

Bay of Plenty  
Community Trust Inc.

Consolidated Annual  
Report for the Year  
ended 31 March 2024

**B&Y**  
**TRUST**

Supporting  
Great Communities



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**"Heartfelt thanks to BayTrust for funding the 2024 Flavours of Plenty Festival. Your support highlighted local producers, boosted culinary tourism, generated \$1.5 million in media coverage, and achieved 92% attendee satisfaction. Thanks to BayTrust, the Festival made a significant leap forward."**

Flavours of Plenty Festival  
Cover Photo

**"BayTrust's funding enabled us to host sports/games at the park with a pizza lunch for our Neighbours Aotearoa events, strengthening our community connections."**

Neighbours Day Aotearoa Charitable Trust  
Next page



# Our Organisation



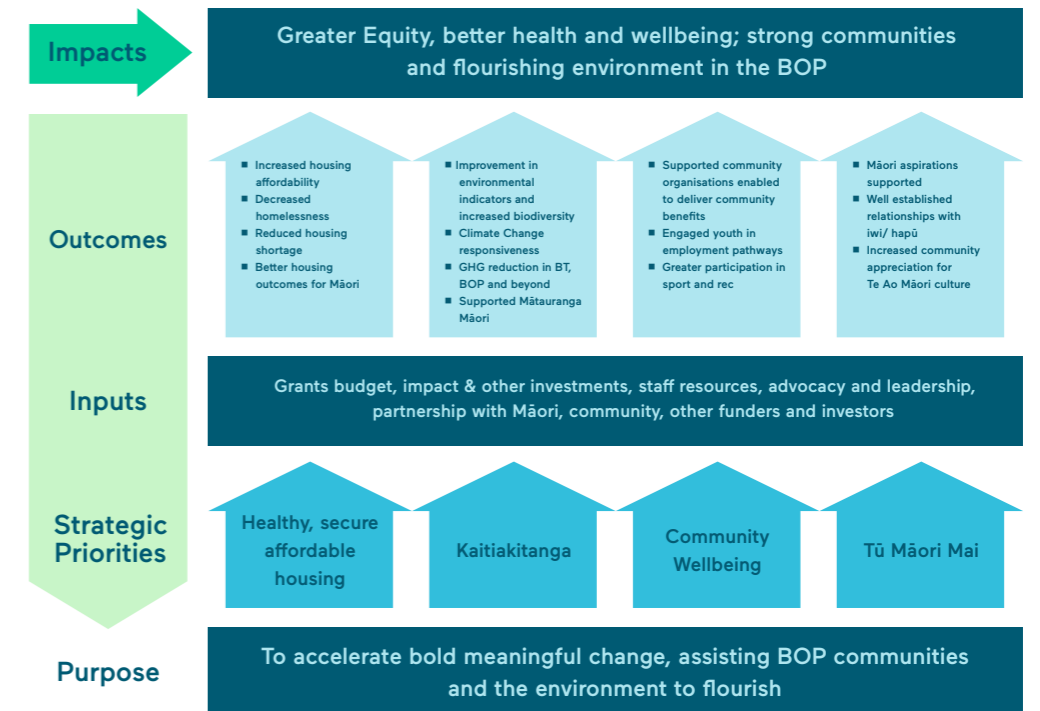
## Why do we exist – Our Kaupapa

Bay of Plenty Community Trust (BayTrust) was initially incorporated on 5 August 1988 as the Trust Bank Bay of Plenty Community Trust in accordance with the provisions of the Trustee Banks Restructuring Act, 1988. It continues under the provisions of the Community Trusts Act, 1999. The purpose of the Trust as outlined in its Trust Deed, is to provide charitable,

cultural, philanthropic, recreational, and other benefits to Bay of Plenty communities.

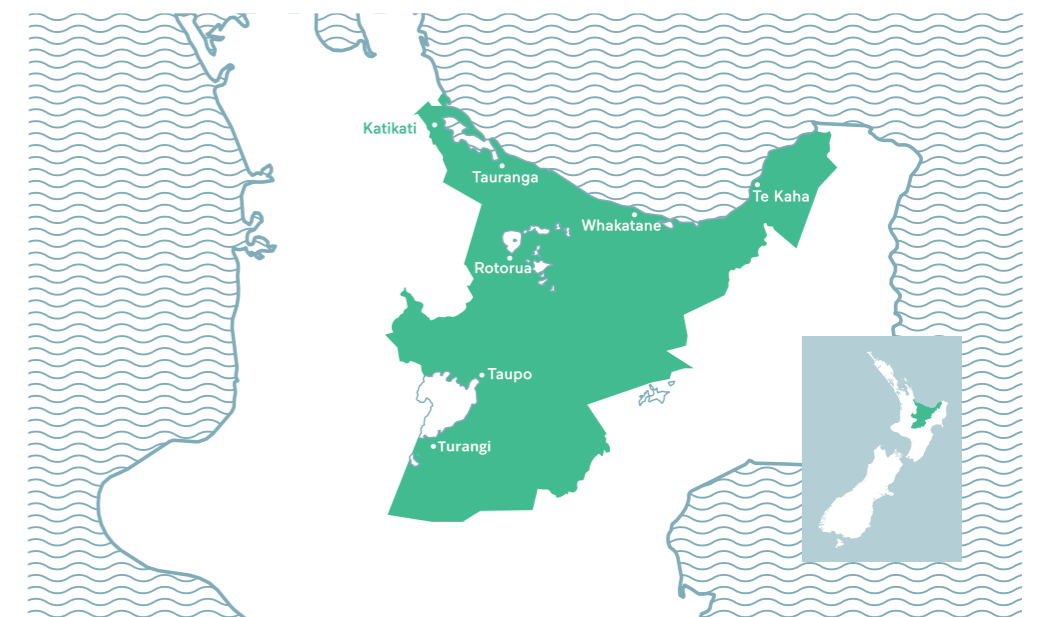
The Trust's Kaupapa ensures that we deeply incorporate our commitments to Te Tiriti Waitangi and being climate responsible in everything we do.

### BayTrust Theory of Change



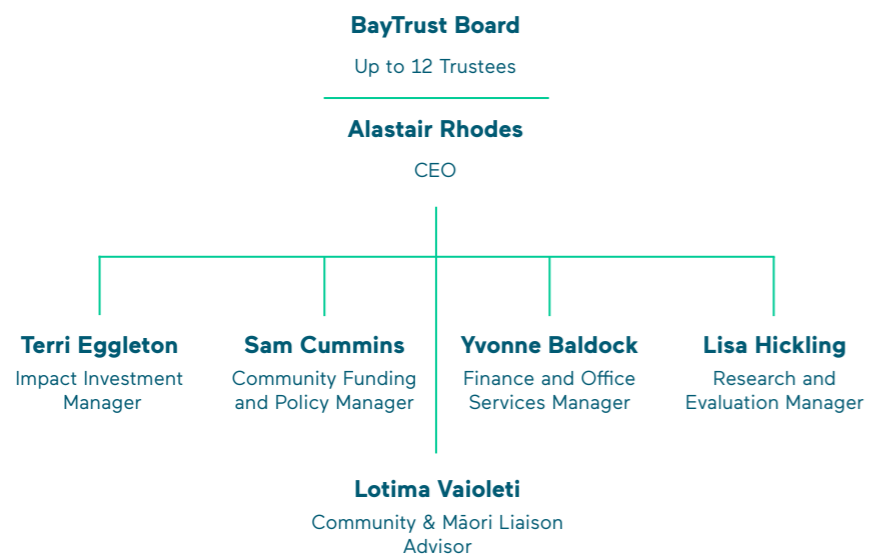
### Our Region

The Trust's region extends from Katikati to Tūrangi to Te Kaha and includes the Eastern and Western Bay of Plenty, Rotorua and Taupō districts.



# Our People

## BayTrust Organisation Structure



### Consultants/Advisors

- Accountants – Baker Tilly Staples Rodway
- Auditors – William Buck
- Climate Change - Tadpole Consulting Ltd.
- External Investment Committee Member - David Bell
- Impact Investments – 4am Consulting
- Investment Advisors – Cambridge Associates
- Legal Advisors – Sharp Tudhope
- PR/Web – Tailor-made/Moca

## The Team

BayTrust is governed by a Board of up to 12 Trustees who are appointed by the Minister of Finance for terms of four years to represent the BOP region and who are supported by six fulltime staff members.

Our dedicated and experienced staff led by CEO Alastair Rhodes continue to perform well and assisted by our advisors have ensured both our investments and our granting continue to excel.

It is recognised that Trustees and staff have a wide range of involvement throughout the Bay of Plenty region, which is fantastic, however we also recognise that the potential for conflict will arise from time to time. To cover this eventuality, Trustees and staff disclose their involvement with other organisations, do not take part in discussions relating to organisations with which they have a conflict of interest with and do not vote on any matter where a conflict or potential conflict exists.

BayTrust's head office is located at Level 1, 752 Cameron Rd, Tauranga. BayTrust operates by appointment in Eastern Bay of Plenty, Rotorua and Taupō. BayTrust staff also operate remotely and are often on the road spending time with many organisations and stakeholders within our region.



