

Bay of Plenty Community Trust Inc. Consolidated Annual Report for the Year ended 31 March 2022

Comprehensive



BAY
TRUST

Supporting
Great Communities

Contents



Our Kaupapa	1	How did we perform	
<hr/>		Community feedback	14
Who we are	2	Statement of comprehensive revenue & expense	15
<hr/>		Statement of changes in equity	15
What we have done		Statement of financial position	16
Chair and Chief Executive Officer report	4	Statement of cashflows	17
Investment performance	8	Notes to the financial statements	18
Granting	12	Audit Report	27



"BayTrust has been a long-time supporter of surf lifesaving in the Eastern Region, helping save lives on our beaches and coastlines all year-round. Now a new multi-year funding grant has given local clubs an added boost, allowing them to plan their training and development activities with more surety and confidence. The ongoing support means our members are equipped and ready to respond to emergency situations throughout the year and also focus on preventative actions to stop people getting into trouble through the busy summer months."

Avan Polo, Surf Life Saving NZ Eastern Region

Cover photo: Karearea / New Zealand Falcon, Tom Lynch

"Wingspan Birds of Prey Trust acknowledges BayTrust's early and significant support for the development of our National Center for Birds of Prey. BayTrust's support has been crucial to bringing in wider partners and will make this nationally significant conservation project a reality."

Wingspan Birds of Prey Trust

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 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 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.

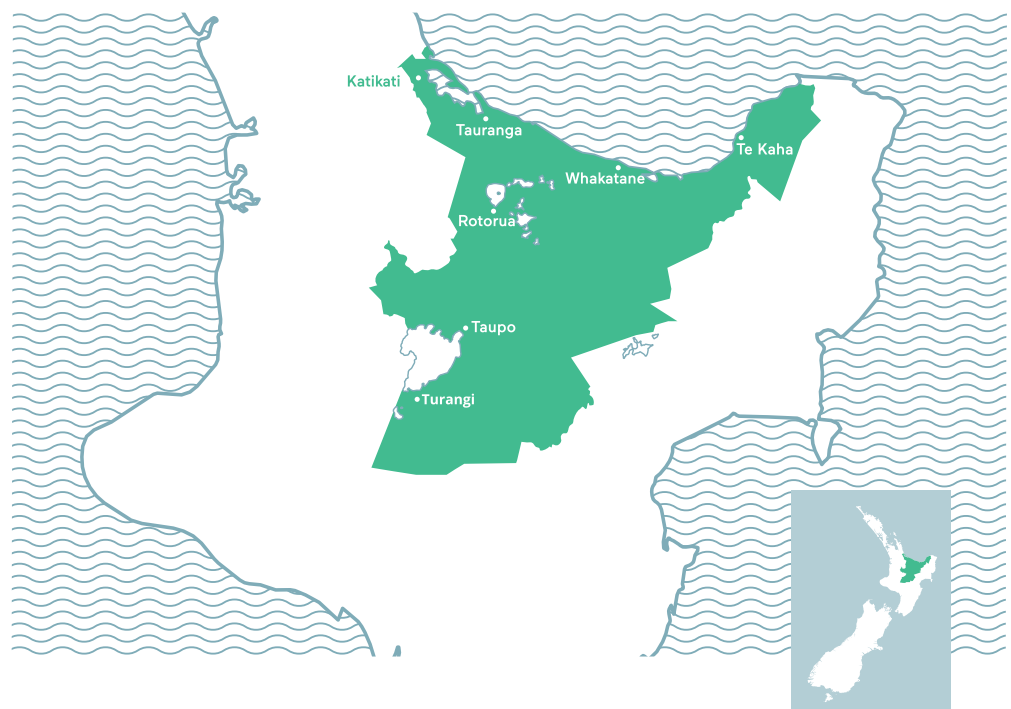
It is recognised that Trustees and staff have a wide range of involvement throughout the Bay of Plenty region, which is fantastic, however we also recognise that the potential for conflict will arise from time to time. To cover this eventuality, Trustees and staff disclose their involvement with other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

