



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

Date: **Tuesday, 07 May 2024**
Time: **6:30 pm**
Meeting room: **Milford Opportunities Project Hub**
Venue: **26 Town Centre**
Te Anau

Milford Community Trust Agenda

OPEN

MEMBERSHIP

Chairperson Ebel Kremer
Trustees Rosco Gaudin
Brad Johnstone
Tony Woodham

IN ATTENDANCE

Strategic project lead Simon Moran
Financial accountant Teresa Morgan

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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 one day 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

6.1 Meeting minutes of Milford Community Trust, 31 August 2023



OPEN MINUTES

Unconfirmed

Minutes of a meeting of Milford Community Trust held on Microsoft Teams meeting on 31 Aug 2023 at 7:00 pm. (7.04pm – 7.32pm)

PRESENT

Chairperson Ebel Kremer
Trustees Brad Johnstone
Tony Woodham

APOLOGIES

Rosco Gaudin

IN ATTENDANCE

Strategic project lead Simon Moran
Accountant Brie Lepper
Financial accountant Teresa Morgan
Past trustee Steve Norris

1 Apologies

An apology was received from Rosco Gaudin.

Moved Chairperson Kremer, seconded Trustee Johnstone and **resolved:**

That the Milford Community Trust accept the apology.

2 Leave of absence

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

3 Conflict of Interest

There were no conflicts of interest declared.

4 Public Forum

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

5 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

6 Confirmation of Minutes

Moved Chairperson Kremer, seconded Trustee Woodham **and resolved:**

That the Milford Community Trust confirms the minutes of the meeting held on 16 March 2023 as a true and correct record of that meeting.

Reports

4.1 Adoption of Milford Community Trust's Performance Report for the year ended 30 June 2022

Accountant Brie Lepper spoke to this report. Ms Lepper explained that the purpose of this report was to provide the trust with the draft Milford Community Trust (the Trust) Performance Report (attachment A) for the year ended 30 June 2022 so it can be adopted.

Resolution

Moved Chairperson Kremer, seconded Trustee Johnstone **recommendations 1 – d with new e and f (as indicated with underline) and resolved:**

That the Milford Community Trust:

- a) **Receives the report titled "Adoption of Milford Community Trust's Performance Report for the year ended 30 June 2022" dated 29 August 2023.**

- b) **Adopts the Milford Community Trust Performance Report (attachment A) for the year ended 30 June 2022.**
- c) **Delegates authority to the Chairperson and one trustee to sign the letter of representation to Deloitte (attachment C) on behalf of Trust.**
- d) **Agrees that the audited performance report be delivered to shareholders and be made available to the public within a week of adoption.**

New e) Approved the use of e-signatures of trustee to sign the report.

New f) Approved the signing of both the word and excel versions of the report.

4.2 Audit Engagement letter from Deloitte for the year ended 30 June 2023

Accountant Brie Lepper spoke to this report. Ms Lepper explained that the purpose of this report is to seek formal approval of the audit engagement letter for the year ended 30 June 2023.

Once the Trust has confirmed its acceptance of the audit engagement letter, this document is required to be signed by the Chairperson and returned to Deloitte.

Resolution

Moved Chairperson Kremer, seconded Trustee Johnstone **and resolved:**

That the Milford Community Trust:

- a) **receives the report titled "Audit Engagement letter from Deloitte for the year ended 30 June 2023" dated 29 August 2023,**
- b) **accepts Deloitte terms, conditions and fees for the audit of the Trusts 30 June 2023 Annual Report as set out in attachment A,**
- c) **authorises the Chairperson to sign the audit engagement letter (attachment A) received from Deloitte.**

4.3 Draft Amended Financial Delegations Policy

Accountant Brie Lepper spoke to this report. Ms Lepper explained that:

- 1 This report presents the draft amended financial delegations policy for the Trust's consideration.
- 2 Staff are proposing to update the policy to reflect the functional realignment of staff positions within the Southland District Council (SDC) and requesting the inclusion of a section that allows the Trust chair to approve changes to staff titles in the future.
- 3 The policy has included the following new roles:
 - Strategic project lead – this is to replace the current Community partnership leader role.
 - Group manager finance and assurance (this role will replace the Chief financial officer)
 - Financial controller
 - Finance business partners lead
 - Senior finance business partner (this role will replace the senior/management accountant)
- 4 Once the new alignment is implemented, then the following roles will be removed from the policy:
 - Chief financial officer
 - Senior management accountant
 - Management accountant(s).
- 5 The following roles in the current policy will remain unchanged:
 - Financial accountant
 - Designated finance officer
- 6 There are no requested changes to the delegation amount/s of any of the above role changes.
- 7 Additionally, council staff are requesting the inclusion of a section that allows the Trust chair to approve changes to staff titles in the future.

