

Bay of Plenty Community Trust Inc. Consolidated Annual Report for the Year ended 31 March 2021

**BAY
TRUST**
Supporting
Great Communities



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"Adventures for young people are made possible with the support of BayTrust. Increasing participation in meaningful activity, surrounding them with accepting peers and support helps them to achieve a fuller quality of life"

Recreate NZ

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 region extends from Katikati to Tūrangi to Te Kaha and includes the Eastern and Western Bay of Plenty and Rotorua and Taupō districts. The Trust's Kaupapa ensures that we deeply incorporate our commitments to Te Tiriti Waitangi and being climate responsible into everything we do.

Our Purpose

To accelerate bold meaningful change, assisting BOP communities and the environment to flourish.

Our Priorities



Our Commitments

- We commit to using all of our resources including investments, personnel and granting to progress our priorities:
 - We will operate in true partnerships with our communities
 - Be bold, flexible, innovative and to provide leadership
 - Live and practice our Kaupapa in everything we do
- We are committed to becoming a climate responsible (Tiakina te ao tūroa) organisation
- We commit to work with Māori in a way that is consistent with the principles of the Te Tiriti o Waitangi; partnership, protection and participation

Who we are

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 four fulltime and one part time staff member.

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 Trust's Purpose **to accelerate bold meaningful change, assisting BOP communities and the environment to flourish**. In meeting this responsibility, the Board approves the adoption of appropriate strategies, objectives and budgets and reviews the performance of the Trust against these objectives.

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.

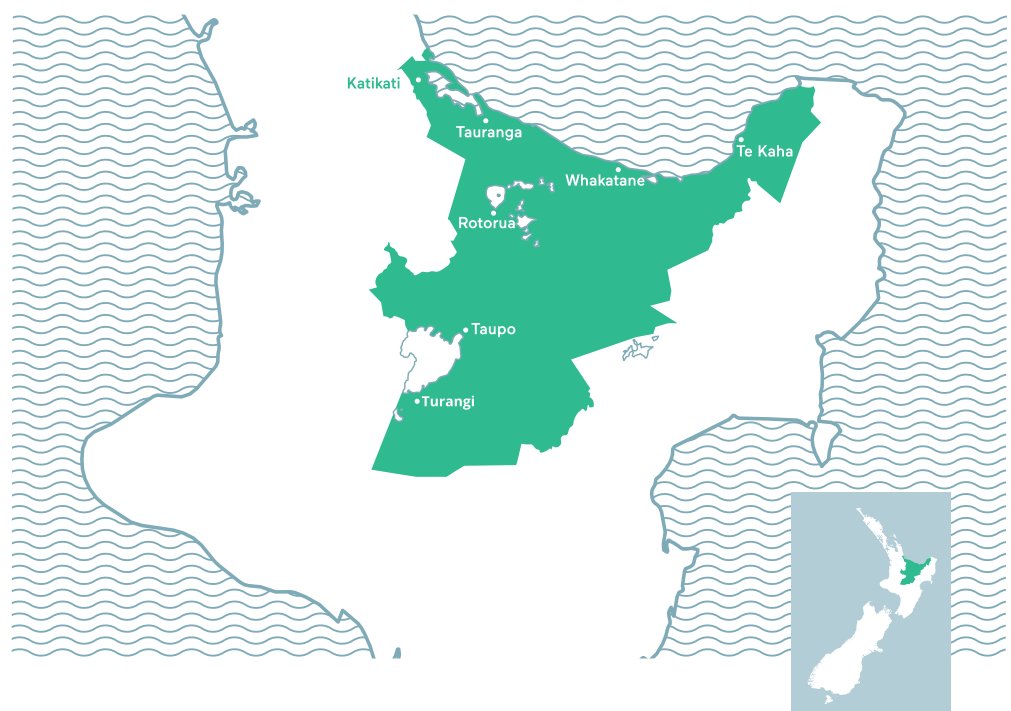
It is recognised that Trustees and staff have a wide range of involvement throughout the Bay of Plenty region, which is fantastic, however we also recognise that the potential for conflict will arise from time to time. To cover this eventuality, Trustees and staff disclose their involvement with other 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.

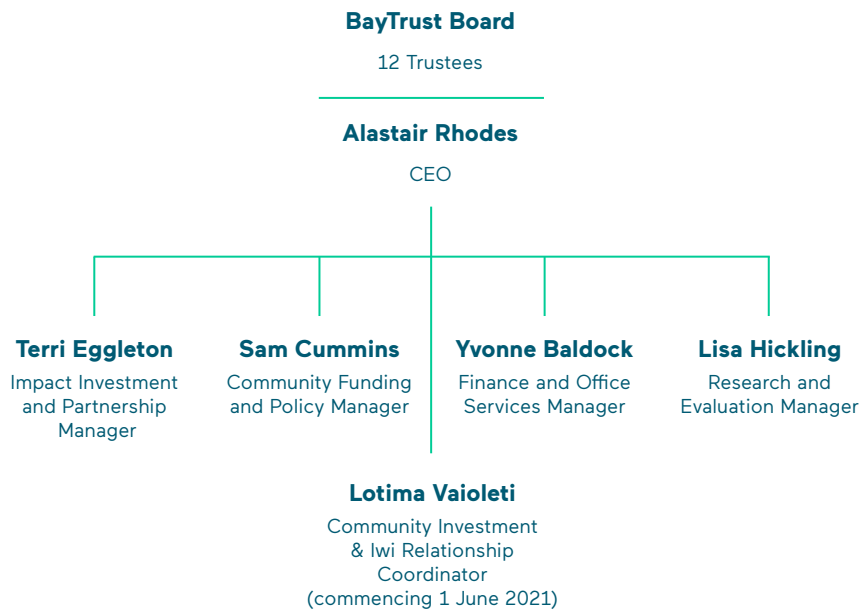


Our Region

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.



BayTrust Organisation Structure



Consultants/Advisors

- Investment Advisors – Cambridge Associates
- Impact Investments – 4am Consulting
- Legal – Sharp Tudhope
- Auditors – William Buck
- Accounting – Baker Tilly Staples Rodway
- PR/Web – Tailor-made/Moca
- Iwi Advisor – Jacob Tapiata
- External Investment Advisor – David Bell



Back row from left: Gary Smith; Tane Phillips; Sam Cummins (Community Funding and Policy Manager); Simon Clarke; Judy Harris; Lotima Vaioleti (Community Investment & Iwi Relationship Co-ordinator); Stephaine Northey (Deputy Chair); Steve Napier; Roger Taylor; Yvonne Baldock (Finance & Office Services Manager).

