

INDEPENDENT AUDITOR'S REPORT

To the Trustees of the Awahuri Forest / Kitchener Park Trust

Report on the Financial Information

Opinion

We have audited the financial information in the performance report on pages 5 to 13 of Awahuri Forest / Kitchener Park Trust which comprise the statement of financial position as at 30 June 2020, the statement of financial performance and statement of cash flows for the year then ended, and the statement of accounting policies and notes to the performance report.

In our opinion the accompanying financial information presents fairly the financial position of the Awahuri Forest / Kitchener Park Trust as at 30 June 2020 and its financial performance and cash flows for the year ended on that date in accordance with the requirements of Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, relevant to reporting financial position, financial performance and cash flows.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described below in the Auditor's Responsibilities for the Audit of the Financial Information section of our report. We are independent of the entity in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unqualified opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Awahuri Forest / Kitchener Park Trust.

Restriction on Responsibility

This report is made solely to the Trustees as a body. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Other Information

The Trustees are responsible for the other information. The other information comprises the entity information and statement of service performance but does not include the financial information and our auditor's report thereon.

Our opinion on the financial information does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial information or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based, on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

The Trustees Responsibility for the Financial Information

The Trustees are responsible for determining that the Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) framework is acceptable in the entity's circumstances and, for the preparation of financial information in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit), and for such internal control as the Trustees determine is necessary to enable the preparation of financial information that are free from material misstatement, whether due to fraud or error.

In preparing the financial information, the Trustees are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Information

Our objectives are to obtain reasonable assurance about whether the financial information as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misinformation can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial information.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CKS Audit

CKS Audit
31 July 2020

Awahuri Forest / Kitchener Park Trust

Performance Report For the year ended 30 June 2020

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Awahuri Forest / Kitchener Park Trust

Entity Information For the year ended 30 June 2020

Legal name of the entity:	Awahuri Forest / Kitchener Park Trust
Type of entity/legal basis:	The Trust is a Registered Charity, incorporated in New Zealand under the Charitable Trusts Act 1957. The Trust is controlled by the Manawatu District Council and is an exempt Council Controlled Organisation (CCO), as defined by the Local Government Act 2002.
Registration Number:	2614107

Entity's Purpose or Mission:

The Trust has the following charitable purposes:

- (a) To assist in the ecological restoration, management and enhancement of the land at Kitchener Park and for this purpose to maintain a five year plan which, with an annual budget, will be made available to the Settlor for its approval prior to the commencement of each financial year;
- (b) To steer and co-ordinate the raising of funds to assist the restoration, management, enhancement, promotion and further development of the land at Kitchener Park;
- (c) To encourage community access to Kitchener Park, and foster knowledge of and interest in the ecological restoration activity at Kitchener Park;
- (d) To ensure the continued protection and restoration of Kitchener Park where possible and restore biodiversity values;
- (e) To create a safe haven for native plant and animal species, controlled for plant and animal pests;
- (f) To collaborate with other relevant organisations and individuals to reintroduce locally extinct or threatened plant and animal species, to ensure their long term survival;
- (g) To develop self-sustaining threatened species populations which will act as source populations for the creation of future community restoration projects in the Manawatu District;
- (h) To care for some special collections, including the podocarp, epiphyte and lichen collections presently established at Kitchener Park;
- (i) To support scientific and historic research of the Kitchener Park ecosystem or components thereof;
- (j) To educate the general public, especially school children, about the need to conserve and protect native forest environments in New Zealand.