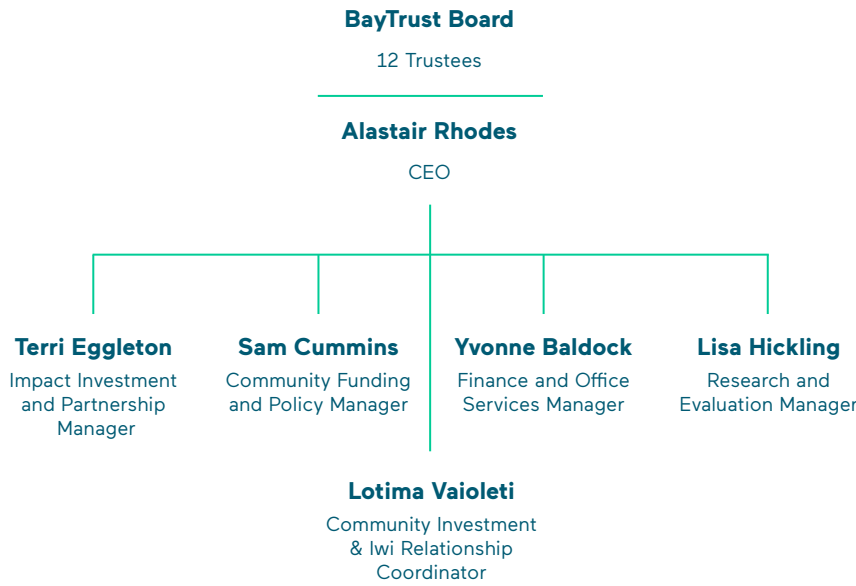


Our Region

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; Sam Cummins (Community Funding and Policy Manager); Steve Napier; Lotima Vaoleti (Community Investment & Iwi Relationship Co-ordinator); Stephanie Northey (Deputy Chair); Roger Taylor.

Front row from left: Alastair Rhodes (CEO); Yvonne Baldock (Finance & Office Services Manager); Judy Harris; Sara Carley; Rita Nabney (Chair); Mawera Karetai; Lisa Hickling (Research & Evaluation Manager); Terri Eggleton (Impact Investment & Partnership Manager); Te Aorangi Murphy-Fell; Tane Phillips.

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" 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.

Overall, despite the continuation of Covid-19 and the devastating situation in Ukraine impacting on the financial markets, it has been another strong year financially and operationally for the Trust. We have inducted a youthful Trustee, grown our staff to include a Māori advisor, continued to refine and significantly grow our impact investments, actioned the Trust's Climate Change Action Plan and signed off on our 2025/2030 strategy. All of this has been done 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 2022 is outlined below:

Financial

- The **Trust's investments** performed reasonably well despite Covid-19 and geo-political volatility, returning **6.3% (2021: 24.3%) for the year or \$17m (2021: \$50m)**. This performance, although materially down from last year's 'covid rebound' performance is in alignment with the Trust's long term performance targets and 1.3 ppt (2021: 4.1ppts) above benchmark with the Trust's non listed investment funds in particular performing strongly.
- We maintain our view that looking forward, the traditional investment portfolio which has performed well for us over the last 30 odd years, will not perform as well over the next 30 years and whilst we do not know what the future will look like, **we believe moving to a more illiquid, low carbon and sustainable portfolio, will best position us to maximise returns to our community over the long-term.**
- As part of this, the Trust in March 21, committed in its SIPO to move to an entirely sustainable investment portfolio over the next 10 years where all investments will be consistent with a low carbon (50% reduction by 2025 and carbon neutral by 2030 target), prosperous, equitable, healthy, and safe society. We believe investing in this way, not only aligns with our Trust's and our communities' values, but that the sustainable sector 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 4.4% (2021: 2.3%) of investment capital and with commitments of a further \$13m already made and not yet drawn down at the end of March 2022.

Community & Granting

- **Housing** is one of the key issues in the BOP. To this end we are looking to allocate ~10% of our investment portfolio over coming years into this space where we will look to work with Māori/Iwi, community housing providers, central and local government and other key stakeholders to maximise the impact we make. We also believe that investing in this sector will provide the Trust with stable and appropriate long term investment returns. In this regard, in 2022 we **committed \$4.6m to Habitat for Humanity to assist with a BOP wide progressive home ownership scheme** and have invested \$1m into the WBOP's first meaningful 'build to rent' complex.
- As a result of this revenue performance and keeping a close eye on costs after the prior year's covid impacted cost reduction, BayTrust's expenses of \$1.7m (2021: \$1.5m) and committed granting of \$12.9m (2021: \$6.3m) were more than covered, leading to an overall surplus of \$2m (2021: \$42m) for the year.