Front row from left: Terri Eggleton (Impact Investments & Partnership Manager); Alastair Rhodes (CEO); Lisa Hickling (Research & Evaluation Manager); Rita Nabney (Chair); Sara Carley; Kristen Joiner; Mawera Karetai.

What we have done

Chair and CEO Report

Tēnā Koutou Katoa

BayTrust's Kaupapa is; "to accelerate bold and meaningful change, assisting BOP Communities and our Environment to flourish" and it is our pleasure to share the BayTrust's group key activities, achievements and highlights for the year ended 31 March 2021.

Overall, despite Covid-19 it has been a very strong year financially and operationally for the Trust. We have inducted two new Trustees, continued to refine and grow our impact investments, signed off on the Trust's climate change action plan, moved to a 3-yearly forward-looking granting forecast, increased our investment growth allocation and introduced a new brand/strategy and purpose statement. All this, whilst maintaining a stable and well-respected team of Trustees and staff actively involved in the community and aligned to our core values and funding priorities of:

- Kaitiakitanga
- Healthy, Secure and Affordable housing
- Sustainable employment and Inclusive Growth
- Community Wellbeing and Tū Māori Mai

A more detailed update for the year ended 31 March 2021 is outlined below:

Financial

- The **Trust's investments** performed very well despite the Covid-19 volatility, returning **24.3% (2020 0%) for the year or \$50m (2020 \$0m)**. This performance was 4.1ppts above benchmark with the Trust's sustainably themed investment funds in particular, performing strongly. In March 2020, the Trust took the opportunity during the Covid-19 market downturn to move from a 60/40 growth allocation to a 75/25 growth asset allocation. This courageous decision helped to drive the strong returns for the year.
- Our view is that looking forward the traditional investment portfolio which has performed well over the last 30 plus years, will not perform as well over the next 30 years. Whilst we do not know what the future will look like, **we believe moving to a more illiquid, low carbon and truly sustainable portfolio, will best position us to align with our values and maximise returns to our community over the long-term**. As a result, the Trust in March 21 committed to move to an entirely sustainable investment portfolio over the next 10 years where all investments will be consistent with a low carbon, prosperous, equitable, healthy and safe society. As well as aligning with our values, we are of a firm view that investing in this way will also provide superior financial returns as this is where the best and brightest want to work, where the consumer demand is growing, where the regulatory environment will support and where investment capital is flowing.
- We continue to grow our **impact investments** with our current impact investments equating to 2.3% (2020 1.8%) of investment capital and with commitments of a further \$11.1m equating to 4% of investment capital already made and not yet drawn down at the end of March 2021.
- **Housing** is one of the key issues in the BOP. To this end, we have **committed \$3.4m to Tauranga Community Housing Trust**, a BOP community housing provider **and \$2m to a shared equity fund – YouOwn**.

We are allocating a further \$10m of our investments into this space where we will look to work with Iwi, community housing providers, central and local government and other key stakeholders to maximise the impact that this \$10m investment can make as we believe everyone has a role to play in terms of turning around the current housing crises seen throughout NZ.

- As a result of this strong revenue performance and keeping a close eye on costs as a result of the Covid-19 uncertainty, BayTrust's expenses of \$1.5m (2020: \$1.6m) and granting of \$6.3m (2020: \$6.8m) were more than covered, leading to an overall surplus of \$42m (2020 deficit of \$8.7m) for the year.
- At year-end the total equity of BayTrust was at \$246m a record high, which was a \$42m increase from the prior year.
- BayTrust's total granting commitments this year were \$6.3m (2020: \$6.8m) to 172 community organisations with these grants spread equitably across our funding areas and across our region. On a cash basis we granted \$6.5m (2020 \$6.7m). 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.
- Looking forward - the Trust has moved to a rolling 3-year forward forecast for granting. The rationale behind this move is to provide the Trust more flexibility in terms of granting and in particular to increase the ability to make longer term and more strategic granting decisions, to remove the arbitrary year end/budgeting concept (given the Trust's investments don't stop at year end), align better and provide Trustees with a more accurate picture of multi-year funding implications. This, along with the recent strong returns give the Board confidence to lift our expected granting to over \$7.5m for the coming year (and over \$25m for the next three years) which is 19% higher than last year.
- We are also taking a more **proactive** approach to attracting applications in identified outcome areas (our application success rate is now over 80%) and increasing **our acceptance of innovation and risk in granting to help actively encourage innovative approaches** to addressing social issues; and increasing **Iwi engagement / multi-year funding with a target to get ~30 key groups on multi-year funding agreements over the next two years (which is made possible with the Trust's move to a 3-year forward grants forecast).**

Community & Granting

Covid-19

- Because of the pandemic we initiated our emergency committee with zoom meetings on a weekly basis from the end of March through to May. Decisions were made around funding with normal monthly and quarterly grants rounds remaining open with the Trust honouring all its multi-year funding obligations as well as any other existing commitments. The Trust worked collaboratively with other local funders to set up an Emergency Rapid Response fund for those organisations experiencing a significant increase in demand on their services due to Covid-19. BayTrust budgeted \$0.5m to this fund which was more than matched by the other funders. The response collaborative funding pools have since been wound down. The learnings from this collaborative project are currently being evaluated and we are looking to commit to more collaborative funding pools in the future as part of business as usual.
- While Covid-19 and alert level 4 lockdown have had a major impact on community organisations, it hasn't manifest exactly how we first thought although we are still keeping a close eye on the situation. From what



we've seen the **financial impacts on organisations due to Covid-19 were not as bad as first feared**, and from what we're seeing many groups are holding balance sheets that are roughly the same as last year – primarily due to:

- The wage subsidy being extended to not-for-profits;
 - Extra government funds that appeared through MSD, DIA and Civil Defence;
 - The number of organisations that hold small to medium government contracts, and therefore had stable income streams;
 - Most funders kept funding at similar levels to the past;
 - While gaming trust funding stopped entirely it came back very strongly.
- The impacts of Covid-19 in the BOP was not equally shared, and wasn't as bad in the WBOP and EBOP as Rotorua and Taupō, where there is more reliance on tourism.