**Alastair Rhodes**  
Chief Executive Officer



**Terri Eggleton**  
Impact Investment Manager



**Sam Cummins**  
Community Funding and Policy Manager



**Lisa Hickling**  
Research & Evaluation Manager



**Yvonne Baldock**  
Finance and Office Services Manager



**Lotima Vaioleti**  
Community & Māori Liaison Advisor



**Sara Carley**  
Trustee (WBOP)



**Judy Harris**  
Trustee (Taupo)



**Mawera Karetai**  
Trustee (EBOP)



**Te Aorangi Murphy-Fell**  
Deputy Chair (EBOP)



**Rita Nabney**  
Trustee (WBOP)



**Steve Napier**  
Trustee & Investment Committee Chair (WBOP)



**Stephanie Northey**  
Trustee (Rotorua)



**Tane Phillips**  
Chair (Rotorua)



**Gary Smith**  
Trustee & Audit & Risk Committee Chair (WBOP)

# What we have done

## Chair and Chief Executive Group Report

### Tēnā Koutou Katoa

BayTrust's Kaupapa is "to accelerate bold and meaningful change, assisting BOP Communities and our Environment to flourish" *Toi tangata, Toi tū te taiao, Toi te hua mākohakoha* and it is our pleasure to share the BayTrust's group key activities, achievements and highlights for the year in our Annual Report.

The Trust is pleased with its financial result for the year which has resulted in a surplus for the year of \$22.36m which compares well with the PY loss of \$15.37m. This turnaround was driven by strong international equity market returns and is a testament to the quality of our investment decisions and the increased diversification and focus on sustainability that we have built into our portfolio over the past five years.

Operationally we have also had a strong year with 251 fantastic community applications receiving grants payments of \$8.4m. (\$8.9m last year to 246 groups) with our Trustees and staff continuing to perform well and held in high regard in our community and by our peers. We have also continued to refine and significantly grow our support for Māori initiatives, our Impact Investments, and the Trust's Climate Change actions. All of this has been done in alignment with our core values and funding priorities of:

- **Kaitiakitanga**
- **Healthy, Secure and Affordable housing**
- **Community Wellbeing**
- **Tū Māori Mai**

More detailed updates for the year ended 31 March 2024 are contained within the rest of the Annual report, however we would like to highlight that BayTrust has continued its journey to improve housing conditions for people of the BOP. This has seen the launch of the Bay of Plenty Housing Equity Fund which BayTrust conceptualised and seeded with a \$10m commitment. Tauranga City Council, TECT, Trust Horizon and Rotorua Trust and other investors have since committed, and the Fund now sits at \$60m committed funds and with the ability to borrow a further \$60m which amounts to \$120m to assist in addressing housing issues across the BOP. The fund will seek to address housing issues by developing and investing in housing solutions where government or the market have not been effective at addressing needs. The Fund Managers (see <https://www.bophef.nz/>) would welcome discussions with both investors and project developers. The first projects are already being considered and more are in the pipeline. BayTrust's CEO, Alastair Rhodes has been appointed Chair with the Board members representing intensive knowledge and expertise in the BOP housing sector

Specific actions for the upcoming year include:

## Impact Investments

While we continue to support housing projects where we can add value, our Impact Investment portfolio is now seeking investment into initiatives that address critical **challenges in the environmental space in particular climate change and biodiversity loss**. We have **already** partnered with Tāmata Hauhā Ltd to address climate change and inequities for Maori land holders and are investigating further actions with this and other groups. As with all activities, BayTrust will seek partnerships within the community /Māori/Iwi the ideal mechanism for implementing our climate change mitigation ambitions and we welcome discussions with both investors and project developers in this space.

## Funding Framework Changes

The Trust conducted an extensive review of our existing granting tiers to ensure that our funding maximises impact and meets the evolving needs of our communities effectively. From April 2024 in collaboration with funding partners, sector bodies, and other funders, we have refined our approach.

The revised funding framework is streamlined, reducing the previous four funding rounds to two:

- **Monthly Community Support Round:** Grants up to \$50k, accessible online and open continuously.
- **Quarterly Strategic Fund:** For applications requesting over \$50k, which will involve a detailed business case process.

## Granting

Although our returns were strong this year, they were weak last year and as we take a longer-term view when setting out grants budget this has resulted in our grants budget for the upcoming year being set at a similar level to the current year at (~\$8.5m). With the NFP sector under increasing cost pressures, coupled with increased demand for their services we realise this flat grants budget will mean we have to make some challenging decisions and we will work closely with the sector as we navigate this, to make sure we maximise the impact of our grants decisions.

Lastly, a big thank you to our team of Trustees and staff for their hard work and input over the past year, working for our communities. Plus, an even bigger thank you to all the wonderful community organisations who have worked through and continue to support our communities in these tough and challenging times.

Nā māua noa, nā



**Tane Phillips**  
Chair

19 August 2024



**Alastair Rhodes**  
Chief Executive Officer

# Our Planet



"With support from BayTrust, KEEP (Kōkako Ecosystem Expansion Programme) has been able to take the first steps in realising its ambition to connect isolated populations of kōkako in the Bay, through the creation of green corridors."

Bay Conservation Alliance; photo: Neil Robert Hutton

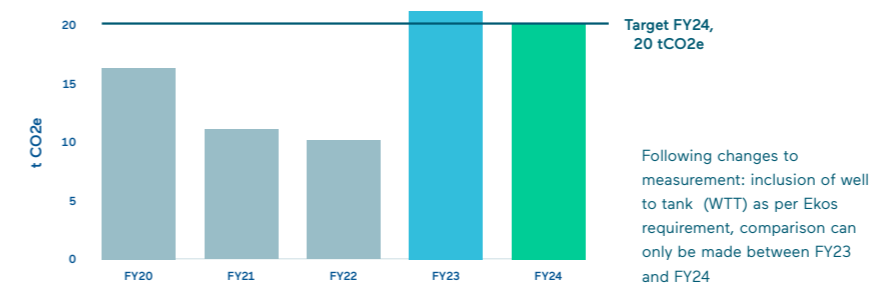
## Climate Change and Sustainability

The key elements from the Climate Change Action Plan were integrated into BayTrust's KPI's where good progress was made overall. We achieved our annual internal emissions reduction target of 5% and achieved climate positive status through the offset of 120% of our carbon footprint for our Trust operations for FY24 with certified carbon credits.

As a sustainable investor, we have reduced the emissions contained in the BayTrust portfolio by 62% and invested \$1m into Tāmata Hauhā (carbon forestry).

We have continued to support Mātauranga Māori environmental projects directly through Ngāti Awa and Te Arawa Lakes Trust and indirectly through BOP Regional Council and Manaaki Kaimai Mamaku Trust.

### Emissions Profile FY24 vs FY23



BayTrust actively participated in the Combined Community Trusts leadership group (Climate Working Action Group) which established a combined Community Trust fund (Kaupapa of National Significance) to support organisations in delivering or scaling climate change-related projects. We also continued methods to understand our applicant organisations' climate change journeys so we might know how best to support our communities.

Data this year showed a decrease in priority for climate change with 59% of applicants rating climate change as a high/medium-high priority for (i) the community (down from 70% in 2022, 64% in 2021 and 62% in 2020) and (ii) their own organisation 50% (down from 56% in 2022, 49% in 2021 and 41% in 2020).

The decrease in perception of importance as a priority probably reflects more immediate and pressing issues such as the cost of living and housing.

We supported the community in 2024 through the subsidised support to climate change advice for measurement (higher tier funding recipients) and three community climate change sessions delivered by our partner Tadpole Consulting Ltd. We will continue to support grantees and communities in their understanding and responding to climate change.

Moving forward, next year we will also have a special focus on impact investments in the environmental/climate change space, offsetting emissions via a local scheme, confirming our 2030 carbon neutral investment pathway, and exploring a sustainability approach including reducing, reusing, and recycling going in addition to climate change.

**Climate Action Aotearoa**  
The Funders Commitment on Climate Action.

# Our Investments



“Thanks to Bay Trust, the Ministry of Inspiration has been able to provide free STEM education experiences to over 600 students across the Bay of Plenty with more to come this year. These sessions not only introduced students to concepts like programming, robotics and robot theatre but also provided professional learning development for their teachers to ensure that they can continue the journey for their students in future.”

Ministry of Inspiration

## Investment Performance

As outlined in BayTrust's Statement of Investment Policy and Objectives ("SIPO") which is available on the Trust's website, the Trust's investment objective is to protect and equitably grow BayTrust's investment capital so that it can provide ongoing returns for distribution to current and future Bay of Plenty communities.

The Trustees achieve this through investing the assets of the Trust in a broad range of diversified and sustainable investments designed to achieve the following objectives:

- Maximise the total amount of distributions that can be financed by the investments of the Trust over the long term, subject to a prudent level of portfolio risk and with consideration for environmental and social sustainability.
- Maintain the Trust's real capital.

The overall investment objective of the Trust is to earn an average annual inflation-adjusted (real) total return, after investment fees but prior spending, of 5.0% over a full market cycle, in order to be able to achieve its 4% spending policy. More specifically, the long-term objectives are to:

- Maintain the real market value of the Trust in perpetuity.
- Ensure a stable level of spending over time.
- Maintain equity between present and future beneficiaries in perpetuity.
- Align with long-term environmental and social sustainability.

The Trust's spending policy, is to have available 4.0% of the average value of the portfolio over the last 12 quarters. The difference between the Trust's 4.0% spending rate and the portfolio's 5.0% real investment objective builds in a buffer for population growth in the Bay of Plenty which has historically averaged ~1.0%.

