

**THE COMMUNITY TRUST OF SOUTHLAND  
TRUSTEES' RESPONSIBILITY STATEMENT**

The Trustees of The Community Trust of Southland ("the Trust") are pleased to present the summary financial statements for The Community Trust of Southland Group ("the Group") for the year ended 31 March 2016.

The Trustees are responsible for presenting financial statements in accordance with New Zealand law and generally accepted accounting practice, which presents fairly the financial position of the Group as at 31 March 2016 and the results of its operations and cash flows for the year ended on that date.

The Trustees consider the summary financial statements of the Group have been prepared using accounting policies which have been consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Trustees believe that proper accounting records have been kept which enable with reasonable accuracy, the determination of the financial position of the Group and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

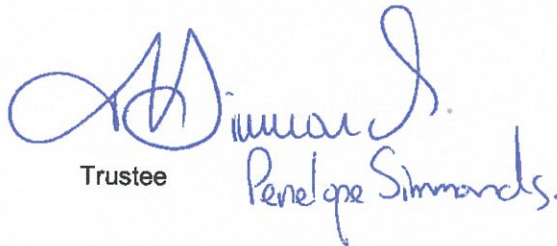
The Trustees have responsibility for the maintenance of a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. The Trustees consider that they have taken adequate steps to safeguard the assets of the Trust, and to prevent and detect fraud and other irregularities.

The Summary Financial Statements are signed on behalf of the Board by:



Trustee

24 August 2016

  
Penelope Simmonds.

Trustee

24 August 2016

**THE COMMUNITY TRUST OF SOUTHLAND**  
**Summary Financial Statements for the year ended 31 March 2016**

**STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE**  
**For the Year Ended 31 March 2016**

	<b>Group</b>	
	<b>2016</b>	<b>2015</b>
	<b>\$000</b>	<b>\$000</b>
Sales (by controlled entities)	11,244	11,964
Dividends	6,876	9,183
Interest	1,819	244
Unrealised gains / (losses) from change in fair value of managed funds	903	10,143
Realised gains from change in fair value of managed funds	(832)	3,005
Other income	94	-
Fair value gains (losses) on remeasurement of salmon stock	(451)	2,705
	<u>19,653</u>	<u>37,244</u>
Plus Change in fair value of other investments	5,325	(720)
Less Investing activity expenses	(12,865)	(12,151)
Less Impairment of goodwill	(248)	-
Net Surplus from Investing Activities	<u>11,865</u>	<u>24,373</u>
Trust expenses	1,048	1,259
Operating Surplus before Grants	<u>10,817</u>	<u>23,114</u>
Grants	4,444	4,942
Discount on concessionary loans	2	(20)
Net Surplus before Taxation	<u>6,371</u>	<u>18,192</u>
Taxation expense	55	992
Net Surplus after Taxation	<u>6,316</u>	<u>17,200</u>
Other comprehensive revenue and expense	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>	<u><u>\$6,316</u></u>	<u><u>\$17,200</u></u>
<b>Net Surplus and Total Comprehensive Revenue and Expense is Attributed to:</b>		
Equity holders of the parent	6,642	16,464
Minority interests	(326)	736
	<u><u>\$6,316</u></u>	<u><u>\$17,200</u></u>

**THE COMMUNITY TRUST OF SOUTHLAND**  
**Summary Financial Statements for the year ended 31 March 2016**

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY**  
**For the Year Ended 31 March 2016**

	Trust Capital	Accumulated Revenue & Expense	Capital Maintenance Reserve	Grants Maintenance Reserve	Minority Interest	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 31 March 2014	\$158,460	\$Nil	\$75,841	(\$51,871)	\$321	182,751
Total comprehensive revenue & expense	-	16,464	-	-	736	17,200
Minority interest adjustment	-	-	-	-	(33)	(33)
Reserves on acquisition of subsidiary	-	-	-	-	1,171	1,171
Transfer to / (from) reserves	-	(16,464)	12,227	4,237	-	-
Balance at 31 March 2015	<u>\$158,460</u>	<u>\$Nil</u>	<u>\$88,068</u>	<u>(\$47,634)</u>	<u>\$2,195</u>	<u>\$201,089</u>
Total comprehensive revenue & expense	-	6,642	-	-	(326)	6,316
Minority interest adjustment	-	-	-	-	(125)	(125)
Transfer to / (from) reserves	-	(6,642)	5,528	1,114	-	-
Balance at 31 March 2016	<u>\$158,460</u>	<u>\$Nil</u>	<u>\$93,596</u>	<u>(\$46,520)</u>	<u>\$1,744</u>	<u>\$207,280</u>

