



Te Ahu Charitable Trust

2019 Performance Report

Te Ahu Charitable Trust

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For the Year Ended 30 June 2019

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Te Ahu Charitable Trust

Report on the Engagement to Compile the Performance Report

For the Year Ended 30 June 2019

COMPILATION REPORT TO THE TRUSTEES

Reporting Scope

The Board of Trustees of the Te Ahu Charitable Trust are responsible for preparing this report and financial statements.

In our view this Annual Report fairly reflects the financial position and operating results of the Trust for the year ended 30 June 2019.

Responsibilities

The Board of Trustees of the Te Ahu Charitable Trust accept responsibility for the preparation of the annual financial statements and the judgements used in them.

The Board of Trustees of the Te Ahu Charitable Trust accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Board of Trustees of the Te Ahu Charitable Trust, the annual financial statements for the year ended 30 June 2019 fairly reflect the financial position and operations of the Te Ahu Charitable Trust.

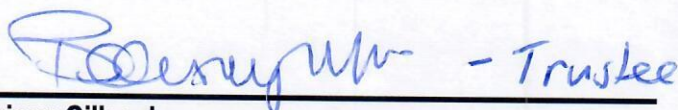
Signed:



CHAIR - TE AHU CHARITABLE TRUST

Date:

19/12/19

 - Trustee

Harrison Gillespie

Chartered Accountants

Kaitia

19 December 2019



Te Ahu Charitable Trust

Entity Information

As at 30 June 2019

Te Ahu Charitable Trust is a Discretionary Trust registered under the Charities Act 2005.

Entity's Purpose or Mission

The Te Ahu Charitable Trust's VISION is to:

"Create a landmark meeting place for our people and visitors that nurtures and shares the stories and culture of our community"

Nature of Business

Community Trust

Address

Cnr Matthews Ave & State Highway 10
KAITAIA

Entity Structure

The trust comprises a Board of 5 to 9 trustees who oversee the Governance of the Trust.

Three of these trustees are appointed, one by Far North District Council, one by Te Rarawa and one by the Museum Trust, with all other trustees appointed or removed by the board of trustees.

They also employ a General Manager to oversee the day-to-day running of the trust's affairs.

Main Sources of Cash and Resources

The main sources of income were lease income and income from operating the Cinema, Venues for Hire and Cafe. Other income includes event income and ticket sales, other grants and interest.

Main Methods Used to Raise Funds

The main methods to raise funds were operating a Cinema, Cafe, Venues for hire and events, along with providing spaces for lease to tenants and obtaining grant funding.

Entity's Reliance on Volunteers and Donated Goods or Services

The Trust relies on its trustees who volunteer their time to oversee the organisation.



Te Ahu Charitable Trust

Entity Information (continued)

As at 30 June 2019

Trustees:

Mike Mitcalfe
David Collard
Abraham Witana
Adele Gardner
Bronwyn Bauer-Hunt
Mark Tan
Warren Snow
Keri Hokai

Accountants

Harrison Gillespie
Chartered Accountants
5 Puckey Avenue
Kaitaia

Bankers

ASB Bank, Kaitaia

IRD Number

094-870-534

Registered Charity Number

CC11072



Description of the Trust's Outcomes

The Te Ahu Charitable Trust provided and managed the facilities and infrastructure to be accessed and enjoyed by local and visiting people.

Description of the Entity's Outputs

The Te Ahu Charitable Trust has achieved the following during the year:

- * Operated a Cafe that is open to the public
- * Operated a Cinema that is open to the public
- * Housed the Far North Regional Museum and opened to the public
- * Hired out spaces and venues to the public and other organisations
- * Rented space to the Far North District Council
- * Provided an electric vehicle charging station to the public

Te Ahu Charitable Trust

Statement of Financial Performance

For the Year Ended 30 June 2019

	Note	Actual 2019 \$	Actual 2018 \$
Revenue			
Donations, fundraising and other similar revenue	2	110,000	117,074
Revenue from providing goods or services	3	632,484	563,752
Interest, dividends and other investment revenue	4	3,122	2,757
Total Revenue		745,606	683,583
Less Expenses			
Volunteer and employee related costs	5	301,138	262,039
Costs related to providing goods or services	6	264,233	226,428
Other Expenses	7	96,906	98,260
Depreciation	8	514,930	513,857
Total Expenses		1,177,208	1,100,583
Deficit For The Year		(431,601)	(417,001)

These financial statements are to be read in conjunction with the accompanying Notes.