- BayTrust's committed \$12.9m (2021: \$6.3m) of granting this year to 292 (2021: 234) community organisations with these grants spread equitably across our funding areas and across our region. On a cash basis we granted a record \$8.0m (2021: \$6.5m) with our grants raising significantly as a result of our very strong prior years investment performance. The **Trust now uses a rolling 3-year forward forecast for granting** which has allowed for higher granting commitments compared to paid grants. The rationale behind moving to a 3-year forecast is 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 MYF 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 key groups 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 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. As well as this we are significantly increasing our **Māori engagement**.

Covid-19

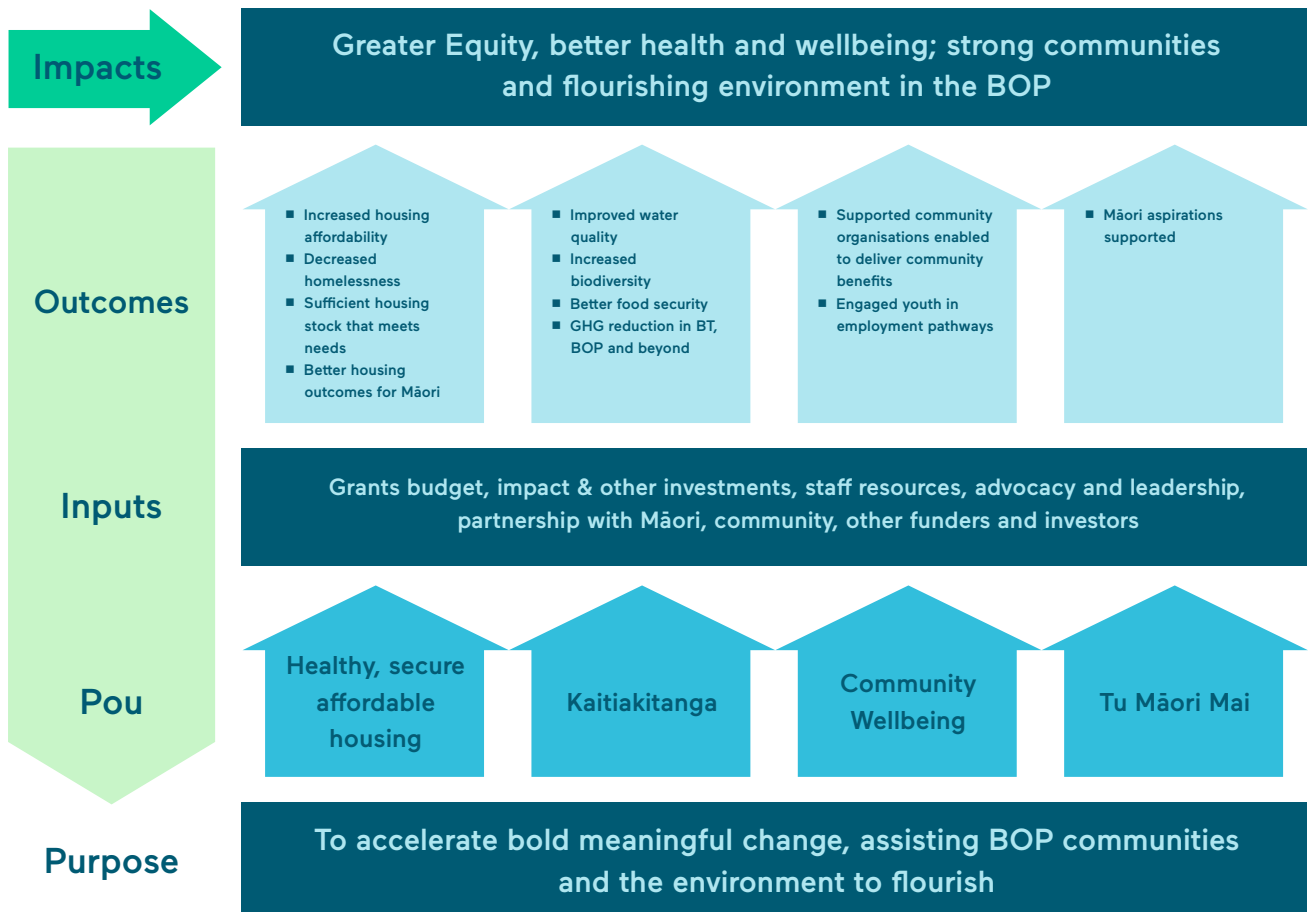
- We have **wound down our Covid-19 response collaborative funding pools** with the last recovery payment from our collaborative funding pool in operation in the WBOP being made in 2021. As well as this we also supported several community vaccination efforts. The learnings from this collaborative project have been transferred to a collective Tauranga/WBOP combined events fund that we have just set up.
- To date the impacts of Covid in the BOP hasn't been equally shared, it hasn't been as bad in the WBOP and EBOP as Rotorua and Taupō, where there is more reliance on tourism, and we are looking forward to seeing some of our international tourists begin to return this Summer.

