

Four Regions Trust
Whanganui

Performance Report
For the Year Ended
31 March 2020

Four Regions Trust
Whanganui
Financial Report
for the Year Ended 31 March 2020

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Four Regions Trust
Whanganui
Entity Information
For the Year Ended 31 March 2020

Legal Name

Four Regions Trust
- Formerly known as the Powerco Wanganui Trust.

Entity Type & Legal Basis

The Four Regions Trust is a incorporated trust that is a registered charity under the Charitable Trust Act 1957.

Registration Number

Charities Commission Registration number is CC25598.

Mission Statement

That the income from investments be given as donations for providing significant community development within the local area.

Entity Structure

The Four Regions Trust is a Not-for-Profit organisation governed by its Board of Trustees. The Trust deed specifies the Trust be comprised of 4-7 Trustees. Three may be appointed by the Mayor of Whanganui after consultation with the Whanganui District Council and the Trustees ; Two may be appointed by the Mayor of Rangitikei after consultation with the Rangitikei District Council and the Trustees ; One may be appointed jointly by the Mayor of Ruapehu and South Taranaki after consultation with the Ruapehu and South Taranaki District Councils and the Trustees ; One may be appointed by the elected Trustees. The Secretary is responsible for the day to day administration of the Trust.

Trustees

Gillian M Lennox (Chair)	Ruapehu / South Taranaki District Councils
Ed L Boyd (Deceased 10 September 2019)	Four Regions Trust
Alan P Thomas	Rangitikei District Council
Philippa J Baker-Hogan	Whanganui District Council
Christopher R Renshaw	Rangitikei District Council
Andrew A T Collins (Vice Chair)	Whanganui District Council
Jennifer R Duncan (Appointed 1 April 2019)	Whanganui District Council
Simon C Badger (Appointed 20 February 2020)	Four Regions Trust

Four Regions Trust
Whanganui
Entity Information
For the Year Ended 31 March 2020



Secretary:

Markhams Wanganui Limited - James Bowen
249 Wicksteed Street
Whanganui

The Entity's reliance on volunteers and donations

The Four Regions Trust has no reliance on volunteers, donated goods or services.

Main Source of Cash & Resources

All revenue is derived from the Trust's investment portfolio.

Bankers

ANZ Bank New Zealand Limited
101 Victoria Avenue
Whanganui

Auditors

Silks Audit Chartered Accountants Limited
156 Guyton Street
Whanganui



Chairman's Report for the Year Ended 31 March 2020

I am very pleased to report another good year for the Four Regions Trust (formerly the Powerco Wanganui Trust). We are pleased to continue to achieve our objective to deliver improved returns year after year to our communities.

Due to Covid-19 and the volatility of the economy in NZ and the world, our equity has decreased by \$2,032,937 from last year, with funds invested now totalling \$34,008,121. There was a significant decrease in the value of our investments by \$2,225,587 from an increase of \$1,652,568 in 2019. Revenue from Interest Received and Australian Dividends Received were also down. With interest rates at record lows, dividend returns reduced and commercial rentals under pressure the Trusts income earning capacity will be under pressure in the coming year. On a positive note the trusts New Zealand and Australian investment funds have increased by \$2,226,416 since the large reduction as at 31 March 2020.

Our investment monitoring fees were down this year and most other costs are similar to previous years.

Our investments are held with Craigs Investment Partners who look after our New Zealand and Australian publicly listed shares and Elevation Capital who look after our global funds. The Trustees are appreciative of the advice we receive from our investment advisers, Hamish McKay and Simon Cairncross of Craigs Investment Partners and Michael Chamberlain of MCA New Zealand.

This year the Trustees approved donations to the community totalling \$882,420.00, which is less than last year when we had made a significant donation to the Sarjeant Gallery Trust. The Trust was mindful at the March meeting of the impact of Covid-19 and was cautious in that funding round. The full list of community organisations is below.

We have very good Trustees from all our districts that are very supportive of major community projects like Te Ora House Whanganui Inc for the purchase of their building, Hunterville Sport and Recreation Trust for repairs and maintenance to their swimming pool, Wanganui Riding for Disabled for their land purchase, Friends of Taihape Trust for constructing bridges, Northern Wanganui Rugby Sub Union for lighting and Border Rugby and Sports Club for lighting.