Resolution

Moved Trustee Woodham, seconded Chairperson Kremer **and resolved:**

That the Milford Community Trust:

- a) **Receives the report titled "Draft Amended Financial Delegations Policy" dated 29 August 2023.**
- b) **Adopts the draft amended Financial Delegations Policy (Attachment A), subject to any amendments agreed at the meeting.**



4.4 Milford Community Trust's draft Performance Report for the year ended 30 June 2023

Accountant Brie Lepper spoke to this report. Ms Lepper explained that the purpose of this report is to provide the trust with the draft Milford Community Trust (the Trust) Performance Report (attachment A) for the year ended 30 June 2023 and an update on the audit of the performance report.

Resolution

Moved Trustee Johnstone, seconded Trustee Woodham **and resolved:**

That the Milford Community Trust:

- a) **Receives the report titled "Milford Community Trust's draft Performance Report for the year ended 30 June 2023" dated 29 August 2023.**
- b) **Agrees to endorse the draft unaudited Annual Report for the year ended 30 June 2023, including any amendments agreed at this meeting.**
- c) **Approves the release of the draft unaudited Annual Report for the year ended 30 June 2023 for audit, once any agreed amendments from this meeting have been incorporated.**
- d) **Agrees to delegate authority to the chairman to approve any further amendments to the draft unaudited Annual Report for the year ended 30 June 2023 subsequent to this meeting, and prior to providing the draft to the Trust's auditors.**

Chair Kremer noted that Steve Norris's term as a trustee has now expired and thanked Steve for his contribution as a Trustee.

Chair Kremer noted that Brie Lepper will be stepping away from her work with the Milford Community Trust and thanked her for her support and effort with the Trust's financial reporting. Chair Kremer welcomed Teresa Morgan as Ms Lepper's replacement.

The meeting concluded at 7.32pm.

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

DATE:.....

CHAIRPERSON:.....

Half Year Financial Report to 31 December 2023

Record No: R/24/4/30136

Author: Joanie Nel, Senior accountant

Approved by: Anne Robson, Group manager finance and assurance

Decision

Recommendation

Information

Purpose

- 1 The purpose of this report is to present the half yearly financial report for the period ending 31 December 2023 for the Trustee's information.

As at 31 December 2023 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.

Commentary

- 2 The 30 June 2023 comparative financial results included in this report have been audited by Deloitte and are consistent with the 2022/2023 Performance Report. At the Council meeting held on the 21st of June 2023, Council agreed to the request by the Trust for an exemption under Section 7(3) of the Local Government Act 2002 to become an exempt Council Controlled Organisation. This means that the Trust will no longer be required to be audited but financial statements will still need to be prepared and incorporated into Councils annual accounts.

Financial Performance

- 3 As resolved by the Trust at their March 2023 meeting, concessionaire's income for the 2023/2024 financial year will not be invoiced and therefore, no concessionaire's income has been received to date.
- 4 The year to date interest income on the term deposits has been accrued.
- 5 The expenses relate to insurance costs, which are for the renewal of trustees' liability, statutory liability and public liability insurance for the period 1 July 2023 to 30 June 2024, as well as accruals for depreciation and audit fees for 2022/2023.

Financial Position

- 6 The Trust continues to have a strong cash position with \$27,480 held in the cheque/savings accounts.
- 7 The savings account receives interest at a rate of 2.75% p.a. Any surplus funds are transferred to the savings account, or invested as appropriate, on a regular basis.