Climate Change

- We continue to work towards being a climate positive organisation, achieving our annual reduction target of 5%, participating in the Combined Community Trusts leadership group and working with EKOS and BOPRC on a regional emissions offsetting solution.
- As a sustainable investor, we have achieved a 91% reduction in carbon exposure in our listed Global and Emerging Market Equity portfolios since 2018 and are on track to achieve our target of 50% reduction across our entire portfolio by 2025. Targets have been reset and embedded into our SIPO that demonstrate our strong commitment in this area.
- We are supporting 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 and assisting our higher tier partners through the provision of specialist assistance. We were pleased to also provide the opportunity for higher tier partners to access grants and interest-free loans to transition work vehicles to more climate friendly options.

Looking Ahead

As we look ahead, we believe we are currently experiencing some of the biggest intergenerational challenges that we have seen in our tenures (housing, climate change, inflation, war) and that if we are going to be fair to our future beneficiaries we need to act now as a 'business as usual granting' approach to these issues (particularly climate change and housing) will not be sufficient. Our revised theory of change and our commitment to using all our tools in our toolbox (granting, investments, collaboration, and leadership) will be crucial to achieve these impacts.



Specific actions for the upcoming year include:

- **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.
- Continue 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 in Nov 2022 - where we will be looking to **accelerate bold meaningful change at a National Level** – “Toi tāngata, Toi tū te taiao, Toi te hua mākohakoha”

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 and continue to support our communities in these tough and challenging times.

Nā māua noa, nā



Rita Nabney
Chair



Alastair Rhodes
Chief Executive Officer

28 July 2022

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.

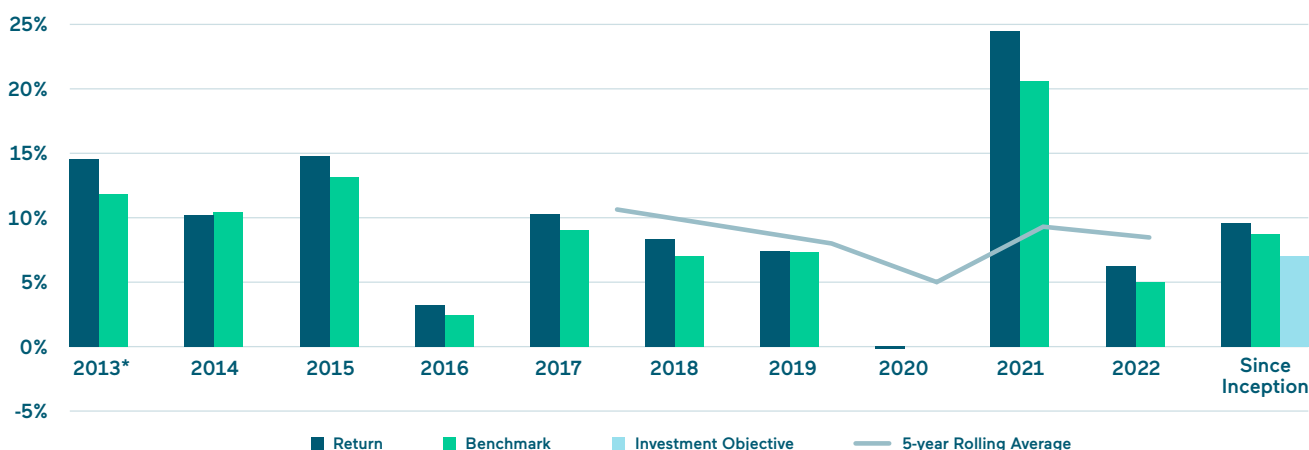
The **Trust's spending policy, is to have available 4.0% of the average value of the portfolio over the last 12 quarters**. The difference between the Trust's 4.0% spending rate and the portfolio's 5.0% real investment objective builds in a buffer for population growth in the Bay of Plenty which has 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 and 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 given the Covid-19, Ukraine war and other market challenges 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 \$257m (2021: \$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 \$168m over 26 years, whilst over the same period the Trust has granted \$97m into Bay of Plenty communities.**
- After a stellar prior year performance driven by the Covid rebound it was **pleasing that investment revenue for the year to March 2022 continued to perform well despite the market challenges returning 6.3% (1.4ppts above benchmark)** which is in line with the Trust's 5.0% real long-term return target, illustrating the benefits of BayTrust's globally diversified portfolio.
- At an asset class level, **the Trust's decision to increase its exposure to unlisted private assets (particularly in the sustainable space) has driven the outperformance against benchmark**. This performance supports our thesis 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 to maximise returns to our community over the long-term.**

