

MASTERTON COMMUNITY TRUST ACCOUNTS 2020-21

The following Masterton Community Trust accounts are complete but due to delays caused by the Covid-19 lockdowns Audit New Zealand has been unable to conclude the Audit of these accounts.

Audit New Zealand has prioritised the completion of audits of the Government Accounts and will complete the audit of these accounts in due course.

**Masterton Community Trust
Financial statements
for the year ended 31 March 2021**

UNAUDITED

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Masterton Community Trust
Statement of profit or loss
For the year ended 31 March 2021

Statement of profit or loss

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Group 2021 \$	Group 2020 \$
Revenue	5	30,177,718	30,369,927
Cost of sales		<u>(4,104,552)</u>	<u>(4,361,879)</u>
Gross profit		<u>26,073,166</u>	<u>26,008,048</u>
Operating expenses	7	<u>(17,282,910)</u>	<u>(19,125,865)</u>
Operating profit		8,790,256	6,882,183
Finance costs	22	(935,400)	(1,119,611)
Finance income	22	<u>1,500</u>	<u>6,941</u>
Net finance costs	22	<u>(933,900)</u>	<u>(1,112,670)</u>
Net operating profit		7,856,356	5,769,513
Non-operating items	6	<u>57,806,570</u>	<u>5,345,490</u>
Net profit before charitable donations		<u>65,662,926</u>	<u>11,115,003</u>
Charitable donations		<u>(3,041,589)</u>	<u>(4,262,129)</u>
Net profit for year		<u>62,621,337</u>	<u>6,852,874</u>
Attributable to:			
Equity holders of Masterton Community Trust		59,028,007	6,459,643
Non-controlling interest		<u>3,593,330</u>	<u>393,231</u>
		<u>62,621,337</u>	<u>6,852,874</u>

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The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements

Masterton Community Trust
Statement of comprehensive income
For the year ended 31 March 2021

Statement of comprehensive income

FOR THE YEAR ENDED 31 MARCH 2021

	Group 2021 \$	Group 2020 \$
Net profit / (loss)	62,621,337	6,852,874
Other comprehensive income:		
Gains on revaluation of land and buildings	<u>946,502</u>	<u>-</u>
	<u>946,502</u>	<u>-</u>
Total comprehensive income for the year	<u>63,567,839</u>	<u>6,852,874</u>
Profit is attributable to:		
Equity holders of Masterton Community Trust	59,920,197	6,459,643
Non-controlling interest	<u>3,647,642</u>	<u>393,231</u>
Total comprehensive income / (expense)	<u>63,567,839</u>	<u>6,852,874</u>

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Statement of changes in equity
FOR THE YEAR ENDED 31 MARCH 2021

Group	Notes	2021 \$
Equity at the start of the year		82,457,748
Total comprehensive income / (expense)		63,567,839
Attributable to:		
Masterton Community Trust	18	59,920,197
Minority Interest	18	<u>3,647,642</u>
		63,567,839
Equity at the end of the year	18	<u>146,025,587</u>
Group		2020 \$
Equity at the start of the year		75,604,874
Total comprehensive income / (expense)		6,852,874
Attributable to:		
Masterton Community Trust	18	6,459,643
Minority Interest	18	<u>393,231</u>
		6,852,874
Equity at the end of the year	18	<u>82,457,748</u>

UNAUDITED

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements

Masterton Community Trust
Statement of financial position
As at 31 March 2021

Statement of financial position

AS AT 31 MARCH 2021

	Notes	Group 2021 \$	Group 2020 \$
Current assets			
Cash and cash equivalents	8	3,843,838	882,216
Trade and other receivables	9	536,904	1,419,912
Prepayments		444,743	337,802
Inventories	10	430,526	387,409
Other investments		-	-
Assets held for sale		-	420,000
Total current assets		<u>5,256,011</u>	<u>3,447,339</u>
Non-current assets			
Investment properties	12	143,075,000	84,130,000
Property, plant and equipment	13	22,811,600	20,416,482
Intangible assets	14	842,807	910,271
Total non-current assets		<u>166,729,407</u>	<u>105,456,753</u>
Total assets		<u>171,985,418</u>	<u>108,904,092</u>
Current liabilities			
Trade and other payables	15	2,174,869	2,616,766
Employee entitlements	16	1,130,809	979,941
Borrowings	17	25,000	330,989
Lease liabilities	29	236,504	209,048
Provisions	24	100,000	-
Charitable donations allocated		665,743	732,946
Total current liabilities		<u>4,332,925</u>	<u>4,869,690</u>
Non-current liabilities			
Employee entitlements	16	35,089	29,599
Borrowings	17	20,064,584	20,089,584
Lease liabilities	29	1,512,391	1,440,752
Provisions	24,25	14,842	16,719
Total non-current liabilities		<u>21,626,906</u>	<u>21,576,654</u>
Equity			
Retained earnings	18	136,481,329	77,453,322
Asset revaluation reserve	18	1,165,036	272,846
Non-controlling interest		8,379,222	4,731,580
Total equity		<u>146,025,587</u>	<u>82,457,748</u>
Total liabilities and equity		<u>171,985,418</u>	<u>108,904,092</u>

Signed on behalf of Masterton Community Trust

J KERSHAW
DIRECTOR

P ANTONIO
DIRECTOR

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements

Masterton Community Trust
Statement of cash flows
For the year ended 31 March 2021

Statement of cash flows

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Group 2021 \$	Group 2020 \$
Cash flows from operating activities			
Cash was provided from:			
Receipts from customers		30,064,034	30,237,237
Interest received		<u>1,500</u>	<u>6,941</u>
		30,065,534	30,244,178
Cash was applied to:			
Payments to suppliers and employees		19,773,951	21,883,869
Charitable donations		3,108,792	4,144,665
Interest paid		840,466	1,028,184
Lease interest paid		<u>95,578</u>	<u>95,592</u>
		<u>(23,818,787)</u>	<u>(27,152,310)</u>
Net cash flows from operating activities	21	<u>6,246,747</u>	<u>3,091,868</u>
Cash flows from investing activities			
Cash was provided from:			
Sale of plant, property and equipment		8,566	956,119
Sale of intangibles		4,500	24,045
Sale of investment property		183,735	360,444
		<u>196,801</u>	<u>1,340,608</u>
Cash was applied to:			
Purchase of plant, property and equipment		1,949,440	3,777,823
Purchase of intangible assets		47,162	130,596
Loan to Trust House Foundation		-	-
Upgrading of investment property		<u>1,253,430</u>	<u>1,227,510</u>
		<u>(3,250,032)</u>	<u>(5,135,929)</u>
Net cash flows from investing activities		<u>(3,053,231)</u>	<u>(3,795,321)</u>
Cash flows from financing activities			
Proceeds from borrowings			
Lease debt entered into		-	1,000,000
		<u>258,687</u>	<u>88,215</u>
		258,687	1,088,215
Cash was applied to:			
Repayment of borrowings		35,000	65,000
Repayment of lease debt		<u>159,592</u>	<u>184,104</u>
		<u>(194,592)</u>	<u>(249,104)</u>
Net cash flows from financing activities		<u>64,095</u>	<u>839,111</u>
Net (decrease) / increase in cash held		3,257,611	135,658
Opening cash balance		<u>586,227</u>	<u>450,569</u>
Closing cash balance		<u>3,843,838</u>	<u>586,227</u>
Closing cash is made up of			
Cash and cash equivalents		<u>3,843,838</u>	<u>586,227</u>
	8	<u>3,843,838</u>	<u>586,227</u>

Notes to the Financial Statements

1 REPORTING ENTITY

These financial statements have been prepared in accordance with the Sale and Supply of Alcohol Act 2012. The consolidated financial statements of Masterton Community Trust as at and for the year ended 31 March 2021 comprise of Masterton Community Trust, Trust House Limited (94.3% owned) and Trust House Foundation (a controlled entity).

The Masterton Community Trust is a community trust established in accordance with the Sale of Supply of Alcohol Act 2012 and through its subsidiary Trust House Limited is primarily involved in the hospitality industry running a number of bars, restaurants, bottle stores a hotel and a large rental housing portfolio.

2 BASIS OF PREPARATION

(a) Basis of compliance

The financial statements of the Group comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS).

The financial statements were approved by the Board of Trustees on xx xxxx 2021.

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP). For the purposes of complying with NZ GAAP the entity is a for-profit entity. Under the Accounting Standards Framework, the Group has determined that it is a 'tier two' entity, as the Group has expenses less than \$30 million, however, the Group elects to report under 'tier one' accounting standards.

Masterton Community Trust is a Trust incorporated and domiciled in New Zealand, registered under the Sale and Supply of Alcohol Act 2012. The Trust's registered office is 4 Queen Street, Masterton 5840, New Zealand. Accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- investment property is measured at fair value.
- land and buildings are measured at fair value.

The methods used to measure fair values are discussed further in note 4.

(c) Functional and presentation currency

These financial statements are presented in New Zealand dollars, which is the Group's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

(d) Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties include:

- | | |
|---|----------------|
| - Financial instruments' risk management and policies | Note 19 |
| - Sensitivity analyses disclosures | Note 14 and 19 |

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

- Note 12 - Valuation of investment property
- Note 13 - Valuation of land and buildings
- Note 14 - Goodwill impairment
- Note 29 - Estimating the incremental borrowing rate for leases

(e) Changes in accounting policy and disclosures

All accounting policies adopted in these financial statements are consistent with those of the previous financial year.

