

Officer Removal or Disqualification 1

Full Name* (If it's a body corporate, enter its formal name)	<input type="text"/>
Position Held*	<input type="text"/>
Email Address*	<input type="text"/>
Phone*	<input type="text"/>

Please select one option below for the reason for removing this officer*

- ☐ No longer an officer → Last date as an officer (DD/MM/YY): _____
- ☐ Deceased → Last date as an officer (DD/MM/YY): _____
- ☐ Officer disqualification → Effective date of disqualification (DD/MM/YY): _____

If you selected Officer disqualification above, please select the reason for disqualification:*

- ☐ Disqualified from being an officer under the rules of your charity
- ☐ An individual who is under the age of 16 years
- ☐ An individual who, or a body corporate that, is disqualified from being an officer of a charitable entity by the Charities Registration Board under section 31(4) of the Charities Act 2005
- ☐ Undischarged bankrupt
- ☐ Convicted of a crime involving dishonesty (section 2(1) of the Crimes Act 1961) or tax evasion or other offence under section 143B of the Tax Administration Act 1994 and sentenced within the last seven years
- ☐ Prohibited from being a director or promoter of, or being concerned or taking part in the management of, an incorporated or unincorporated body under the Companies Act 1993, the Financial Markets Conduct Act 2013, or the Takeovers Act 1993
- ☐ Subject to a property order under the Protection of Personal and Property Rights Act 1988, or have their property managed by a trustee corporation under section 32 of that Act (this relates to people who are not fully able to manage their affairs)
- ☐ A body corporate that is being wound up, is in liquidation or receivership, or is subject to statutory management under the Corporations (Investigation and Management) Act 1989

Waiver

If you think it is appropriate for the officer to remain as an officer, tell us why in the space below. We will consider your request and let you know our decision in writing. Please note - if the officer is not qualified under your charity's rules, we cannot grant your request.

I believe it is appropriate for this person to remain as an officer for the reasons given below:

Officer Removal or Disqualification 2

Full Name*

(If it's a body corporate, enter its formal name)

Position Held*

Email Address*

Phone*

Please select one option below for the reason for removing this officer*

- ☐ No longer an officer → Last date as an officer (DD/MM/YY): _____
- ☐ Deceased → Last date as an officer (DD/MM/YY): _____
- ☐ Officer disqualification → Effective date of disqualification (DD/MM/YY): _____

If you selected Officer disqualification above, please select the reason for disqualification:*

- ☐ Disqualified from being an officer under the rules of your charity
- ☐ An individual who is under the age of 16 years
- ☐ An individual who, or a body corporate that, is disqualified from being an officer of a charitable entity by the Charities Registration Board under section 31(4) of the Charities Act 2005
- ☐ Undischarged bankrupt
- ☐ Convicted of a crime involving dishonesty (section 2(1) of the Crimes Act 1961) or tax evasion or other offence under section 143B of the Tax Administration Act 1994 and sentenced within the last seven years
- ☐ Prohibited from being a director or promoter of, or being concerned or taking part in the management of, an incorporated or unincorporated body under the Companies Act 1993, the Financial Markets Conduct Act 2013, or the Takeovers Act 1993
- ☐ Subject to a property order under the Protection of Personal and Property Rights Act 1988, or have their property managed by a trustee corporation under section 32 of that Act (this relates to people who are not fully able to manage their affairs)
- ☐ A body corporate that is being wound up, is in liquidation or receivership, or is subject to statutory management under the Corporations (Investigation and Management) Act 1989

Waiver

If you think it is appropriate for the officer to remain as an officer, tell us why in the space below. We will consider your request and let you know our decision in writing. Please note - if the officer is not qualified under your charity's rules, we cannot grant your request.

I believe it is appropriate for this person to remain as an officer for the reasons given below:

You can attach a supporting document with details on the disqualification if you wish.

If you have more than two officers to remove, please provide their details on a separate sheet of paper and attach to this form. Alternatively, please re-print pages 6 and 7, enter their details and attach to this form.

7 PURPOSE & STRUCTURE

Purpose & Structure

If your purpose, structure, activity, sector or beneficiary information has changed, please enter the new details below.

Charitable Purpose*

Entity Structure*

Activity, Sector and Beneficiary

► Main Activity*

(Please select **one** option from the following for your charity's **main** activity.)