Awahuri Forest / Kitchener Park Trust

Entity Information For the year ended 30 June 2020

Trust Structure:	Our trust deed states that the number of Trustees shall not be fewer than four (4) nor more than six (6). Currently the Trust has six Trustees and one Advisory Trustee, that constitute the Trust's governance board. Trustees / governance members may lead sub-committees as determined by our annual work plan and priorities.
Operational structure:	Our operations are managed by a contract with Recreational Services.
Main Sources of the Entity's Cash and Resources:	The Trust has received its income mainly from local government and donations.
Contact information:	Awahuri Forest / Kitchener Park Trust
Physical Address:	C/- Manawatu District Council 135 Manchester St Feilding
Postal Address:	PO Box 527 Feilding 4740
Phone:	06 328 8790
Email:	email: jilldarragh@xtra.co.nz

Awahuri Forest / Kitchener Park Trust

Statement of Service Performance For the year ended 30 June 2020

The Trust's primary goals for the 2019-20 year:

Description of the Entity's Outputs, Measures of Quantity and Quality (to the extent practicable), and Measures of the Timeliness of Delivery (if this is important):	Actual	Actual
	This Year	Last Year
Ecological restoration of Kitchener Park.	1,500 Larger Tress and 300 Grasses and nursery plants planted	7,000 seedlings planted
	Stage one of willow removal from oxbow beyond the bus turning area. Clearing a new area for restoration and indigenous replanting over next 2 years.	-
	Pest control extended buffer zone continued with no possums, rats or mustelids caught in the park. Resulting in increased indigenous bird species identified in the park this year.	Pest control buffer extended, 20 traps laid.
To encourage community access to Kitchener Park.	Five Education Days with local Schools were held throughout the year. An additional Five days were planned for March but cancelled due to the effects of COVID-19.	Open day held on Anniversary Day weekend, approximately 100 visitors

Additional Output Measures:

This year:

A section of the boardwalk was rebuilt and repairs and strengthening work was carried out on the forestry to oxbow lookout.

Landscaping works were carried out around the Whare.

West Side working group formed. This is to plan, scope, design and implement indigenous ecological restoration and walking tracks on the western side of the park over the next three to six years.

Initiated scientific investigations into the feasibility and risks of using biological weed controls in the park. This will be an ongoing assessment of risks and benefits to complement the existing mechanical and the very limited chemical weed management allowed in the park.

Started an archive on the history of the park.

Last year:

Solar lights and park signage installed.

Awahuri Forest / Kitchener Park Trust

Statement of Financial Performance For the year ended 30 June 2020

	Note	2020 \$	2019 \$
Revenue			
Manawatu District Council Operating Grant		93,510	91,620
Donations, grants, fundraising and other similar revenue	1	6,598	27,510
Interest, dividends and other investment revenue		466	577
Gain on Sale of Assets		-	310
Total revenue		100,573	120,017
Expenses			
Employee related costs	2	-	-
Costs related to providing services	2	89,731	69,962
Administration and Overheads	2	3,362	3,739
Total expenses		93,093	73,701
Surplus/(deficit) for the year		7,481	46,316

The financial information should be read in conjunction with the accompanying statement of accounting policies, notes to the performance report and audit report

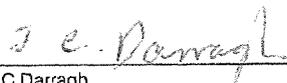


Awahuri Forest / Kitchener Park Trust

Statement of Financial Position
As at 30 June 2020

	Notes	2020 \$	2019 \$
Current assets			
Bank accounts and cash	3	64,402	80,549
Debtors and other receivables	3	33,708	7,942
Total current assets		<u>98,110</u>	<u>88,491</u>
Non-current assets			
Property, plant and equipment	4	22,356	24,907
Total non-current assets		<u>22,356</u>	<u>24,907</u>
Total assets		<u>120,466</u>	<u>113,398</u>
Current liabilities			
Creditors and accrued expenses	3	10,511	16,506
Income in Advance	3	5,582	-
Total liabilities		<u>16,093</u>	<u>16,506</u>
Total assets less total liabilities (net assets)		<u>104,373</u>	<u>96,892</u>
Accumulated Funds			
Capital contributed by settlor	5	20	20
Accumulated surpluses/(deficits)	5	93,130	85,650
Reserves	5	11,222	11,222
Total Accumulated Funds		<u>104,372</u>	<u>96,892</u>

ON BEHALF OF THE TRUSTEES:



 J.C. Darragh
 Chairperson
 Awahuri Forest / Kitchener Park Trust

The financial information should be read in conjunction with the accompanying statement of accounting policies,
notes to the performance report and audit report



Awahuri Forest / Kitchener Park Trust

Statement of Cash Flows For the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Cash flow from Operating Activities			
<i>Cash was received from:</i>			
Funding from central or local government		99,092	91,620
Donations, fundraising and other similar receipts		14,498	19,610
Interest, dividends and other investment receipts		333	535
 <i>Cash was disbursed to:</i>			
Payment to suppliers and employees		(128,422)	(75,394)
Net GST movement		(1,648)	(4,345)
Net cash flows from operating activities		(16,147)	32,026
 Cash flow from Investing and Financing Activities			
<i>Cash was disbursed to:</i>			
Purchase of property, plant and equipment		-	(25,674)
Net cash flows from Investing and Financing Activities		-	(25,674)
Net increase (decrease) in cash and bank		(16,147)	6,352
Opening cash and bank		80,549	74,197
Closing cash and bank		64,402	80,549
 This is represented by:			
Bank Accounts and Cash	3	64,402	80,549
		64,402	80,549

The financial information should be read in conjunction with the accompanying statement of accounting policies,
notes to the performance report and audit report



Awahuri Forest / Kitchener Park Trust

Statement of Accounting Policies For the year ended 30 June 2020

Reporting Entity

Awahuri Forest / Kitchener Park Trust is a Trust, established in 2014 under the Charitable Trusts Act 1957 and is a registered Charity under the Charities Act 2005.

Basis of Preparation

Awahuri Forest / Kitchener Park Trust has elected to apply PBE SFR (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000.

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

The performance report is prepared under the assumption that the Trust will continue to operate in the foreseeable future.

Awahuri Forest - Kitchener Park Trust is a Council Controlled Organisation (CCO).

Section 7 of the Local Government Act 2002 authorises Council to exempt small CCO's from the statutory obligations set out in the Act. In June 2017, Council exempted the Trust in accordance with Section 7.

Because of this decision, the Trust was not required to prepare a Statement of Corporate Intent.

Goods and Services Tax (GST)

All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

Revenue

Grants

Council, government and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("used or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

Donated assets

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

Interest revenue

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

Bank accounts and cash

Bank accounts and cash comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Debtors

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

Awahuri Forest / Kitchener Park Trust

Statement of Accounting Policies (continued) For the year ended 30 June 2020

Property, plant and equipment

Property, plant and equipment is recorded at cost less accumulated depreciation and impairment losses (if applicable).

Depreciation

Depreciation is provided on a straight line basis on plant and equipment at rates that will write off the cost of the assets to their estimated residual lives over their residual lives. The residual value and useful life of an asset is reviewed and adjusted, if applicable, at each financial year end.

The useful lives and associated depreciation rate of major class of assets have been estimated as follows:

Plant and Equipment	5 years	20%
Signage	5 years	21%
Lighting	17 years	6%

Creditors and accrued expenses

Creditors and accrued expenses are measured at the amounts owed.

Income Tax

The Trust has been granted charitable status by the Inland Revenue Department and is therefore exempt from income tax.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year.

Awahuri Forest / Kitchener Park Trust

Notes to the Performance Report For the year ended 30 June 2020

Note 1 Analysis of Revenue

Revenue Item	Analysis	2020 \$	2019 \$
Donations, fundraising and other similar income	Horizons Regional Council	5,868	-
	Central Energy Trust	-	7,900
	Park Bench Sponsorship	300	1,900
	Transpower	-	9,000
	East Coast Lighting	-	3,000
	NZ Walking Access	-	3,000
	COGS	-	1,000
	Other Donations	430	1,710
Total		<u>6,598</u>	<u>27,510</u>

