



MILFORD COMMUNITY TRUST

PERFORMANCE REPORT

FOR THE YEAR ENDED 30 JUNE 2017

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ENTITY INFORMATION

Legal Name:

Milford Community Charitable Trust

Type of Entity and Legal Basis:

Charitable Trust

Registration Number:

CC39881

Mission:

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

Structure of the Trust:

Date of Settlement:

May 2007

Settlor:

Southland District Council

Current Trustees:

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

Term of Office:

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

Manager:

Southland District Council

Secretary:

Southland District Council - Jenny Labruyère

Trust Capital:

100 dollars

Main Sources of Resources:

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

Chairperson's Report

The Trust is continuing to its work to investigate the viability of a community centre. There is currently a site set aside for it within Cleddau Village beside the sports court and a business case along with conceptual design plans are being prepared.

The Cleddau Village sport court site preparation was finished last summer and has been well used since.

The review of the Milford Community Trust, Trust deed will now be completed during 2017/18. This review will consider the functions and responsibilities of the Trust including a review of the charging mechanism for concession fees.

Long serving Trust Manager, Chris Dolan retired prior to Christmas. Chris has been the Trust Manager since the Trust's inception. He has been a diligent and professional manager who I miss greatly. The Trust will certainly miss his experience and drive.

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

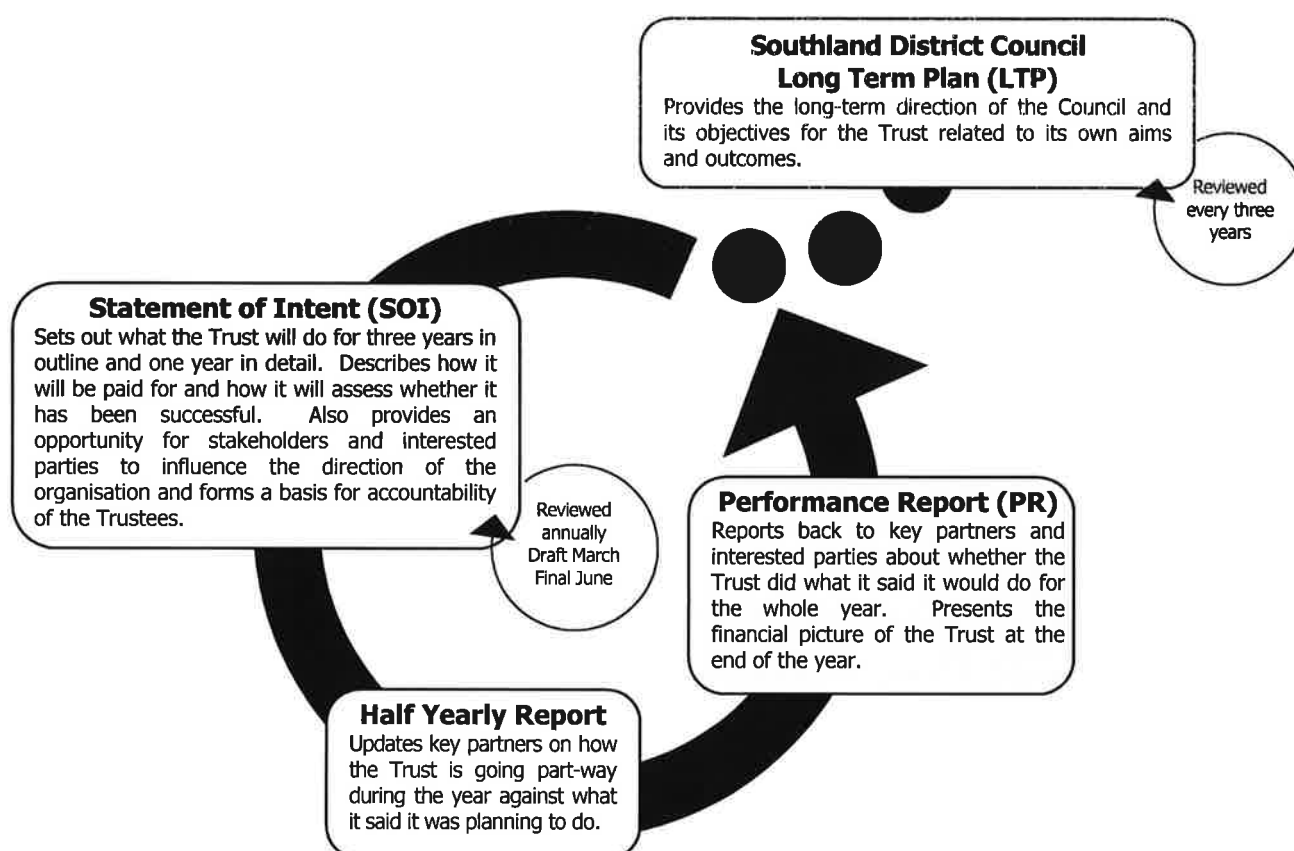


Mike Schuck
Chairperson
22 September 2017

What is the Performance Report?