- ☐ Makes grants/loans to individuals
- ☐ Provides services (e.g. care/counselling)
- ☐ Makes grants to organisations (including schools or other charities)
- ☐ Provides advice/information/advocacy
- ☐ Provides other finance (e.g. investment funds)
- ☐ Sponsors/undertakes research
- ☐ Provides human resources (e.g. staff/volunteers)
- ☐ Acts as an umbrella/resource body
- ☐ Provides buildings/facilities/open space
- ☐ Provides religious services/activities
- ☐ Other (please state below)

► Main Sector*

(Please select **one** option from the following for your charity's **main** sector in which it operates.)

- | | |
|--|---|
| <input type="checkbox"/> Accommodation/housing | <input type="checkbox"/> Religious activities |
| <input type="checkbox"/> Education/training/research | <input type="checkbox"/> Arts/culture/heritage |
| <input type="checkbox"/> Health | <input type="checkbox"/> Sport/recreation |
| <input type="checkbox"/> Environment/conservation | <input type="checkbox"/> Care/protection of animals |
| <input type="checkbox"/> Marae on reservation land | <input type="checkbox"/> International activities |
| <input type="checkbox"/> Community development | <input type="checkbox"/> Economic development |
| <input type="checkbox"/> Emergency/disaster relief | <input type="checkbox"/> Fundraising |
| <input type="checkbox"/> Social services | <input type="checkbox"/> People with disabilities |
| <input type="checkbox"/> Employment | <input type="checkbox"/> Promotion of volunteering |
| <input type="checkbox"/> Other (please state below) | |

► Main Beneficiary*

(Please select **one** option from the following for the **main** beneficiary of your charity)

- | | |
|---|---|
| <input type="checkbox"/> Children/young people | <input type="checkbox"/> Religious groups |
| <input type="checkbox"/> Family/whanau | <input type="checkbox"/> Other charities |
| <input type="checkbox"/> People with disabilities | <input type="checkbox"/> General public |
| <input type="checkbox"/> Older people | <input type="checkbox"/> Animals |
| <input type="checkbox"/> Migrants/refugees | |
| <input type="checkbox"/> Voluntary bodies other than charities | |
| <input type="checkbox"/> People of a certain ethnic/racial origin | |
| <input type="checkbox"/> Other (please state below) | |

8 CHARITY RULES

If your rules have changed, please complete the information below.

Please select which part/s of your rules have changed*

- | | |
|---|--|
| <input type="checkbox"/> Whole new rules | <input type="checkbox"/> Winding up |
| <input type="checkbox"/> Purpose | <input type="checkbox"/> Protection against private profit |
| <input checked="" type="checkbox"/> Other | |

Please describe what clauses of your rules have changed and why*

ALL CHANGES PROPOSED SHOWN
IN THE TRACK CHANGES
VERSION.

10(e) - CONSEQUENCE OF A LOWER
NUMBER OF TRUSTEES.

AMENDMENTS PROPOSED ARE FOR THE PURPOSE
OF ALIGNING THE DEED WITH THE ACTUAL LEVEL
OF ACTIVITY OF THE TRUST.

4(c) - DELETED AS TASKS HAVE NOT AND WILL
NOT BE DELEGATED AND ADVOCACY IS
COVERED BY 4(a), (b) and (c).

6 - REDUCING THE NUMBER OF TRUSTEES BUT
THEY STILL NEED TO BE NOMINATED BY
THE MILFORD COMMUNITY.

- APPOINTMENT PANEL CHANGES REFLECT
THAT THIS DOES NOT NEED SUCH SENIOR
LEVEL REPRESENTATION.

- UPDATES REFLECT NAME/OWNERSHIP CHANGES.

9 - AS ABOVE

10(g) - CLARIFIES THAT MEETING BY AUDIO/
VISUAL LINK IS ACCEPTABLE TO THE TRUST
(FOR THE AVOIDANCE OF DOUBT)

14(k) - ENABLES OUTCOME TO BE AN EVEN NUMBER.

17(a) - CLARIFICATION

i - INTERPRETATION - AMENDMENTS REFLECT INTENT
AND ALIGNMENT WITH CHANGES TO THE DEED.

§ - A MORE PRACTICAL APPROACH - DECEASED
TRUSTEES WILL FIND IT HARD TO LET YOU
KNOW THAT THEY CAN NO LONGER BE A TRUSTEE.

Please attach a **copy** of your amended rules (or variation document). This document needs to be signed by all officers of your charity. If your charity is incorporated, please also advise the Companies Office of the rules change. We recommend that you also include a **copy** of your meeting minutes where the rules change was agreed to as this will assist us in processing your rules change.

9 REVIEW & CERTIFY

Restricting Information

The Charities Act 2005 emphasises transparency and the availability of information about registered charities to "promote public trust and confidence in the charitable sector".