Te Ahu Charitable Trust

Statement of Financial Position

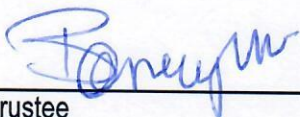
As at 30 June 2019

	Note	2019 \$	2018 \$
Current Assets			
Cash & Bank Balances	9	362,797	312,855
Trade Receivables	10	47,942	26,352
Total Current Assets		410,739	339,207
Non-Current Assets			
Property, Plant & Equipment	11	9,755,258	10,261,461
Total Assets		10,165,997	10,600,668
Current Liabilities			
Creditors - Accounts Payable		36,567	36,555
Payroll Liability		2,487	5,867
GST Payable		4,637	4,339
Total Liabilities		43,691	46,761
Net Assets		10,122,306	10,553,907
Accumulated Funds			
Trust Capital	12	10,122,306	10,553,907
Total Accumulated Funds		10,122,306	10,553,907

The Performance Report has been approved by the Trustees, for and on behalf of the Te Ahu Charitable Trust:


Trustee

Date 19/12/19.


Trustee

Date 20/12/2019.

These financial statements are to be read in conjunction with the accompanying Notes.

Te Ahu Charitable Trust

Statement of Cash Flows

For the Year Ended 30 June 2019

	Note	2019 \$	2018 \$
Cash Flows from Operating Activities			
Cash was received from:			
Receipts from interest		3,122	2,757
Receipts from providing goods and services		737,370	672,937
		740,492	675,694
Net GST		(3,674)	13,118
Cash was applied to:			
Payments of suppliers		678,149	585,400
		678,149	585,400
Net Cash Flows from Operating Activities		58,669	103,412
Cash Flows from Investing Activities			
Cash was applied to:			
Payments for property, plant & equipment		8,727	30,791
		8,727	30,791
Net Cash Flows from Investing Activities		(8,727)	(30,791)
Net Increase in Cash Held		49,942	72,621
Cash at the Beginning of the Year		312,855	240,234
Cash at the End of the Year		362,797	312,855
This is represented by:			
Cash & Bank Balances		362,797	312,855

These financial statements are to be read in conjunction with the accompanying Notes.

Te Ahu Charitable Trust

Notes to and forming part of the Performance Report

For the Year Ended 30 June 2019

1 Statement of Accounting Policies

Reporting Entity

The Te Ahu Charitable Trust (the Trust) is a charitable trust incorporated in New Zealand under the Charitable Trusts Act 1957 and is domiciled in New Zealand.

Statement of Compliance and Basis of Preparation

Te Ahu Charitable Trust is eligible to apply Tier 3 PBE Accounting Standards : 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 \$2,000,000. The trust has elected to report in accordance with PBE SFR-A (PS). All transactions in the Financial Statements are reported using the accrual basis of accounting.

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Financial Performance and Statement of Financial Position on a historical cost basis are followed by the trust, unless otherwise stated in the Specific Accounting Policies.

The information is presented in New Zealand dollars. All values are rounded to the nearest \$.

Going Concern

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

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Financial Performance and Statement of Financial Position have been applied:

(a) Revenue Recognition

SALE OF GOODS AND SERVICES

Revenue from the sale of goods is recognised in the Statement of Financial Performance when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from the sale of services is recognised in the Statement of Financial Performance in line with the delivery of services.

GRANTS, BEQUESTS AND DONATIONS

Grants and bequests are recognised as revenue when control over the assets is obtained or when all conditions have been met. If the conditions of a grant received have not been met the grant is held as revenue received in advance and recognised as revenue when the conditions are met. Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue when control over the asset is obtained.

THIRD PARTY/AGENCY INCOME

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

INTEREST

Interest income is recognised as it is earned.



These financial statements are to be read in conjunction with the accompanying Notes.

For the Year Ended 30 June 2019

(b) Property, Plant & Equipment and Investment Property

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

Property, plant and equipment consists of operational assets. These include buildings, improvements, heritage assets and plant and equipment.

ADDITIONS

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that the future economic benefits or service potential associated with the item will flow to the Te Ahu Charitable Trust and the cost of the item can be measured reliably.

Additions are recorded at cost.

DISPOSALS

Gains and losses are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Financial Performance.