Additionally, \$385,000 is invested in term deposits as outlined in the table below:

Bank	Amount	Interest Rate	Term	Maturity Date	Total Expected Interest
BNZ	\$25,000	5.45%	91 days	08/03/2024	\$339.69
BNZ	\$100,000	6.15%	183 days	05/06/2024	\$3,083.42
BNZ	\$60,000	6.05%	183 days	19/04/2024	\$1,819.97
BNZ	\$100,000	6.30%	274 days	04/06/2024	\$4,729.32
BNZ	\$100,000	6.15%	186 days	29/01/2024	\$3,133.97
Total:	\$385,000				\$13,106.37

Milford Community Trust			
Statement of Financial Performance			
For the period to 31 Dec 2023			
Actual 30/06/23	Account Description	Actual 31/12/23	Annual Budget
	<u>Income</u>		
-	Concessionaires Income	-	-
14,960	Interest	11,802	-
900	Trustees Fees Forgiven	1,200	-
<u>15,860</u>		<u>13,002</u>	<u>-</u>
	<u>Expenses</u>		
-	Accommodation and Meals	-	500
-	Administration	-	44
-	Advertising	-	600
2,768	Audit Fees	-	4,585
-	Bank Fees	-	40
-	Catering Expenses	-	500
-	Chairperson's Fees	-	10,000
1,371	Depreciation	661	1,371
-	Donations *	-	-
(150)	General Expenses	-	500
-	Legal Fees	-	-
-	Mileage	-	1,500
-	Project Development and Planning	-	5,000
-	RNZ Licence	-	370
-	Room Hire	-	100
1,200	Trustees Fees	-	2,400
<u>2,875</u>	Insurance	<u>3,015</u>	<u>3,017</u>
<u>8,064</u>		<u>3,676</u>	<u>30,527</u>
<u>7,796</u>	Net Operating Surplus/(Deficit)	<u>9,326</u>	<u>(30,527)</u>
-	Other Comprehensive Income	-	-
<u>7,796</u>	Total Comprehensive Income	<u>9,326</u>	<u>(30,527)</u>

**Statement of Changes in Equity
As at 31 December 2023**

Actual 30/06/23		Actual 31/12/23
443,206	Total Equity at beginning of year	451,002
7,796	Net Surplus/(Deficit)	9,326
<u>451,002</u>	Equity at end of year	<u>460,328</u>

**Statement of Financial Position
As at 31 December 2023**

Actual 30/06/23		Actual 31/12/23
	Equity	
100	Trust Capital	100
<u>450,902</u>	Accumulated Funds	<u>460,228</u>
<u>451,002</u>		<u>460,328</u>
	Represented by:	
	Current Assets	
-	Accounts Receivable	-
6,765	Accrued Income	5,997
-	GST Receivable	-
1,807	BNZ Cheque Account	507
21,422	BNZ Savings Account	26,974
<u>385,000</u>	BNZ Term Deposits	<u>385,000</u>
414,994	Total Current Assets	418,477
	Non Current Assets	
100	Trust Capital	100
<u>44,332</u>	Recreational Pad	<u>43,671</u>
459,426	Total Assets	462,248
	Current Liabilities	
8,419	Accrued Expenses	3,000
-	Accounts Payable	-
5	GST Payable	(1,080)
<u>8,424</u>	Total Liabilities	<u>1,920</u>
<u>451,002</u>	Net Assets	<u>460,328</u>

Recommendation

That the Milford Community Trust:

- a) **Receives the report titled “Half Year Financial Report to 31 December 2023” dated 2 May 2024.**
- b) **Approves the half yearly report for the six-month period to 31 December 2023, 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.

Purchase of recreation sports equipment and a marquee/tent

Record no: R/24/5/30595
Author: Simon Moran, Strategic project lead
Approved by: Michael Aitken, GM strategy & partnerships (interim)

Decision Recommendation Information

Purpose

- 1 To confirm the Trust's previous discussions to purchase some recreation equipment and a marquee/tent and retrospectively approve the funding source for both.

Background

Recreation equipment

- 2 The Trust at its last meeting discussed the purchase of recreational equipment and a marquee/tent for the Cleddau residents to use for community activities. A paper confirming its informal agreement was to go to the next meeting as there was no formal paper or resolution on the matter at the time. Because the meetings of the Trust have been intermittent however, there was a need to proceed with the purchases to support some community events in the absence of having formal approval. The purchase was funded by MSTL.
- 3 The marquee/tent is roughly 10m x 3m and intended as an interim measure to provide some shelter for community events in the absence of a recreational centre or agreement to use the 'White House' for events.