Climate Change

- BayTrust **accepts that climate change poses a serious and immediate risk to our community and requires urgent action**. We believe that we all have a role to play in helping to mitigate the most severe impacts and that we all will have to do things differently. As a philanthropic, BayTrust has significant flexibility to help our BOP communities understand and mitigate their climate change impacts, as well as grasp opportunities through our internal actions, our investments and our community support. As such, BayTrust is committed to becoming a climate responsible (Tiakina te ao tūroa) organisation through:
 - **Embedding climate responsibility into our culture and ethos** and measuring our internal greenhouse gas footprint, making this information publicly available and looking to reduce and offset this with the **aim of being carbon neutral by 2021**.
 - Use a robust and evidence-backed approach to assessing all new investments to ensure that the Trust's **investment portfolio's carbon exposure is reduced over time with the long-term goal to be carbon neutral by 2030 and to achieve a 50% reduction in emissions by 2025**.
 - Support our BOP communities to understand and mitigate their climate change impacts and grasp opportunities **through embedding climate change as a foundational principle across our funding framework**.

Trust Deed

Over the past two years we have worked closely with other Community Trusts throughout NZ, our legal advisors and DIA to update our Deed and ensure it is fit for purpose with the previous Deed being written over 30 years ago. Our new Deed is on our website and the key changes include:

- Strengthened appointment process for Trustees;
- Greater flexibility around investment and distribution powers;
- A commitment that Trustees should consider Te Tiriti o Waitangi when they exercise their powers under the Deed.

Looking ahead

As we look at the year ahead, we will continue to support and work closely with our communities and communicate and focus on rolling out our new strategic priorities with specific actions including:

- Action our climate change plan and help to lead the BOP into a more sustainable and regenerative fit for purpose future.
- Drive towards a carbon neutral investment portfolio by 2030 and an overall sustainable investment portfolio over the same timelines.
- Continuing to invest heavily into the housing sector and look for gaps where our investment will make a meaningful difference.
- Partner with Māori/Iwi particularly through co-investments.
- Continue to invest in the NZ impact investment and social enterprise ecosystem.
- Explore more sub-regionally based funders pools and increased commissioning for outcomes.
- Ensure we deliver a fantastic 2022 Combined Community Trusts conference in Rotorua.

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

Nā māua noa, nā



Rita Nabney
Chair



Alastair Rhodes
Chief Executive Officer

29 July 2021

Investment Performance

BayTrust'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 BOP communities. Over the last year, the Board with the assistance of our Investments Advisors, Cambridge Associates ran a well diversified and global portfolio of investments which performed well given the Covid-19 international market impacts.

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 \$252m, 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 \$163m over 25 years, whilst over the same period the Trust has granted \$85m into our communities.
- After a challenging prior year which was significantly impacted by Covid-19, it was pleasing that investment revenue for the year to March 2021 rebounded very strongly 24.3% (4.1ppts above benchmark), illustrating the benefits of BayTrust's globally diversified portfolio and its increased growth allocation and allowing the Trust to increase its granting levels going forward.
- At an asset class level, performance was strong across the board and in particular it was pleasing to see the very strong performance of the Trust's sustainable investments with Generation Global Equities (a sustainably themed global equity fund) returning 43% against its benchmark of 30%. This gives the Trust increasing confidence as it gradually transitions all of its investments to be sustainable over coming years.

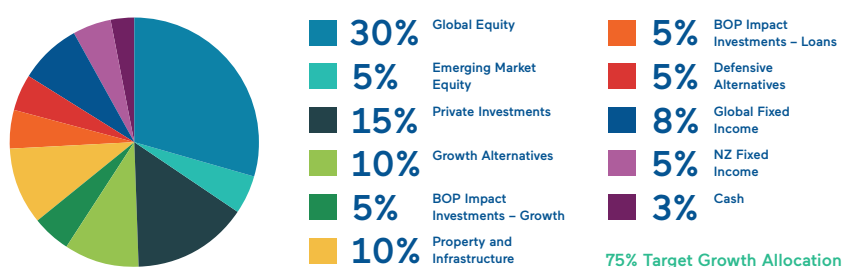
	2021	2020
Investment Income	\$50m	\$0m
Return on Investment	24.3%	0%
Benchmark Return	20.2%	0%

Investment changes during the year

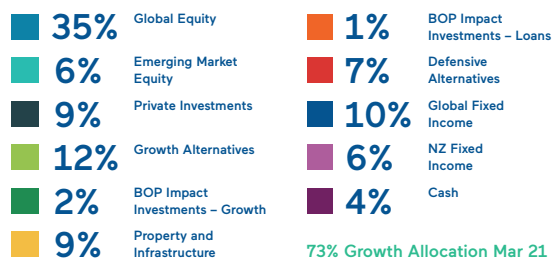
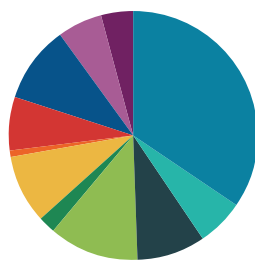
The Trust agreed in March 2020 to take advantage of the significant market correction arising from Covid-19 impacts to increase its growth allocation from 60% to a 75% target allocation which is the Trust's long term preferred position. The transition from 60% to 75% occurred over the year in a staged manner based on advice from the Trust's Investment Advisors and as at the end of the year the Trust's growth allocation was close to target at 73%. The slightly increased risk associated with the higher growth allocation, reflects the perpetual nature of the Trust and the desire to ensure the Trust's ongoing distributions to our communities remain strong. We estimate that the growth allocation and other changes that have been made over the last 3 years have added ~\$10m of value to the Trust and ultimately our BOP communities.

The Trust has also committed to driving a 50% reduction in its investments carbon exposure by 2025, with the aim to have a carbon neutral investment portfolio by 2030, which both ourselves and our advisors believe will not just be good for the planet, but also good for the Trust's long term investment returns.