3 SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements comprise the financial statements of Masterton Community Trust and its subsidiaries as at 31 March each year ('the Group')

The Group financial statements consolidate the financial statement of subsidiaries.

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue and expenses of entities in the Group on a line-by-line basis.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The Group has following financial assets which are all measured at amortised cost: cash and cash equivalents, trade and other receivables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group has following financial liabilities which are all measured at amortised cost: trade and other payables, loans and borrowings including bank overdrafts.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and term deposits with a duration of less than three months. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Trade and other receivables

Trade and other receivables are stated at their amortised cost less expected credit losses.

Borrowings

Borrowings are classified as current unless there is an unconditional right to defer settlement for at least 12 months after the balance date.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred. Interest on qualifying assets is capitalised to the asset.

Trade and other payables

Trade and other payables are stated at amortised cost.

Property, plant and equipment

Recognition and measurement

Land and buildings are revalued with sufficient regularity such that the carrying value is not materially different to fair value, but at least every three years. The fair value is determined by an independent registered valuer by reference to their highest and best use. Additions between revaluations are recorded at cost.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Furniture, plant and equipment, hydro assets, motor vehicles and gaming machines are initially recorded at cost, and depreciated.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation

Depreciation is calculated on a straight-line basis on all plant, property and equipment and gaming machines (other than freehold land and items under construction, which are not depreciated), at a rate which will write off the cost (or valuation) of the assets to their estimated residual value over their useful lives.

The depreciation rates for property, plant and equipment are as follows:

Land & Buildings - structure	1.96%-4.35%
Land & Buildings - services and fit out	4.35%-33.33%
Furniture & Plant - general	5.26%-50%
Furniture & Plant - gaming machines and counters	25%-100%
Motor Vehicles	10.5%-20%
Hydro Assets - Electrical reticulation	6.67%
Hydro Assets - Computerised load control equipment	16.67%

When the components of an item of property, plant and equipment have different useful lives or provide benefits to the entity in different patterns, thus requiring different depreciation rates and methods, the cost of the item is allocated to its component and each component is accounted for separately.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets

Intangible assets comprise of software acquired by the Group and goodwill on acquired businesses. Intangible assets acquired by the Group which have finite lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Software is amortised at a rate of 15-25% per year on a straight-line basis. Gaming machine software upgrades are amortised at 25% per year on a straight-line basis.

Goodwill represents the excess of the cost of an acquisition over the fair value of Group's share of the identifiable assets, liabilities and contingent liabilities of the acquired business at the acquisition date.

Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Where goodwill is allocated to a leased property the goodwill is amortised over the remaining life of the lease. An impairment loss recognised for goodwill is not reversed in any subsequent period.

Investment property

Property is classified as investment property when the primary income stream from the asset is rental income.

Investment property is initially recorded at cost. After initial recognition it is measured at fair value at each balance date.

With the introduction of IFRS 13 Fair value measurement, the Group's policy is to value at fair value considering highest and best use on an individual property basis.

Any increase or decrease in fair value is recognised in the Statement of profit or loss. Investment property is not depreciated.

Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any objective evidence of impairment.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the Statement of profit or loss

Impairment of receivables

All individual receivables which are considered to be significant are evaluated on a case-by-case basis. For trade receivables which are not significant on an individual basis, collective impairment is assessed on a portfolio basis, based on numbers of days overdue, and taking into account the historical loss experience in portfolios with a similar amount of days overdue.

Leases

Until the 2020 financial year, leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership were classified as finance leases.

(i) Measurement Basis

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the group's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and phones.

(ii) Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by Group and not by the respective Lessor.

Inventories

Inventories are valued at the lower of cost, on a weighted average basis, and net realisable value.

Employee entitlements

Provision is made in respect of the Group's liability for annual leave, long service leave, and retirement gratuities.

Annual leave and other entitlements that are expected to be settled within 12 months of the reporting date are measured at nominal values on an actual entitlement basis at a current rate of pay.

Entitlements that are payable beyond 12 months, such as long service leave and retirement gratuities, have been calculated on an actuarial basis on the present value of the expected future entitlements.

A provision for sick leave is recognised where employees have over the past two years taken more sick leave than their yearly allowance and still have accrued sick leave entitlements at year end. The provision is calculated as the number of excess sick leave days over the employees entitlement expected to be taken in the next 12 months times the employees' daily rate.

A provision is recognised for the amount expected to be paid under short-term cash bonus plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Revenue

Trust House Limited is primarily involved in the hospitality industry running a number of bars, restaurants, a bottle store, two hotels a large rental housing portfolio and a small hydroelectric scheme. Trust House Foundation is a class IV gaming Foundation.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(1) Goods sold / sales

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

(2) Services

Trust House Limited acts as a management company for other Group entities. Revenue for management fees is recognised in accordance with the fees agreed in those contracts.

(3) Rental income

Rental income from investment property is recognised in the Statement of profit or loss as it becomes due.

(4) Gaming machine income

Revenue from gaming operations is measured at the fair value of the consideration received or receivable. Revenue is recognised when recovery of the consideration is probable.

(5) Government Grants

Government grants are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant.

Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis in the periods in which the expenses are recognised.

Tax

The Masterton Community Trust is subject to Income Tax. Trust House Limited is exempt from Income Tax as it is a registered charity. The Trust House Foundation is exempt from Income Tax as a Class IV gaming operator.

Income Tax expense comprises both current tax and deferred tax, and is calculated using tax rates that have become enacted or substantively enacted by balance date.

Current tax is the amount of Income Tax payable based on the taxable profit for the current year, plus any adjustments to Income Tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

The measurement of deferred tax reflects the tax consequences that would flow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Trust can control the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

Current tax and deferred tax is charged or credited to the Income Statement, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Goods and Services Tax

These accounts are prepared on a GST exclusive basis with the exception of trade and other receivables and trade and other payables, which are stated on a GST inclusive basis. Where GST is irrecoverable as an input tax, then it is recognised as part of the related asset or expense.

The amount of GST owing to or from the Inland Revenue Department at balance date, being the difference between output GST and input GST, is included in Trade and other receivables or Trade and other payables (as appropriate). The net GST paid or received from the IRD including the GST relating to investing and financial activities, is classified as an operating cash flow in the Cash Flow Statement.

Charitable donations

Charitable donations are recognised when approval is given.

Held for sale assets

Non-current assets are reclassified as current assets held for sale when their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is highly probable.

Assets designated as held for sale are held at the lower of carrying amount at designation and fair value less costs to sell.

Depreciation is not charged against property, plant and equipment classified as held for sale.

New standards, amendments and interpretations not yet effective

There are no standards or amendments that have been issued but are not yet effective that are expected to have a significant impact on the Group.

4 DETERMINATION OF FAIR VALUES

A number of the Groups accounting policies and disclosures require the determination of fair values for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Land and Buildings

The fair value of land and buildings is based on market values. The market value of land and buildings is the estimated amount for which they could be exchanged on the date of valuation, between a willing buyer and a willing seller in an arms-length transaction after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion.

(b) Investment Property

An external independent valuer, having appropriate recognised professional qualifications and recent experience in the location and category of assets being valued, values the Groups investment property portfolio every 12 months. The valuations are prepared by considering the individual highest and best use of the properties in the portfolio.

5 REVENUE

	Group	
	2021	2020
	\$	\$
Revenue from contracts with customers	22,297,719	23,472,929
Wage subsidy	995,504	36,870
Revenue from other sources	287,003	561,524
Residential rental revenue	<u>6,597,492</u>	<u>6,298,604</u>
Total revenue	<u>30,177,718</u>	<u>30,369,927</u>

Disaggregation of revenue from contracts with customers

The group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines. All revenue is earned in the lower North Island.

	Revenue recognised at a point in time	Revenue recognised over time	Total
	\$	\$	\$
Group			
2021			
Hospitality	12,518,404	-	12,518,404
Gaming income	9,277,467	-	9,277,467
Other	443,485	58,363	501,848
Total	<u>22,239,356</u>	<u>58,363</u>	<u>22,297,719</u>
2020			
Hospitality	13,194,465	-	13,194,465
Residential rents	-	-	-
Gaming income	9,902,629	-	9,902,629
Other	337,348	38,487	375,835
Total	<u>23,434,442</u>	<u>38,487</u>	<u>23,472,929</u>

Performance obligations

The Group had the following performance obligations in relation to revenue earned over time:

Rental income: The Group hosts a mobile telephone mast and must continue to provide access to the site to receive rental.

Trust House Limited receives management fees from the Trust House Foundation. Trust House Limited must ensure that all services under the contract, primarily provision of administration, accounting, secretarial support and Class IV gaming expertise are provided to the standard required in the management contract.

There were no material contract assets or liabilities at balance date.

The Group has the following revenue recognised at a point in time:

Hospitality revenue is received from the supply of food, beverages and accommodation.

Venue payments relates to commission received from Trust House Foundation for managing their gaming activities at Trust House Limited venues.

Gaming income is received by the Group from outlets with gaming machine operations.