Matters to consider

- 4 Having recreational sports equipment available for residents supports their wellbeing and is a logical extension of providing the storage on site.
- 5 The marquee/tent is also important resource for the community. The Trust, however, needs to consider whether it wants to:
 - purchase the asset; and if yes then either
 - be the owner of the asset; or
 - gift it to the residents or to another entity such as Milford Sound Tourism Limited
- 6 If an entity with that has a permanent presence in Milford Sound Piopiotahi is gifted the asset, then they are able to keep an eye on it and ensure that its use is appropriately managed.
- 7 If the Trust retains 'ownership' then it will need to reach an agreement with another party for the management of the asset, potentially the local fire brigade.
- 8 If the Trust was to be the 'owner' then any consenting or Health & Safety issues will need to be clearly identified to users.

Funding

- 9 It is recommended that the Trust approve expenditure of \$6,102.73 for the purchase of the above to support the resident's community activities.

Recommendation

That the Milford Community Trust:

- a) **receives the report titled "Purchase of recreation sports equipment and a marquee/tent".**
- b) **approves the purchase of recreation sports equipment and a marquee/tent.**
- c) **Approves the funding of \$6,102.73 from cash on hand in the bank account or from the next short-term deposit to mature.**

Attachments

There are no attachments for this report.

Proposed Amendments to the Milford Community Trust Deed

Record No: R/24/5/30521
Author: Simon Moran, Strategic project lead
Approved by: Michael Aitken, GM strategy & partnerships (interim)

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 In June 2023 the Trust sought approval from Council for an exempt Council Controlled Organisation (CCO) status. Council agreed and the changes to Clause 12 of the trust deed are suggested in order to remove the conflict between Council's decision and the requirements of the Deed.
- 3 There are several other changes suggested that rectify spelling, process, or referencing for the Trust to consider. It would make sense to address these issues at the same time as considering the substantive change to the Deed to enable it to benefit from the exempt CCO status granted by Council.
- 4 The changes are shown as 'track changes' in the attached document and there are a few comments that are intended to be raised with the lawyers during the legal review.
- 5 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 four 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.*
- 6 Written notice of the intention to alter and amend provisions of the Trust Deed was by email from the Chair to the Trustees on 15 April 2024.

Key Issues

- 7 The key issue that requires the amendment of the Trust Deed is that Council agreed to allow the Trust to be an exempt CCO however the clause 12 of the existing Trust Deed has wording that then requires activities for which the Trust has been exempted.
- 8 The exemption needs to be revisited with Council every three years so the changes suggested in the Deed are constructed to provide for the possibility that the exemption may be revoked and the standard audit and reporting requirements apply.

Next steps

- 9 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.
- 10 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 2 May 2024.**
- b) **Approves the amendments as proposed in Attachment A – *Proposed 2024 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.**
- d) **Authorises the Chair to approve any minor additional changes to the Trust Deed identified as a result of the legal review.**

Attachments

- A Proposed amendments to the 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

Commented [SM1]: Do these names need to remain?

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.

Commented [SM2]: Is registered as the “Milford Community Trust Board” in the charities register – does that matter?



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 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.

Commented [SM3]: Same comment as above

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.

Commented [SM4]: spelling

Commented [SM5]: is there a word missing here?

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. Independent chairperson – four years
 - ii. 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)**

Commented [SM6]: This is no longer needed



- (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 working for Milford Sound Tourism Limited and/or Southern Discoveries Limited and/or RealNZ Journeys Limited and/or Wayfare Group Limited for their successors, that at any one time persons working for those companies comprise not less than one and not more than two of the four trustees appointed in terms of Clause 9(b)(i), 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.

Commented [SM7]: more flexible if you delete this wording and make the appointment panel being at the discretion of the chief executive?

Commented [SM8]: People may work for them but not necessarily represent them but the perception would amount to the same thing

Commented [SM9]: This in now RealNZ so could be tidied up in these amendments

Commented [SM10]: This would allow for a change in company name or structure as has occurred with MST and RJs/Wayfare respectively, or the sale of any of those companies.