BayTrust's Target Asset Allocation March 2020



BayTrust's Asset Allocation March 2021

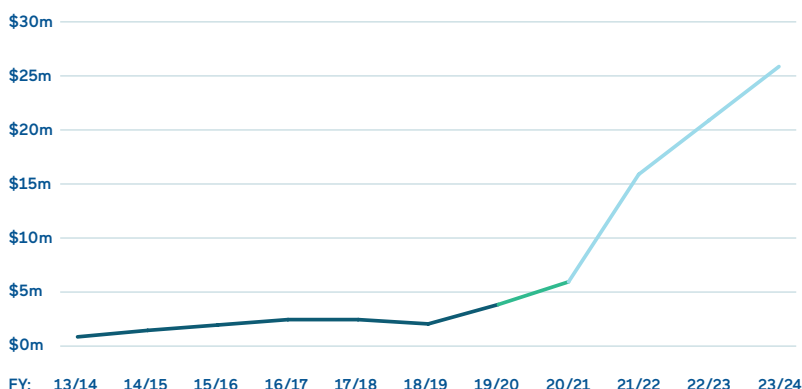


Future Investment plans

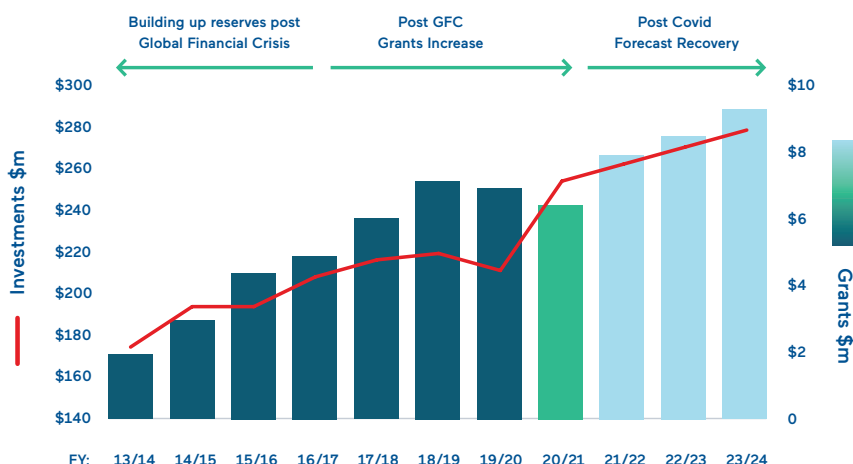
Looking ahead we anticipate financial market volatility is likely to continue and we are working closely with our Investment advisors to further refine and diversify our investment portfolio to align with our asset allocation targets and its 75% growth allocation. We also committed in March 2021 to transition our entire investment portfolio to a sustainable portfolio over the next 10 years where we will invest in funds and organisations that provide goods and services consistent with a low-carbon, prosperous, equitable, healthy and safe society. As well as being consistent with our values and our purpose we also are of the view that this approach will deliver superior financial returns as the investment world pivots into this space.

We 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 \$20m within 3 years.

Impact Investments Analysis



Granting Analysis



Granting

To help achieve our Purpose and Key Strategic Areas, the Trust paid \$6.5m in grants and scholarships distributed across our region and our priority areas as outlined below:

Funding into the priority areas over the last two years has been broadly consistent. The larger allocation to Strong Communities, Improving Youth Outcomes and Improved Environment in 2020/21 is attributable to investment in multi-year funding in these outcome areas. The Safe and Active priority area includes the contract with Sport Bay of Plenty.

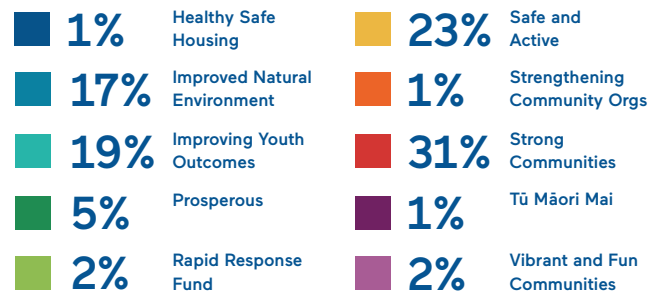
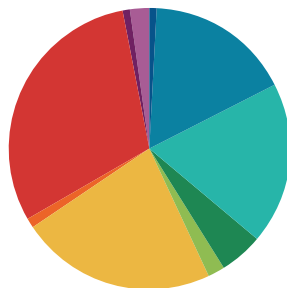
The Trust's granting approach aims for both an equitable distribution of grants across the region and distribution using an equity lens. The granting distribution was reasonably consistent with the actual population percentages and with previous years

although, compared to the previous year slightly less was granted into Rotorua and Taupō which is likely to be due to Strategic Partnership fund payments (due to their relatively large size).

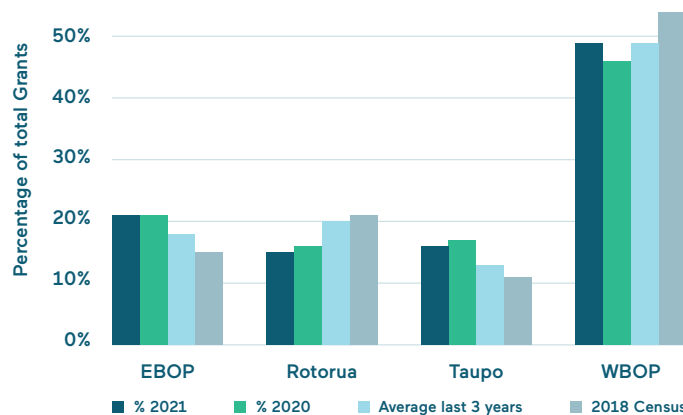
MYF for operational costs was granted to eight organisations totalling \$660,000 (one third of this paid out in 2020/21 year).

The number of applications 234 (2020: 267) has reduced slightly but the approval rate has increased to 83% (2020: 79%). The total granted as a percentage of requests increased this year to 76% (2020: 65%).

Granting Across Priority Areas



Regional Distribution of Granting



"The Bay Trust has been a wonderful supporter of the Taupō Winter Festival since its inception in 2016. The funding has meant The One Taupō Trust can produce the much loved 14-day festival for locals and visitors to the region. Without the funding we receive the festival quite simply wouldn't be what it is today."