The performance obligation for the above income is satisfied at a point in time as payment is recognised at the time the goods or services are supplied. There are no variable consideration, rights of return, refunds of other related obligations.

6 NON-OPERATING ITEMS

		Group 2021 \$	Group 2020 \$
Change in fair value of investment property	12	<u>57,806,570</u>	<u>5,345,490</u>
		<u>57,806,570</u>	<u>5,345,490</u>

7 OPERATING EXPENSES

		Group 2021 \$	Group 2020 \$
Administration and financial		1,288,945	1,263,854
Advertising and promotion		581,374	852,367
Audit Fees		105,048	102,053
Audit Fees - Masterton Community Trust		4,450	4,322
Prospective financial statement review*		4,210	4,210
Bad debts		14,967	204
Movement in provision for doubtful debts		(11,064)	21,928
Depreciation		1,724,207	1,732,750
Amortisation		105,808	112,351
Impairment of property, plant and equipment		13,867	5,000
Impairment of investment property		-	164,000
Loss / (gain) on sale of plant and equipment		(7,415)	(123,869)
Loss / (gain) on sale of intangible assets		9,596	(1,660)
Loss / (gain) on sale of investment properties		-	40,556
Property expenses		4,203,418	4,406,361
Rent and lease expenses		311,431	351,000
Employee costs		7,222,695	7,335,976
Directors and Trustees Fees		309,841	327,230
Gaming Machine Duty and Licenses		2,327,164	2,527,232
Reversal of impairments		(925,632)	-
		<u>17,282,910</u>	<u>19,125,865</u>

* These fees relate to prospective financial accounts for the Trust House Foundation forecast, required by the Department of Internal Affairs and are performed by the Principal Auditor

8 CASH AND CASH EQUIVALENTS

	Group 2021	Group 2020
	\$	\$
Bank balances	3,610,575	656,370
Cash floats	<u>233,263</u>	<u>225,846</u>
Cash and cash equivalents	<u>3,843,838</u>	<u>882,216</u>
	Group 2021	Group 2020
	\$	\$
Cash and cash equivalents	3,843,838	882,216
Bank overdrafts used for cash management purposes	-	<u>(295,989)</u>
Cash and cash equivalents	<u>3,843,838</u>	<u>586,227</u>

The carrying value of cash at bank, cash floats and bank overdrafts approximates fair value.

9 TRADE AND OTHER RECEIVABLES

	Group 2021	Group 2020
	\$	\$
Net trade receivables		
Trade receivables	362,069	266,971
Less provision for impairment	<u>(37,596)</u>	<u>(48,660)</u>
	324,473	218,311
Sundry receivables	<u>212,431</u>	<u>1,201,601</u>
	<u>536,904</u>	<u>1,419,912</u>
	Group 2021	Group 2020
	\$	\$

Aging of trade receivables

The status of trade receivables at the reporting date is as follows:

Not past due	269,409	132,711
1-30 days	34,866	50,943
31-60 days	7,050	11,048
60 days+	<u>50,744</u>	<u>72,269</u>
	<u>362,069</u>	<u>266,971</u>

As of 31 March 2021, trade receivables of \$37,596 (2020: \$48,660) were past due and considered impaired and trade receivables of \$55,064 (2020: \$85,600) were past due but not considered impaired.

9 TRADE AND OTHER RECEIVABLES (continued)

Movements in the group provision for impairment of receivables are as follows:

	Group 2021	Group 2020
	\$	\$
As at 1 April	48,660	26,732
Additional provisions made during the year	3,310	21,928
Receivables written off during the year	<u>(14,374)</u>	<u>-</u>
Balance at the end of the year	<u>37,596</u>	<u>48,660</u>

Amounts charged to the provision are generally written off when there is no expectation of recovering additional cash.

The individually impaired receivables relate mainly to customers that are in difficult economic circumstances.

10 INVENTORIES

	Group 2021	Group 2020
	\$	\$
Raw materials and consumables	65,545	67,406
Goods available for sale	<u>364,981</u>	<u>320,003</u>
	<u>430,526</u>	<u>387,409</u>

Inventory comprises goods available for sale and food ingredients.

No inventories are pledged as security for liabilities (2020 \$nil). However, some inventories are subject to retention of title clauses.

UNAUDITED

11 CASH GENERATION

The table below shows the cash generation of the housing division and the rest of the group. Central office costs and interest expense have been allocated to the Housing Division to better reflect its actual performance.

	Group 2020/21		Group 2019/20	
	Rest of MCT \$	Housing \$	Rest of MCT \$	Housing \$
Revenue	23,538,049	6,639,669	23,798,306	6,571,621
Cost of sales	<u>(4,104,552)</u>	<u>-</u>	<u>(4,361,879)</u>	<u>-</u>
Gross profit	19,433,497	6,639,669	19,436,427	6,571,621
Operating expenses	<u>(14,182,098)</u>	<u>(3,100,812)</u>	<u>(15,831,538)</u>	<u>(3,294,327)</u>
Operating profit	<u>5,251,399</u>	<u>3,538,857</u>	<u>3,604,889</u>	<u>3,277,294</u>
Finance costs	(109,520)	(825,880)	(117,663)	(1,001,948)
Finance income	<u>1,500</u>	<u>-</u>	<u>6,941</u>	<u>-</u>
Net finance costs	<u>(108,020)</u>	<u>(825,880)</u>	<u>(110,722)</u>	<u>(1,001,948)</u>
Net operating profit	<u>5,143,379</u>	<u>2,712,977</u>	<u>3,494,167</u>	<u>2,275,346</u>
Housing improvements	<u>-</u>	<u>(1,253,430)</u>	<u>-</u>	<u>(1,218,780)</u>
Net profit after housing improvements	<u>5,143,379</u>	<u>1,459,547</u>	<u>3,494,167</u>	<u>1,056,566</u>
Add back				
Depreciation/amortisation	1,776,083	53,932	1,777,959	67,142
Impairments / (reversal of impairments)	<u>(911,765)</u>	<u>-</u>	<u>169,000</u>	<u>-</u>
Total non-cash expenses	<u>864,318</u>	<u>53,932</u>	<u>1,946,959</u>	<u>67,142</u>
Cash Generated	<u>6,007,697</u>	<u>1,513,479</u>	<u>5,441,126</u>	<u>1,123,708</u>

12 INVESTMENT PROPERTY

	Group 2021	Group 2020
	\$	\$
At fair value		
Investment property is comprised of		
Residential property	139,845,000	81,075,000
Commercial property	<u>3,230,000</u>	<u>3,055,000</u>
	<u>143,075,000</u>	<u>84,130,000</u>
Classified as:		
Current - available for sale at 31 March	-	-
Non-Current	<u>143,075,000</u>	<u>84,130,000</u>
	<u>143,075,000</u>	<u>84,130,000</u>

(a) Residential properties

	Group 2021	Group 2020
	\$	\$
Balance at 1 April	81,075,000	75,244,000
Impairments due to fires	-	(164,000)
Properties sold during the year	(115,000)	(383,000)
Improvements	1,253,430	1,218,780
Change in fair value - recognised in Statement of profit or loss	<u>57,631,570</u>	<u>5,159,220</u>
	<u>139,845,000</u>	<u>81,075,000</u>

Residential investment property comprises 482 (2020: 483) rental houses in the lower North Island. The Group's investment properties are valued annually at fair market value effective 31st March 2021.

The house sold during the year was sold at market value to an existing tenant on compassionate grounds.

The valuation uses level 2 observable inputs in arriving at fair value. These include the ratio of rental income to selling prices of equivalent assets done both on a total portfolio basis and also on a regional basis reflecting different ratios achieved in different areas. Depreciated replacement cost is also used as a supporting method.

The Group has no restrictions on the realisability of its investment property. The group has no contractual obligations to purchase construct or develop investment property or for repair, maintenance or enhancements.

The valuation was performed by an independent valuer, J McKeefry BBS (VPM), Dip BS (Fin), MPINZ; Registered Valuer of Telfer Young, Wellington. Telfer Young are an experienced valuer with extensive market knowledge in the types of investment properties owned by the Group.

In arriving at the valuation the valuer has to make critical judgements of the likely yield a property of the type held by the Group would sell at on the retail market. This judgement is applied by geographic location and takes into account sales of similar housing and knowledge of the rental and sale markets in those locations.

12 INVESTMENT PROPERTY (continued)

Insurance

Rental properties are insured for full replacement value, with a deductible (excess) of \$5,000 per dwelling.

(b) Commercial property

One of the Groups commercial properties has been designated as an investment property.

	Group 2021 \$	Group 2020 \$
Balance at 1 April	3,055,000	1,470,000
Land right of use asset recognised on adoption of IFRS 16 Leases (see note 29)	-	1,390,000
Improvements	-	8,730
Change in fair value - recognised in Statement of profit or loss	<u>175,000</u>	<u>186,270</u>
Balance at 31 March	<u>3,230,000</u>	<u>3,055,000</u>
Classified as:		
Non Current	<u>3,230,000</u>	<u>3,055,000</u>
	<u>3,230,000</u>	<u>3,055,000</u>

The valuation of this property uses level 2 observable inputs in arriving at fair value. These include rental prices per square metre of equivalent assets and capitalisation rates of rental income on sales of equivalent assets.