Each year a Performance Report is produced for the Milford Community Trust which compares activities performed with those intended as set out in the Trust's Statement of Intent for the year. This information allows the operation of the Trust to be assessed by its key partners and other interested parties. This document reports in the Trust's activities during the year 1 July 2016 to 30 June 2017 which was the period of the Statement of Intent 2016/2017.

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



Performance Information

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

Objectives

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

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

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

Governance Report

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

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

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

19 August 2016 at Te Anau
7 December 2016 at Milford
20 February 2017 at Te Anau
19 May 2017 at Te Anau

Trustees are detailed in the table below;

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

New Trustees:

There was one of new Trustee appointed during the past year namely;

- Trustee Tim Holland replaced Trustee Andrew Welsh.

Contribution to Community Outcomes –

Outputs from the Milford Community Trust activity contribute to the achievement of the principal Outcome 6 of the regional “Our Way Southland” statement, being “*A treasured environment which we care for and which supports us now and into the future*”.

Ways in which the Trust’s operations can contribute to the principal outcome are as follows:

Intermediate Outcome	Activity’s Contribution
6.1 We have an informed community.	Education and promotion is an important function of the Trust.
6.2 We have a healthy, safe and accessible built environment.	The Trust is proactive and has this outcome as one of its cornerstones.
6.3 We have an environment protected from the negative effects of human activities.	The Trust responds to mitigate negative effects of human activities.

Performance Targets –

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

The table shows what Level of Service the Trust said it would provide, how this will be measured, the target for the 2015/2016 year and whether the targets were achieved, partially achieved or not achieved and the reason for any significant variance.

What the Trust said will provide		How the Trust said it will measure the service provided		
Category	Level of Service	Key Performance Indicator	Target	Achievement
Access	Maintain a structure that facilitates local decision-making.	Number of public forums in Milford each year.	1	Achieved. One forum held during the year. No member of the Milford community attended the formal public forum meeting of the Trust in December 2016, however several Association Members attended an informal Association meeting following the formal meeting in Milford. (2016 : Achieved)
Quality	Keep the Milford community informed about Trust plans and outcomes.	Number of Community newsletters produced annually.	2	Not achieved through newsletters. News articles that appeared in the Advocate related to the proposed Community Centre building and the Milford Community Association Trustee maintains a Facebook page through which information is shared. The Trust also sets aside funding for meeting costs relating to press releases in the Fiordland Advocate. (2016 : Not Achieved)
Leadership	Provide leadership and advocacy on major issues.	Number of Milford Community Trust meetings held annually	4	Achieved. Four meetings were held in 2016/17 in August, December, February and May. (2016 : Achieved)

What the Trust said will provide		How the Trust said it will measure the service provided		
Category	Level of Service	Key Performance Indicator	Target	Achievement
Responsiveness	Response to issues raised by the community.	Percentage of issues raised at Milford Community Association meetings responded to prior to next meeting.	85%	Achieved 100%. Issues raised by the community for 2016/17 year were dealt with through the Trust's internal Action Sheet. These included; Draft SOI 2017-2020, completion of the development of a recreational pad, progression of investigations towards the proposed community centre, support for emergency services provider and emergency equipment. (2016 : Achieved 100%)
Responsiveness	Milford Community Association meetings	To be reported at MCT meetings.	4	Not achieved – there is an opportunity at each meeting for a report to be tabled and this occurred at 2 of the four meetings. There was also one informal Milford Community Association meeting was held with members of the Trust during the past year in December, with approximately 20 members attending. (2016 : Not Achieved)

Activity Report

The information below reports on the planned activities included in the Statement of Intent 2016/2019 as well any unplanned for activities actually carried out during the year.

Activity Description	Date	Status
Planned Activities		
Advocate and assist with other organisations for improvements in the public facilities at Deepwater Basin through the Concept Plan for this area.	June 2017	There have been ongoing discussions with the Department of Conservation primarily through their representatives who attend the Trust meetings.
Working with other organisations to advocate for public toilets and shelter at the airport and completion of the walking track to the Lodge.	June 2017	Walking Track project is complete. No progress has been made in relation to the public toilets/shelter at the airport.
Assist Milford Community Association in the development of Cleddau Village recreation	June 2017	The village green outside activity court has been completed. A decision to proceed with the development of a business case was made at the