The Board maintains responsibility for establishing the objectives and policies set out in the SIPO with the Trust's Investment Committee ensuring compliance with the SIPO, making recommendations, manager selection and monitoring. The Trust retains Cambridge Associates as its Investment advisors to provide ongoing advice and recommendations over the Trust's investments. Over the past year, the Board with the assistance of its Investment Advisors, Cambridge Associates ran a well diversified and global portfolio of investments which performed well with no SIPO breaches occurring during the period.

## Key performance highlights for the year include:

- The Trust's investment base has grown from \$89m when first established as a separate investment entity in 1997 to \$264m (2023: \$241m), which has allowed the Trust to reserve for inflation and population growth as well as to provide a buffer for challenging investment periods. This is an increase of \$175m over 28 years, whilst over the same period the Trust has granted \$112m into Bay of Plenty communities.
- After the challenging 2023 performance (-1.3%) returns this year were excellent (+12.1%) driven by a strong global equity performance and illustrating the benefits of BayTrust's sustainable and globally diversified portfolio and our long term approach to investing.
- We continue to believe that, the traditional investment portfolio which has performed well for us over the past 30 odd years, will not perform as well over the next 30 years and moving to a more illiquid, low carbon and sustainable portfolio, will best position us best to maximise returns to our community over the long-term.

## BayTrust Investment Performance



Period	Net Return	Benchmark* Return	Benchmark Outperformance
1 Year	12.1%	13.4%	-1.3%
Prior Year	-1.3%	-0.9%	-0.4%
3 years annualised	5.6%	5.3%	0.3%
Since 30 June 2012 (inception)**	8.8%	8.2%	0.6%

\* The Trust's Benchmark is a blended policy index composed of indices reflecting the allocation and benchmark of asset class in the Strategic Asset Allocation. Details for each asset class is available within the Trust's SIPO which is available on the Trust's website.

\*\* Portfolio was incepted for comparison purposes as at 30 June 2012.

## Responsible Investment Policy

BayTrust believes in the principles behind Responsible Investing, by investing in a sustainable manner and using its capital to drive a more equitable and environmentally sustainable world on the basis that as a perpetual investor this will drive sustainable and superior long-term investment returns.

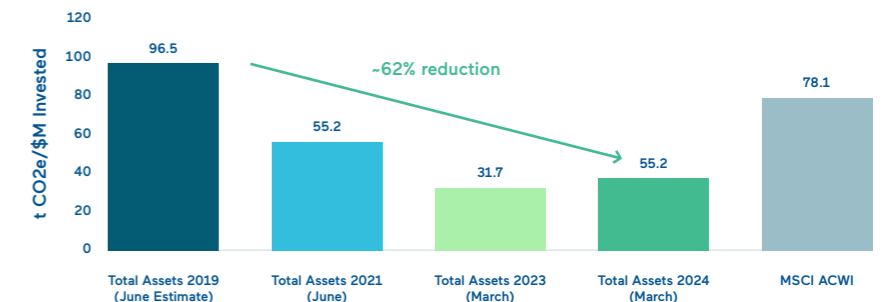
BayTrust accepts that climate change poses a serious and immediate risk to both our potential investment returns and to our communities, and requires urgent action.

The Trust ensures its managers and advisers incorporate **Environmental, Social and Governance (ESG) considerations** in their investment processes and will transition **its entire investment portfolio to be sustainable (consistent with a low-carbon, prosperous, equitable, healthy and safe society) by 2030, or earlier if possible.**

**The Trust will not invest in industries or sectors that are contrary to New Zealand legislation or current government policies, or where there is clear evidence that it is contradictory to the Trust's mission of benefitting Bay of Plenty communities, or where the investments will negatively impact long-term environmental and social sustainability.**

BayTrust will actively measure the carbon footprint of the investment portfolio and will, without materially impacting the portfolio's financial returns, move to a robust and evidence-backed approach to assessing all new investments to **ensure that the investment portfolio's carbon exposure is reduced by 50% by 2025 (current tracking at a 62% reduction), with the long-term goal to be carbon neutral by 2030, or earlier if possible.**

## Carbon Emissions of Measurable Assets including Listed and Private Managers



## Fund Managers (5% and over)

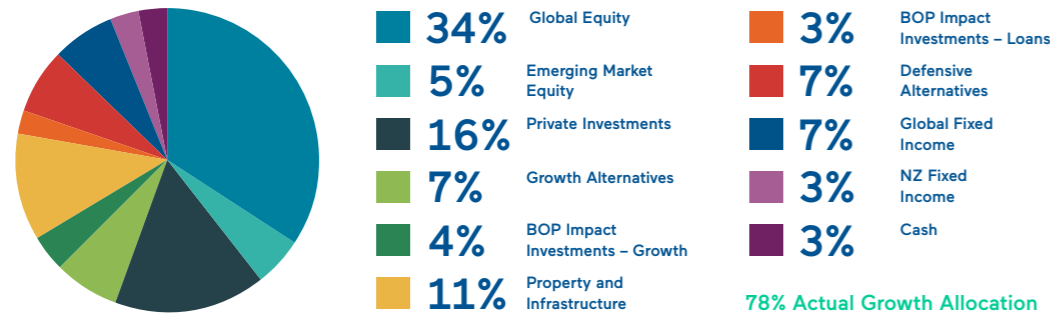
Fund Manager / Fund Name	Asset Class	% of FUM FY24	% of FUM FY23
NT Emerging Markets Green Trans Index Fund	Global Equities	10.3%	8.8%
Generation IM Global Equity Fund	Global Equities	9.7%	8.3%
Ownership Capital Global Equity Fund	Global Equities	7.7%	8.0%
Baillie Gifford Worldwide Positive Change Fund	Global Equities	7.2%	7.9%
Lazard Global Listed Infrastructure Fund	Property & Infrastructure	5.8%	6.8%
Forester Strategic Opportunities Fund	Growth Alternatives	4.8%	6.2%
ICG Australia Senior Loan Fund	Defensive Alternatives	4.6%	5.6%
Fisher Institutional NZ Cash Fund	NZ Fixed Income	0%	5.2%



# Investment changes during the year

At its annual SIPO review in March 2024, the Trust agreed to increase its growth allocation from 75% to 85% which is in alignment with best performing international peers and which is targeted to drive a real return of CPI +5% over rolling 5-year periods. This commitment is being phased in over the next two-three years or when market conditions are opportune.

## BayTrust's Asset Allocation March 2024



Roman and Courtney, Tauranga, with Family Support coordinator Pam. Our salary support grant means Child Cancer Foundation can continue our work of walking alongside children with cancer and their families across all the communities served by BayTrust.