The fair value of the buildings at 31 March 2021 has been assessed by an independent valuer, J McKeefry BBS (VPM), Dip BS (Fin), MPINZ, Registered Valuer of Telfer Young, Wellington. Telfer Young are an experienced valuer with extensive market knowledge in the types of investment properties owned by the Group.

	Group 2021 \$	Group 2020 \$
Rental income	245,808	247,750
Tenant recharge income	33,515	31,541
Expenses from investment property generating income	129,535	128,927

13 PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings \$	Furniture and plant \$	Hydro assets \$	Motor vehicles \$	Total \$
Cost or valuation					
Balance at 1 April 2019	15,950,385	8,825,288	996,437	98,139	25,870,249
IFRS 16 Adjustment	306,356	170,322	-	112,248	588,926
Additions	2,952,332	848,575	7,565	97,613	3,906,085
Disposals	(949,128)	(805,751)	-	(21,569)	(1,776,448)
Reclassified from available for sale	700,000	-	-	-	700,000
Reclassified to available for sale	(425,000)	-	-	-	(425,000)
Balance at 31 March 2020	<u>18,534,945</u>	<u>9,038,434</u>	<u>1,004,002</u>	<u>286,431</u>	<u>28,863,812</u>
Balance at 1 April 2020	18,534,945	9,038,434	1,004,002	286,431	28,863,812
Additions	377,265	1,340,299	3,257	126,080	1,846,901
Disposals	-	(391,735)	-	(36,991)	(428,726)
Revaluation of land and buildings	1,144,983	-	-	-	1,144,983
Reclassified as available for sale	425,000	-	-	-	425,000
Balance at 31 March 2021	<u>20,482,193</u>	<u>9,986,998</u>	<u>1,007,259</u>	<u>375,520</u>	<u>31,851,970</u>
Depreciation and impairment losses					
Balance at 1 April 2019	726,707	6,075,507	543,206	63,326	7,408,746
Depreciation for the year	559,323	1,056,315	33,658	83,454	1,732,750
Disposals	(13,522)	(663,075)	-	(21,569)	(698,166)
Impairment loss - through Statement of profit or loss	5,000	-	-	-	5,000
Reclassified from available for sale	4,000	-	-	-	4,000
Reclassified as available for sale	(5,000)	-	-	-	(5,000)
Balance at 31 March 2020	<u>1,276,508</u>	<u>6,468,747</u>	<u>576,864</u>	<u>125,211</u>	<u>8,447,330</u>
Balance at 1 April 2020	1,276,508	6,468,747	576,864	125,211	8,447,330
Depreciation for the year	591,962	1,018,129	35,065	79,051	1,724,207
Disposals	-	(385,894)	-	(36,990)	(422,884)
Impairments	-	-	-	-	-
Revaluation of land and buildings	(713,283)	-	-	-	(713,283)
Reclassified from available for sale	5,000	-	-	-	5,000
Reclassified as available for sale	-	-	-	-	-
Balance at 31 March 2021	<u>1,160,187</u>	<u>7,100,982</u>	<u>611,929</u>	<u>167,272</u>	<u>9,040,370</u>
Carrying amounts					
As at 31 March 2020	<u>17,258,437</u>	<u>2,569,687</u>	<u>427,138</u>	<u>161,220</u>	<u>20,416,482</u>
As at 31 March 2021	<u>19,322,005</u>	<u>2,886,016</u>	<u>395,330</u>	<u>208,249</u>	<u>22,811,600</u>

13 PROPERTY, PLANT AND EQUIPMENT (continued)

Valuation - land and buildings

At fair value as determined from market-based evidence by an independent valuer.

The most recent valuation was performed by J McKeefry BBS (VPM), Dip BS (Fin), MPINZ; Registered Valuer of Telfer-Young Wellington and the valuation is effective as at 31 March 2021.

The valuations were primarily based on the rental capitalisation methodology, depreciated replacement cost is used as a support method.

The total fair value of land and buildings valued by J McKeefry as at 31 March 2021 was \$19,195,000. The valuation uses Level 2 observable inputs in arriving at fair value.

These include rental prices per square metre of equivalent assets and capitalisation rates of rental income on sales of equivalent assets.

Impairment

Impairment losses for the Group of \$13,867 were recognised in 2020/21 (2019/20 \$5,000).

Insurance

The Group are part of a group insurance collective run by the New Zealand Licensing Trust Association in order to obtain improved coverage and pricing.

The NZLTA collective scheme has insurance cover of \$65 million for fire and \$170 million for material damage and business interruption.

Deductibles for claims are as follows:

Non-natural disaster - \$5000 for each and every claim.

Natural disaster - 5% of site sum insured per site.

14 INTANGIBLE ASSETS

Group	Goodwill \$	Software \$	Total \$
Cost			
Balance at 1 April 2019	770,000	831,800	1,601,800
Additions	-	86,218	86,218
Disposals	<u>-</u>	<u>(48,246)</u>	<u>(48,246)</u>
Balance at 31 March 2020	<u>770,000</u>	<u>869,772</u>	<u>1,639,772</u>
Balance at 1 April 2020	770,000	869,772	1,639,772
Additions	-	52,440	52,440
Disposals	<u>-</u>	<u>(37,510)</u>	<u>(37,510)</u>
Balance at 31 March 2021	<u>770,000</u>	<u>884,702</u>	<u>1,654,702</u>
Amortisation and impairment losses			
Balance at 1 April 2019	114,286	528,725	643,011
Disposals	-	(25,861)	(25,861)
Amortisation for the year	<u>6,350</u>	<u>106,001</u>	<u>112,351</u>
Balance at 31 March 2020	<u>120,636</u>	<u>608,865</u>	<u>729,501</u>
Balance at 1 April 2020	120,636	608,865	729,501
Disposals	-	(23,414)	(23,414)
Amortisation for the year	<u>-</u>	<u>105,808</u>	<u>105,808</u>
Balance at 31 March 2021	<u>120,636</u>	<u>691,259</u>	<u>811,895</u>
Carrying amounts			
As at 31 March 2020	649,364	260,907	910,271
As at 31 March 2021	649,364	193,443	842,807

14 INTANGIBLE ASSETS (continued)

(i) Description of the cash generating units and other relevant information

Goodwill acquired through business combinations has been allocated to three cash generating units (CGU's) for impairment testing as follows:

Legends Sports Bar

Legends Sports Bar is a public bar with 18 gaming machines operating in Porirua.

The fair value of consideration for the purchase was \$200,000.

Goodwill was recognised on the 8th June 2015 acquisition due to the profitability The Ledge provides to the Group.

The recoverable amount has been determined based on a value in use calculation using cash flow projections based on financial forecasts approved by senior management which covers a five-year period. The growth rate of cash generation is assumed to be 2.5% per annum for the first 5 years and 2% per annum thereafter.

The discount rate applied to cash flow projections is 6.0%.

Post Office Hotel

The Post Office Hotel is a Hotel with public bar and 14 gaming machines operating in Pahiatua.

The fair value of consideration for the purchase was \$1,760,000.

Goodwill was recognised on the 20th Feb 2017 acquisition due to the profitability The Post Office Hotel provides to the Group.

The recoverable amount has been determined based on a value in use calculation using cash flow projections based on financial forecasts approved by senior management which covers a five-year period. The growth rate of cash generation is assumed to be 2.5% per annum for the first 5 years and 2% per annum thereafter.

The discount rate applied to cash flow projections is 6.0%.

The Jackson Street Bar

The Jackson Street Bar is a public bar with 18 gaming machines operating in Masterton.

The fair value of consideration for the purchase was \$1,119,787.

Goodwill was recognised on the 31st March 2017 acquisition due to the profitability The Jackson Street Bar provides to the Group.

The recoverable amount has been determined based on a value in use calculation using cash flow projections based on financial forecasts approved by senior management which covers a five-year period. The growth rate of cash generation is assumed to be 2.5% per annum for the first 5 years and 2% per annum thereafter.

The discount rate applied to cash flow projections is 6.0%.

(ii) Carrying amount of goodwill allocated to each group of cash generating units

	Group 2021 \$	Group 2020 \$
The Ledge	79,364	79,364
Post Office Hotel	395,000	395,000
Jackson Street Bar	<u>175,000</u>	<u>175,000</u>
Total Goodwill	<u>649,364</u>	<u>649,364</u>

(iii) Key assumptions used in value in use calculations for cash generating units

14 INTANGIBLE ASSETS (continued)

The calculation of value in use for all CGU's is most sensitive to the following assumptions: gross margins, discount rates and growth rates used.

Gross margins are based on the average achieved in the last 12 months.

For the purposes of impairment testing a terminal growth rate has been used for all segments based on long-term industry averages.

(iv) Sensitivity to changes in assumptions

With regard to the assessment of the value in use for all CGU's, the Group believes that no reasonably possible change in any of the above key assumptions would cause the carrying values of the units to materially exceed its recoverable amount.