DEPRECIATION

Depreciation is provided for on a straight-line basis on all property, plant and equipment, other than land, at rates that will write off the cost of the assets to their estimated residual values over their useful lives. Assessed economic life is calculated using the methodology in the New Zealand Institute of Asset Management (NZIAM) manual.

Land is not depreciated.

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

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

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.

The following estimated depreciation rates/useful lives have been used:

Buildings	2.00% to 6.67% SL
Fixtures & Fittings	5.00% to 14.29% SL
Site Works	5.00% SL
Heritage Assets	Non Depreciating
Plant & Equipment	16.00% DV

(c) Income Tax

Te Ahu Charitable Trust is wholly exempt from new Zealand income tax having fully complied with all statutory conditions for these exemptions.

(d) Provisions

The Trust recognises for future expenditure of uncertain amount or timing when there is a present obligation as a result of a past event, it is probable that expenditure will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.



Te Ahu Charitable Trust

Notes to and forming part of the Performance Report (continued)

For the Year Ended 30 June 2019

(e) Goods and Services Taxation (GST)

The Trust is registered for GST. All items in the financial statements are stated exclusive of GST. Where GST is not recoverable as an input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

Commitments and contingencies are disclosed exclusive of GST.

(f) Equity

Equity is the community's interest in the Trust, and is measured by the difference between total assets and liabilities.

(g) Debtors and prepayments

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

(h) Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

(i) Bank accounts and cash

Bank accounts and cash includes cash in hand and deposits held at call with banks. Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

(j) Advertising, marketing, administration, overheads and fund raising costs

These are expensed when the related service has been received.

(k) Lease expense

Lease payments are recognised as an expense on a straight line basis over the term of the lease.

(l) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those from previous financial statements.

2 Donations, fundraising and other similar revenue

Council Grant
Other Grants

Total Donations, fundraising and other similar revenue

2019	2018
\$	\$
110,000	115,000
-	2,074
110,000	117,074

These financial statements are to be read in conjunction with the accompanying Notes.



Te Ahu Charitable Trust

Notes to and forming part of the Performance Report (continued)

For the Year Ended 30 June 2019

3 Revenue from providing goods or services

	2019	2018
	\$	\$
Council Rent	209,548	209,548
Event & Ticket Sales	1,946	11,857
Cafe Sales	92,747	77,730
Art Space Sales	2,439	602
Cinema Sales	240,206	195,080
Cafe Catering Sales	16,107	-
Cinema Screen Advertising	6,433	4,852
Facility Hire	62,790	63,561
Cinema - Vodafone Rewards	268	-
Other Income	-	522
Total Revenue from providing goods or services	632,484	563,752

4 Interest, dividends and other investment revenue

	2019	2018
	\$	\$
Interest Received	3,122	2,757
Total Interest, dividends and other investment revenue	3,122	2,757

5 Volunteer and employee related costs

	2019	2018
	\$	\$
ACC Levies	1,277	-
Administration	-	9,063
General Management	78,750	78,750
Human Resources	5,772	3,343
Kiwisaver Employer Contributions	2,354	2,973
Recruitment	1,431	311
Staff Training	295	-
Uniforms	802	42
Wages & Salaries	210,457	167,557
Total Volunteer and employee related costs	301,138	262,039

These financial statements are to be read in conjunction with the accompanying Notes.



Te Ahu Charitable Trust

Notes to and forming part of the Performance Report (continued)

For the Year Ended 30 June 2019


6 Costs related to providing goods or services

	2019	2018
	\$	\$
Cafe Stock Purchases	54,260	45,912
Cinema Stock Purchases	32,161	33,929
Film Hire	74,041	57,301
Art Purchases	3,016	184
Accommodation	-	170
Advertising	2,650	3,007
Cleaning	24,539	19,176
Computer Expenses	2,617	1,535
EFTPOS Lease	936	903
EFTPOS Fees	336	529
Entertainment	1,287	139
Event Expenses	4,061	12,967
Freight & Courier	399	457
Furniture, Fittings & Fixtures	240	1,451
General Expenses	4,424	2,394
Licences & Fees	998	1,470
Pest Control	210	187
Office Expenses	399	-
Performance Fees	-	2,250
Power & Light	11,962	15,966
Printing & Stationery	3,839	4,333
Repairs & Maintenance	23,762	17,783
Security Expenses	5,996	2,547
Subscriptions	407	512
Technical Literature	5,623	-
Travel - National	407	700
Venue Booking System	3,146	496
Waste & Recycling	1,757	-
Website	760	130
Total Costs related to providing goods or services	264,233	226,428