BayTrust Annual Returns (Year-to-31 March)



Period	Net Return	Benchmark* Return	Benchmark Outperformance
1 Year	6.3%	5.0%	1.3%
Prior Year	24.3%	20.2%	4.1%
5 years annualised	8.2%	7.8%	0.4%
Since 30 June 2012 (inception)**	9.6%	8.8%	0.8%

* 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 inceptioned 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.

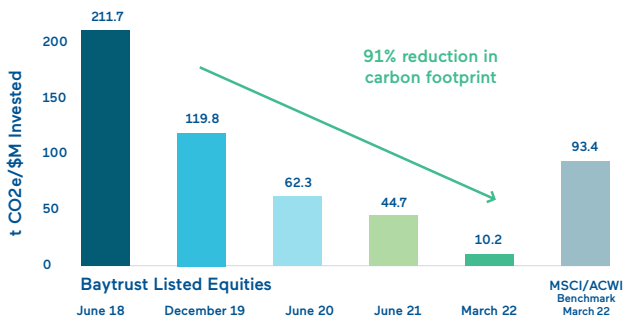
BayTrust **accepts that climate change poses a serious and immediate risk** to both our potential investment returns and to our communities, and requires urgent action.

The Trust ensures its managers and advisers incorporate **Environmental, Social and Governance considerations** in their investment processes and will transition its investment portfolio over the next 10 years with the **long-term goal for 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, with the long-term goal to be carbon neutral by 2030, or earlier if possible.**

BayTrust Global and Emerging Market Equity Carbon Footprint Update



Fund Managers (5% and over)

Fund Manager and Fund Name	Asset Class	% of FUM*
Generation IM Global Equity Fund	Global Equities	7.8%
Ownership Capital Global Equity Fund	Global Equities	7.2%
NT Emerging Markets Green Trans Index Fund	Global Equities	8.9%
Baillie Gifford Worldwide Positive Change Fund	Global Equities	8.2%
Schroder ISF Global Target Return Fund	Growth Alternatives	5.8%
Forester Strategic Opportunities Fund	Growth Alternatives	8.2%
Lazard Global Listed Infrastructure Fund	Property & Infrastructure	5.3%
ICG Australia Senior Loan Fund	Defensive Alternatives	5.9%
Russell Investments Global Bond Fund	Global Fixed Income	9.4%
Fisher Institutional NZ Cash Fund	NZ Fixed Income	5.3%

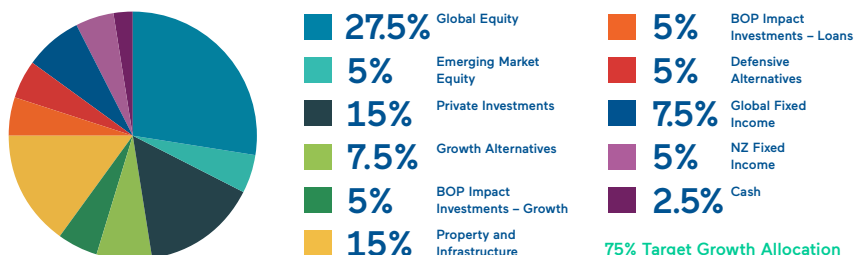
*Funds under management

Investment changes during the year

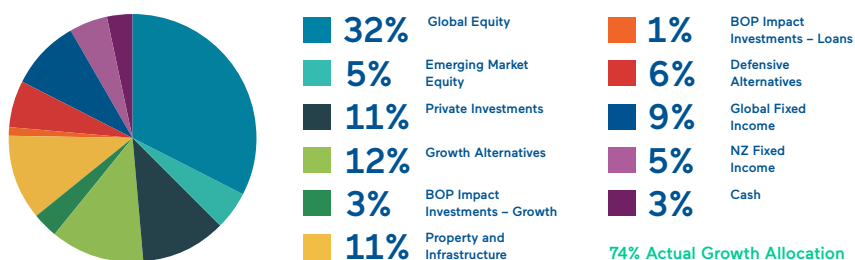
At its annual SIPO review in March 2021, the Trust agreed to maintain its growth allocation at 75% which is targeted to drive a real return of CPI +5% over rolling 5-year periods. However, at the same time the Trust, working with its Investment advisors decided to increase its target to Property and Infrastructure from 10% to 15% to better reflect the Trust's preference to continue transitioning towards a more sustainable portfolio and the attractive returns available from investing in renewable infrastructure.

