

**ROD DONALD BANKS
PENINSULA TRUST
TE PATAKA O
RAKAIHAUTU**

ACCOUNTS FOR THE PERIOD

**01 JULY 2011
TO
31 DECEMBER 2011**

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DIRECTORY

Address	53 Hereford Street Christchurch
Trustees	G Moore (Chair) C Reid S Miller S Wright-Stow T Korako N Shirlaw S Mortlock
Bankers	Bank of New Zealand Christchurch
Auditors	Audit New Zealand on behalf of the Office of the Auditor General

**Statement of Comprehensive Income
for the six months ended 31 December 2011**

	Note	2012 \$
Revenue from operations	2(a)	-
Other income		48,267
		<u>48,268</u>
Other expenses	2(b)	10,619
		<u>10,619</u>
Profit (loss) before income tax expense		<u>37,649</u>
Income tax expense		-
Net Surplus/(Deficit) for period		<u>37,649</u>
Other Comprehensive Income		-
Total Comprehensive Income		<u>37,649</u>

The accompanying notes form part of these financial statements.

**Statement of Changes in Equity
for the six months ended 31 December 2011**

	Retained earnings \$
Balance as at 01 July 2011	3,567,509
Total comprehensive income for the period	37,649
Balance as at 30 June 2012	<u><u>3,605,158</u></u>

The accompanying notes form part of these financial statements.

**Statement of Financial Position
as at 31 December 2011**

	Note	2012 \$
Current assets		
Cash and cash equivalents		414,723
Trade and other receivables	4	40,434
Other financial assets - short-term deposits	7	<u>1,750,000</u>
Total current assets		<u><u>2,205,157</u></u>
Non-current assets		
Other financial assets - long-term deposits	7	<u>1,400,000</u>
Total non-current assets		<u><u>1,400,000</u></u>
Total assets		3,605,157
Current liabilities		
Trade and other payables	5	<u>-</u>
Total current liabilities		<u><u>-</u></u>
Non-current liabilities		
Borrowings		-
Total non-current liabilities		<u><u>-</u></u>
Total liabilities		-
Net assets		<u><u>3,605,157</u></u>
Equity		
Capital and other equity instruments		-
Retained earnings	6	3,605,158
Total equity		<u><u>3,605,158</u></u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

1. Statement of Significant Accounting Policies

a. Reporting Entity

These are the unaudited financial statements of the Rod Donald Banks Peninsula Trust, a Charitable Trust created by the Christchurch City Council on 12 July 2010. The Trust was established with endowment funds from Banks Peninsula District Council and named to honour the memory of Rod Donald and his commitment to Banks Peninsula and the Trust exists for the benefit of the present and future inhabitants of the Banks Peninsula and visitors to the region.

The Trust's long term vision is to restore the Banks Peninsula to its traditional status as Te Pataka o Rakaihautu – the storehouse that nourishes. In pursuit of this vision the Trust promotes the sustainable management and conservation of the natural environment of the Banks Peninsula.

These unaudited financial statements of the Trust are for the six month period ended 31 December 2011.

b. Basis of financial statement preparation

The financial statements of the Rod Donald Banks Peninsula Trust have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) as appropriate for public benefit entities.

Differential Reporting

The Trust is a qualifying entity within the Framework for Differential Reporting. The differential reporting option is available to the Trust as it is not large within the meaning of this term as set out in the Framework and is not publicly accountable. The Trust has taken advantage of all differential reporting concessions available to it.

The financial statements are prepared under the historical cost convention, as modified by the revaluation of investment properties.

The functional and presentation currency is New Zealand dollars, and all values are rounded to the nearest dollar.

c. Revenue

Revenue is measured at the fair value of consideration received. Interest income is recognised using the effective interest method.

d. Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

e. Income tax

The Inland Revenue Department (IRD) has confirmed that the Trust has charitable status for tax purposes and is therefore not liable for income tax.

f. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits, and other short-term highly liquid investments with maturities of three months or less.

g. Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost less impairment provision.

h. Trade and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost.

i. Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

j. Goods and Services Tax

The Rod Donald Banks Peninsula Trust is not registered for GST. All amounts stated are inclusive of GST where applicable.

k. Provisions

A provision is recognised in the balance sheet when the Trust has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the obligation.

I. Critical accounting estimates and assumptions

In preparing these financial statements the Trust has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

2. Profit from operations

a. Revenue

	2012 \$
Revenue from operations	
Grants & Donations	-
	<u>-</u>
Other Income	
Interest received	48,267
	<u>48,267</u>
Total revenue	<u><u>48,267</u></u>

b. Expenses

	Note	2012 \$
Other Expenses:		
Bank Charges		15
Professional Fees		4,873
Website costs		211
Trustee insurance cover		5,520
Auditors remuneration	3	<u>10,619</u>
Total expenses		<u><u>10,619</u></u>

3. Remuneration of Auditors

	2012 \$
Audit New Zealand:	
Audit of financial statements	-
	<u>-</u>

4. Current trade and other receivables

	2012 \$
Debtors and Accruals	
GST receivable	-
Interest Receivable	40,434
	<u>40,434</u>

The carrying value of trade and other receivables approximates their fair value.

5. Current trade and other payables

	2012 \$
Trade payables	-
GST payable	-
Related Party Payables	-
	<u>-</u>

6. Retained Earnings

	2012 \$
Balance at beginning of financial year	3,567,509
Surplus/(deficit)	<u>37,649</u>
Balance at end of financial year	<u>3,605,158</u>

7. Financial Instruments

Financial instruments are cash and cash equivalents and term deposits as set out below.

	2012
	\$
Current Financial Assets:	
Current account - Bank of New Zealand	414,723
Kiwibank term deposit	500,000
CBS Canterbury term deposit	250,000
Kiwibank term deposit	1,000,000
	<u>2,164,723</u>
Non-Current Financial Assets	
Kiwibank term deposit	1,000,000
Kiwibank term deposit	400,000
	<u>1,400,000</u>
	<u><u>3,564,723</u></u>

Risk

The Trust has policies to manage the risks associated with financial instruments. The Trust is risk averse and seeks to minimise exposure from its treasury activities.

Interest rate risk

The Trust is exposed to interest rate risk on funds invested at both fixed and floating interest rates. The risk is managed by restricting investment to quality investment grade issues, pursuant to Christchurch City Council’s investment policy.

Credit Risk

Credit risk refers to the risk that a third party will default on its contractual obligations to the Trust, causing the Trust to incur a loss. Financial instruments which potentially subject the Trust to credit risk consist principally of cash and short term investments, and accounts receivable.

The Trust banks with Bank of New Zealand (BNZ), Kiwibank, and CBS Canterbury. The credit ratings for each of these organisations from Standard and Poor’s (Australia) Pty Ltd are:

Bank of New Zealand	AA
Kiwibank	AA –
CBS Canterbury	BBB –

