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The Totara Foundation



Annual Report 2016



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Statement of Financial Performance

Statement of Movement of Trust Funds

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015 Restated*
Revenue from non-exchange transactions		
Gifts, bequests and donations	22,600	17,795
Revenue from exchange transactions		
Rental revenue - related entity	500,000	500,000
Rental revenue - house	-	17,513
Dividends	131,295	100,934
Total revenue (excluding gains)	<u>653,895</u>	<u>636,242</u>
Expenses		
Property costs	(38,873)	(40,744)
Management fee	(48,000)	(44,000)
Administration expenses	(23,196)	(23,472)
Depreciation	(436,395)	(467,375)
Audit Fees	(4,000)	(4,000)
Total expenses	<u>(550,464)</u>	<u>(579,591)</u>
Finance costs	-	-
Finance income	55,041	75,849
Net finance costs	<u>55,041</u>	<u>75,849</u>
Operating surplus	<u>158,472</u>	<u>132,500</u>
Other gains	240,390	537,437
Other losses	(72,724)	(40,297)
Surplus/(deficit) before non-operational donations	<u>326,138</u>	<u>629,640</u>
Specific donations made to related entity	(250,000)	(815,417)
Net surplus / (deficit) for the year	<u>76,138</u>	<u>(185,777)</u>
Other comprehensive revenue and expense	-	-
Total comprehensive revenue and expense for the year	<u>76,138</u>	<u>(185,777)</u>

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 30 JUNE 2016

	Accumulated comprehensive revenue and expense	Francis Fennell Scholarship Fund	Total
As previously stated as at 1 July 2014	15,030,710	173,866	15,204,576
Adjustment for changes in accounting policies due to initial application of PBE Standards	<u>138,266</u>	<u>-</u>	<u>138,266</u>
Restated total equity at 1 July 2014*	15,168,976	173,866	15,342,842
Surplus/ (deficit) for the year	(185,777)	-	(185,777)
Other comprehensive revenue and expense	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive revenue and expense for the year	<u>(185,777)</u>	<u>-</u>	<u>(185,777)</u>
Net transfers to/from other reserves	-	-	-
At 30 June 2015	<u>14,983,199</u>	<u>173,866</u>	<u>15,157,065</u>
At 1 July 2015 (restated*)	14,983,199	173,866	15,157,065
Surplus/ (deficit) for the year	76,138	-	76,138
Other comprehensive revenue and expense	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive revenue and expense for the year	<u>76,138</u>	<u>-</u>	<u>76,138</u>
Net transfers to/from other reserves	-	-	-
At 30 June 2016	<u>15,059,337</u>	<u>173,866</u>	<u>15,233,203</u>


* - Certain amounts shown here do not correspond to the 2015 financial statements and reflect adjustments made due to first time adoption of PBE standards.

Statement of Financial Position

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	2016	2015 Restated*
Current assets		
Cash and cash equivalents	767,665	430,744
Financial assets at fair value through surplus or deficit	2,031,576	1,940,848
Receivables from non-exchange transactions	-	-
Receivables from exchange transactions	96	-
Prepayments	-	-
Amounts due from related parties	-	156,250
Inventories	-	-
	<u>2,799,337</u>	<u>2,527,842</u>
Current liabilities		
Payables under exchange transactions	4,000	4,000
Goods and services tax	9,109	16,984
Amounts due to related parties	-	-
	<u>13,109</u>	<u>20,984</u>
Working capital surplus/ (deficit)	2,786,228	2,506,858
Non-current assets		
Property plant and equipment	104,151	109,502
Investment properties	11,274,824	11,705,868
Financial assets at fair value through surplus or deficit	<u>1,068,000</u>	<u>834,837</u>
	<u>12,446,975</u>	<u>12,650,207</u>
NET ASSETS/ (LIABILITIES)	<u>15,233,203</u>	<u>15,157,065</u>
EQUITY		
Accumulated comprehensive revenue and expense	15,059,337	14,983,199
Other reserves	<u>173,866</u>	<u>173,866</u>
TOTAL EQUITY	<u>15,233,203</u>	<u>15,157,065</u>

For and on behalf of the Board:

	22/09/2016
Chairperson	Date
	22/09/2016
Trustee	Date

* - Certain amounts shown here do not correspond to the 2015 financial statements and reflect adjustments made due to first time adoption of PBE standards.