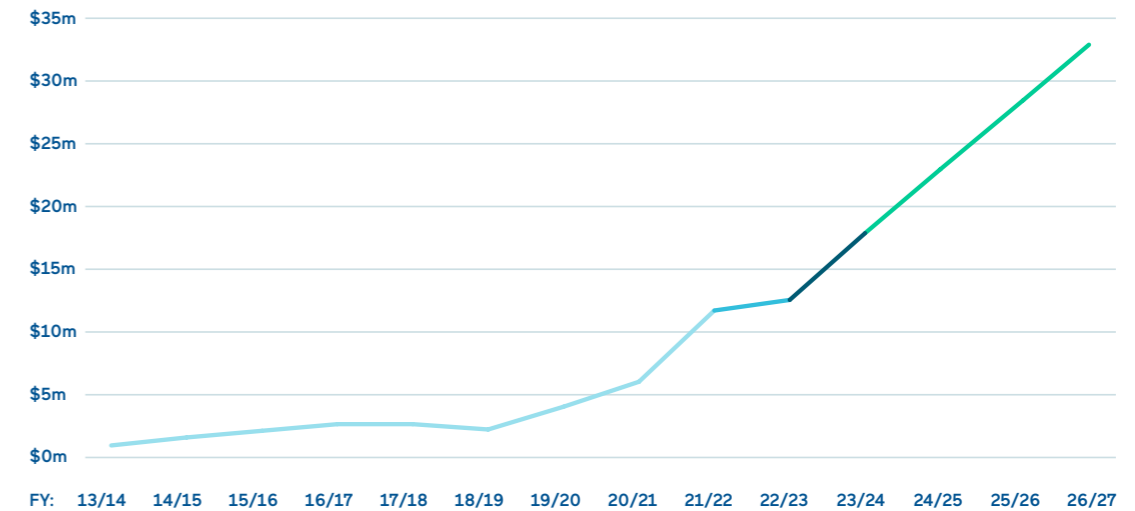
Child Cancer Foundation

# Future Investment Plans

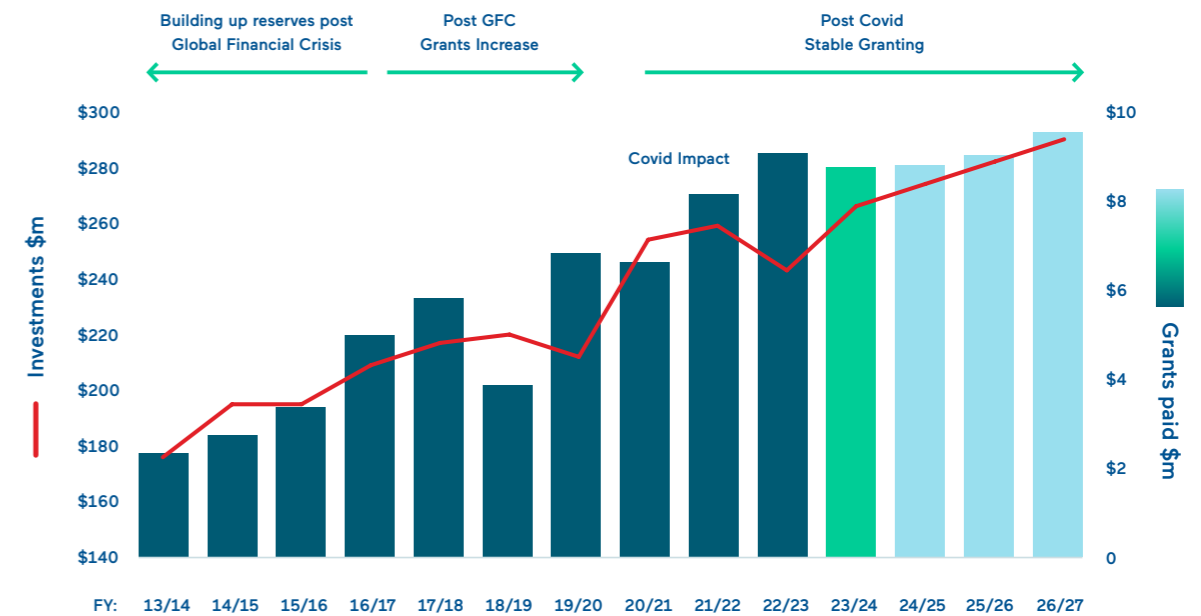
Looking ahead we anticipate significant financial market volatility is likely to continue, however our strong reserves and our diversified portfolio means we believe we are well placed to weather this storm and to exploit opportunities which volatile markets present. As such, we are working closely with our Investment advisors to further refine and diversify our investment portfolio together with increasing our sustainable private investment allocations over the next two years as we move to a 85% growth allocation which aligns with the top performing perpetual overseas foundations model.

We also remain committed to sustainably increasing our granting and expect to grant over \$25m over the next 3 years as well as significantly increasing our impact investments with these forecast to be over \$25m within 3 years.

## Impact Investments Analysis



## Granting Analysis



# Our Impact



“Thank you BayTrust for supporting the Kiwi Can programme in Marotiri Primary School. Kiwi Can engages every primary school tamariki; with theme-based weekly life value lessons on Whakawhanaungatanga, Pono, Taikaha, and Manaakitanga, this programme promotes integrity, resilience, respect, and positive relationships among students.”

Graeme Dingle Foundation

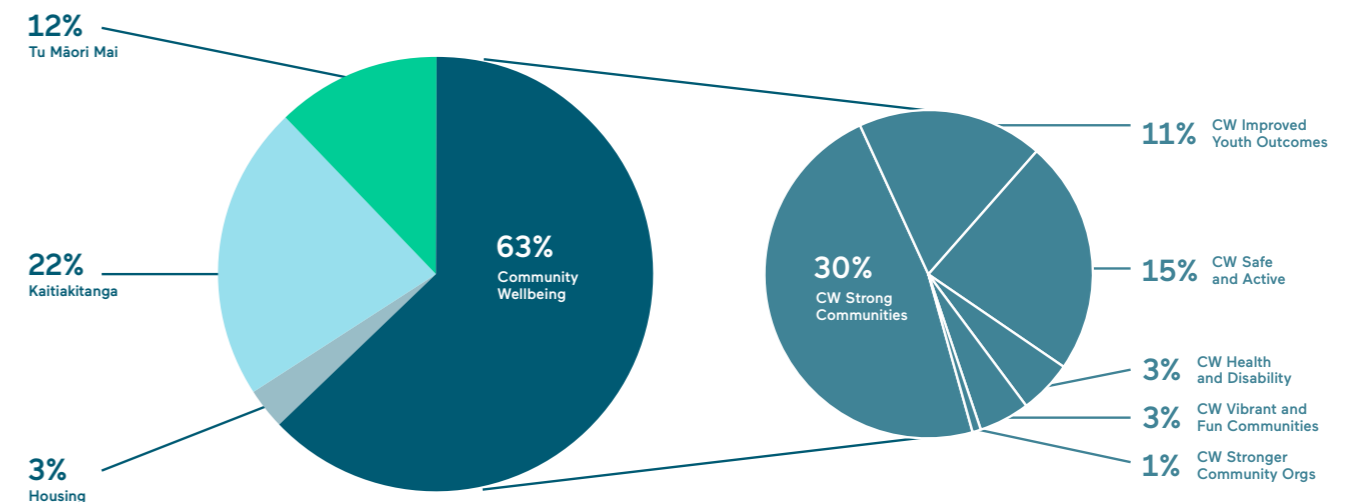
## Community & Granting

- In 2024 BayTrust granted 251 (2023: 246) applications, a total of \$8.4m (2023: \$8.9m) with these grants spread equitably across our funding priority areas and across our region. The Trust uses a rolling 3-year forward forecast for granting to provide the Trust more flexibility in terms of granting, to remove the arbitrary year end/budgeting concept, to align better and provide Trustees with a more accurate picture of multi-year funding implications. It provides the Board with a much more robust tool on which to make longer term and more strategic funding decisions and has helped enable greater multi-year funding to be provided with over 50 organisations now on multi-year funding agreements.
- Along with our grants, the Trust provided other **significant community support** during the year delivered in a variety of ways, including capacity-building opportunities such as workshops, which were extremely well received within our communities.
- We are taking a more proactive approach to attracting applications in identified outcome areas (our application success rate is now ~ 80%) and increasing our acceptance of innovation and risk in granting to help actively encourage innovative approaches to addressing social issues. As well as this we are significantly increasing our Māori engagement.

### Granting Across Priority Areas

Funding into the priority areas over the last three years has been broadly consistent. The larger allocation to Community Wellbeing and Kaitiakitanga in 2023/24 is attributable to investment in multi-year funding into these outcome areas. The Safe and Active priority area includes the contract with Sport Bay of Plenty. BayTrust also uses Impact Investment as a mechanism to achieve social impact in our strategic priorities.

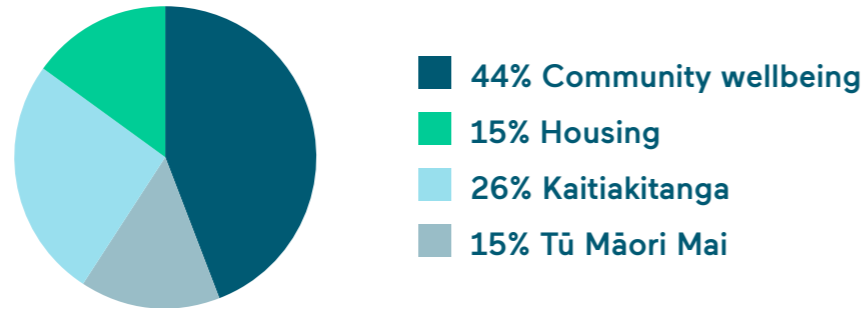
### Granting Distribution FY24



## Total including Grants and Impact Investment

Community Wellbeing continues to receive the largest percentage of grants (63%) while Housing has the most impact investment (62%). Combining grants and impact investment, a reasonable distribution is seen between Community (47%), Housing (19%) and Kaitiakitanga (20%)

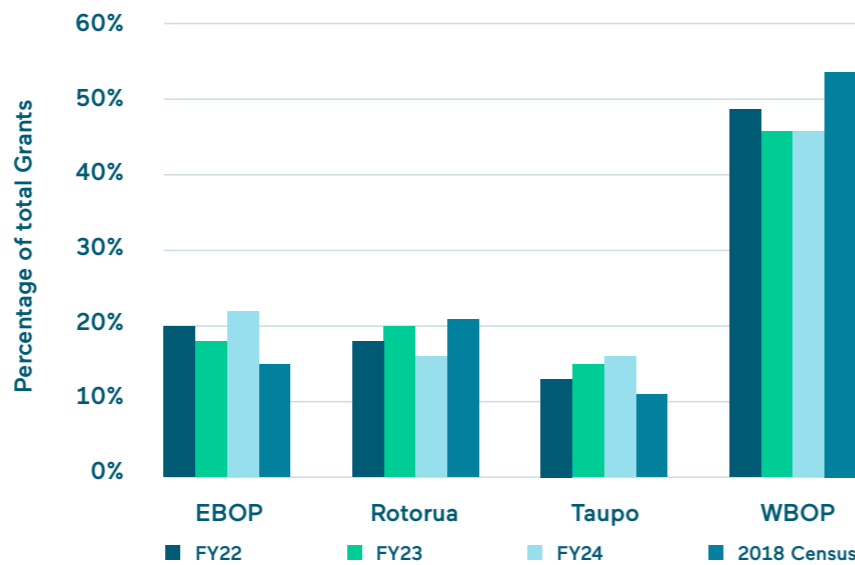
## Total Grants Paid plus Impact Investment drawdown FY23 as a percentage



## Regional Distribution of Granting

The Trust's granting approach aims for both an equitable distribution of grants across the region and distribution using an equity lens. The granting distribution was reasonably consistent with the actual population percentages and with previous years although, compared to the previous year slightly more was granted into the Eastern Bay of Plenty and Taupō.