One Taupō Trust

Partnerships

2020/2021 has seen the continuation of our approach to building meaningful partnerships with a selection of groups through the Strategic Partnership Fund. Of note are the partnerships with Project HALO (Whakatāne) which will see funding of \$570,000 over a three-year period that will help the group deliver numerous environmental outcomes, Taupō Pathways for Youth Employment, \$513,000 and Envirohub BOP, \$130,000 to support the Waiariki Park Region project designed to inspire community action to connect people to enhance and protect the environment.

Capability Building Support

During the 2020/21 year, BayTrust supported seven organisations with Toolbox funding for a wide range of capacity building support including strategic planning training, housing feasibility and feasibility of a carless day initiative in Tauranga.

Covid-19 Rapid Response and Rapid Recovery Fund

The NZ lockdown in 2020 showed our role in supporting our community in times of crises, and recovery from this.

The Trust set up an emergency funding pool, with Rotorua and Western Bay of Plenty joining other local funders to create a single application process. In the Western Bay the joint funders included TECT, Acorn Foundation and Tauranga City Council in setting up a Rapid Response Fund.

The four funders jointly committed \$600,000 from their granting reserves to support community organisations experiencing increased demand and/or funding shortfall as a result of Covid-19 lockdown. We would like to thank TECT publicly for taking the lead role in the coordination and administration of this fund.

Over an eight-week period, we were able to support 34 community organisations, from IT purchases and PPE, to community meals and food parcels. More than \$231,500 in funding went a long way to helping local organisations protect and care for the most vulnerable in our communities. In June 2020, after lockdown, the funders agreed to transition to phase two, the Rapid Recovery Fund. While the initial Rapid Response Fund launched by the funders in April provided emergency support, we transitioned to a recovery fund with over \$700,000 granted through the joint WBOP collaboration.

In total to 31 March 2021, BayTrust funded more than \$550,000 to more than 80 organisations across the Bay of Plenty through our Covid funding. We were delighted our funding could help community organisations continue their service deliveries, their capability to deliver and their ability to meet financial commitments.

The feedback from the community on our joint approach was overwhelmingly positive and we look forward to continuing to collaborate with our funding partners across the region in the future.

Community Feedback

BayTrust surveys grantees and key stakeholders annually, the key outtakes from the latest survey undertaken in December 2020 were:

Due to COVID-19 staff were unable to hold the annual community engagement drop-in centres across the BOP which is a mechanism used to gather feedback from the community. However, feedback was still sought via the BayTrust applicants survey about both BayTrust's performance and community issues. This information is used to improve the Trust's service and inform planning.

Applicants advised that, like previous years the three biggest community challenges that BayTrust could influence in the next two to three years are housing availability/affordability, inequity, community and family support.

Climate Change

One of the goals of the Trust's Climate Change Action Plan is to be an active enabler in the BOP. One of the initial activities was for the Trust to find out at what point the applicants are in their own organisations' climate change journey. Almost two-thirds of applicants saw climate change as a high/medium-high priority for the community and 41% saw climate change as a

high/medium-high priority for their own organisations. One third of applicants said they had assessed their climate change impact and identified changes with 51% reporting they are just starting to think about it.

Self-assessment

This year staff undertook an assessment of the Trust against good philanthropic and evaluative practice. The main findings:

- In most cases the Trust follows best contemporary philanthropic and evaluative practice.
- Staff measured the Trust against the latest thinking in contemporary philanthropic practice and found the Trust had, for the most part, proactively considered the key themes and incorporated that thinking into strategy, policies and practice.
- Some areas for improvement were identified including some additional statistics that the Trust could consider collecting/using and looking for more opportunities to share, influence and undertake more systematic capture of informal reflection.

The Trust's annual applicants survey showed applicants continued to have high levels of awareness of BayTrust's funding priorities and rated the Trust very highly on its application process and as a "user-friendly and accessible organisation".



"Hills to harbour ecosystem restoration is a bit of a mouthful but that's what Project Parore is all about. The amazing support from BayTrust has meant Project Parore can realise its vision and enhance our impact. Thank you!"

Project Parore

"With huge thanks to Bay Trust, Live for More has engaged with more than 100 seriously at-risk young men through their surf therapy programmes. These men have set goals for themselves and been supported as they acquired the basics to be a positive force within society."

Live for more



Bay of Plenty Community Trust Incorporated – 2021 Annual Report

Consolidated Statement of comprehensive revenue and expense

For the year ended 31 March 2021

in New Zealand Dollars (\$000's)

	Note	2021	2020
Investment Income	4	49,761	(294)
Less Expenses			
Portfolio management and advisory fees		403	417
Other expenses	5	1,130	1,154
Total Expenses		1,533	1,571
Grants Expenditure	6, 16	6,287	6,819
Surplus/(Deficit) for the year		41,941	(8,684)
Other Comprehensive Income		-	-
Total comprehensive revenue and expense for the period		41,941	(8,684)

Consolidated Statement of changes in equity

For the year ended 31 March 2021

in New Zealand Dollars (\$000's)

	Trust capital	Retained earnings	Population reserve	Grants maintenance reserve	Inflation reserve	Total
Note			Note 9 (c)	Note 9 (a)	Note 9 (b)	
Balance at 1 April 2019	89,308	-	10,560	63,735	49,030	212,633
Total comprehensive revenue and expense for the period	-	(8,684)	-	-	-	(8,684)
Reallocation of Funds			32,987	(36,470)	3,483	
Reserves transfers	-	8,684	-	(8,684)	-	-
Balance at 31 March 2020	89,308	-	43,547	18,581	52,513	203,949
Balance at 1 April 2020	89,308	-	43,547	18,581	52,513	203,949
Total comprehensive revenue and expense for the period	-	41,941	-	-	-	41,941
Reallocation of Funds	-	-	658	(2,801)	2,143	-
Reserves transfers	-	(41,941)	-	41,941	-	-
Balance at 31 March 2021	89,308	-	44,205	57,721	54,656	245,890

The notes on pages 16 to 22 are an integral part of these financial statements.