Commented [SM11]: Could say 'related companies' or successors (or something to that effect to deal with the different business structures that could be/have previously been formed i.e. Go Orange, RJs, Wayfare

Commented [SM12]: It should have read four not three previously

Commented [SM13]: This should say 'four'

Commented [SM14]: spelling



- (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 ~~comprise:~~
 - i. ~~Three~~ 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 ~~in accordance with Clause 6 upon the recommendation of the Trustee Appointments Recommendation Panel.~~

Commented [SM15]: spelling

Commented [SM16]: Four is the correct number

Commented [SM17]: A reference to Clause 6 addresses all of the parts about the panel and council appointment

Commented [SM18]: As above

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 confirm 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 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 [except if the trust is an exempt council controlled organisation](#).
- (d) The financial statements shall be audited by the auditor-general [except if the trust is an exempt council controlled organisation](#).
- (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 [except if the trust is an exempt council controlled organisation](#).
- (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 "OFFICE" WHERE APPLICABLE	TERM OF OFFICE (SEE CLAUSE 6(B))
Ebel Kremer Councillor of the Fiordland Mararoa Ward Interim Chairperson	ex-officio term 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

Commented [SM19]: Can we delete this schedule now?



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

_____ **MAYOR**

_____ **CHEIF EXECUTIVE**

SIGNED by Matthew Wilson
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 Brad Johnstone
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 _____

Invoicing operators

Record no: R/24/5/30505

Author: Simon Moran, Strategic project lead

Approved by: Michael Aitken, GM strategy & partnerships (interim)

Decision

Recommendation

Information

Purpose

- 1 To seek direction from the Trust on whether it wishes to recommence invoicing the Milford Sound Piopiotahi tourism operators or to continue to provide financial relief by foregoing the revenue for a period of time.
- 2 Previously the Trust decided to forego collecting any revenue for all of the 2023/24 financial year due to the ongoing impacts on operators' businesses from Covid-19.

Background

- 3 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.
- 4 On the 3rd February 2022 the government announced that there would be progressive reopening of the border and that they would be fully opened to international travel in October. It wasn't clear what the 'bounce back' for international tourism would look like and it was considered that it may take businesses some time to come back up to speed with staff and resourcing.
- 5 For these reasons the Trust made a series of decisions not to invoice the operators from January 2020 until June 2023.
- 6 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 and the previous location identified for it is now not available to the Trust.
- 7 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. Few expenses are likely to be incurred in the next twelve months for the Trust unless planning for the recreation centre, including design and submitting consent and concession applications is considered likely.
- 8 If the Trust decides to proceed with constructing the recreation centre in the short term, i.e. the next three years, it is most likely to need to secure a loan to undertake that work. There is unlikely to be sufficient cash reserves to fully fund the project if it does not invoice for additional revenue, particularly with the escalating costs of construction. It would also be prudent to canvas the operators to understand whether construction of the facility in the short term, would have their support, as they are the ones who ultimately fund the loan repayments and the ongoing operational costs.

Matters to Consider

- 9 When reviewing whether or not to recommence invoicing operators it is worth reiterating the matters that the Trust has been asked to consider -

-
- 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 likely to be higher than the Trust's cash reserves, and it is therefore likely that it will need to take a loan for the project.
 - 11 The need to take a smaller loan is more likely the sooner the Trust begins to invoice again as per its usual schedule.
 - 12 Foregoing further income – It is possible that the operators may still be in a difficult cash flow position even with the increase in visitor numbers. 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 The outcome of the Milford Opportunities Project is likely to be known in the next six months. Until a decision by the government is made it is unclear what effect that will have on the Trust's plans for investment.

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 The decisions made by the trustees will be reflected in the Statement of Intent.

Options

- 19 The Trust could choose to continue to forego revenue for a further period of time, reduce the total revenue being invoiced for in the 2024-2025 financial year, or recommence invoicing for any other amount that it chooses.

Next Steps

- 20 If the Trust chooses to recommence invoicing operators, then it should contact the operators and advise them of that decision.

Recommendation

That the Milford Community Trust:

- a) receives the report titled “Invoicing operators” dated 1 May 2024.
- b) agrees one of the following options:
 - i) not to invoice operators for any revenue until (specify a date)
 - ii) to recommence invoicing operators for (\$?.?? Excl GST) for the 2024-2025 financial year

Attachments

There are no attachments for this report.

Draft Statement of Intent 2024-2027

Record no: R/24/5/30718

Author: Simon Moran, Strategic project lead

Approved by: Michael Aitken, GM strategy & partnerships (interim)

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 public availability.

Background

- 2 Each year the Trust considers a draft Statement of Intent covering the intentions for the next three financial years. The trustees may choose to approve the draft as it is written, seek amendments to the draft and review, or approve the draft subject to any amendments they have agreed to being made.
- 3 There are largely only minor changes suggested to update this Statement of Intent from the previous one for the trustees to consider. However, as a result of decisions on other reports to this meeting further changes relating to invoicing and therefore expected revenue may need to change.