## Regional Distribution %



Multi-year funding (MYF) for operational costs was approved for over 50 organisations totalling \$4.3m in the 2023/24 year.

In general, in FY24 we saw an increase in both the number of applications and in the quantum applied for receiving 331 applications, an increase on 317 from the previous year. The approval rate was slightly lower than last year at 76% (2023: 78%), and the total granted as a percentage of requests increased to 76% (2023: 68%). This reflects the increase in applications, the conversations staff have with groups prior to submitting an application to ensure only those aligning with our priorities apply and the application of the impact framework for grant assessment.

## Partnerships

2023/2024 has seen the continuation of our approach to building meaningful partnerships with a selection of organisations through the Strategic Partnership Fund in our strategic priority areas.

## Capability Building Support

During the 2023/24 year, BayTrust supported 11 organisations with Toolbox funding for a wide range of capacity building support including strategic planning training, evaluation research, and investigation into sustainability. We also subsidised and provided funding across the rohe for volunteering and governance.

## Community Combined Event Funding

The establishment of the Combined Events Fund aimed to foster collaboration in supporting community events across Tauranga City and the Western Bay. The objective was to address funding challenges and streamline processes through a unified approach. Initially piloted from 1 July 2022 to 30 June 2023, the fund's success led to its extension for an additional three years commencing from FY24.

Following the trial period, administrative responsibilities were transitioned to TECT, consolidating efforts previously undertaken by Tauranga City Council, BayTrust, and Western Bay of Plenty District Council. Feedback underscored the fund's effectiveness in simplifying access to event funding, marking a notable improvement over previous approaches.

In FY24, the fund granted \$925,863 towards supporting a total of 81 events, with \$29,471 carried over from FY23. Grants ranged from \$1,500 to \$40,000, with an average grant amount of \$10,000. Furthermore, the launch of a new website dedicated to the Tauranga Western Bay Combined Events Fund serves as a comprehensive resource hub, offering information on fund priorities, values, media releases, guidelines, and criteria, providing organisations easy access to essential information.

**“Thanks to BayTrust for leaping on board to assist with the Ōtūmoetai Social Supermarket’s establishment and funding our efforts to provide hope and support for 650 whanau through times of hardship. Our community is now more connected and a better place to live!”**

Linkt Community Trust

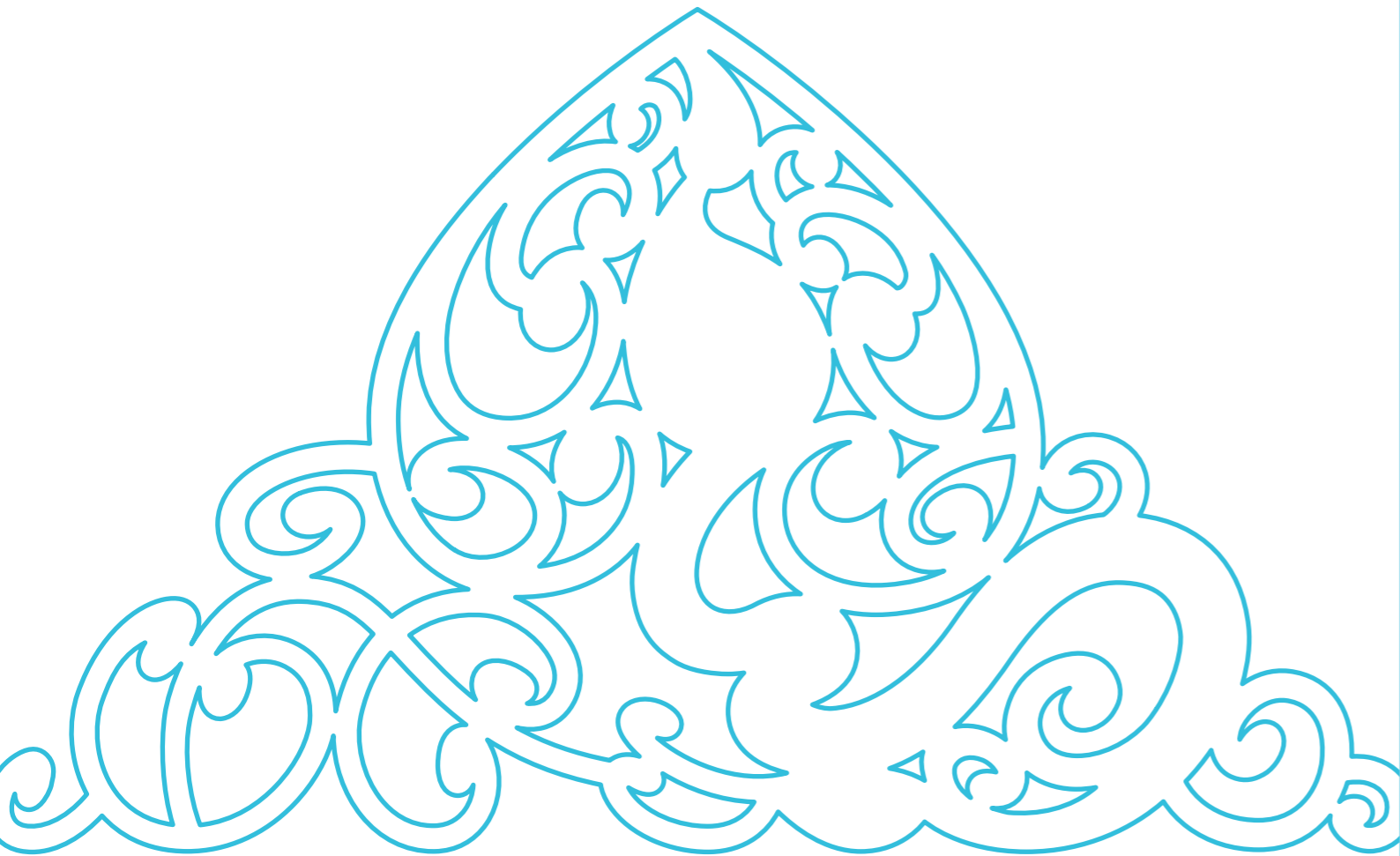


## Tū Māori Mai

In FY24, we granted 12% (\$985k) towards Tū Māori Mai (TMM) aligned organisations and projects, a slight decrease from the previous year's funding of 13%. It's crucial to note that TMM Kaitiakitanga comprises a small number of Strategic Partnership funding (SPF) environmental projects, which are time-bound initiatives. The Community Amenities Fund (CAF) underwent review and discontinuation, with its remaining funds reallocated to Marae Capital renovation/rebuilds. This shift represents a more sustainable approach to maintaining our trajectory of 15% or higher going forward.

Although the achieved 12% is slightly lower than FY23, we've redirected half of the reported Tū Māori Mai Kaitiakitanga projects towards Tū Māori Mai and Kaitiakitanga priorities. This adjustment allows for increased growth and budget allocation for Tū Māori Mai. If the Tū Māori Mai projects reported across different priorities were fully accounted for, the percentage would be closer to 20%. Nonetheless, we are progressing well towards our target of reaching 15% by the end of FY25.

We continue to work to support Māori communities, catering to their needs and aspirations, with a specific emphasis on services and projects run "by Māori, for Māori". We've organised funding wānanga to reaffirm our commitment in this area and to identify key insights from Māori communities, pinpointing recurring themes regarding bolstering cultural identity, marae development, Te Reo rejuvenation, and Māori housing aspirations. We continue nurturing and advancing our established connections with Hapū and Iwi.



"Ngā mihi nunui ki a koutou. Thanks to BayTrust our tamariki were able to passionately showcase their culture at the 2023 Te Mana Kuratahi National Kapa Haka Competitions in Nelson."

Kia Mau Charitable Trust



# Community Feedback

BayTrust surveys grantees annually, the key outtakes from the latest survey undertaken in October 2023 were:

- A high level of awareness of BayTrust’s funding priorities.
- A high level of satisfaction with the application process and assistance from staff
- Applicants identified funding (continued support and multi-year funding) as the issue that BayTrust could influence in the next two to three years. Other major areas of concern were housing, the cost of living, the environment and health services including mental health

	2023		2022	2021	2020
High or very high level of awareness of BayTrust’s funding priorities	87%	↑	75%	85%	78%
Rating of the application process overall (out of 5)	4.4	=	4.4	4.6	4.3
Rating of BayTrust as a “user-friendly and accessible” organisation (out of 5)	4.5	=	4.5	4.5	4.4



“BayTrust funding enabled us to provide opportunity for Te Puke people to connect with each other and deliver prepared food to where it is most needed in the wider Te Puke community. We love to work with others to be strategic about the way we provide, rescue and distribute food, thanks so much BayTrust for your support!”

The Daily Charitable Trust

## Feedback from applicants

“Thank you for your amazing ongoing support. It has made a huge difference to our services over recent years, and our staff get a massive buzz from being able to work in schools in low socio-economic neighbourhoods with children who truly appreciate and enjoy learning engineering and technology through our robotics gear.”

“You do a great job trying to juggle everyone's needs and wants. It’s great you continue to support organisations doing the work on the ground and not just large organisations.”