The Trust donated a significant amount of money to various community projects within the Four Regions Trust region. These donations enable organisations play a large part in maintaining social, economic and community strength. A total of 84 organisations benefited this year. This year the Trust supported the education, health, tourism, iwi, sport, cultural trusts and charities sectors throughout all our four districts.

Application Date	Organisation Name	Purpose	Amount Approved
31-Oct-19	Te Ora Hou Whanganui Incorporated	Building	\$100,000
26-Feb-20	Hunterville Sport and Recreation Trust	Repairs & Maintenance	\$50,000
27-Feb-20	Wanganui Riding for the Disabled	Land	\$50,000
25-Oct-19	Friends of Taihape Society	Constructing bridges	\$40,000
25-Oct-19	Northern Wanganui Rugby Sub Union	Lighting	\$30,000
28-Feb-20	Border Rugby & Sports Club	New Lighting	\$30,000
30-Oct-19	Wanganui Surf Lifeguard Services	ATV Vehicles	\$25,000
31-Oct-19	Whanganui City College	Chromebooks	\$25,000
24-Feb-20	Mataroa School	New Playground	\$25,000
19-Jun-19	Friends of Taihape Society	Bridges	\$20,000
28-Jun-19	Te Kohanga Reo o Kaiwhaiki	Vehicle	\$20,000
31-Oct-19	Waimarino Golf Club	Tractor	\$20,000
21-Feb-20	Rangatira Golf Club Inc	Mower	\$20,000
31-Oct-19	Whanganui Resource Recovery Centre Trust	Forklift	\$17,000

7-Oct-19	Sailability Whanganui Trust	Shed	\$15,000
31-Oct-19	Whanganui Vintage Weekend Trust	Advertising	\$15,000
21-Feb-20	Taihape Musicians Club	Maintenance	\$15,000
27-Feb-20	Waimarie Operating Trust	Winter Maintenance	\$15,000
28-Feb-20	Whanganui Enterprises Trust	Replacing roof	\$15,000
20-May-19	Wanganui Kindergarten Assoc. - St Johns Hill	Nature Discovery Area	\$10,000
20-Jun-19	Waverley Golf Club Incorporated	Electrical	\$10,000
21-Jun-19	Wanganui Motorcycle Club	Airfence/Barriers	\$10,000
24-Jun-19	Wanganui Air Ambulance Trust	Air Ambu-Lifters	\$10,000
28-Jun-19	Wanganui High School Rowing Club	Boat	\$10,000
28-Jun-19	St Johns Hill School	Heatpumps	\$10,000
28-Jun-19	Cricket Wanganui Inc	Annual renovation	\$10,000
28-Jun-19	Wai Ora Christian Community Trust	Computer system	\$10,000
24-Sep-19	Whanganui Intermediate School	Drinking Fountains	\$10,000
17-Oct-19	Wanganui Air Ambulance Trust	Defibrillator/Monitor	\$10,000
29-Oct-19	Bulls Returned & Services Association Inc	Van	\$10,000
31-Oct-19	Whanganui Regional Heritage Trust Board	Lights	\$10,000
31-Oct-19	St Anne's Catholic School	Technology	\$10,000
31-Jan-20	Whanganui Collegiate School	Gym Equipment	\$10,000
26-Feb-20	Wanganui Jockey Club	Irrigation system	\$10,000
26-Feb-20	Wanganui Golf Club Inc	Replacing mower	\$10,000
26-Feb-20	Wanganui Motorcycle Club	Airfence/Barriers	\$10,000
27-Feb-20	Parikino Te Kohanga Reo	Curtains and Carpet	\$10,000
28-Feb-20	Te Hunga Ririki Te Kohanga Reo	Drainage Issues	\$10,000
28-Feb-20	Cricket Wanganui Association	Blocks & Sprinkler	\$10,000
28-Jun-19	Wanganui Golf Club Inc	Motorbike	\$8,000
9-Sep-19	Castlecliff School	Technology	\$8,000
21-Oct-19	Hospice Wanganui	Electricity and Gas	\$8,000
20-May-19	Whangaeu School	School van	\$5,000
29-Oct-19	Mangamahu Church Trust	Painting	\$5,000
30-Oct-19	Cancer Society of NZ Whanganui Inc	Equipment & Technology	\$5,000
31-Oct-19	Aramoho Wanganui Rowing Club	Safety Equipment and Fobs	\$5,000
26-Feb-20	Marton School	Technology	\$5,000
26-Feb-20	Whanganui Camera Club	Replacing roof	\$5,000
28-Feb-20	Wanganui Sports Foundation	Inbody Bioscan	\$5,000
28-Feb-20	Whangaeu Hall Committee	Ramp and Deck	\$5,000
26-Jun-19	Cystic Fibrosis Association of NZ	Portable Nebulisers	\$4,000
27-Feb-20	Whanganui Collegiate School Foundation	Toilet Facilities	\$4,000
25-Feb-20	The Order of St John Central Region	Lifting cushion	\$3,720
28-Feb-20	Atene Marae Maori Reservation Trustees	Water Project	\$3,500
25-Jun-19	Te Ao Hou Marae	Chiller	\$3,000
28-Jun-19	Tawhero School	Robotics & Lego	\$3,000
9-Sep-19	Wanganui Petre Pony Club	Jump Stands	\$3,000
29-Oct-19	Hockey Section, Whanganui Roller Sports Inc.	Goal Cages and Rink	\$3,000
30-Oct-19	Wanganui Multisport Club Incorporated	Lifejackets	\$3,000
3-Feb-20	Kaitoke School	Chromebooks and iPad	\$3,000
24-Feb-20	YMCA Central Inc.	Renovations and Repairs	\$3,000
20-Jun-19	Whanganui Montessori Pre-School	Shade Sail	\$2,500
25-Jun-19	Wanganui Model Railway & Engineering Soc. Inc	Construction	\$2,000
26-Jun-19	Life Education Trust Wanganui & Districts	Carpet and Harold	\$2,000
28-Jun-19	Mosston School	Chromebooks	\$2,000
28-Jun-19	Okoia School	Chromebooks	\$2,000
28-Jun-19	Whanganui Advocacy and Support Trust	Technology	\$2,000
21-Oct-19	Brunswick School	Digital Technology Equip	\$2,000
29-Oct-19	Age Concern Whanganui	Computers	\$2,000
30-Oct-19	Bason Botanic Gardens Trust	Building	\$2,000
31-Oct-19	Taihape A and P Show Inc	Banner	\$2,000
27-Feb-20	Youth Services Trust Whanganui	Equipment & Fridge	\$2,000