Activity Description	Date	Status
area which is to accommodate village green/community centre.		Trust's meeting 19 May 2017.
Continuation of funding of the Team Leader Emergency Services. Provide funding for medical support, services and facilities for the Milford Emergency Response Team station.	June 2017	The Trust budgeted \$44,880 to assist with running costs of Emergency Services provider for 2016/17. The Trust will assist the MERT with emergency equipment when required.
Assist with redevelopment of the Bowen Falls Walkway if this project is to proceed	June 2017	No development occurred during the 2016/17 financial year.
Implement changes to any charging mechanism with all stakeholders in regard to the way fees are apportioned. This includes undertaking a review of the Trust with stakeholders including concessionaires.	June 2017	No changes were made – a report from Council's Chief Financial Officer was made to the Trust's strategic workshop 19 May 2017 for its consideration.
Engage with NZTA for the development of the walking track from the airport to Deepwater Basin Road, car parking at the rock climbing area.	June 2017	The Department of Conservation has been leading discussions on roading matters with NZTA.
Advocate for continuing to maintain the beautification and roading within the village.	June 2017	Lobbying of the Department of Conservation and Council has continued primarily through the Trust meetings where representatives are present.
Unplanned Activities		
Facilitate strategic review with stakeholders	June 2017	A Strategic Review Workshop was held 19 May 2017 and stakeholders were invited to attend and speak to the Trust.
Information Requirements		
Draft Statement of Intent prepared and circulated to key partners.	7 February 2017	Achieved. The Draft was prepared and circulated to key partners.
Final Statement of Intent prepared and circulated to key partners.	22 February 2017	Achieved.
Half yearly report prepared and circulated to key partners.	16 March 2017	Achieved.

Compensation

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

Contribution	Activity	2016/2017 Budgeted	2016/2017 Actual	Comment
Key Partners				
Other Sources				

Concessionaires (via Concession Activity Fee)	Governance Costs	\$113,135	\$113,135	Concessionaires have been invoiced for all Governance costs incurred during the year
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Value of Stakeholders Investment

The net value of the stakeholders investment in the Trust is estimated to be valued at \$213,204 as at 30 June 2017. The assessment uses the value of stakeholders funds as a guide.

Milford Community Trust
Statement of Financial Performance
For the year ended 30 June 2017

	Actual 2017	Budget 2017	Actual 2016
Revenue			
Concessionaires Income	113,135	113,135	102,849
Interest Income	2,696	-	2,998
Total Revenue	115,831	113,135	105,847
Expenses			
Accommodation and Meals	209	600	174
Administration Fees	51	44	67
Advertising - Newspaper	70	3,000	546
Audit Fees	4,103	5,000	4,026
Bad Debts	-	-	676
Bank Fees	42	40	40
Bowen Falls	5,500	-	-
Catering Expenses	-	500	116
Chairpersons Fees	4,834	10,000	4,906
Cleddau Village Recreation Reserve	-	20,000	476
Cleddau Village Recreation Building	-	110,000	-
Depreciation	538	394	657
Emergency Services Provider	41,634	44,880	43,312
ERT Plant & Equipment Purchases	-	2,500	-
General Expenses	162	500	499
Loss on Disposal of Asset	985	-	-
Mileage	749	3,000	1,000
Project Development & Planning	-	5,000	-
Radio Tower	-	360	360
Room Hire	598	300	183
Trustees Fees	2,400	6,600	600
Insurance	2,455	1,720	2,455
Total Expenses	64,329	214,438	60,094
Surplus/(Deficit) for the Year	51,502	(101,303)	45,753

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

Milford Community Trust
Statement of Financial Position
As at 30 June 2017

	Note	Actual 2017	Budget 2017	Actual 2016
Assets				
Current Assets				
Bank Accounts and Cash	2	33,667	1,167	102,044
Short Term Deposit	3	110,000	-	70,000
Debtors		30,116	100	100
Accrued Income		1,331	-	83
GST Recievable		2,466	-	-
Total Current Assets		177,581	1,267	172,228
Non-Current Assets				
Property, Plant and Equipment	4	53,221	591	985
Total Non-Current Assets		53,221	591	985
Total Assets		230,801	1,858	173,212
Liabilities				
Current Liabilities				
Accrued Expenses		6,325	6,326	5,797
Creditors		11,272	-	516
GST Payable		-	1,867	5,198
Total Current Liabilities		17,598	8,193	11,511
Non-Current Liabilities				
Total Non-Current liabilities		-	-	-
Total Liabilities		17,598	8,193	11,511
Net Assets		213,204	(6,335)	161,702
Accumulated Funds				
Trust Capital	7	100	100	100
Accumulated surplus(deficit)		213,104	(6,435)	161,602
Total Accumulated Funds		213,204	(6,335)	161,702