“I think BayTrust already does a great job and moving into impact investments to enable you to shift the dial on intractable issues like housing is strategic and innovative.”

“It is an absolute pleasure to work with BayTrust to help impact our community positively – ngā mihi nui to the BayTrust team!”

“You rock! BayTrust has good solid processes, but also has good awareness of grassroots community views and needs. And you take on the big challenges, such as climate change and the lack of affordable housing. We're biased, but we think you're great. :-).”

# Our Statement of Service Performance



## Who are we and why do we exist

BayTrust is governed by a Board of up to 12 Trustees who are appointed by the Minister of Finance for terms of four years to represent the BOP region and who are supported by six fulltime staff members.

The Board's principal responsibilities are to invest the assets of the Trust in a range of diversified investments designed to sustainably deliver returns over the long term, whilst reserving for inflation and population growth and then distribute these returns in the most impactful way as possible throughout the Trust's region in order to achieve the Trusts Purpose.

## Our Purpose

To provide charitable, cultural, philanthropic, recreational, and other benefits to Bay of Plenty Communities.

## Investment Objective and Spending Policy

The overall investment objective of the Trust is to earn an average annual inflation-adjusted total return, after investment fees but before spending, of 5.0% over a full market cycle, to be able to achieve its spending policy.

The Trust's spending policy is to have available for spending 4.0% of average trailing 12 quarter market value (net of investment income, realised capital gains & proceeds of sale of investments).

The difference between the Trust's 4.0% spending rate and the portfolio's 5.0% real investment objective, allows the Trust to build in a buffer for population growth in the Bay of Plenty which has historically averaged 1.0% and is forecasted to continue at similar levels.

## What are our strategic priority areas?

### Community Wellbeing

Recognising that supporting and enabling those in need is beneficial for all supporting strong communities. This includes cultural and heritage through participation and inclusion, sport & recreational activities, and capacity building.

### Healthy, Secure & Affordable Housing

We believe everybody in the BOP should be housed in suitable, adequate, and affordable accommodation that fits their whanau and cultural requirements.

### Kaitiakitanga

We will commit to practicing Kaitiakitanga to protect and improve our natural environment for future generations.

### Tū Māori Mai

Māori in BOP are supported to achieve their aspirations and enabled to empower their whanau and wider community to create an abundant future for themselves, te taiao (natural world) and Te Ao Māori.



## How did we perform?

Our investments returned 8% Real (12% actual) compared to our 5% real return objective, which is a strong result in the current volatile investment environment and a significant improvement on the PY (-7.9% Real and -1.3% Actual).

Spending was in line with our spend policy at 4.1% v 4.0% Target and 4.2% PY and comprises cash granting for the year of \$8.4m (\$8.9m PY) together with \$1.8m of operational costs (\$1.7m PY)

251 applications were granted a combined total of \$8,418,517 during the year across the Trust's priority areas that are designed to help achieve the Trust's purpose. This includes events and toolbox funding.

## Granting by Priority Area

	2024	2023
Community Wellbeing	\$5,341,779	\$5,493,612
Healthy Housing	\$225,500	\$170,000
Kaitiakitanga	\$1,840,755	\$2,172,934
Tu Maori Mai	\$969,182	\$732,000
Other (Toolbox, refunds etc)	\$41,301	\$320,474
Rapid Response Fund	\$0	\$8,145
	<b>\$8,418,517</b>	<b>\$8,897,165</b>

## Impact Investment (balance at year end)

The Trust also uses its balance sheet to invest into each priority area with the total amount invested into each priority areas as at year end being:

Community Wellbeing	\$6,426,945
Healthy Housing	\$9,057,375
Kaitiakitanga	\$435,543
Tū Māori Mai	\$1,845,318
	<b>\$17,764,181</b>



# How did we perform

## Bay of Plenty Community Trust Incorporated – 2024 Annual Report

### Consolidated Statement of comprehensive revenue and expense

For the year ended 31 March 2024  
in New Zealand Dollars (\$000's)

	Note	2024	2023
Investment Income	4	30,094	(5,142)
Less Expenses			
Portfolio management and advisory fees		396	361
Other expenses	5	1,453	1,316
Expenses prior to Grants Expenditure		1,849	1,677
Grants Expenditure	6	5,885	8,554
<b>Surplus/(Deficit) for the year</b>		<b>22,360</b>	<b>(15,373)</b>
Other Comprehensive Revenue		-	-
<b>Total comprehensive revenue and expense for the period</b>		<b>22,360</b>	<b>(15,373)</b>

### Consolidated Statement of changes in equity

For the year ended 31 March 2024  
in New Zealand Dollars (\$000's)

Note	Trust capital	Retained earnings	Population reserve	Grants maintenance reserve	Inflation reserve	Total
Balance at 1 April 2022	89,308	-	47,275	47,016	64,661	248,260
Total comprehensive revenue and expense for the period	-	(15,373)	-	-	-	(15,373)
Reallocation of Funds	-	-	3,128	(13,309)	10,181	-
Reserves transfers	-	15,373	-	(15,373)	-	-
Balance at 31 March 2023	89,308	-	50,403	18,334	74,842	232,887
Balance at 1 April 2023	89,308	-	50,403	18,334	74,842	232,887
Total comprehensive revenue and expense for the period	-	22,360	-	-	-	22,360
Reallocation of Funds	-	-	2,029	(8,636)	6,607	-
Reserves transfers	-	(22,360)	-	22,360	-	-
Balance at 31 March 2024	89,308	-	52,432	32,058	81,449	255,247

The notes on pages 28 to 34 are an integral part of these financial statements.

## Bay of Plenty Community Trust Incorporated – 2024 Annual Report

### Consolidated Statement of financial position

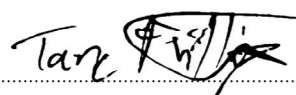
As at 31 March 2024

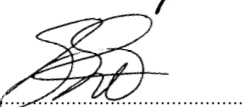
in New Zealand Dollars (\$000's)

	Note	2024	2023
<b>Assets</b>			
Property, plant and equipment		99	116
Loans	8	5,920	4,030
Investments	10	255,929	235,877
<b>Total non-current assets</b>		<b>261,948</b>	<b>240,023</b>
Loans	8	861	461
Derivatives	11	-	966
Other Receivables		180	181
Cash and cash equivalents		889	784
<b>Total current assets</b>		<b>1,930</b>	<b>2,392</b>
<b>Total assets</b>		<b>263,878</b>	<b>242,415</b>
<b>Trust equity</b>			
Trust capital		89,308	89,308
Retained earnings		-	-
Population reserve	9	52,432	50,403
Grants maintenance reserve	9	32,058	18,334
Inflation reserve	9	81,449	74,842
<b>Total equity</b>		<b>255,247</b>	<b>232,887</b>
<b>Liabilities</b>			
Grants Payable	12	4,538	5,929
Derivatives	11	1,646	-
Trade and other payables		283	118
<b>Total current liabilities</b>		<b>6,466</b>	<b>6,047</b>
Grants Payable	12	2,165	3,481
<b>Total non-current liabilities</b>		<b>2,165</b>	<b>3,481</b>
<b>Total liabilities</b>		<b>8,631</b>	<b>9,528</b>
<b>Total equity and liabilities</b>		<b>263,878</b>	<b>242,415</b>

The notes on pages 28 to 34 are an integral part of these financial statements.

Signed on behalf of the Board of Trustees;

Chair: 

Trustee: 

Date: 19 August 2024



## Bay of Plenty Community Trust Incorporated – 2024 Annual Report

### Consolidated Statement of cashflows

For the year ended 31 March 2024

in New Zealand Dollars (\$000's)

	2024	2023
<b>Cashflows from operating activities</b>		
Investment income	6,387	3,097
Cash paid to suppliers, Trustees and staff	(1,661)	(1,762)
Proceeds from realisation of investments	37,443	40,559
Funds Invested	(32,245)	(34,621)
Grants paid to the community	(8,593)	(8,904)
<b>Net cash flows from operating activities</b>	<b>1,331</b>	<b>(1,631)</b>
<b>Cashflows from investing activities</b>		
Acquisition of property, plant and equipment	(5)	(4)
Sale of property, plant and equipment	-	-
Loans (Issued) / Repaid	(1,221)	(703)
<b>Net cash flows from investing activities</b>	<b>(1,226)</b>	<b>(707)</b>
Net increase/(decrease) in cash and cash equivalents	105	(2,338)
Cash and cash equivalents at 1 April	784	3,122
Cash and cash equivalents at 31 March	889	784

The notes on pages 28 to 34 are an integral part of these financial statements.





## Bay of Plenty Community Trust Incorporated – 2024 Annual Report

### Notes to the financial statements

#### 1 Reporting entity

These consolidated financial statements are for the Group consisting of Bay of Plenty Community Trust (the "Trust") and its subsidiary (together, the Group). Details of the subsidiary are included in note 1(b). The Bay of Plenty Community Trust is a Charitable Trust, incorporated in accordance with the provisions of The Community Trusts Act 1999.

#### (a) Consolidation

Subsidiaries are all entities that the Group has the power to govern the financial and operating policies. This power is generally accompanied by the Group having shareholding of more than one half of the voting rights of the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-entity transactions, balances and unrealised gains on transactions between entities in the Group are eliminated.