7 Other Expenses

	2019	2018
	\$	\$
Accountancy Fees	13,120	13,570
Audit Fee	9,297	9,560
Bank Fees & Charges	973	544
Insurance	6,791	7,881
Interest - Bank Overdraft	1	3
Land Lease Te Rarawa	14,750	14,750
Land Lease FNDC	45,000	45,000
Rates	4,530	3,782
Telephone & Internet	2,444	3,170
Total Other Expenses	96,906	98,260

These financial statements are to be read in conjunction with the accompanying Notes.



Te Ahu Charitable Trust

Notes to and forming part of the Performance Report (continued)

For the Year Ended 30 June 2019

8 Depreciation

	2019	2018
	\$	\$
Depreciation	514,930	513,857
Total Depreciation	514,930	513,857

9 Cash & Bank Balances

	2019	2018
	\$	\$
Bank Account Balances		
Cash at Bank - ASB Cheque Account	191,564	192,063
Cash at Bank - ASB Fundraising Account	-	30
Cash at Bank - ASB Cinema Account	95,432	49,897
Cash at Bank - ASB Cafe Account	17,114	3,451
Cash at Bank - ASB Operations Account	58,687	67,414
Total Cash & Bank Balances	362,797	312,855

10 Trade Receivable

	2019	2018
	\$	\$
Trade Debtors - Accounts Receivable	47,942	26,352
Total Trade Receivable	47,942	26,352

All amounts are short-term and have been reviewed for indicators of impairment. The carrying value of trade receivables is considered a reasonable approximation of fair value.

11 Property, Plant & Equipment

	Opening Carrying Amount	Purchases / (Sales or Disposals)	Depreciation & Impairment	Closing Carrying Amount
	\$	\$	\$	\$
Property, Plant & Equipment 2019				
Buildings	7,815,639	6,175	237,008	7,584,806
Fixtures & Fittings	1,569,324	2,552	275,459	1,296,417
Site Works	12,701	-	1,636	11,065
Heritage Assets	858,633	-	-	858,633
Plant & Equipment	5,163	-	826	4,337
Total Property, Plant & Equipment	10,261,460	8,727	514,929	9,755,258

These financial statements are to be read in conjunction with the accompanying Notes.



Te Ahu Charitable Trust

Notes to and forming part of the Performance Report (continued)

For the Year Ended 30 June 2019

	Opening Carrying Amount	Purchases / (Sales or Disposals)	Depreciation & Impairment	Closing Carrying Amount
Property, Plant & Equipment 2018	\$	\$	\$	\$
Buildings	8,051,922	-	236,283	7,815,639
Fixtures & Fittings	1,843,134	1,599	275,409	1,569,324
Site Works	14,338	-	1,636	12,702
Heritage Assets	858,633	-	-	858,633
Plant & Equipment	-	5,692	529	5,163
Total Property, Plant & Equipment	10,768,027	7,291	513,857	10,261,461

12 Trust Capital

	2019	2018
	\$	\$
Opening Balance	10,553,908	10,970,908
Less:		
Net Deficit	431,601	417,000
Total Trust Capital	10,122,307	10,553,908

13 Related Parties

	2019	2018
	\$	\$
Grant from FNDC	110,000	115,000
Total Related Parties	110,000	115,000

In terms of accounting standards, the far North District Council is the parent of the Trust.

14 Commitments

Te Rununga o Te Rarawa Lease

This represents the lease of land from Te Rununga o Te Rarawa for a period of 41 years. (2018: 42 years)

The annual lease payment is \$14,750 (2018 \$14,750)

Far North District Council

This represents the lease of land from Far North District Council for a period of 30 years. (2018: 31 years)

The annual lease payment is \$45,000 (2018 \$45,000).

15 Contingent Liabilities and Guarantees

The trust has no contingent liabilities and no guarantees as at 30 June 2019. (2018: Contingent Liabilities Nil. Guarantees Nil.)

These financial statements are to be read in conjunction with the accompanying Notes.

16 Events Occurring After Balance Date

There were no events that have occurred after the balance date that would have a significant impact on the Performance Report.
(Last Year - Nil).



These financial statements are to be read in conjunction with the accompanying Notes.