Bay of Plenty Community Trust Incorporated – 2021 Annual Report

Consolidated Statement of financial position

For the year ended 31 March 2021

in New Zealand Dollars (\$000's)

	Note	2021	2020
Assets			
Property, plant and equipment		158	136
Loans	8	1,409	1,442
Investments	10	247,737	204,181
Total non-current assets		249,304	205,759
Loans	8	198	175
Other Receivables		82	144
Cash and cash equivalents		3,067	4,657
Total current assets		3,347	4,976
Total assets		252,651	210,735
Trust equity			
Trust capital		89,308	89,308
Retained earnings		-	-
Population reserve	9	44,205	43,547
Grants maintenance reserve	9	57,721	18,581
Inflation reserve	9	54,656	52,513
Total equity		245,890	203,949
Liabilities			
Grants Payable		2,578	3,486
Derivatives	11	1,625	1,573
Trade and other payables		202	107
Total current liabilities		4,405	5,166
Grants Payable		2,356	1,620
Total non-current liabilities		2,356	1,620
Total liabilities		6,761	6,786
Total equity and liabilities		252,651	210,735

The notes on pages 16 to 22 are an integral part of these financial statements.

Signed on behalf of the Board of Trustees;

Chair: 

Trustee: 

Date: 29-07-2021



Bay of Plenty Community Trust Incorporated – 2021 Annual Report

Consolidated Statement of cashflows

For the year ended 31 March 2021

in New Zealand Dollars (\$000's)

	2021	2020
Cashflows from operating activities		
Investment income	662	2,467
Cash paid to suppliers, Trustees and staff	(1,411)	(1,643)
Proceeds from realisation of investments	71,905	139,842
Funds Invested	(66,294)	(131,327)
Grants paid to the community	(6,457)	(6,688)
Net cash flows from operating activities	(1,595)	2,651
Cashflows from investing activities		
Acquisition of property, plant and equipment	(59)	(108)
Sale of property, plant and equipment	11	-
Loans (Issued) / Repaid	53	76
Net cash flows from investing activities	5	(32)
Net increase/(decrease) in cash and cash equivalents	(1,590)	2,619
Cash and cash equivalents at 1 April	4,657	2,038
Cash and cash equivalents at 31 March	3,067	4,657

The notes on pages 16 to 22 are an integral part of these financial statements.

Bay of Plenty Community Trust Incorporated – 2021 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). A list of the subsidiary is included in note 1(a). The Bay of Plenty Community Trust is a Charitable Trust, incorporated in accordance with the provisions of The Community Trusts Act 1999.

(a) Entities Reporting

Subsidiary company at balance date is as follows:

BayTrust Charities Limited	100% Shareholding
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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.

(b) 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.

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 29 July 2021.

(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 2021 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 – 2021 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 profit or loss. Classification is also reassessed by management at each reporting date.

(b) Financial assets at fair value through profit or loss

The Group classifies its investments as financial assets at fair value through profit or loss. These financial assets are designated by management at fair value through profit or loss at inception.

Financial assets designated at fair value through profit or loss 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 profit or loss 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 profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are presented in profit or loss in the period in which they arise.

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 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 impairment.

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.

Short term deposits

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

Trade and other payables

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

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 profit or loss 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 profit or loss 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 profit or loss.

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).

Bay of Plenty Community Trust Incorporated – 2021 Annual Report

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 profit or loss.

(i) Depreciation

Depreciation is recognised in profit or loss 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 equipment	30% to 50%
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 profit or loss.

(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 profit or loss 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.

Bay of Plenty Community Trust Incorporated – 2021 Annual Report

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, annual leave and accumulating sick 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 profit or loss'.

(h) Changes in Significant Accounting Policies

The accounting policies applied by the Group in these consolidated financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 March 2020. The Group has not applied any standards, amendments and interpretations that are not yet effective.

4 Investment Income

	2021	2020
Interest received	43	59
Fair Value Investment gains and losses	49,674	(303)
Net changes in fair value movement on loans and receivables / other investments	44	(50)
Total Investment Income	49,761	(294)

5 Other expenses

	2021	2020
Accountancy fees	20	22
Depreciation	26	17
Office operating costs	63	109
Office lease expenses	65	64
Trust administration	156	144
Employer kiwisaver contribution	21	21
Wages and salaries	533	523
Trustees' Remuneration (note 12)	162	164
Trustee expenses and professional development	54	58
Vehicle expenses	7	12
	<u>1,107</u>	<u>1,134</u>
Auditor's remuneration to KPMG		
- audit of financial statements	23	20
Total auditor's remuneration	23	20
	<u>1,130</u>	<u>1,154</u>

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.

	2021	2020
Grants paid	6,275	6,900
Dillon Scholarship	81	88
Grants refunded or cancelled	(69)	(169)
Total Grants	6,287	6,819

A full list of the grants expenditure can be found in note 16. 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.



Bay of Plenty Community Trust Incorporated – 2021 Annual Report

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 2021.

8 Loans

From time to time the Group advances funds to organisations at low interest rates or interest free. The loans are classified as loans receivable and, after initial recognition, are measured at amortised cost using effective interest rate method less any impairment loss. 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 \$1,811,235 however due to the below market interest rates that have been charged the carrying value of these loans is actually \$1,607,136. The variance of \$204,108 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 %	2021	2020
Tauranga Squash Racquets Club Inc	31/01/2026	3%	117	113
Theatre Whakatane Inc	19/11/2026	3%	104	121
Tauranga Community Housing Trust	17/10/2025	2%	760	760
Tauranga Community Housing Trust	01/12/2036	2%	830	870
Imputed Interest on low interest loans			(204)	(247)
Total			1,607	1,617
			2021	2020
Classified as:				
Current			198	175
Non-current			1,409	1,442
Total			1,607	1,617

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.

During the year Theatre Whakatane Inc and Tauranga Squash Racquets Club Inc were given payment and interest holidays due to them being adversely affected by Covid-19.

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 for both inflation and, to some extent, population 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 \$2.14m in the March 2021 year.

(c) Population Reserve

To date, population adjustments have reflected a portion of the rate of growth in the Bay of Plenty region, with population reserves of \$44.21m 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

	2021	2020
<i>Investments</i>		
NZ Fixed Interest	5,771	5,894
Emerging Market Equities	14,696	10,273
Global Fixed Income	25,660	31,887
Global Equities	88,501	66,837
Property & Infrastructure	23,008	15,382
Growth Alternatives	31,458	18,927
Impact Investments	4,252	1,865
Private Investments	21,487	13,167
Defensive Alternatives	16,857	17,411
NZ Fixed Income	16,047	22,538
Total investments designated at fair value through profit or loss	247,737	204,181



Bay of Plenty Community Trust Incorporated – 2021 Annual Report

Notes to the financial statements (continued)

in New Zealand Dollars (\$000's)

11 Derivative Financial Instruments

	2021	2020
Balance at the beginning of the period	1,573	-
Unrealised gain in fair value	52	(96)
Unrealised loss in fair value	-	1,669
Balance at the end of the period	<u>1,625</u>	<u>1,573</u>

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 Leases

Leases as lessee

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

	2021	2020
Less than one year	55	53
Between one and five years	274	267
Total	<u>329</u>	<u>320</u>

Lease is for a 6 year term until December 2025 with three, three year, rights of renewal.