15 TRADE AND OTHER PAYABLES

	Group 2021 \$	Group 2020 \$
Trade creditors	1,162,700	785,550
Interest payable	4,382	5,026
Capital payables	58,562	161,100
Accrued expenses	777,263	539,101
Intangible payables	5,750	472
Revenue in advance	<u>166,212</u>	<u>1,125,517</u>
	<u>2,174,869</u>	<u>2,616,766</u>

16 EMPLOYEE ENTITLEMENTS

	Group 2021 \$	Group 2020 \$
Current portion		
Accrued pay	345,078	267,145
Accrued leave	764,638	688,026
Provision for staff long service / retirement benefits	19,158	20,881
Sick pay	<u>1,935</u>	<u>3,889</u>
	<u>1,130,809</u>	<u>979,941</u>
Non-current portion		
Provision for long service / retirement benefits	<u>35,089</u>	<u>29,599</u>
	<u>35,089</u>	<u>29,599</u>
Total employee entitlements	<u>1,165,898</u>	<u>1,009,540</u>

17 BORROWINGS

	Group 2021	Group 2020
	\$	\$
Current liabilities		
Bank overdrafts	-	295,989
Other loans	<u>25,000</u>	<u>35,000</u>
	<u>25,000</u>	<u>330,989</u>
Non-current liabilities		
Secured bank loans	20,000,000	20,000,000
Other loans	<u>64,584</u>	<u>89,584</u>
	<u>20,064,584</u>	<u>20,089,584</u>

This Note provides information about the contractual terms of the Group's interest-bearing borrowings. For more information about the Groups exposure to interest rate risk see Note 20.

All movements in borrowings are cash.

Terms and debt repayment schedule

Terms and conditions of outstanding loans were as follows:

	Nominal interest rate	Year of maturity	Face value 2021	Carrying amount 2021
			\$	\$
Group				
Secured BNZ Bank loans	2.66%-5.12%	2023	15,000,000	15,000,000
Secured BNZ Bank loans	5.16%	2022	5,000,000	5,000,000
Other loans	0.0%		89,584	89,584
Bank overdrafts			-	-
Total interest-bearing liabilities			<u>20,089,584</u>	<u>20,089,584</u>

The ANZ overdrafts are secured with registered first mortgages over land and buildings with a carrying amount of \$7,100,000 (2020: \$7,547,571). The ANZ also has a general charge over Trust House Limited's assets. The BNZ loans are secured by first charge mortgages over the residential housing portfolio. A secondary security is also held over the rental income stream from the housing portfolio.

18 CAPITAL AND RESERVES

Group	Revaluation reserve \$	Retained earnings \$	Total equity \$
Balance at 1 April 2019	272,846	70,993,679	71,266,525
Total comprehensive income / (expense)	<u>-</u>	<u>6,459,643</u>	<u>6,459,643</u>
Balance at 31 March 2020	<u>272,846</u>	<u>77,453,322</u>	<u>77,726,168</u>
Balance at 1 April 2020	272,846	77,453,322	77,726,168
Total comprehensive income / (expense)	<u>892,190</u>	<u>59,028,007</u>	<u>59,920,197</u>
Balance at 31 March 2021	<u>1,165,036</u>	<u>136,481,329</u>	<u>137,646,365</u>
Minority interest	Revaluation reserve \$	Retained earnings \$	Total equity \$
Balance at 1 April 2019	16,609	4,321,740	4,338,349
Total comprehensive income / (expense)	<u>-</u>	<u>393,231</u>	<u>393,231</u>
Balance at 31 March 2020	<u>16,609</u>	<u>4,714,971</u>	<u>4,731,580</u>
Balance at 1 April 2020	16,609	4,714,971	4,731,580
Total comprehensive income / (expense)	<u>54,312</u>	<u>3,593,330</u>	<u>3,647,642</u>
Balance at 31 March 2021	<u>70,921</u>	<u>8,308,301</u>	<u>8,379,222</u>

The large increase in capital in 2020-21 was largely as a result of the strong residential housing market. The revaluation of the residential housing portfolio at 31 March 2021 led to an increase in capital and reserves of \$57,631,570. This revaluation is part of the non-operating income on the Statement of profit or loss.

19 FINANCIAL INSTRUMENTS

Exposure to credit interest rate and liquidity risk arises in the normal course of the Group's business.

Market Risk

Market risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks include three types of risk, interest rate risk, currency risk and other price risk.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a finance instalment or customer contract leading to a financial loss

Management has a process in place under which each new customer seeking credit with the Group is individually analysed for credit worthiness and assigned a purchase limit before credit is offered.

The Group does not require collateral in respect of trade and other receivables, except in relation to rental properties where bonds are required and lodged with the tenancy tribunal.

The Group's exposure to credit risk is mainly influenced by its customer base, as such it is concentrated to the default risk of its industry. No single customer balance would be considered material.

Investments are allowed only in call or short-term deposits with specified counterparties.

Credit quality of financial assets

Cash and cash equivalents are held with the ANZ which currently has a Standard and Poor's credit rating of AA. Trade and other receivables are all with counterparties without credit ratings with no history of default with Trust House Limited in the past.

Liquidity risk

Liquidity risk represents the Group's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an ongoing basis. In general, the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has credit lines in place to cover potential shortfalls.

	Group 2021	Group 2020
	\$	\$
Overdrafts and credit lines in place	2,000,000	2,000,000
Term facilities undrawn	3,000,000	1,000,000

Interest rate risk

The Group regularly reviews the balance between its fixed rate and floating rate borrowings. The Group has flexibility within its borrowing facilities to move between fixed and floating rates as required.

Other market price risk

The Group is not exposed any other substantial market price risk arising from financial instruments.

Quantitative disclosures

Credit risk

The carrying amount of financial assets represents the Group's maximum credit exposure.

19 FINANCIAL INSTRUMENTS (continued)

(a) Liquidity risk

The following table sets out the contractual cash flows for all financial liabilities, except for lease liabilities in Note 30.

Group 2021	12 months or less \$	1-2 years \$	2-5years \$	More than 5 years \$	Contractual cash flows \$	Carrying Amount \$
Secured bank loans	784,700	5,639,089	15,308,805	-	21,732,594	20,000,000
Other loans	25,000	25,000	39,584	-	89,584	89,584
Trade and other payables	1,456,713	-	-	-	1,456,713	1,456,713
Bank overdraft	-	-	-	-	-	-
Total liabilities	<u>2,266,413</u>	<u>5,664,089</u>	<u>15,348,389</u>	<u>-</u>	<u>23,278,891</u>	<u>21,546,297</u>
Group 2020						
Secured bank loans	916,900	916,900	21,157,603	-	22,991,403	20,000,000
Other loans	35,000	25,000	64,584	-	124,584	124,584
Trade and other payables	1,080,528	-	-	-	1,080,528	1,080,528
Bank overdraft	295,989	-	-	-	295,989	295,989
Total liabilities	<u>2,328,417</u>	<u>941,900</u>	<u>21,222,187</u>	<u>-</u>	<u>24,492,504</u>	<u>21,501,101</u>

(b) Sensitivity analysis

Interest rate risk

The effect of a +100bps increase in interest rates applicable to the floating rate financial instruments held by the Group is a reduction in profit of \$17,399 (2020:\$63,550).

19 FINANCIAL INSTRUMENTS (continued)

(c) Classification and fair values

Group	Financial assets at amortised cost \$	Total carrying value and fair value \$
2021		
Assets		
Trade and other receivables	536,904	536,904
Cash and cash equivalents	<u>3,843,838</u>	<u>3,843,838</u>
	<u>4,380,742</u>	<u>4,380,742</u>
2020		
Assets		
Trade and other receivables	1,419,912	1,419,912
Cash and cash equivalents	<u>882,216</u>	<u>882,216</u>
	<u>2,302,128</u>	<u>2,302,128</u>

UNAUDITED

19 FINANCIAL INSTRUMENTS (continued)

Group	Financial liabilities at amortised cost	Fair value amount
	\$	\$
2021		
Liabilities		
Trade and other payables	1,456,713	1,456,713
Borrowings	<u>20,089,584</u>	<u>20,089,584</u>
Total liabilities	<u>21,546,297</u>	<u>21,546,297</u>
2020		
Liabilities		
Trade and other payables	1,080,528	1,080,528
Borrowings	<u>20,420,573</u>	<u>20,420,573</u>
Total liabilities	<u>21,501,101</u>	<u>21,501,101</u>

20 COMMITMENTS AND CONTINGENCIES

The Group had capital commitments of \$Nil at 31 March 2021 (2020; \$Nil).

The Group had contingent liabilities of \$55,000 as at 31 March 2020 (2019: \$55,000)

The Group has a contingent liability in relation to the lease of the Island Bay Bar. This business was sold in 2015 and Trust House Limited is liable to make lease payments until the end of the lease in November 2029 in the event that the new business owner is unable to pay.