28-Feb-20	Springvale Playcentre	Dishwasher & Cabinets	\$2,000
29-Oct-19	Living Hope Christian Family	Replacing Ovens	\$1,400
18-Jun-19	Whanganui City College	Uniforms	\$1,000
28-Jun-19	Taihape Community Development Trust	Technology	\$1,000
29-Oct-19	Parent to Parent Manawatu	Course	\$1,000
30-Oct-19	Bulls Toy Library Inc	New Toys	\$1,000
30-Oct-19	Search & Rescue Whanganui	Equipment	\$1,000
31-Oct-19	Whanganui Toy Library	Instruments	\$1,000
31-Oct-19	The Whanganui Learning Centre	Heat Pump	\$1,000
31-Oct-19	Wanganui Competitions Society Inc	Laptops	\$1,000
31-Oct-19	CCS Disability Action Whanganui Inc.	Furniture	\$700
28-Feb-20	Birthingright Wanganui Inc	Signage	\$600
			<u>\$882,420</u>

I thank my fellow Trustees for their community knowledge, insight and philanthropic understanding. Our funding meetings three times a year are one of my favourite days each year where we get to help so many in our community.

James Bowen of Moore Markhams, again this year has serviced the Four Regions Trust well as Secretary, assisted by Annette Fitness and Lucy Stewart who do the day-to-day administering of the Trust finances, the website and the donations. They have great understanding of our Trust's affairs and are a pleasure to work with.

I wish to convey my sincere condolences to Ed Boyd's family. Ed joined our trust as an independent Trustee in 2013 and brought to the table a broad understanding of the wider community and its organisations. He took the time to contact and visit many of the organisations to make sure he fully understood what they were about and trying to achieve.

I am privileged to have been appointed chair of the Four Regions Trust after the passing of Ed. Our region encompassing the four districts has many passionate people who apply to our trust for funding for their organisations and projects.