13 Related parties

The Trust held nine 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 \$
Bentley, Maggie (Retired for health reasons January 2021)	4	10
Carley, Sara (Commenced September 2020)	5	7
Christensen, Michael (Completed two terms, September 2020)	2	5
Clarke, Simon	8	13
Harris, Judy	5	13
Joiner, Kristen	7	12
Karetai, Mawera	8	12
McAdie, Nigel (Completed two terms, September 2020)	4	6
Nabney, Rita (appointed Trust Chair 1 March 2019)	8	24
Napier, Steve	9	13
Northey, Stephanie	6	15
Phillips, Tane (Commenced September 2020)	4	7
Smith, Gary	8	13
Taylor, Roger	8	12
		<u>162</u>

There are fees payable to 11 Trustees at balance date of \$11,500 gross (2020:12 Trustees at \$13,650).

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 \$342,776 (2020: \$350,343).

14 Subsequent events

There have been no significant events subsequent to balance date.

Bay of Plenty Community Trust Incorporated – 2021 Annual Report

Notes to the financial statements (continued)

in New Zealand Dollars (\$000's)

15 Commitments

Prior to balance date the Board approved the following investments:

New loan to Tauranga Community Housing Trust of \$3,410,000 to be paid in June 2021.

Committed \$2,000,000 to YouOwn Limited Partnership. (Committed 18 August 2020)

Committed \$190,000 to WNT Fund LP for Carbon Co. (Committed 25 March 2021)

Committed \$4,283,580 (USD 3,000,000) to Accolade Growth II-A fund. (Committed 8 September 2020)

Committed \$1,000,000 to WNT Fund III. (Committed 3 November 2020)

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

Continuity Capital Partners	250,000
Waterman Capital Ltd	1,670,000
Pencarrow Private Equity	1,005,000
Oriens Capital	150,000
Public Infrastructure Partners II LP (Morrison&Co)	83,425
NIO Infrastructure Feeder Fund II (EURO 1,750,000)	2,953,678
WNT Ventures Fund 3 Limited Partnership	980,000
WNT Ventures Fund 2 Limited Partnership	215,000
ICG (AUD 4,308,734)	4,685,872
Generation Sustainable Fund 1 (USD 2,140,000)	3,055,620
Blackbird 2019 NZ Fund	732,500
Blackbird Ventures 2020 (AUD 517,500)	562,796
LGT Crown Global Securities (USD 2,360,000)	3,369,750
Accolade Growth Fund II (USD 3,000,000)	4,283,580
Accolade Growth Fund (USD 2,600,000)	3,712,436
Purpose Capital	4,300,000

Bay of Plenty Community Trust Incorporated – 2021 Annual Report

Notes to the financial statements (continued)