Note 2 Analysis of Expenses

Expense Item	Analysis	2020 \$	2019 \$
Costs related to providing goods or services	Contractors	65,662	58,491
	Plants / Park Maintenance	18,760	6,753
	Depreciation	2,552	1,619
	Insurance	1,571	1,079
	Project Expenses	-	837
	Signage	-	754
	Printing and Stationery	201	268
	Tools	-	162
	Central Energy Grant Expenditure	986	-
Total		<u>89,731</u>	<u>69,962</u>
Administration and Overheads	Audit Fees	2,100	2,032
	Administration Support	428	781
	Trustee Meeting Expenses	472	414
	Advertising	32	346
	Bank Fees	70	95
	Miscellaneous Park Expenses	259	69
Total		<u>3,362</u>	<u>3,739</u>

Awahuri Forest / Kitchener Park Trust

Notes to the Performance Report For the year ended 30 June 2020

Note 3 Analysis of Assets and Liabilities

		2020 \$	2019 \$
Bank accounts and cash	BNZ Current Account	13,830	5,252
	BNZ On Call Account	39,914	45,101
	BNZ Term Deposit (matures 7 July 2020)	10,658	30,196
		<u>64,402</u>	<u>80,549</u>
Debtors and prepayments	Central Energy Trust Grant	-	7,900
	GST Receivable	-	-
	Accrued Interest	132	42
	Prepaid Contribution	30,000	-
	Recreational Services	3,576	-
		<u>33,708</u>	<u>7,942</u>
Creditors and accrued expenses	Trade Payables	6,147	4,790
	GST Payable	2,364	716
	Audit Fees	2,000	2,000
	Expense Accruals	-	9,000
		<u>10,511</u>	<u>16,506</u>
Income Received in Advance	Manawatu District Council Community Development Grant	5,582	-
		<u>5,582</u>	<u>0</u>

Under an agreement between the Crown, Manawatu District Council and the Trust, the Trust will contribute \$30,000 for the Crown's purchased of the land from the current owner.

Awahuri Forest / Kitchener Park Trust

Notes to the Performance Report For the year ended 30 June 2020

Note 4 Property, Plant and Equipment

This Year

Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Plant and Equipment	24,907	-	-	2,551	22,356
Total	24,907	-	-	2,551	22,356

Last Year

Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Plant and Equipment	3,251	23,674	399	1,619	24,907
Total	3,251	23,674	399	1,619	24,907

Note 5 Accumulated Funds

This Year

Description	Capital Contributed by Settlor	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	20	85,649	11,222	96,891
Surplus/(Deficit)		7,481		7,481
Transfers to / (from)		-	-	-
Closing Balance	20	93,130	11,222	104,372

Last Year

Description	Capital Contributed by Settlor	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	20	38,383	12,173	50,576
Surplus/(Deficit)		46,316		46,316
Transfers to / (from)		951	(951)	-
Closing Balance	20	85,649	11,222	96,892

Breakdown of Reserves

Name	Nature and Purpose	Actual 2020	Actual 2019
		\$	\$
He Tini Awa Ohau River	From a consent with Horowhenua District Council and is required to be used in the Ohau River area.	10,180	10,180
He Tini Awa Oroua and Pohangina Rivers	From Gravel Consent levies and is needed to be spent on the Oroua and Pohangina Rivers.	425	425
Sheila Coombs	50% of \$5,000 for training / education 50% of \$5,000 for labour at Kitchener Park.	618	618
Total		11,222	11,222

Awahuri Forest / Kitchener Park Trust

Notes to the Performance Report For the year ended 30 June 2020

Note 6 Commitments and Contingencies

Commitments

There are no commitments as at balance date (2019 Nil).

Note 7: Related Party Transactions

Description of Related Party Relationship	Description of the Transaction (whether in cash or amount in kind)*	This Year	Last Year	This Year	Last Year
		\$	\$	\$	\$
		Value of Transactions	Value of Transactions	Amount Outstanding	Amount Outstanding
The Trust is a Council Controlled Organisation of the Manawatu District Council	Grant funds from Council	99,092	91,620	-	-

Note 8: Events after balance date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report.
(Last year: Nil)