Thank you to you all and I wish you all well for the coming year which will be very different to what we have experienced in the past.


Gillian Lennox
Chair, Four Regions Trust



Statement of Service Performance for the year ended 31 March 2020

The outcomes of the Four Regions Trust include:

- Keeping up with sustaining our long-term funds to allow for both capital growth and donation funds to be paid annually.
- Delivering improved returns year on year.
- Helping charities and community organisations within our boundaries of Whanganui, Rangitikei, Ruapehu and South Taranaki area to achieve their objectives.
- Providing funds for community organisations to purchase infrastructure, capital works, maintenance and physical assets.
- Making sure, we fund the social, economic, cultural, educational, religious, recreational and physical environments within the defined boundaries of the Four Regions Trust area.

The outputs of the Four Regions Trust include:

	Actual 2020	Actual 2019
• Improvement in equity	-5.64%	4.72%
• Capital funds	\$34,008,121	\$36,041,058
• Annual donations to the community	\$882,420	\$1,428,800
• Number of organisations given funds	84	98

Other output measures:

The Trustees of the Four Regions Trust have continued with the services of the MCA New Zealand as well as Elevation Capital who invest our overseas equities.

Craigs Investment Partners invest working funds and invest our New Zealand and Australian equities.

We are very happy with the day-to-day administration supplied by Moore Markhams.

We are very well supported by the above organisations with their good advice and help.

We were able to achieve our objectives successfully through the mix of advice and support from the above-mentioned organisations.

Four Regions Trust
Whanganui
Statement of Financial Performance
For the Year Ended 31 March 2020

	<u>Mar 2020</u>	<u>Mar 2019</u>
	\$	\$
<u>Revenue (Note 5)</u>		
Interest, Dividends & Investment Income	(955,881)	3,141,004
Other Income	<u>14,277</u>	<u>23,663</u>
	<u><u>(\$941,604)</u></u>	<u><u>\$3,164,667</u></u>
<u>Less Expenses (Note 6)</u>		
Volunteer and Employee related payments	67,290	67,766
Costs related to providing Goods & Services	185,997	197,337
Donations & Grants made	828,994	1,265,261
Other Expenses	<u>9,052</u>	<u>9,262</u>
	<u><u>\$1,091,333</u></u>	<u><u>\$1,539,626</u></u>
 <u>Net Surplus/(Deficit) for Period</u>	 <u><u>(\$2,032,937)</u></u>	 <u><u>\$1,625,041</u></u>

Note: This Statement must be read in conjunction with the accompanying Notes.

Four Regions Trust
Whanganui
Statement of Financial Position
As at 31 March 2020

	<u>Mar 2020</u>	<u>Mar 2019</u>
	\$	\$
<u>Current Assets</u>		
Accounts Receivable (Note 9)	128,795	282,400
Cash at Bank (Note 7)	56,802	154,873
Investments (Note 8)	<u>2,038,956</u>	<u>2,858,775</u>
	2,224,553	3,296,048
<u>Non Current Assets</u>		
<u>Investments</u>		
Investments (Note 10)	32,690,918	34,375,832
<u>Fixed Assets</u>		
Plant & Equipment (Note 17)	<u>243</u>	<u>607</u>
<u>Total Assets</u>	34,915,714	37,672,487
<u>Less Liabilities</u>		
<u>Current Liabilities</u>		
Creditors and Accrued Expenses (Note 11)	28,091	27,429
Donations Approved But Not Paid	<u>879,502</u>	<u>1,604,000</u>
	907,593	1,631,429
<u>Total Net Assets</u>	<u>\$34,008,121</u>	<u>\$36,041,058</u>
Represented by:		
<u>Equity (Note 12 & 13)</u>		
Accumulated Funds	30,324,111	29,469,786
Investment Fluctuation Reserve	<u>3,684,010</u>	<u>6,571,272</u>
	<u>\$34,008,121</u>	<u>\$36,041,058</u>


 13 July 2020

Chairman



Secretary

for Markhams Wanganui Limited

Date

Note: This Statement must be read in conjunction with the accompanying Notes.