16 Grants expenditure for the year ended 31 March 2021

Health & Disability			
Macular Degeneration NZ; Operational costs	\$28,300	Stem Wana Trust; Stemfest festival	\$7,500
The Stroke Foundation of NZ Ltd; Operational costs BOP	\$30,000	Tauranga District Riding for the Disabled Assoc; Operational costs	\$25,000
	\$58,300	Tauranga Sunrise Trust; He waka eke noa - This is us	\$5,000
Healthy Housing		Tauranga Youth Development Team Inc; Operational costs	\$75,000
SocialLink Tauranga Moana (for COLAB Te Puke); Creating a connected, thriving community	\$35,000	The Clothing Project; Caring, connected communities	\$5,000
	\$35,000	Tikanga Aroro CT; Puwhakamua	\$25,000
Improved Natural Environment		Tūrangi Mountain Region Trust; Free community dinners	\$3,150
Bay Conservation Alliance; Collective conservation	\$124,886	WBOP Disability Support Trust; Operational costs for networking	\$10,000
Connected Media Trust; Someday workshops/screenings	\$5,000	Whakaatu Whanaunga Trust; Community foodbank	\$5,000
EERST; Paper4Trees	\$10,000		\$410,330
Envirohub BOP; Waiariki Park Region	\$130,000	Prosperous Communities	
Garden to Table Trust; Operational costs	\$10,000	Citizens Advice Bureau Taupō; Operational costs	\$15,000
HALO Whakatane Ltd, Building a HALO	\$570,000	Enterprise Great Lake Taupo Trust; Taupō workforce support network	\$35,000
Linkt Community Trust; ReMaker space	\$10,000	Envirostrat Ltd; GreenWave	\$75,000
Manawahe Eco Trust; Operational costs	\$60,000	Film Bay of Plenty Trust; Operational costs	\$40,000
PIPs, people, plants, schools: Improving futures through nature	\$7,500	Katch Katikati; Operational costs	\$60,000
Rotorua Sustainable Charter; Sustainability support program	\$10,000	Linton Park Community Centre; Operational costs	\$25,000
Sustainable Bay of Plenty Trust; Operational costs	\$50,000	Rotorua Budget Advisory Service Inc; Operational costs	\$25,000
Wai Kokopu; Catchment restoration	\$125,000	The Taupō Budget Advisory Service Inc; Operational costs	\$10,000
Whakatāne Kiwi Trust; Kiwi project	\$25,000	Venture Centre NZ; Advancing Social Entrepreneurship	\$30,000
	\$1,137,386		\$315,000
Improving Youth Outcomes		Safe & Active Communities	
Digital Natives Academy CT; Haututu laboratories (Tutu Labs)	\$15,000	Neighbourhood Support Rotorua; Operational costs	\$7,500
Edgecumbe Blue Light Ventures Inc; Operational costs	\$15,000	Papamoa Community Surf Rescue Base Trust; Building completion Royal	\$50,000
EnviroKatikati CT; CLD Positive Pathways for Rangatahi	\$30,000	NZ Coastguard; Regional unit support	\$390,000
Graeme Dingle Foundation Rotorua; Kiwi Can delivery	\$75,000	Safe Surfer; Safer Internet	\$15,000
House of Science NZ; Operational costs	\$20,000	Sailability Rotorua; Sustainable operational growth plan	\$5,000
House of Science Tauranga CT; Resource kits & programs	\$30,000	Shakti Ethnic Women's Support Group; Operational costs	\$30,000
Inspiring Stories, Future Leaders	\$20,000	Surf Lifesaving NZ Inc - Eastern Region; Club & Regional operational costs	\$100,000
Kawerau Blue Light Ventures Inc; Operational costs	\$30,000	Taupō Neighbourhood Support; Operational costs	\$7,500
Live For More CT; Operational costs	\$135,000	Waiariki Women's Refuge Inc; Operational costs	\$35,000
Matatā Blue Light Ventures Inc; Operational costs	\$30,000	Water Safety NZ Inc; Drowning prevention initiatives	\$70,000
Mockingbird CT; Operational costs	\$120,000	Whakatāne District Neighbourhood Support; Operational costs	\$5,000
Parenting Place CT; Attitude presentations	\$15,000		\$715,000
NZ Centre for Gifted Education Ltd; Supporting talented learners	\$10,000	Strengthened Whanau	
Recreate NZ; Operational costs	\$25,511	Anglican Diocese of Waiapu (GTG Taupo); Seasons programs	\$7,500
Taupō Pathways; Youth Development	\$513,450	Awhina Activity Centre; Mana Wahine & Mana Tane programs	\$10,000
Te Aka Toitu; Connected EBOP	\$45,000	BOP Youth Development Trust; Youth development programs	\$20,000
Te Rūnanga o Ngāti Manawa; Haututu laboratories (Tutu Labs)	\$24,010	Community Leisure Facilities CT; Making the difference water safety	\$22,000
Te Whare Wānanga o Awanuiarangi; RoboPa	\$25,000	Kidz Need Dadz; Operational costs	\$25,000
Tipu Skills for Life CT; Operational costs	\$30,000	Tangata Whenua Community & Volunteer Sector Research Centre; Webinars	\$3,000
Tūrangi Rangatahi Hub CT; Operational costs	\$15,000	The Boy's Brigade in NZ Inc; ICONZ Edge school program	\$10,000
Whakatane Blue Light Ventures Inc; Operational costs	\$30,000	Waiariki Whanau Mentoring Ltd; Unite communities to save whanau	\$20,000
	\$1,252,971	YSAR NZ; Operational costs	\$25,000
Inclusive Communities			\$142,500
Age Concern Rotorua District; Operational costs	\$27,000	Strong Communities	
Age Concern Taupo Inc; Operational costs	\$10,000	Aphasia NZ CT, Connection & reconnection	\$7,500
Age Concern (Tga) Inc; Support Services	\$15,000	Atua Awhi Community CT; Operational costs	\$25,000
Alzheimer's Society Taupo Inc; Operational costs	\$14,680	Auckland District Kidney Soc Inc; BOP operational costs	\$20,000
Alzheimer's Soc Tauranga/WBOP; Dementia navigation service	\$30,000	Autism NZ Inc; Operational costs	\$10,000
Arthritis NZ; Changing the impact of gout arthritis	\$20,000	Awhina Society Inc; Foodbank operational costs	\$15,000
Barnados NZ; 0800 What's up children's helpline	\$12,500	Bethlehem Baptist Church; Expansion of counselling service	\$10,000
Bellyful NZ Trust; Operational costs Tauranga & Taupo	\$7,500	Big Brothers, Big Sisters EBOP; Mentoring programs	\$10,000
BOP Multiple Sclerosis Soc Inc; Operational costs	\$10,000	Big Brothers, Big Sisters of Rotorua; Operational costs	\$10,000
Brave Hearts NZ; Operational costs	\$15,000	Big Buddy Mentoring Trust; Operational costs	\$7,500
Dementia Lakes Rotorua; Operational costs	\$10,000	BOP Therapy Foundation; Operational costs	\$15,000
EBOP Riding for the Disabled; Operational costs	\$10,000	Camp Unity; A place to me, a place to be free	\$2,500
Halberg Foundation; Operational costs	\$10,000	Christians Against Poverty NZ; Operational costs	\$10,000
Kawerau Community Menz Shed; Operational costs	\$8,000	Chronic Complex Illness Support Inc; CCI support operations	\$10,000
Mt Maunganui Community Menz Shed; Operational costs	\$10,000	Eastern Bay Villages; Operational costs	\$40,000
NZ Council of Vicim Support Groups Inc; Volunteer support worker program	\$15,000	EmpowermentNZ CT; Te Puke hub operational costs	\$30,000
Older Persons Community Centre Trust; Operational costs	\$10,000	Epilepsy Assoc of NZ Inc; Field support service	\$10,000
Pregnancy Choice; Operational costs	\$15,000	Family & Financial Solutions Trust; Operational costs	\$15,000
		Gender Dynamix NZ; Support groups	\$5,000

Bay of Plenty Community Trust Incorporated

Independent auditor's report to the Trustees

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Bay of Plenty Community Trust Incorporated and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 31 March 2021, and the consolidated statement comprehensive revenue and expense, consolidated statement of changes in equity and consolidated statement of cashflows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Trust as at 31 March 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime (PBE IPSAS RDR).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company 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 and the IESBA Code. 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 Group.

ACCOUNTANTS & ADVISORS

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William Buck Audit (NZ) Limited

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 Group's Annual Report on pages 1 to 12, 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.

Trustees' Responsibilities

The Trustees are responsible on behalf of the Group for the preparation of consolidated financial statements that give a true and fair view in accordance with PBE IPSAS RDR, and for such internal control as the trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. 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 these consolidated financial statements.

A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-7/>

This description forms part of our independent auditor's report.

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

Other Matter

The consolidated financial statements of the Group for the year ended 31 March 2020 were audited by KPMG. KPMG issued an unqualified opinion dated 30 July 2020 on the consolidated financial statements for the year ended 31 March 2020. The information in the consolidated financial statements for the year ended 31 March 2020 forms part of the financial statements for the year ended 31 March 2021.

Restriction on Distribution and Use

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



William Buck Audit (NZ) Limited

Tauranga
29 July 2021