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



Michael Schuck
Chairman



Trustee

Date Signed: 22 September 2017

Milford Community Trust
Statement of Cash Flows
For the year ended 30 June 2017

	Actual 2017	Actual 2016
Cash Flows from Operating Activities		
Cash was received from:		
Receipts from Concessionaires Income	87,036	102,173
Interest Received on Bank Accounts and Cash	1,448	2,915
Cash was applied to:		
Goods and Services Tax (Net)	(10,177)	3,331
Payment to Suppliers and Employees	(52,924)	(59,074)
Net Cash Flows from Operating Activities	25,383	49,345
Cash Flows from Investing Activities		
Cash was received from:		
Term Deposit Maturity	70,000	-
Cash was applied to:		
Investment In Property, Plant and Equipment	(53,759)	-
Investment In Term Deposit	(110,000)	(70,000)
Net Cash Flows from Investing Activities	(93,759)	(70,000)
Net Cash Flows from Financing Activities	-	-
Net Increase / (Decrease) in Cash	(68,376)	(20,655)
Opening Cash	102,044	122,700
Closing Cash	33,667	102,044

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

Statement of Accounting Policies For the year ended 30 June 2017

BASIS OF PREPARATION

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

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

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

SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition

Concessionaires Fees

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

Donated Assets

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

Interest

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

Debtors

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

Bank Accounts and Cash

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

Term Deposits

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

Creditors and Accrued Expenses

Creditors and accrued expenses are measured at the amount owed.

Property, Plant and Equipment

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

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

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

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

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

Equipment	40% Diminishing Value
Buildings	3% Straight Line

Income Tax

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

Budget Figures

The budget figures are derived from the 2016-2019 Statement of Intent as approved by the Trustees on 20 February 2017. The budget figures have been prepared in accordance with tier 3 standards, using accounting policies that are consistent with those adopted by the Trustees in preparing these financial statements.

Changes in Accounting Policies

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

Goods and Services Tax

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

Notes to the Financial Statements

For the year ended 30 June 2017

1. Post balance date events

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

2. Bank accounts and cash

Account	2017	2016
BNZ Current Account	15,869	40,301
BNZ Call Account	17,797	61,742
Total	33,667	102,044

Interest rates on the BNZ Current and Call accounts at 30 June 2017 are 0.1% and 0.1% per annum respectively (2016: 0.25% and 0.55%).

3. Investments

Account	2017	2016
Term Deposit(s)	110,000	70,000
Total	110,000	70,000

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

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

4. Property, plant and equipment

	Equipment	Land Improvements	Total
Carrying Amount at 1 July 2015	1,642	-	1,642
Additions	-	-	-
Disposals (net of Accumulated Depreciation)	-	-	-
Depreciation Expense	(657)	-	(657)
Carrying Amount at 30 June 2016	985	-	985
Carrying Amount at 1 July 2016	985	-	985
Additions	-	53,759	53,759
Disposals (net of Accumulated Depreciation)	(985)	-	(985)
Depreciation Expense	-	(538)	(538)
Carrying Amount at 30 June 2017	-	53,221	53,221

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

5. Contingent assets and liabilities

There are no contingent assets or liabilities as at 30 June 2017 (Nil June 2016).

6. Commitments

The Trust has no commitments as at 30 June 2017 (Nil June 2016).

7. Accumulated Funds

	2017	2016
Contributed Capital		
Balance at 1 July	100	100
Balance at 30 June	<u>100</u>	<u>100</u>
Accumulated Surplus		
Balance at 1 July	161,602	115,849
Surplus/(Deficit) for the year	51,502	45,753
Balance at 30 June	<u>213,104</u>	<u>161,602</u>
Accumulated funds	<u>213,204</u>	<u>161,702</u>

8. Related Parties

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

The Trust received money from the DOC during the year of \$3,477 (2016 \$3,140) for current year concessionaires income.

The Trust paid money to Southland District Council during the year totalling \$9,521 (2016 \$9,823). These costs are for the reimbursement of Trust expenses paid for by the Southland District Council.

The Trust paid no monies to Environment Southland during the year (2016 Nil).

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

9. Explanation of major variances against budget

Explanations for major variations from the Trust's budgeted figures in the 30 June 2017 Statement of Intent are as follows:

- **Statement of Financial Performance**
 - The Cleddau Village Recreation Reserve Project costs are budgeted on the Statement of Financial Performance as an operational cost, but this project was capitalised on the balance sheet at completion in March 2017. The actual cost of the project was \$53,758 compared to the \$20,000 budget.
 - Costs in relation to the Emergency Services Provider were slightly under-budget.
 - Costs relating to the Cleddau Village Recreation Building are below budget as the project is currently in the planning stages.
- **Statement of Financial Position**
 - Bank Accounts and Cash and Term Deposits are higher than budgeted primarily due to work on the Cleddau Village Recreation Building not commencing in the 2016/2017 financial year. \$110K collected for this project has been placed in term deposits.