Four Regions Trust
Whanganui
Statement of Cash Flows
For the Year Ended 31 March 2020

	<u>Mar 2020</u> \$	<u>Mar 2019</u> \$
<u>Cash Flows from Operating Activities</u>		
<u>Cash was provided from:</u>		
Interest Dividends and other Investment Receipts	1,298,480	1,369,164
	<u>1,298,480</u>	<u>1,369,164</u>
<u>Cash was applied to:</u>		
Payment of Expenses (GST Inclusive)	193,060	226,861
Donations Paid	<u>1,553,492</u>	<u>1,277,031</u>
	<u>1,746,552</u>	<u>1,503,892</u>
<u>Net Cash Flows from Operating Activities</u>	<u>(448,072)</u>	<u>(134,728)</u>
<u>Cash Flows from Investing Activities</u>		
<u>Cash was provided for:</u>		
Net Proceeds from Sale of Investments	1,500,000	-
<u>Cash was applied to:</u>		
Net Purchase of Investments	1,150,000	200,000
Purchase of Property, Plant and Equipment	-	910
<u>Net Cash Flows from Investing Activities</u>	<u>350,000</u>	<u>(200,910)</u>
<u>Net Increase/(Decrease) in Cash Held</u>	<u>(98,072)</u>	<u>(335,638)</u>
Cash Held at 1st April 2019	<u>154,874</u>	<u>490,511</u>
<u>Balance of Cash Held as at 31st March 2020 (Note 5)</u>	<u><u>\$56,802</u></u>	<u><u>\$154,873</u></u>

Note: This Statement must be read in conjunction with the accompanying Notes.

Four Regions Trust

Whanganui

Schedule of Fixed Assets and Depreciation

For the Year Ended 31 March 2020



MOORE Markhams

Asset	Cost Price	Book Value 01/04/2019	Additions Disposals	Gain/Loss on Disposal	Capital Profit	---- Depreciation ----			Accum Deprec 31/03/2020	Book Value 31/03/2020
						Mth	Rate	\$		
<u>Plant & Equipment</u>										
Donation Management Software	13,328					0	40.0% CP		13,328	0
Donation Management Software - PDF Import & Display Function	1,868						40.0% CP	0	1,868	0
Donation Management Software - Trustees Section	910	607				12	40.0% CP	364	667	243
	16,106	607						364	15,863	243
<u>Total</u>	16,106	607						364	15,863	243

Note: This Statement must be read in conjunction with the accompanying Notes.

Four Regions Trust
Whanganui
Notes to the Financial Statements
For the Year Ended 31 March 2020

1. STATEMENT OF ACCOUNTING POLICIES

Basis of Preparation

The Four Regions Trust has elected to apply PBE SFR-A (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 entity will continue to operate in the foreseeable future.

Tier 2 PBE Accounting Standards Applied

The entity has adopted PBE IPSAS 29 Financial Instruments: Recognition and Measurement for the recognition of investments and PBE IPSAS 4 The Effects of Changes in Foreign Exchange Rates for the recognition of foreign exchange gains or losses.

GST

The financial statements have been prepared on a GST inclusive basis, as the entity is not registered for GST.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

- i Interest
Interest income is recognised as it accrues, using the effective interest method.
- ii Dividends
Dividends are recognised when received and are recorded gross of any imputation credits.
- iii Foreign Exchange gains/losses
Foreign currency transactions are translated into the functional currency of the entity, using exchange rates prevailing at the dates of transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year-end exchange rates are recognised in the profit and loss.

Investments

Investments are initially recorded at cost, then revalued to market value at balance date. Any revaluation change from year to year is transferred directly to the Statement of Financial Performance.

Donations

Donations are recognised as an expense when approved by the Trustees. Donations approved but not paid at balance date are recognised as a liability.

Four Regions Trust
Whanganui
Notes to the Financial Statements
For the Year Ended 31 March 2020

Plant & Equipment

Items of plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation is charged on diminishing value over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

Income Tax

The Four Regions Trust is registered as a Charitable entity under the Charities Act 2005 and is exempt from income tax under the Income Tax Legislation.

Bank Accounts and Cash

Bank Accounts and Cash are short term, highly liquid investments that are readily convertible to known amounts of cash are subject to an insignificant risk of changes in value.

Changes in Accounting Policies

There have been no changes in accounting policies. All other policies have been applied on bases consistent with those used in previous years.

2. RELATED PARTIES

The Four Regions Trust approved a donation of \$4,000 to Whanganui Collegiate School Foundation of which Gillan Lennox is a Trustee.