Statement of Cash Flows

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
Cash flows from operating activities		
<u>Receipts</u>		
Receipts from non-exchange transactions	22,600	17,795
Receipts from exchange transactions	-	-
Interest received	55,041	75,849
Rentals received	500,000	517,513
Dividends received	131,295	100,934
<u>Payments</u>		
Payments to suppliers	(121,944)	(122,254)
Grants and contributions paid	(250,000)	(815,417)
Net cash flows from operating activities	<u>336,992</u>	<u>(225,580)</u>
Cash flows from investing activities		
<u>Receipts</u>		
Proceeds from sale of property plant and equipment	-	-
Proceeds from/(purchase of) sale of financial instruments	(156,225)	45,126
Proceeds from sale of investment property	-	579,735
Net cash flows from investing activities	<u>(156,225)</u>	<u>624,861</u>
Net cash flows from financing activities		
Proceeds from/ (repayment of) related party borrowings	156,154	(137,500)
Net cash flows from financing activities	<u>156,154</u>	<u>(137,500)</u>
Net increase/(decrease) in cash and cash equivalents	336,921	261,781
Cash and cash equivalents at 1 July	430,744	168,963
Cash and cash equivalents at 30 June	<u>767,665</u>	<u>430,744</u>

Basis of preparation

The Summary Financial Statements are prepared in accordance with New Zealand Generally Accepted Accounting Practice. The full Financial Statements have been prepared in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime. A full copy of the Financial Statements and Audit Report are available in hard copy from The Totara Foundation's registered office.

The Summary Financial Statements are presented in New Zealand dollar, which is the Foundation's functional currency.

These Summary Financial Statements have been extracted from the full Financial Statements dated 22nd September 2016. They cannot be expected to provide as complete an understanding as provided by the full Financial Statements.

Related Party Transactions and Balances

The Totara Foundation and Totara Hospice South Auckland have some common trustees. The following transactions have been entered into with Totara Hospice South Auckland and other related parties as indicated.

Balances	Nature of transaction	2016	2015
Totara Hospice South Auckland	Rental income (service note 1)	500,000	500,000
Totara Hospice South Auckland	Management fee expense (service note 2)	(48,000)	(44,000)
Totara Hospice South Auckland	Specific donations made (service note 3)	(250,000)	(815,417)
Totara Hospice South Auckland	Receivables (service note 4)	-	156,250

Note 1 - The Trust has entered into a lease agreement with Totara Hospice South Auckland for the premises at 140 Charles Prevost Road, The Gardens, Manukau. The rent paid for the premises is as stipulated in the lease agreement.

Note 2 - The administration fee paid by the Trust to Totara Hospice South Auckland is as stipulated in the management agreement between the two entities.

Note 3 - During the year, the Trust made specific donations to Totara Hospice South Auckland as stipulated above. The specific donations do not have any "use or return" conditions attached and have therefore been recognised as revenue in the year of receipt.

Note 4 - The amount receivable by the Trust from Totara Hospice South Auckland is unsecured, interest free and is repayable on demand. Therefore, no discounting is required.

Contingent liabilities

The Totara Foundation provides an annual renewable underwrite to Hospice South Auckland undertaking that in the event Hospice South Auckland is unable to meet its obligations as they fall due, The Totara Foundation will provide sufficient funding to ensure all creditors are paid in full. The underwrite was reviewed and renewed on 25 August 2016 for the next 12 months.

Completeness of income

Controls over donations and fundraising income prior to being recorded are limited. There are no practical procedures to determine the effect of this limited control. Our auditor's report has been modified accordingly.

Mervyn Ah Chee (independent)
Chair

John Bongard (independent)
Deputy Chair

Jatin Patel (independent)

Barbara Astill (appointed)

David Jones (appointed)

John Savory (appointed)

*Gray Maingay (resigned October 2015)



*'The totara tree is the king of the forest,
protecting the other trees'*



*Totara Foundation – ensuring Totara Hospice
South Auckland is there for future generations.*