UNAUDITED

21 RECONCILIATION OF NET PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2021 \$	Group 2020 \$
Net Profit/(Loss) for year	62,621,337	6,852,874
Add (less) non-cash items:		
Depreciation	1,724,207	1,732,750
Amortisation of intangibles	105,808	112,351
Revaluation of investment properties	(57,806,570)	(5,345,490)
Provisions	98,123	(27,551)
Fixed assets impairment / (reversal)	(911,763)	5,000
Investment property impairment	-	164,000
(Gain) loss on sale of intangibles	9,596	(1,660)
(Gain) loss on sale of fixed assets	(2,724)	(111,073)
Gain on sale of investment property	(68,735)	22,556
Investments issued in lieu of rebates	-	51,446
	<u>(56,852,058)</u>	<u>(3,397,671)</u>
Add (less) movements in working capital items:		
(Increase) / decrease in receivables and prepayments	800,545	(1,147,383)
(Increase)/ decrease in inventories	(43,117)	11,868
Increase / (decrease) in charitable distributions payable	(67,203)	117,464
Increase/ (decrease) in employee entitlements	156,358	118,534
Increase/ (decrease) in trade and other payables	<u>(369,115)</u>	<u>536,182</u>
	<u>477,468</u>	<u>(363,335)</u>
Net cash inflow from operating activities	<u>6,246,747</u>	<u>3,091,868</u>

22 FINANCE INCOME AND EXPENSES

	Consolidated 2021 \$	2020 \$
Finance costs		
Interest expense	839,822	1,024,947
Lease interest expense	<u>95,578</u>	<u>94,664</u>
Total finance costs	<u>935,400</u>	<u>1,119,611</u>
Interest income	<u>(1,500)</u>	<u>(6,941)</u>
Total finance income	<u>(1,500)</u>	<u>(6,941)</u>
Net finance costs	<u>933,900</u>	<u>1,112,670</u>

23 RELATED PARTY TRANSACTIONS

(i) Parent and ultimate controlling party

The ultimate controlling party of Trust House Limited is the Masterton Community Trust.

(ii) Transactions with key management personnel

Several of the Directors of Trust House Limited and Trustees of Masterton Community Trust own or run businesses in their own right. A number of these entities transacted on an arms-length basis. All transactions are entered into in the normal course of business.

During the year Directors and senior management, as part of a normal customer relationship, were involved in minor transactions with Trust House Limited (such as purchase of meals or liquor). Directors and senior management are entitled to a 10% discount on non-discounted goods. These buying privileges are available to all employees.

Mena Antonio, a Director of Trust House Limited, is a Trustee of Leaving the Ladder Down Charitable Trust. During the year Trust House Limited and Group made a charitable donation to the trust of \$6,000 (2020: \$Nil).

Lucy Griffiths, a Director of Trust House Limited, is the spouse of a major shareholder in Technology Solutions which provides technology services and hardware to Trust House Limited. Technology Solutions has been the preferred supplier of information technology hardware and services to the Trust House Group for at least 20 years, pre-dating Lucy Griffiths election to Masterton Community Trust and appointment to the the Board of Trust House Limited. During the year Trust House Limited paid Technology Solutions \$165,892 (2020: \$202,545). The amount outstanding at year end was \$34,240 (2020: \$17,531). Trust House Group paid \$172,811 (2020: \$206,889) during the year and the amount outstanding at year end was \$35,570 (2020: \$18,329)

Toni Kennerley, a Director of Trust House Limited, is a major shareholder of Planalytics NZ Limited which provides strategic housing and policy-related services to Trust House Limited. During the year Trust House Limited and Group paid Planalytics NZ Limited \$2,500 (2020: \$Nil). The amount outstanding at year end was \$2,875 (2020: \$Nil).

Cindy Grant, a senior manager of Trust House Limited, and her spouse jointly own Power Related Services Limited (PRSL) which provides electrical services and storage to Trust House Group. During the year Trust House Limited paid PRSL \$950 (2020: \$4,300). The amount outstanding at year end was \$Nil (2020: \$Nil). Trust House Group paid \$950 (2020: \$4,300) during the year and the amount outstanding at year end was \$Nil (2020: \$Nil)

(iii) Key management and personnel compensation

	2021	2020
	\$	\$
Salaries and other short-term benefits	996,608	1,021,300
Post-employment benefits	17,239	18,764
	1,013,847	1,040,064

Key management personnel compensation comprises that of the Directors, Trustees, Chief Executive and other senior managers.

Employee Remuneration

The following table shows the number of employees whose total remuneration (including benefits) exceeds \$100,000 per annum.

	2021	2020
\$130,000 - \$140,000	-	1
\$140,000 - \$150,000	1	-
\$150,000 - \$160,000	1	-
\$160,000 - \$170,000	1	2
\$190,000 - \$200,000	-	1
\$200,000 - \$210,000	2	-
\$300,000 - \$310,000	-	1
	5	5

23 RELATED PARTY TRANSACTIONS (continued)

(iv) Other related party transactions

	2021	2020
	\$	\$
(a) Masterton Community Trust		
Shares in Trust House Ltd (number of shares) 10,026,629		
MCT Trustees Fees paid by Trust House Limited	21,556	16,920

When Masterton Licensing Trust was changed to Masterton Community Trust, to minimise costs, Masterton Community Trust was set up as non-trading parent. Its minimal expenses are paid by Trust House Limited.

(b) Trust House Foundation (THF)

(i) Trust House Foundation is an independent trust. Three of the Directors of Trust House Limited are also Trustees of Trust House Foundation.

(ii) Gaming machine proceeds are generated in the premises of Trust House Limited, Rimutaka Licensing Trust and other independent operators. Trust House Foundation has established regional net proceeds committees in Masterton, Rimutaka, Flaxmere and Porirua. Regional net proceeds committees consider grant applications from their area and make recommendations to the Trust House Foundation board. The Trust House Foundation board considers these recommendations and may or may not approve them.

	2021	2020
	\$	\$
Funds available 1st April	755,894	694,334
Net surplus before charitable distributions	3,909,591	4,283,189
Grants unclaimed	169,112	134,036
Grants approved	<u>(3,184,701)</u>	<u>(4,355,665)</u>
	<u>1,649,896</u>	<u>755,894</u>

For a full list of these grants please refer to Note 32.

Site rentals paid by THF to THL	1,169,996	1,233,489
Management Fees paid by THF to THL	458,896	500,000

As at 31 March 2021, Trust House Foundation owed Trust House Limited \$689,366 (2020: \$12,238).

24 CURRENT PROVISIONS

	Group 2021	Group 2020
	\$	\$
Legal claims	<u>100,000</u>	<u>-</u>
	<u>100,000</u>	<u>-</u>

The legal claims provisions is for potential legal fees in relation to a dispute over a land sale. The purchaser did not complete the contract by the required date and the Group exercised its right to cancel the contract. The legality of this cancellation is being disputed by the purchaser.

25 NON-CURRENT PROVISIONS

	Group 2021	Group 2020
	\$	\$
Property reinstatement provisions	<u>14,842</u>	<u>16,719</u>
	<u>14,842</u>	<u>16,719</u>

The Group leases one premise. A condition of the lease is that the Group must, if required by the landlord at the end of the lease, reinstate the premises to the configuration and condition at the lease inception.

	Property reinstatement provisions	Total
	\$	\$
Group 2021		
Non-current		
Opening balance as at 1 April 2020	16,719	16,719
Provisions added	<u>(1,877)</u>	<u>(1,877)</u>
Closing provision at 31 March 2021	<u>14,842</u>	<u>14,842</u>
Group 2020		
Non-current		
At 1 April 2019	44,270	44,270
Provisions added	3,635	3,635
Previously leased building purchased	<u>(31,186)</u>	<u>(31,186)</u>
At 31 March 2020	<u>16,719</u>	<u>16,719</u>

26 GROUP ENTITIES

Subsidiaries

Trust House Limited is a subsidiary. Trust House Foundation is a controlled entity.

The Group has applied IFRS 10 Consolidated Financial Statements in preparing these financial accounts.

27 CAPITAL MANAGEMENT

The Groups capital includes share capital, reserves and retained earnings.

The Groups policy is to maintain a capital base so as to maintain creditor and community confidence and to sustain future development of the business.

The Group is not subject to any externally imposed capital requirements.

There have been no material changes in the Groups' management of capital during the period.

28 INCOME TAX

	Consolidated	
	2021	2020
	\$	\$
(a) Income tax expense		
Current tax:		
Current tax on profits for the year	-	-
Adjustments in respect of prior years	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of temporary differences	-	-
Impact of change in New Zealand tax rate	-	-
Total deferred tax	-	-
Income tax expense	-	-
 (b) Numerical reconciliation of income tax expense to prima facie tax payable		
Surplus / (deficit) before tax and donations	65,662,926	11,115,003
Charitable donations	(3,041,589)	(4,262,129)
	62,621,337	6,852,874
Income tax @ 28%	17,533,974	1,918,805
Tax effect of a change in tax rates	-	-
Tax effects of:		
Non taxable income	(17,533,974)	(1,918,805)
	-	-

29 LEASES

The group leases premises, equipment such as photocopiers and televisions, and vehicles as part of its normal trading activities.

The group also has a land right of use asset that is classified as an investment property.

On adoption of NZ IFRS 16 Leases the group utilised the following practical expedients available under the standard

- a) applied a single discount rate to a portfolio of leases with similar terms and similar class of underlying asset
- b) excluded initial direct costs from the measurement of the right of use assets at the date of initial application

The following is a reconciliation of operating lease commitments disclosed at 31 March 2019 to the lease liabilities recognised on 1 April 2019

	Group \$
Total operating commitments disclosed at 31 March 2019	1,200,452
Intangible commitment where IFRS 16 not applied	(95,360)
Minor adjustments relating to commitment disclosures	<u>35,311</u>
Operating lease liabilities before discounting	<u>1,140,403</u>
Discount using incremental borrowing rate	<u>(132,194)</u>
Operating lease liabilities	<u>1,008,209</u>
Reasonably certain extension options	<u>970,717</u>
Total lease liabilities recognised under IFRS 16 at 1 April 2019	<u>1,978,926</u>
In relation property plant & equipment	588,926
In relation to investment property	<u>1,390,000</u>
	<u>1,978,926</u>

The weighted average incremental borrowing rate applied to lease liabilities at 1 April 2019 initial application was 5.48%. There was no impact on prior period results and no impact on equity at 31 March 2019.