The Four Regions Trust approved a donation of \$2,000 to Youth Services Trust Whanganui of which Jenny Duncan is a Trustee.

(2019 : The Four Regions Trust approved a donation of \$50,000 to Whanganui (NZ) Masters Games Trust of which Philippa Baker-Hogan is the NZ Master Games Limited chairperson

The Four Regions Trust approved a donation of \$5,000 to Youth Services Trust Whanganui of which Jenny Duncan is a Trustee.

The Four Regions Trust approved a donation of \$5,000 to Tramways Wanganui Trust of which Ed Boyd was a Trustee.

The Four Regions Trust approved a donation of \$20,000 to Wanganui Boys and Girls Club Incorporated of which Ed Boyd was a Trustee.)

3. CONTINGENT LIABILITIES

At 31st March 2020 the Trust had no contingent liability . (2019: Nil) .

Four Regions Trust
Whanganui
Notes to the Financial Statements
For the Year Ended 31 March 2020

4. CAPITAL COMMITMENTS

At 31st March 2020 the Trust had no capital commitments. (2019: Nil)

5. ANALYSIS OF REVENUE

The Trust's Revenue is analysed as follows:

Interest, Dividends & Other Investment Income

Interest Received	682,006	732,039
New Zealand Dividends Received	229,333	210,121
Australian Dividends Received	56,328	254,698
Global Managed Funds Income	315,863	293,705
Foreign Exchange Translation	(13,824)	(2,127)
Increase/(Decrease) in Value of Investments	(2,225,587)	1,652,568
	(955,881)	3,141,004

Other Income

Rebate Received	14,277	23,663
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Total Revenue	<u>(941,604)</u>	<u>3,164,667</u>
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6. ANALYSIS OF EXPENSES

Volunteer & Employee Related Payments

Accident Compensation Levies	179	201
Travel	922	789
Trustee Fees	66,189	66,776
	67,290	67,766

Costs related to Providing Goods & Services

Accountancy & Secretarial Fees	50,200	50,769
Bank Fees	248	545
General Expenses	6,262	5,392
Insurance	3,485	3,485
Investment Consultancy Fees	11,558	10,192
Investment Monitoring Fees	114,244	126,954
	185,997	197,337

<u>Donations & Grants Made</u>	828,994	1,265,261
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Other Expenses

Audit Fees	8,688	8,274
Depreciation for Period	364	988
	9,052	9,262

Total Expenses	<u>1,091,333</u>	<u>1,539,626</u>
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Four Regions Trust
Whanganui
Notes to the Financial Statements
For the Year Ended 31 March 2020

	<u>Mar 2020</u> \$	<u>Mar 2019</u> \$
7. BANK ACCOUNTS AND CASH		
The Trust currently has funds in the following bank accounts :		
ANZ Bank New Zealand Limited - Current Account	56,685	46,459
ANZ Bank New Zealand Limited - Call Account	117	107,504
Bank of New Zealand - Oncall Account	-	910
Total Bank Accounts and Cash	<u>56,802</u>	<u>154,873</u>
8. INVESTMENTS BANK DEPOSITS CAPITAL FUNDS		
The Trust currently has deposits in bank accounts as capital funds :		
Craigs Investment Partners - Cash Accounts	1,173,925	1,658,775
ANZ Bank New Zealand Limited - Term Deposits	-	1,000,000
Nikko	865,031	200,000
Total Bank Deposits- Capital Funds	<u>2,038,956</u>	<u>2,858,775</u>
9. ACCOUNTS RECEIVABLE		
Accounts Receivable is made up of the following:		
Interest Accrual	128,795	133,649
Quay Street Australian Equity Fund Income	-	146,738
Rebate on Management Fee	-	2,013
	<u>128,795</u>	<u>282,400</u>
10. INVESTMENTS		
The Trust has the following invested through :		
Craigs Investment Partners in NZ Public Listed Shares	5,585,275	6,536,271
Craigs Investment Partners in Aust Public Listed Shares	4,602,931	5,552,462
Craigs Investment Partners in NZ Fixed Interest	14,995,793	14,176,952
Elevation Capital in Global Funds	7,506,919	8,110,147
	<u>32,690,918</u>	<u>34,375,832</u>
11. ACCOUNTS PAYABLE		
Accounts Payable is made up of the following:		
Creditors	28,091	27,429
	<u>28,091</u>	<u>27,429</u>