**THE COMMUNITY TRUST OF SOUTHLAND**  
**Summary Financial Statements for the year ended 31 March 2016**

**STATEMENT OF FINANCIAL POSITION**  
**As at 31 March 2016**

	<b>Group</b>	
	<b>2016</b>	<b>2015</b>
	<b>\$000</b>	<b>\$000</b>
<b>Current Assets</b>		
Cash and cash equivalents	867	631
Accounts receivable	2,746	1,395
Inventories	1,097	1,298
Biological assets – salmon stock	4,503	5,625
Prepayments	10	27
GST refund due	9	-
Loan receivables	160	743
<b>Total Current Assets</b>	<b>9,392</b>	<b>9,719</b>
<b>Non-Current Assets</b>		
Investments in managed funds	192,256	193,980
Investments in listed equities	554	637
Investments in unlisted equities	14,966	6,024
Loan receivables	292	1,160
Goodwill	269	509
Intangibles	53	67
Property, plant and equipment	3,550	3,693
<b>Total Non-Current Assets</b>	<b>211,940</b>	<b>206,070</b>
<b>Total Assets</b>	<b>221,332</b>	<b>215,789</b>
<b>Current Liabilities</b>		
Bank overdraft	-	252
Accounts payable	1,074	1,052
Taxation payable	84	69
Accruals	397	411
Employee entitlements	55	34
Grant obligations	9,316	8,662
Loans	270	1,339
<b>Total Current Liabilities</b>	<b>11,196</b>	<b>11,819</b>
<b>Non-current Liabilities</b>		
Grant obligations	1,358	2,131
Term loans	820	-
Deferred tax payable	678	750
<b>Total Non-Current Liabilities</b>	<b>2,856</b>	<b>2,881</b>
<b>Total Liabilities</b>	<b>14,052</b>	<b>14,700</b>
<b>NET ASSETS</b>	<b>\$207,280</b>	<b>\$201,089</b>
<b>Equity comprises:</b>		
Trust capital	158,460	158,460
Reserves	47,076	40,434
Equity attributable to equity holders of parent	205,536	198,894
Minority interests	1,744	2,195
<b>TOTAL EQUITY</b>	<b>\$207,280</b>	<b>\$201,089</b>



**THE COMMUNITY TRUST OF SOUTHLAND**  
**Summary Financial Statements for the year ended 31 March 2016**

**STATEMENT OF CASH FLOWS**  
**For the Year Ended 31 March 2016**

	<b>Group</b>	
	<b>2016</b>	<b>2015</b>
	<b>\$000</b>	<b>\$000</b>
<b>Cash Flows from Operating Activities</b>		
Cash was provided from (applied to):		
Receipts from customers	11,251	11,724
Interest and dividends	7,420	9,337
Payments to suppliers and employees	(9,916)	(10,864)
Other expenses	(2,732)	(2,523)
Grants paid	(4,485)	(6,976)
<b>Net Cash Inflows from Operating Activities</b>	<b>1,538</b>	<b>698</b>
<b>Cash Flows from Investment Activities</b>		
Cash was provided from (applied to):		
Investments in unlisted equities	(3,616)	(1,122)
Investments in listed equities	1,808	480
Loan Receivables	1,396	857
Investment in associates/subsidiaries	-	(1,303)
Property, plant and equipment	(390)	(371)
<b>Net Cash Inflows/(Outflows) from Investing Activities</b>	<b>(802)</b>	<b>(1,459)</b>
<b>Cash Flows from Financing Activities</b>		
Cash was provided from (applied to):		
Term loans	(248)	(205)
<b>Net Cash Inflows/(Outflows) from Financing Activities</b>	<b>(248)</b>	<b>(205)</b>
<b>Net Increase / (Decrease) in Cash held</b>	<b>488</b>	<b>(966)</b>
Add cash at beginning of year	379	1,493
Add new subsidiary's cash at beginning of year	-	(148)
<b>Total Cash Balance at End of Year</b>	<b>\$867</b>	<b>\$379</b>
Represented by:		
Cash and cash equivalents	867	631
Bank overdraft	-	(252)
<b>Total Cash Balance</b>	<b>\$867</b>	<b>\$379</b>

**THE COMMUNITY TRUST OF SOUTHLAND**  
**Summary Financial Statements for the year ended 31 March 2016**

**SUPPLEMENTARY INFORMATION**  
**For the Year Ended 31 March 2016**

**TRUSTEE FEES**

Trustee meeting fees and honoraria are set by the Minister of Finance, and were paid to Trustees as follows:

	<b>Fees 2016 \$000</b>	<b>Fees 2015 \$000</b>
Tracy Hicks (retired June 2015)	3	24
Joan Kiernan (retired June 2015)	3	19
Trish Lindsay (retired June 14)	-	2
Craig Robins (retired June 2015)	3	16
Linette Sinclair (retired June 2015)	3	14
Richard Wason	16	16
Penny Simmonds	14	14
Stephen Bragg	14	14
Lindsay Wright	19	16
Trish Boyle	29	19
Ross Jackson (appointed June 2014)	14	11
John Wilson (appointed June 2015)	11	-
Mata Cherrington (appointed June 2015)	11	-
Margot Hishon (appointed June 2015)	11	-
Stephen O'Conner (appointed June 2015)	11	-
	<b>\$162</b>	<b>\$165</b>

**REPORTING ENTITY**

The Community Trust of Southland ("the Trust") was formed under the Trustee Banks Restructuring Act 1988 and is incorporated under the Charitable Trusts Act 1957. The consolidated Summary Financial Statements presented are those for The Community Trust of Southland (the "Group"). The Group consists of The Community Trust of Southland, and its subsidiary entities, Southland Community Trust Charities Limited, Invest South Holdings Limited, Invest South GP Limited, Invest South Limited Partnership, Back Country Foods Ltd, and Aoraki Smokehouse Salmon Ltd.

These summary financial statements have been prepared in accordance with PBE FRS 43: Summary Financial Statements. The specific disclosures included in the Summary Financial Report have been extracted from the full audited financial statements approved by the trustees on 24 August 2016 and on which an unmodified opinion was issued dated the same date. The full financial statements have been prepared in accordance with NZ PBE Reduced Disclosure Regime which has been applied for the first time in the financial year ended 31 March 2016. Upon transition no adjustments to previous measurement and recognition were required. Where appropriate, disclosures in relation to the prior period have been restated to conform to the current year's presentation in accordance with NZ PBE Reduced Disclosure Regime. Users of the Summary Financial Statements should note that the information contained herein cannot be expected to provide a complete understanding as provided in the full financial report of the Group.

These Summary Financial Statements are presented in New Zealand dollars (\$), which is the Groups' functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand.

Users who require additional information are encouraged to access the full financial statements on the Group's website at [www.ctos.org.nz](http://www.ctos.org.nz). Users who do not have access to the website can request a printed version from the following address:

The Community Trust of Southland  
 PO Box 1646  
 Invercargill 9840  
 Ph: (03) 218-2034  
 Email: [info@ctos.org.nz](mailto:info@ctos.org.nz)

Or collect a copy from the Trust's offices at 62 Don Street, Invercargill

The Summary Financial Statements are authorised for issue by the Board of Trustees on 24 August 2016.





## ***Report of the Independent Auditors' on the Summary Financial Statements***

to the Trustees of The Community Trust of Southland

The accompanying summary financial statements, on pages 2 to 6 which comprise the summary statements of financial position as at 31 March 2016, the summary statement of revenue and expense, the summary statement of changes in net assets/equity and the summary statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of The Community Trust of Southland for the year ended 31 March 2016.

The summary financial statements do not contain all the disclosures required for full financial statements under New Zealand Public Benefit Entities Standards Reduced Disclosure Regime. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of The Community Trust of Southland.

Our audit of the financial statements for the year ended 31 March 2016 was completed on 24 August 2016 and our unmodified opinion was issued on that date. We have not undertaken any additional audit procedures in relation to those financial statements from the date of the completion of our audit and those financial statements and the summary financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

This report is made solely to the Trustees, as a body. Our work has been undertaken so that we might state those matters we are required to state to them in a report from the auditor and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees, as a body, for this report, or for the opinions we have formed. In addition, we take no responsibility for, nor do we report on, any part of the annual report not specifically mentioned in our report.

### ***Trustees' Responsibility for the Summary Financial Statements***

The Trustees are responsible on behalf of the Trust for the preparation of the summary financial statements in accordance with PBE FRS 43: *Summary Financial Statements* (PBE FRS 43).

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) 810: *Engagements to Report on Summary Financial Statements*.

We are independent of the Trust and Group. Other than in our capacity as auditors we have no relationship with, or interests in, the Trust or any of its subsidiaries.



***Report of the Independent Auditors' on the Summary Financial Statements***

The Community Trust of Southland

***Opinion***

In our opinion, the summary financial statements on pages 2 to 6 derived from the audited financial statements of The Community Trust of Southland for the year ended 31 March 2016 are consistent, in all material respects, with those audited financial statements, in accordance with PBE FRS 43.

***Restriction on Use of our Report***

This report has been prepared for inclusion in the annual report. We disclaim any responsibility for reliance on this report or the amounts included in the summary financial statements, for any purpose other than that for which they were prepared.

A handwritten signature in blue ink, appearing to read 'PricewaterhouseCoopers', written in a cursive, flowing style.

Chartered Accountants  
24 August 2016

Dunedin