Trust House Foundation (a controlled entity) paid Class IV gaming venue payments which are a lease by nature. The payments are variable dependent on gaming income. In these circumstances IFRS 16 permits payments to be classified as ordinary operating expenses and no right of use asset to be created.

	Group 2021 \$	2020 \$
Venue payments made	311,431	350,285

Lease liabilities are presented at net present value in the statement of financial position are as follows.

	Group 2021 \$	Group 2020 \$
Current	236,504	209,048
Non-current	<u>1,512,391</u>	<u>1,440,752</u>
	<u>1,748,895</u>	<u>1,649,800</u>

29 LEASES (continued)

Reconciliation of liabilities arising from financing activities is as follows.

	Group 2021	Group 2020
	\$	\$
Liabilities at 31 March 2020	1,649,800	1,978,926
Additional leases entered into	258,687	88,215
Liabilities extinguished on purchase of freehold	-	(233,237)
Lease debt repaid during the year	<u>(159,592)</u>	<u>(184,104)</u>
Lease liabilities at 31 March 2021 at Net Present Value	<u>1,748,895</u>	<u>1,649,800</u>

At 31 March 2021 the group had no commitments to leases which had not commenced

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities for the group at 31 March 2021 is as follows.

	Within 1 year	1-2 years
	\$	\$
Lease payments		
31 March 2021	256,870	209,300
31 March 2020	229,163	178,705

The movement in leased assets included in note 13 Property, plant & equipment for the group is as follows.

	Land & Buildings	Motor Vehicles
Added 1 April 2019 on adoption of IFRS 16	306,356	112,248
Right of use assets extinguished on purchase of freehold	(234,473)	-
Additions	-	52,738
Depreciation for the year	<u>(34,657)</u>	<u>(68,452)</u>
Net book value at 31 March 2020	37,226	96,534
NBV		
At 1 April 2020	37,226	96,534
Additions	-	91,285
Disposals	-	-
Depreciation for the year	<u>(21,272)</u>	<u>(64,260)</u>
Net book value at 31 March 2021	<u>15,954</u>	<u>123,559</u>

29 LEASES (continued)

Leases as lessor

	Group 2021 \$	Group 2020 \$
Less than one year	247,750	441,753
Between 1 and 2 years	247,750	432,528
Between 2 and 5 years	606,188	738,044
Over five years	<u>417,083</u>	<u>417,083</u>
	<u>1,518,771</u>	<u>2,029,408</u>

The Group has number of commercial premises where the trading business has been sold but the freehold or leasehold interest has been retained and the properties leased to the purchaser or third parties.

30 SUBSEQUENT EVENTS

The Group has no subsequent events.

31 COVID-19 IMPACTS

On the 24th March 2020 the New Zealand Government, in response to the coronavirus pandemic, put the country on alert level 3. Two days later the alert level was raised to level 4.

Alert level 3 required the public bars, bottle stores, and gaming operations of the group to cease trading. The Copthorne Solway Park hotel continued to trade on a limited basis providing accommodation and meals for essential workers. The residential housing services stayed open as an essential service.

As the alert levels dropped, the group's operations progressively reopened but with social distancing restrictions limiting customer numbers and reduced gaming machines available to play until entering alert level 1 on 9th June 2020.

The group applied for and received a government wages subsidy of \$1,032,374 in April 2020. Of this subsidy \$995,504 has been recognised in these accounts.

A restructure at Copthorne Solway Park, to match staffing with expected lower conferencing business, resulted in a small number of redundancies.

Discretionary spending was reduced substantially in advertising, marketing, sponsorship and maintenance areas in particular.

Trading, since returning to alert level 1, has exceeded expectations. High visitor numbers to the Wairarapa, a relatively buoyant local economy, and a marked increase in residential property values has led to higher spending in hospitality and hotel accommodation.

32 GRANTS APPROVED

The Masterton Community Trust did not make any grants during the year.

	Group 2021 \$	Group 2020 \$
Trust House Foundation - (see below for full grants listing)	3,015,589	4,221,629
Trust House Limited		
Masterton food bank	20,000	-
Leaving the ladder down charitable trust	6,000	-
Iron Maori	-	30,000
Wairarapa free budgeting service	-	10,000
Fostering Kids NZ	-	500
Group Charitable Donations	3,041,589	4,262,129

Trust House Foundation grants by region:

Grants approved Masterton

Age Concern New Zealand Inc	1,360
Air Training Corps Assn Masterton Branch 21 Squadron	2,000
All Kiwi Sports Club Inc	100,000
Aratoi Regional Trust	55,000
Arthritis New Zealand	2,500
Autism New Zealand - Wellington and Wairarapa	4,000
Autism Wairarapa Charitable Trust	25,000
Brain Injury Association (Wgtn) Inc	500
Brain Injury Association Central Districts Inc	600
Bush Childrens Day Trust	2,000
Bush Multisports Trust	15,000
Bush Ruahine Indoor Bowls Centre Inc	1,600
Camp Quality Wellington/Central Districts	14,990
Capital Zone Basketball Trust	10,000
Carterton Golf Club Inc	8,000
CCS Disability Action Wairarapa Inc	5,000
ChangeAbility Inc	22,000
Cobblestone Trust	5,000
Community Budgeting Trust (Wairarapa) Inc	2,415
Community Networks Wairarapa Inc	15,000
Connecting Communities Wairarapa Inc	10,000
Crisis Pregnancy Support Wairarapa Trust	7,500
Dalefield Hockey Club	12,000
Destination Wairarapa Inc	150,000
Digital Seniors	15,000
Douglas Villa Association Football Club Inc	5,000
Dressage Wellington	8,000
Eat Up New Zealand Trust	2,305
Epilepsy Association of New Zealand Inc	5,000
Eventing Wairarapa	2,969
Featherston Booktown Trust	15,000
Featherston Hockey Club Inc	2,000
Fell Locomotive Museum Inc	2,000
Ferridge School	15,000
Giants Softball Club	2,800
Golden Shears International Shearing Championships Society Inc	43,000
Greytown Lioness Club	850
Greytown Sport & Leisure Society Inc	7,500
He Kahui Wairarapa Inc	12,000

32 GRANTS APPROVED (continued)

Heart Kids Wellington	5,000
Hoe Tonga Pacifica Waka Ama Association	3,000
Holdsworth Restoration Trust	12,000
House of Science Wairarapa Charitable Trust	6,000
Hurunui-o-Rangi Marae	22,335
IHC New Zealand Inc	5,000
Jazz in Martinborough	2,800
Kia Kaha Hockey Club Inc	2,500
King Street Artworks Inc	20,000
Kopuaranga Hall Society Inc	500
Kuranui College Board of Trustees	6,000
Lansdowne Cricket Club Inc	2,131
Leaving The Ladder Down Charitable Trust	22,000
Leukaemia and Blood Cancer New Zealand	5,000
Life Education Trust Wairarapa Tararua and Central Hawkes Bay	12,500
Live Like The River Flows Charitable Trust	1,000
Mahunga Golf Club Inc	3,000
Martinborough Bowling Club	2,500
Martinborough Music Festival Trust	3,500
Martinborough Rugby Football Club Inc	750
Martinborough School	20,000
Masterton Community Church	2,500
Masterton Community Patrol	6,000
Masterton District Brass Band Inc	8,000
Masterton District Council	3,500
Masterton Eketahuna Pro-am	5,000
Masterton Family Education and Support Centre	5,000
Masterton Golf Club	15,000
Masterton Loved 4 Life Chapter 11	1,500
Masterton Primary School	2,760
Masterton Racing Club Inc	5,000
Masterton Red Star Rugby Club	6,461
Masterton Squash Rackets Inc	5,000
Masterton Swimming Club Inc	5,000
Masterton Theatre Company Inc	10,000
Masterton Young Citizens Club Inc	7,000
Maungarai Junior Youth Darts	4,000
Mount Bruce Hall Society Inc	2,000
MS Primary Schools Sports	1,900
National Motorcycle Rally 2021	3,000
Netball Wairarapa Inc	46,000
New Zealand Equestrian Federation Inc - Wairarapa	10,000
New Zealand Suzuki Institute Inc	1,500
Ngai Tumapuhia A Rangi Maori Marae Committee Inc	7,000
Ngai Tumapuhia-a-Rangi Ki Okautete Inc	25,000
Ngati Hamua Te Kohanga Reo	5,000
NZ Council of Victim Support Groups - Wairarapa	4,923
Opaki School Board of Trustees	3,000
Outward Bound Trust of New Zealand	10,000
Pahiatua Community Services Trust	15,000
Pahiatua Railcar Society Inc	7,500
Pahiatua Womens Hockey Club	5,000
Papawai Marae Kaumatua Housing Trust	25,750
Parent to Parent NZ Inc Wellington	2,500
Parkinson's New Zealand	7,371
Pirinoa School	6,000
Poto College House Trust	2,945
Pre Shears Woolhanding Championships	3,870
Presbyterian Support Central	2,000
Pukaha Mount Bruce Board	70,000
Red Star Cricket Club	4,282