Four Regions Trust
Whanganui
Notes to the Financial Statements
For the Year Ended 31 March 2020

	<u>Mar 2020</u>	<u>Mar 2019</u>
	\$	\$
12. RETAINED EARNINGS		
Opening Balance	29,469,786	29,587,913
Net Surplus/(Deficit) for Period	(2,032,937)	1,625,041
Transfer to/from Investment Fluctuation Reserve	<u>2,887,262</u>	<u>(1,743,168)</u>
Closing Balance	<u><u>\$30,324,111</u></u>	<u><u>\$29,469,786</u></u>
13. INVESTMENT FLUCTUATION RESERVE		
Opening Balance	6,571,272	4,828,104
Investment Revaluation Transfer from Retained Earnings	<u>(2,887,262)</u>	<u>1,743,168</u>
Closing Balance	<u><u>\$3,684,010</u></u>	<u><u>\$6,571,272</u></u>

The Trustees have established an Investment Fluctuation Reserve to set aside funds from the years when returns from the financial investments are greater than expected, which are to be used in the years when such returns are less than expected. The purpose is to maintain consistent levels of annual distributions.

14. EVENTS AFTER BALANCE DATE

The Board of Trustees are aware that the COVID-19 pandemic has affected the value of the Trust's investments and are taking steps to minimise the financial impact on the Trust's assets.

15. ASSETS USED AS SECURITY FOR LIABILITIES

No assets have been used as security for liabilities as at the reporting date. (2019: NIL)

16. ASSETS HELD ON BEHALF OF OTHERS

No assets have been used as security for liabilities as at the reporting date. (2019: NIL)

Four Regions Trust
Whanganui
Notes to the Financial Statements
For the Year Ended 31 March 2020

Mar 2020 **Mar 2019**
\$ \$

17. PROPERTY PLANT AND EQUIPMENT

2020	<u>Book</u>				<u>Book</u>
<u>Asset Class</u>	<u>Value</u>	<u>Purchases</u>	<u>Sales &</u>	<u>Current Year</u>	<u>Value</u>
	<u>01/04/2019</u>		<u>Disposals</u>	<u>Depreciation</u>	<u>31/03/2020</u>
Computers & Software	607	-	-	364	243
Total	607	-	-	364	243

2019	<u>Book</u>				<u>Book</u>
<u>Asset Class</u>	<u>Value</u>	<u>Purchases</u>	<u>Sales &</u>	<u>Current Year</u>	<u>Value</u>
	<u>01/04/2018</u>		<u>Disposals</u>	<u>Depreciation</u>	<u>31/03/2019</u>
Computers & Software	685	910	-	988	607
Total	685	910	-	988	607

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Four Regions Trust

Report on the Performance Report

We have audited the performance report of Four Regions Trust on pages 7 to 16 which comprises the entity information, the statement of service performance, the statement of financial performance, statement of movements in equity and statement of cash flows for the year ended 31 March 2020, the statement of financial position as at 31 March 2020, and the statement of accounting policies and other explanatory information.

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the accompanying performance report on pages 7 to 16 presents fairly, in all material respects,
- the entity information for the year then ended;
 - the service performance for the year then ended; and
 - the financial position of Four Regions Trust as at 31 March 2020, and its financial performance, and cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Performance Report section of our report. We are independent of Four Regions Trust 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 opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Four Regions Trust.

Other Information

The Trustees are responsible on behalf of the Trust for the other information. The other information comprises the Chairman's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements 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 statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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.

Responsibilities of the Trustees for the Performance Report

The Trustees are responsible for:

(a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;

(b) the preparation and fair presentation of the performance report on behalf of the entity which comprises:

- the entity information;
- the statement of service performance; and
- the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and

(c) such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible on behalf of Four Regions Trust 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 intend to liquidate Four Regions Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report is 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) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements 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 this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 performance report 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 trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

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.

Restriction on Responsibility

This report is made solely to the trustees, as a body, in accordance with section 42F of the Charities Act 2005. 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 opinions we have formed.



Cameron Town
Silks Audit Chartered Accountants Ltd
Whanganui, New Zealand

Date: 13 July 2020