Key Issues

- 4 The key issues that are signalled in the SOI are:
 - Decide whether or not it is feasible to proceed with the development of a recreation centre building or at least the likely timing required to plan for its development.
 - There is a need to understand which concessionaires are operating both from a stakeholder engagement perspective and for the purposes of apportioning the implied concession activity fee that generates the Trust's revenue.
 - To decide when to reinstate invoicing concessionaires and for how much.

Next Steps

- 5 Following approval from the trust, the SOI will be circulated and presented to Council and put on the Council's website.

Recommendation

That the Milford Community Trust:

- a) receives the report titled "Draft Statement of Intent 2024-2027" dated 2 May 2024.
- b) Approves the Draft Statement of Intent 2024 – 2027, provides a copy to Council, and makes it publicly available via the Council's website.

Attachments

- A Draft Statement of Intent 2024-2027



MILFORD COMMUNITY TRUST

STATEMENT OF INTENT 2024 - 2027

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 2024 to 30 June 2027. 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 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.
- (f) 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, as a Council Controlled Organisation (CCO), 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 five Trustees. The current trustees are shown in the table below:

Designation	Name	Term Expires 30 June
Independent Chair	Matt Wilson	July 2025
Milford Community appointee	Brad Johnstone	2024
Milford Community appointee	Rosco Gaudin	2025
Milford Community appointee	Tony Woodham	2025
Milford Community appointee	Vacant	N/A

Trust Operations

The Trust Deed sets out the way in which business of the Trust is to be conducted. A strong driver is that the local Milford community should determine its own priorities and agree on the funding for these. The Trust strives to regularly review its performance and to be open and accountable to the community through public meetings. The Trustees also undertake to meet the regulatory and stakeholder requirements for governance, reporting and planning, particularly the local government reporting requirements and recognition of the National Park and World Heritage Area status of the Milford Sound *Piopiotahi* area.

Council, in June 2023, approved the Trust being recognised as an exempt CCO in order to enable a greater level of autonomy and flexibility whilst still providing reports back to Council for oversight purposes.

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 2024 – 2027 are:

Planning:

- Consider 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

2024/25:

- Review the feasibility of the recreation centre
- Review which operators in Milford Sound Piopiotahi should be subject to Milford Community Trust invoicing.
- Review the future of the Trust
- Advocate with, and assist, other organisations for strategic improvements in community planning and development in Milford Sound.

2025/26:

- Advocate with, and assist, other organisations for strategic improvements in community planning in Milford Sound.
- Undertake planning for the recreation centre project, if appropriate.

2026/27:

- Advocate with, and assist, other organisations for strategic improvements in community planning in Milford Sound.
- Facilitate the construction of the Milford recreation centre once project has been approved by Department of Conservation.
- 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 and diminishing value 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 the online publishing on the Southland District Council website of this Statement of Intent and the inclusion of this table in Southland District Council's Long Term Plan (LTP).

Level of service	Key performance indicator	Actual	Target		Confirmation source	
		22/23	24/25	25/26 26/27		
Maintain a structure that facilitates local decision making.	Number of Milford Community Trust meetings held annually.	1	2	2	2	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 relevant reporting requirements under the Local Government Act 2002 (particularly Sections 66 to 69 of that Act) except where they are not required of an exempt CCO. In particular, it will provide:

- A draft Statement of Intent detailing all matters required under the Local Government Act 2002 for consideration prior to commencement of the new financial year.

Copies of the Trust's reports are made publicly available on the Southland District Council's website.

9. Key Issues

- Consider whether to reinstate invoicing concessionaires and for how much.
- There is a need to understand which concessionaires should contribute to the revenue of the Trust for the purposes of apportioning the implied concession activity fee that generates the Trust's income.
- 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

For 2023/2024, the total amount sought from concessionaires was \$0.00. The value of the annual concession to be charged will continue to be reviewed each year

Included within the Forecast Expenditure of the Trust is Management and Administration costs of \$25,335 (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 may at times be 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.

Due to the economic effects on Milford tourism operators the Trust has chosen not to collect any revenue for some time. On top of this there has also been an increase in construction costs which means it is now unlikely that the Trust would be able to cash fund the build unless construction is delayed until invoicing operators has resumed (assuming that it would be at previous levels). The most likely scenario is that the Trust would need to seek to debt fund at least part of the costs of the building.