#### (b) Entities Reporting

Subsidiary company at balance date is as follows:

BayTrust Charities Limited	100% Shareholding
----------------------------	-------------------

BayTrust Charities Limited was formed during the 2020 year for the purpose of investing into the Trust Management Property Fund. This fund requires that the entity investing is a registered charity and Bay Of Plenty Community Trust is a Community Trust, not a registered charity.

#### 2 Basis of preparation

#### (a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013 and Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with the Public Benefit Entity Accounting Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted. The Trust qualifies as a Tier 2 reporting entity as for the two most recent reporting periods it has had between \$2m and \$30m operating expenditure and is not publicly accountable.

The Board of Trustees approved the financial statements on 19th August 2024.

#### (b) Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets and liabilities as identified in specific accounting policies below.

#### (c) Functional and presentation currency

These consolidated financial statements are presented in thousands of New Zealand dollars and rounded to the nearest thousand dollars (\$000's) which is the functional currency of the Group.

#### (d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In the process of applying the Group's accounting policies management have made judgements regarding whether or not discretionary grants are payable at year end or if discretionary grants are contingent liabilities at year end. This potentially has a significant effect on the amounts recognised in the financial statements. Grants payable are discretionary grants where there are no significant conditions attached to the grant at balance date or where the significant conditions attached to the grant have been met at balance date. Grants that are classified as contingent liabilities at year end are discretionary grant obligations at balance date that are reliant on additional funding or have other significant conditions attached to them to go ahead with a specified project. Refer to note 6 for the grants payable at 31 March 2024 and note 7 for contingent liabilities.

#### (e) Taxation

Bay of Plenty Community Trust is exempt from income tax with effect 1 April 2008, under section CW 52 of the Income Tax Act 2007. BayTrust Charities Limited is exempt from income tax with effect 25 June 2019, under section CW 52 of the Income Tax Act 2007.



## Bay of Plenty Community Trust Incorporated – 2024 Annual Report

### Notes to the financial statements (continued)

#### 3 Significant accounting policies

#### (a) Foreign currency

##### Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date and any differences are recognised in surplus or deficit. Classification is also reassessed by management at each reporting date.

#### (b) Financial Instruments

##### (i) Financial assets at fair value through surplus or deficit

The Group classifies its investments as financial assets at fair value through surplus or deficit. These financial assets are designated by management at fair value through surplus or deficit at inception, as doing so significantly reduces a measurement inconsistency that would otherwise arise from measuring these assets on a different basis.

Financial assets designated at fair value through surplus or deficit at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Group's Statement of Investment Policies and Objectives and information is provided internally to key management personnel on that basis.

Regular-way purchases and sales of investments are recognised on the trade date, being the date on which the Group commits to purchase or sell the investment. Investments are derecognised when the rights to receive cash flows from the investment have expired or the Group has transferred substantially all risks and rewards of ownership.

Financial assets at fair value through surplus or deficit are initially recognised at fair value. Separately identifiable transaction costs (including management, advisory, custodian and direct private equity fees) are expensed as incurred. Where transaction costs are not separately identifiable (i.e. fees deducted at source) these are offset against revenue from investments. Subsequent to initial recognition, all financial assets at fair value through surplus or deficit are measured at fair value. Gains and losses arising from changes in the fair value are presented in surplus or deficit in the period in which they arise.

##### (ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. The Group's loans and receivables comprise 'loans'.

Loans and receivables are initially recognised at fair value plus transaction costs. The fair value of long term receivables or loans that are interest free or have interest rates below market values (concessionary loans) are estimated using the present value of all future cash flow receipts discounted using the prevailing market rate of interest for similar instruments with a similar credit rating. After initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less any expected credit losses.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or where appropriate, a shorter period, to the net carrying amount of the financial asset.

The Group assesses at each balance sheet date whether there is objective evidence that a loan or receivable is impaired.

##### (iii) Short term deposits

Short term deposits are short term investments with an original maturity of between 3-12 months.

##### (iv) Trade and other payables

Trade and other payables are stated at cost and are classified as other liabilities.

##### (v) Derivatives

An instrument is classified as at fair value through profit and loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through surplus or deficit if the Group manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognised in the surplus or deficit when incurred. Subsequent to initial recognition, financial instruments at fair value through profit and loss are measured at fair value, and changes therein are recognised in surplus or deficit.

The Group had a closing derivative financial instrument at fair value through profit and loss in the form of foreign exchange rate swaps to reduce foreign exchange rate risk (Refer note 11).



Notes to the financial statements (continued)

**3 Significant accounting policies (continued)**

**c) Grants expenditure and grants payable**

The Group makes discretionary grants. The grants are recognised as an expense at the point at which the payment of the grant has been approved by the Trustees and the recipient of the grant does not have any further obligations to meet in order to receive the grant.

Grants payable are those grants which have been approved, there are no significant obligations to be met, and the grant has not been paid by the reporting date.

Where grants have been approved in the current or previous years but are subject to the fulfilment of further conditions in future years, they are treated as contingent liabilities (note 7).

**(d) Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment (if any). The cost of property, plant and equipment is the value of consideration given to acquire the assets and the value of the other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service.

Any gain or loss on disposal of an item of property, plant or equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

**(i) Depreciation**

Depreciation is recognised in surplus or deficit on a diminishing value basis over the estimated useful lives of each part of an item of property, plant and equipment.

The depreciation rates for the current and comparative periods are :

Furniture & fittings	8.5% to 40%
Office Technology	30% to 67%
Motor vehicle	20%
Property Improvements	10%

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

**(e) Impairment**

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication 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 surplus or deficit.

**(i) Impairment of financial assets**

Financial assets, other than those at fair value through surplus or deficit, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised costs, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial assets is reduced by the impairment loss directly for all financial assets.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through surplus or deficit to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

**(ii) Non-financial assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.



Notes to the financial statements (continued)

in New Zealand Dollars (\$000's)

**3 Significant accounting policies (continued)**

**(f) Employee benefits**

Liabilities for wages and salaries, including non monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in trade and other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Sick leave is recognised when the leave is taken and measured at the rates paid.

**(g) Investment Income**

**(i) Interest income**

Interest income is recognised on a time-proportion basis using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

**(ii) Dividend income**

Dividend income is recognised when the right to receive payment is established.

**(iii) Investment Income**

Refer to note 3(b) 'Financial Assets at fair value through surplus or deficit'.

**(h) Changes in Significant Accounting Policies**

The Group has applied PBE IPSAS 41, Financial Instruments, in its consolidated financial statements for the current year. This has led to some presentation and disclosure changes but has not had a material impact on the financial statements. Other than this, the accounting policies for the current year are the same as those applied by the Group in its consolidated financial statements for the year ended 31 March 2023. The Group has not applied any standards, amendments and interpretations that are not yet effective.

**4 Investment Income**

	2024	2023
Interest received	349	148
Fair Value Investment gains and losses	28,675	(5,263)
Net changes in fair value movement on loans and receivables / other investments	1,070	(27)
<b>Total Investment Income</b>	<b>30,094</b>	<b>(5,142)</b>

**5 Other expenses**

	2024	2023
Accountancy fees	13	10
Depreciation	22	29
Office operating costs	122	80
Office lease expenses	58	61
Trust administration	208	183
Employer kiwisaver contribution	29	28
Wages and salaries	746	699
Trustees' Remuneration (note 14)	143	143
Trustee expenses and professional development	83	56
Vehicle expenses	10	9
	<b>1,434</b>	<b>1,298</b>
Auditor's remuneration to William Buck		
- audit of financial statements	19	18
Total auditor's remuneration	<b>19</b>	<b>18</b>
	<b>1,453</b>	<b>1,316</b>

**6 Grants expenditure**

The Group's principal activity is to distribute income from its investments to the Community. The following table summarises the grants made to the Community.

	2024	2023
Grants Paid/Approved	5,927	8,575
Grants Refunded	(42)	(21)
<b>Total Grants</b>	<b>5,885</b>	<b>8,554</b>
Grants Paid - Approved previous years	5,600	5,106
Grants Approved not paid - Current Year	(3,067)	(4,763)
<b>Total Grants Paid during Year</b>	<b>8,418</b>	<b>8,897</b>

The Group provides an additional benefit to the Community by providing low-interest rate loans (see note 8), the value of the interest saved by the organisation over the term of the loan is effectively a grant to the organisation when the loan is approved.



Notes to the financial statements (continued)

in New Zealand Dollars (\$000's)

**7 Contingent liabilities**

The Group has no contingent liabilities as at 31 March 2024.

**8 Loans**

From time to time the Group advances funds to organisations at low interest rates or interest free (concessionary loans). The loans are classified as loans receivable and, after initial recognition, are measured at amortised cost using effective interest rate method less any expected credit losses. The difference between the interest charged and market rates equates to a community benefit provided by the Group. The actual value of the loans outstanding is \$6,966,102 however due to the below market interest rates that have been charged the carrying value of these loans is actually \$6,781,400. The variance of \$184,701 is essentially a benefit provided to the community over the remaining loan terms.