32 GRANTS APPROVED (continued)

Ronald McDonald House Charities New Zealand Trust	4,000
Royal New Zealand Foundation of the Blind	5,000
Shelter Masterton Inc	97,000
Sport Wellington	10,000
Starjam Charitable Trust	4,000
Supporting Families In Mental Illness NZ (SFNZ) Ltd	10,000
Tararau Mountain Race Charitable Trust	1,959
Tararua College Board of Trustees	3,900
Tararua Community Youth Services Inc	4,000
Te Awhina Cameron Community House Inc	70,000
Te Maara O Te Atua Trust	5,000
The Duke of Edinburgh's Hillary Award	2,000
The Life Flight Trust	5,625
The Masterton Savage Club Inc	471
The Pahiatua Marae Inc	3,000
The Pukaha To Palliser Trust	8,000
The Scout Association of New Zealand	6,000
The Wellington Multiple Sclerosis Society Inc	800
Tora Bombora	2,500
Wainuioru School	4,000
Wairarapa Arts Festival Trust	10,000
Wairarapa Branch Black & Coloured Sheep Breeders Assn	2,795
Wairarapa Bush Rugby Football Union Inc	125,000
Wairarapa Cancer Society Inc	16,000
Wairarapa Citizens Advice Bureau	2,000
Wairarapa College	5,000
Wairarapa College Sports Foundation	20,000
Wairarapa Community Centre Trust	4,000
Wairarapa Cricket Association Inc	25,000
Wairarapa Dragon Boat Club Inc	2,700
Wairarapa Fern & Thistle Pipe Band	6,075
Wairarapa Harness Racing Club Inc	3,000
Wairarapa Hockey Association Inc	10,000
Wairarapa Maori Vestry	1,500
Wairarapa Mathematics Association	2,000
Wairarapa Parents Centre Inc	3,500
Wairarapa Racing Club Inc	20,000
Wairarapa REAP	23,162
Wairarapa Rescue Trust	10,000
Wairarapa Southern Hawkes Bay Sheep Dog Trial Club	5,000
Wairarapa Spitfires Baseball Club Inc	3,447
Wairarapa Track and Field Inc	5,000
Wairarapa Waka Ama Canoe Club	17,500
Wairarapa Whanau Trust	22,000
Wairarapa Woodworkers Guild Inc	5,596
Wairarapa Youth Charitable Trust	40,000
Wellington Free Ambulance Service Inc	20,000
Wellington Swimming Association	5,000
Wings Over Wairarapa Community Trust	80,000
Y M C A Central Inc Masterton	25,000
Yarns in Barns	6,000

Total grants approved Masterton

1,904,197

Grants approved Porirua

Aotea College	15,000
Arthritis New Zealand	2,500
Barnardos New Zealand	8,000

32 GRANTS APPROVED (continued)

Big Buddy Mentoring Trust	3,000
Birthingright Wellington Inc	5,000
Bishop Viard College	30,000
Brandon Intermediate Board of Trustees	2,245
Cannons Creek Opportunity Centre	10,000
College Sport Wellington	7,500
Derek Wootton Memorial Trust	28,000
Dsport	5,358
English Language Partners NZ Trust - Porirua Centre	13,783
Environmental Education for Resource Sustainability Trust	3,255
Glennette Marching Club	2,000
Glenview School	2,077
Holy Family School	13,709
Kapi Mana Netball Centre	50,519
Kapi-Mana Music Festival Charitable Trust	750
Kickback Touch Football Club Rugby Inc	5,000
Life Education Trust North Wellington	20,000
Lions Club of Mana Charitable Trust	10,000
Literacy Aotearoa Charitable Trust	12,500
Mana College	10,000
Mana Special Needs Childrens Trust	10,000
Mana Volunteer Coastguard Inc	15,000
Mary Potter Hospice	30,000
New Zealand Barbarians Tag Football Inc	5,000
Ngatitua Tennis Club Inc	2,000
Northern United Netball Club	3,778
Northern United Rugby Football Club Inc	20,000
Ole Soccer Academy	14,000
Pacific Heat Sports Club	2,340
Paremata Plimmerton Junior Softball Club	10,566
Paremata Plimmerton RFC	10,000
Parkinson's New Zealand	10,000
Plimmerton Bowling Club Inc	2,691
Porirua Basketball Association	22,000
Porirua City Classic Touch	5,000
Porirua City Tag NZTFI Module Inc	5,000
Porirua Foundation Inc	23,800
Porirua Grand Traverse Trust	20,000
Porirua Living Without Violence	5,000
Porirua Menzshed Inc	3,000
Porirua Rowing Club	10,000
Porirua Tag NZTFI Reps Inc	5,000
Porirua Whanau Centre Trust	20,000
Pregnancy Help Porirua	5,000
Pukerua Bay School	2,330
Rangikura School	5,078
Read NZ Te Pou Muramura Inc	5,000
Sexual Abuse Prevention Network	2,500
Skylight	1,500
Sri Lankan Senior Association Inc NZ	2,898
St Theresa's School Board of Trustees	5,150
Tawa Hockey Club Inc	2,000
Tawa Intermediate School	5,185
Tawa Linden Playcentre	1,900
Tawa Lyndhurst Tennis Club Inc	6,300
Tawa Progressive and Ratepayers Assn Inc	7,661
Tawa Rugby Football Club Inc	4,000
Tawa Services Bowling Club Inc	3,025
Te Kura Maori o Porirua	3,840
The House of Grace Trust Inc	5,000
The Outpawed Rescue Trust	1,600

32 GRANTS APPROVED (continued)

The Scout Association of New Zealand	6,000
Titahi Bay Bowling Club	20,000
Wellington City Mission Anglican Trust Board	70,000
Wellington Hutt Valley Boxing Association Inc	15,000
Wellington North Badminton Association Inc	4,000
Wellington Pride Festival Inc	7,139
Wellington Rugby League Masters	3,000
Wellington Touch Association Inc	5,000
Wellington Volunteer Centre	12,000
Wesley Wellington Mission Inc	7,500
Whanau Manaaki Kindergartens - Brian Webb	5,500
Whanau Manaaki Kindergartens - Tui Park	10,000
Whitby Bowling Club Inc	8,359
Whitby Tennis Club	5,000
YMCA Central Inc	8,800
Youth Development Trust Wellington	15,000
Zonta Club Of Mana Area Inc	1,537

Total grants approved Porirua **788,173**

Grants approved Rimutaka

Arthritis New Zealand	1,000
Big Buddy Mentoring Trust	6,000
Gilbert Road Residents Society	1,635
Kaitoke Pistol Club Inc	9,000
Rimutaka Incline Railway Heritage Trust	11,350
Rimutaka Inline Hockey Club Inc	3,000
Seniornet Upper Hutt Inc	2,415
Tararua Sports Club	25,000
Te Marua Golf Club Inc	15,000
Top Schools Cluster	41,855
Trentham United Harrier & Walkers Club Inc	5,913
Upper Hutt Foodbank Inc	6,000
Upper Hutt Toy Library Inc	2,200
Upper Hutt Women's Centre Inc	19,000

Total grants approved Rimutaka **149,368**

Grants approved Flaxmere

Age Concern Flaxmere Inc	8,000
Arthritis New Zealand	1,500
Arts Inc Heretaunga Inc	5,000
Big Brothers Big Sisters of Hawke's Bay	3,000
Birchleigh Polo	5,000
Brain Injury Association (HB) Inc	6,000
Christian Lovelink	2,000
Diocese of Palmerston North - CPOH	6,000
Flaxmere Baptist Church Community Trust	6,000
Flaxmere College	2,004
Flaxmere Planning Committee	30,000
Flaxmere Schools Cluster	100,000
FOTO Iwi	1,421
Hastings Art and Culture Trust	3,500
Hastings Artists Group Inc	1,000
Hastings District Council	25,000
Hawkes Bay Community Fitness Centre Trust	30,000
Hawkes Bay Softball Association	6,000
Heretaunga Women's Centre	4,000

32 GRANTS APPROVED (continued)

It Takes Time	2,000
NZ Council of Victim Support Groups Hawkes Bay	2,000
Ocean Beach Kiwi Surf Life Saving Club Inc	3,445
Orchestrate Hawkes Bay	3,000
Outward Bound Trust of New Zealand	9,000
Presbyterian Support East Coast - Family Works Hawkes Bay (FWHB)	20,000
Taiao Combat Academy	2,788
Tamatea Rugby League Club Inc	4,000
The Cranford Hospice Trust	28,305
The Hearing Association - Hastings Branch Inc	5,000
The Scout Association of New Zealand	3,000
Wharariki (Flax) Trust	10,000
Youth Development Trust Hawkes Bay	5,000
Total grants approved Flaxmere	<u>342,963</u>
Total grants approved	3,184,701
Reversed / reduced	<u>(169,112)</u>
	<u>3,015,589</u>

UNAUDITED