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. The trust may also need to consider borrowing from standard market lenders such as a bank.

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 2024-2027
Prospective Statement of Financial Performance**

Account Description	Actuals 2022/2023	Forecast 2023/2024	Budget 2024/2025	Budget 2025/2026	Budget 2026/2027
Income					
Concessionaires Income	-	-	150,000	150,000	150,000
Grant	-	-	-	-	-
Trustee Fees Forgiven	900	-	-	-	-
Interest	14,960	-	-	-	-
	15,860	-	150,000	150,000	150,000
Expenses					
Management/Administration					
Accommodation and Meals	-	500	500	500	500
Administration	-	44	44	44	44
Advertising	-	600	600	600	600
Audit Fees	2,768	4,723	-	-	-
Bank Fees	-	40	40	40	40
Catering Expenses	-	500	500	500	500
Chairperson's Fees	-	10,000	10,000	10,000	10,000
Depreciation - Recreational Pad	1,371	1,330	1,290	1,252	1,215
Depreciation - Recreational Centre	-	-	-	-	-
Donations	-	-	-	-	-
General Expenses	150	500	-	-	-
Operations and Maintenance of Rec Centre	-	-	-	-	30,000
Legal Costs	-	-	-	-	-
Mileage	-	1,500	1,500	1,500	1,500
Project Development and Planning	-	5,000	5,000	5,000	5,000
RNZ Licence	-	370	370	370	370
Room Hire	-	100	100	100	100
Trustees Fees	1,200	2,400	2,400	2,400	2,400
Insurance	2,875	2,933	2,991	3,051	3,112
	8,064	30,539	25,335	25,357	55,381
Grants					
	-	-	-	-	-
	-	-	-	-	-
Total Expenses	8,064	34,091	25,335	25,357	55,381
Net Operating Surplus/(Deficit)	7,796	(34,091)	124,665	124,643	94,619

Capital Projects

Project				
Recreation Centre	-	-	-	50,000
	-	-	-	50,000

**MILFORD COMMUNITY TRUST
PROSPECTIVE FINANCIAL STATEMENTS 2024-2027
Prospective Statement of Changes in Equity**

	Actuals 2022/2023	Forecast 2023/2024	Budget 2024/2025	Budget 2025/2026	Budget 2026/2027
Balance at 1 July	443,206	451,002	416,911	541,576	666,218
Net Surplus / (Deficit)	7,796	(34,091)	124,665	124,643	94,619
Capital Funding					
Equity at end of year	451,002	416,911	541,576	666,218	760,838

**MILFORD COMMUNITY TRUST
PROSPECTIVE FINANCIAL STATEMENTS 2024-2027
Prospective Statement of Financial Position**

	Actuals 2022/2023	Forecast 2023/2024	Budget 2024/2025	Budget 2025/2026	Budget 2026/2027
Equity					
Accumulated Funds	450,901	416,811	541,476	666,118	760,738
Trust Capital	100	100	100	100	100
	451,001	416,911	541,576	666,218	760,838
Represented by:					
Current Assets					
Accounts Receivable	100	100	100	100	100
Accrued income	6,765	-	-	-	-
Bank Account - 00	1,807	5,000	1,000	1,000	1,000
Bank Account - 25	21,422	10,000	10,000	10,000	10,000
Term Deposit - Surplus Funds	385,000	362,394	504,253	576,393	136,222
GST Receivable	-	-	-	-	-
	415,094	377,494	515,353	587,493	147,323
Non Current Assets					
Recreational Pad	44,332	43,002	41,712	40,460	39,245
Recreational Centre	-	-	-	-	550,000
Recreational Centre - WIP	-	-	-	50,000	-
	44,332	43,002	41,712	90,460	589,245
Total Assets	459,426	420,496	557,065	677,953	736,568
Current Liabilities					
Accrued Expenses	8,419	5,000	5,000	5,000	5,000
Accounts Payable	-	-	-	-	-
GST Payable	5	(1,415)	10,489	6,735	(29,270)
	8,424	3,585	15,489	11,735	(24,270)
Non-Current Liabilities					
	-	-	-	-	-
Total Liabilities	8,424	3,585	15,489	11,735	(24,270)
Net Assets	451,002	416,911	541,576	666,218	760,838