The loan balance is made up as follows:

Organisation	Maturity Date	Interest rate %	2024	2023
Tauranga Squash Racquets Club Inc	31/01/2026	3.00%	43	63
Theatre Whakatane Inc	19/11/2026	3.00%	59	80
Tauranga Community Housing Trust	17/10/2025	3.00%	760	760
Tauranga Community Housing Trust	01/12/2036	2.00%	691	738
Tauranga Community Housing Trust	25/05/2041	5.75%	3,050	3,151
EnviroHub	20/02/2025	0.00%	6	13
Habitat for Humanity	20/11/2037	5.25%	2,357	940
Imputed Interest on low interest loans			(185)	(1,254)
<b>Total</b>			<b>6,781</b>	<b>4,491</b>
			<b>2024</b>	<b>2023</b>
Classified as:				
Current			861	461
Non-current			5,920	4,030
<b>Total</b>			<b>6,781</b>	<b>4,491</b>

For the purposes of calculating amortised cost and interest, the rate applying to the Reserve Bank swap rate at inception date of each advance is used.

**9 Reserves**

**(a) Grants maintenance reserve**

The grants maintenance reserve relates to a capital maintenance reserve established and maintained at the Trustees' discretion.

**(b) Inflation reserve**

As an "enduring" (everlasting) Trust, BayTrust has a responsibility to ensure it treats all classes of beneficiaries equitably and this includes future potential beneficiaries. For this reason the Trust maintains its "real" capital by adjusting its initial capital inflation movements. Inflation adjustments are made as at 31 March each year to reflect changes in the Statistics New Zealand All Groups CPI with an adjustment required of \$6.6m in the March 2024 year.

**(c) Population Reserve**

To date, population adjustments have reflected the rate of growth in the Bay of Plenty region, with population reserves of \$52.40m being currently set aside which equates to 100% of the BOP population growth from inception of the Trust through to the 2018 census. Future population adjustments will be considered by the Trustees in the year following a New Zealand Census subject to funds being available. The population reserve is also adjusted for inflation on an annual basis.

**10 Investments**

	2024	2023
Cash included in Portfolio Investments	6,473	4,236
Emerging Market Equities	13,606	12,327
Global Fixed Income	17,254	15,032
Global Equities	90,489	79,753
Property & Infrastructure	29,590	29,572
Growth Alternatives	17,875	21,204
Impact Investments	10,735	7,829
Private Investments	42,899	32,160
Defensive Alternatives	18,402	21,203
NZ Fixed Income	8,606	12,561
<i>Investments designated at fair value through surplus or deficit</i>	249,456	231,641
<b>Total investments</b>	<b>255,929</b>	<b>235,877</b>



Notes to the financial statements (continued)

in New Zealand Dollars (\$000's)

**11 Derivative Financial Instruments**

	2024	2023
Balance at the beginning of the period	966	1,200
Unrealised gain in fair value	(2,612)	(234)
Unrealised loss in fair value	-	-
<b>Balance at the end of the period</b>	<b>(1,646)</b>	<b>966</b>

The fair value change to foreign exchange rate derivatives is the gain or loss on the foreign exchange rate swap at the end of the financial reporting period. The fair value of the foreign exchange rate swap is based on a mark to market valuation at balance date, obtained from BNZ.

**12 Grants Payable**

	2024	2023
Opening Balance	9,410	9,760
Grants Made	3,178	8,204
Grants Paid	(5,885)	(8,554)
<b>Closing Balance</b>	<b>6,703</b>	<b>9,410</b>
Classified as:		
Current	4,538	5,929
Non-current	2,165	3,481
<b>Total</b>	<b>6,703</b>	<b>9,410</b>

For further detail on the organisations and projects, please see <https://www.baytrust.org.nz/grants-decisions>.

**13 Leases**

**Leases as lessee**

Non-cancellable operating lease in relation to the Trust's administrative office rentals are payable as follows:

	2024	2023
Less than one year	67	58
Between one and five years	133	158
<b>Total</b>	<b>200</b>	<b>216</b>

Lease is for a 6 year term until December 2024 with three, three year, rights of renewal.

**14 Related parties**

The Trust held eight Board meetings during the year with Trustees also attending numerous other committee meetings and events representing the Trust. The table below records each Trustee's attendance at Board meetings and the remuneration paid as fixed by the Minister of Finance.

	Meeting Attendance	Remuneration \$
Carley, Sara	8	13.2
Harris, Judy	5	14.5
Kareta, Mawera	6	13.2
Murphy-Fell, Te Aorangi	8	14.1
Nabney, Rita	3	13.2
Napier, Steve	7	14.5
Northey, Stephanie	3	16.5
Phillips, Tane (Trust Chair from December 2022)	7	26.4
Smith, Gary	8	14.5
Taylor, Roger (Resigned May 2023)	0	2.2
Rapihana, Louis (Deceased April 2023)	0	1.5
		<b>143.8</b>

There are fees payable to 9 Trustees at balance date of \$11,605 gross (2023:11 Trustees at \$13,887).

Trustees and the Chief Executive Officer are considered part of the key management personnel of the Trust. Remuneration paid during the year to the key management personnel totalled \$372,420 (2023: \$362,730).

**15 Subsequent events**

There have been no significant events subsequent to balance date.



16 Commitments

Prior to balance date the Board approved the following investments:  
- Committed up to \$4,600,000 flexible loan facility to Habitat Central Region. \$2,357,145 has been paid to 31 March 2024 (2023: \$939,741).

The following is a schedule of committed capital for private equity investments which were uncalled during the financial period, as per the table below:

Accolade Growth Fund I (USD 1,110,000)	1,855,720
Accolade Growth Fund II (USD 1,410,000)	2,357,266
Adamantem Capital Environmental Opportunities Fund (AUD 3,500,000)	3,817,439
Allegro Fund IV (AUD 2,461,215)	2,684,440
Ambienta IV, SCSp (EURO 2,078,974)	3,753,708
Blackbird 2019 NZ Fund	202,500
Blackbird NZ 2022 LP	548,000
Blackbird Ventures 2020 (AUD 18,000)	19,633
Blackbird Ventures 2022 FO (AUD 1,180,000)	1,287,022
BOP Housing Equity Fund	9,800,000
Climate Adaptive Infrastructure Fund II (USD 3,000,000)	5,015,460
Climate Adaptive Infrastructure Fund-A LP (USD 950,349)	1,588,812
Continuity Capital Partners	87,500
Generation Sustainable Fund III (USD 291,424)	487,208
Generation Sustainable Fund IV (USD 2,612,000)	4,366,794
LGT Crown Global Securities (USD 952,500)	1,592,409
Lightrock Climate Impact Fund (EURO 1,369,400)	2,472,531
NIO Infrastructure Feeder Fund II (EURO 1,209,424)	2,183,685
NIO Infrastructure Feeder Fund V (EURO 2,000,000)	3,611,115
Northern Trust World Green Transition Index	8,389,480
Oriens Capital	45,000
Oriens Capital Fund II LP	840,000
Pencarrow Bridge Fund	135,000
Pencarrow V Investment Fund	280,000
Pencarrow VI Investment Fund	3,200,000
Public Infrastructure Partners II LP (Morrison&Co)	83,425
Purpose Capital	1,200,000
Waterman 3 Fund LP	381,400
Waterman 4 Fund LP	728,000
Wellington Climate Innovation Feeder Fund (USD 1,500,000)	2,507,730
WNT Ventures Fund 2 Limited Partnership	75,000
WNT Ventures Fund 3 Limited Partnership	534,000
WNT Ventures Fund 4 Limited Partnership	4,000,000

**Bay of Plenty Community Trust Incorporated**  
Independent auditor's report to the Trustees

**Report on the Financial Report**

**Opinion**

We have audited the financial report of Bay of Plenty Community Trust Incorporated, which comprises the consolidated statement of financial position as at 31 March 2024, the statement of service performance, consolidated statement of comprehensive revenue and expense, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies.

In our opinion:

- a. the reported aims and objectives, and quantification of the objectives to the extent practicable, in the statement of service performance are suitable.
- b. the accompanying financial report gives a true and fair view of:
  - the service performance for the year then ended
  - the financial position of Bay of Plenty Community Trust Incorporated as at 31 March 2024 and of its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime (IPSAS RDR).

**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 financial report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the 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 financial report section of our report. We are independent of the entity in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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 entity.



## Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Trustees are responsible for the other information. The other information comprises the information included in the Consolidated Annual Report on pages 1 to 21 but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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

The trustees are responsible on behalf of the entity 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 of a financial report on behalf of the entity that gives a true and fair view, which comprises:
  - the statement of service performance
  - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the financial reportin accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime (IPSAS RDR) issued by the New Zealand Accounting Standards Board, and
- c. for such internal control as the trustees determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the trustees are responsible on behalf of the entity 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 the entity or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report is as a whole 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 financial 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 financial 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.
- Obtain an understanding of the process applied by the entity to select what and how to report its service performance
- Evaluate whether the service performance criteria are suitable so as to result in service performance information that is in accordance with the applicable financial reporting framework.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board 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 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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements and service performance information, including the disclosures, and whether the financial statements and service performance information represent the underlying transactions and events in a manner that achieves fair presentation.

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.

The engagement director on the audit resulting in this independent auditor's report is Richard Dey.

## Restriction on Distribution and Use

This report is made solely to the entity's trustees, as a body. Our audit work has been undertaken so that we might state to the entity's trustees those matters which 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 entity and the entity's trustees, as a body, for our audit work, for this report or for the opinions we have formed.

*WilliamBuck*

**William Buck Audit (NZ) Limited**

Tauranga  
19 August 2024