The Act requires information on the Charities Register to be available to the public. However, it also allows Charities Services to prevent the public from seeing information or documents if it is in the "public interest" to do so. **This is a high threshold.** Please refer to "Restricting information" on our website for guidance. Any such information or documents will still be subject to requests under the Official Information Act 1982.

If after reading the guidelines you still wish to request that information or documents be restricted, please attach a letter that covers the following:

- What information you would like restricted
- Why you think it is in the public interest to have it restricted
- Evidence to support your request

☐ I would like to restrict information in this form from the public view. I have attached a letter with the above information.

Certification

I certify that the information in this form is correct and that I am authorised to complete this form. I also certify that I am authorised to complete new officer details and/or remove officers (if applicable) on the officer/s behalf.

If I have added **new** officer/s in this form, I certify that they **are not** disqualified from being an officer of a charitable entity in terms of section 16(2) of the Charities Act 2005 (these are listed on page 4). In some cases, officers have been appointed under an Act, by the Governor-General, by the Governor-General in Council, or by a Minister of the Crown. If this is the case, I certify that the named officer has been appointed under an Act, by the Governor-General, by the Governor-General in Council, or by a Minister of the Crown.

Full Name*

Position*

Signature*

Date*

Email*

Phone*

Final check before you send

Please ensure you have done the following before you send us your documents:

- Completed all mandatory fields
- Ticked all relevant checkboxes
- Signed the form above
- Attached any relevant documents

Post your completed form to:

Charities Services
PO Box 12138
Thorndon
Wellington Central
6011

Privacy Statement

Purpose and Scope

The purpose of this privacy statement is to let you know when we collect personal information as part of the update details form and what we do with it.

Collection, Storage and Use of Personal Information

Collection and use of personal information

We require you to provide some personal information when you complete this form. For example, we require personal information about officers of charities, including full name, date of birth and residential address details. We also require up-to-date contact details for your charity, which includes a contact name, email and phone number.

This information is used to help us carry out functions under the Charities Act 2005. For example, identifying details of officers may be used to check that officers are not disqualified under the Charities Act 2005 because, for instance, they are an undischarged bankrupt or are under the age of 16 years, or when investigating suspected wrongdoing. We may also use personal information provided to us for other reasons permitted by law (including by the Charities Act 2005 and the Privacy Act 1993).

If you are providing personal information on behalf of officers of your charity, you must tell them what it is being collected for and obtain their consent to you providing the information to us on their behalf.

If you choose not to provide this information, your charity could be in breach of statutory obligations (for example, the Charities Act 2005 requires charities to notify us of certain changes to your charity, using the prescribed form, within 3 months). A significant or persistent failure by a charity to meet its obligations under the Charities Act 2005 is a ground for deregistering a charity and removing it from the Charities Register.

Access to and disclosure of personal information

When you provide personal information, it will be accessible by Department of Internal Affairs' staff and authorised third parties (such as third-party contractors) to the extent that is necessary, for example for them to administer or work on the Charities database. We will store and keep personal information secure in accordance with the Privacy Act 1993, and agents will be subject to information security and privacy requirements.

Personal information will only be disclosed or shared where required or otherwise permitted by law. For example, the Charities Act 2005 requires the publicly-accessible Charities Register to contain the names of both current and former officers of registered charities. However, **officers' residential address details and dates of birth will not be publicly available**. The Charities Act 2005 also authorises the supply of information or documents held on the Charities Register to the Inland Revenue Department to assist in the carrying out of powers and functions under any of the Inland Revenue Acts. Personal information of officers may be shared where this is necessary for compliance purposes, for example, to investigate a complaint.

Records and retention of personal information

We will retain personal information indefinitely, because the Charities Act 2005 requires the Charities Register to contain the names of both current and former officers of registered charities. This information is also required to support our ongoing regulatory work.

Rights of Access and Correction

You have the right to:

- find out from us whether we hold personal information about you;
- access that information; and, if applicable
- request corrections to that information.

You can call 0508 CHARITIES (0508 242 748), email info@charities.govt.nz, or write to us at: Charities Services, PO Box 12138, Thorndon, Wellington Central 6011.

You can also log on to your charity's online account on the Charities Services website (www.charities.govt.nz) to view the officer details for your charity.

Exclusion of the public: Local Government Official Information and Meetings Act 1987

Recommendation

That the public be excluded from the following part(s) of the proceedings of this meeting.

C5.1 Annual Insurance Renewal

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Annual Insurance Renewal	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.