The Trust also introduced an illiquidity policy with a 35% soft illiquid limit to ensure that the Trust maintains sufficient liquidity to meet its commitments as it continues to transition into more sustainable private investments.

BayTrust's Target Asset Allocation March 2021



BayTrust's Asset Allocation March 2022

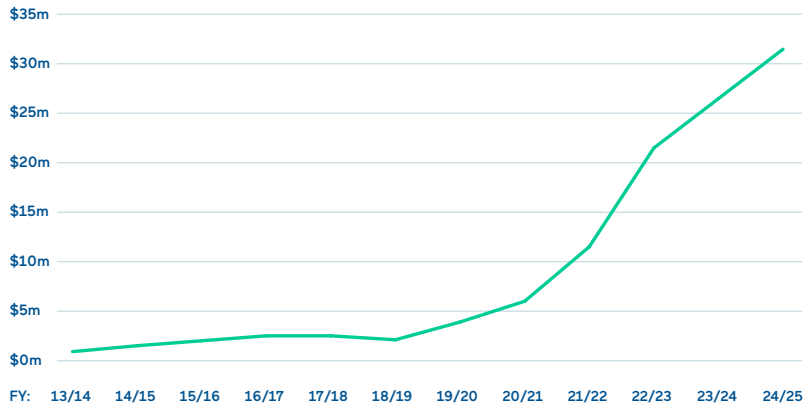


Future Investment Plans

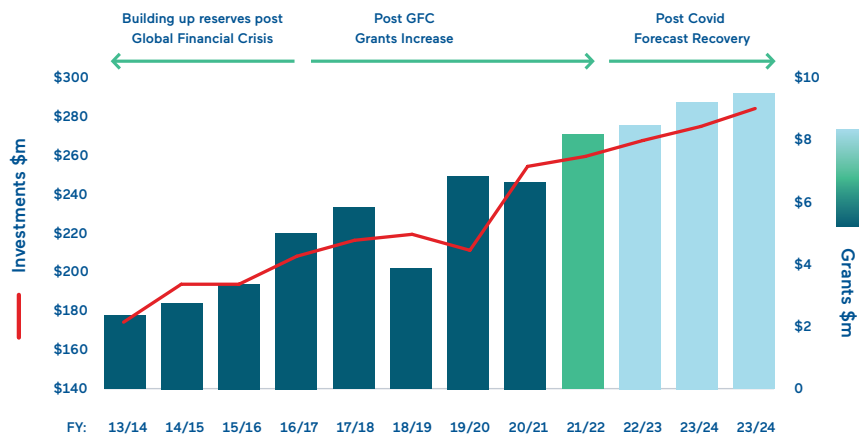
Looking ahead we anticipate significant financial market volatility is likely to continue, however our strong reserves and our diversified portfolio means we believe we are well placed to weather this storm and to exploit opportunities which volatile markets present. As such, we are working closely with our Investment advisors to further refine and diversify our investment portfolio together with exploring when the time is right whether 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 \$26m 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



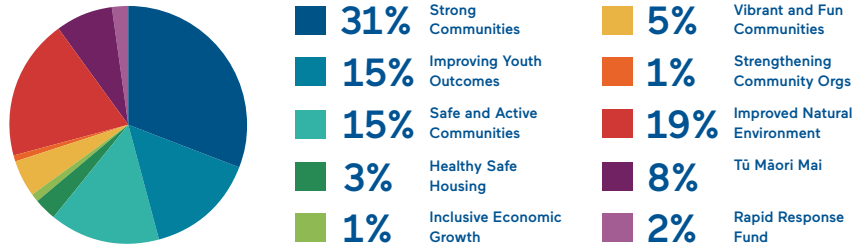
"Whakaatu Whanaunga Trust in Opotiki are grateful and appreciative of the support provided by BayTrust to our community housing project. We are privileged to have been and continue to be supported through BayTrust to help provide much needed housing in our community. Without this support, organisations such as ours, would not be able to provide projects such as Kainga Taupua. Thank you from the community of Opotiki."

Amanda Walker, General Manager
Whakaatu Whanaunga Trust, Opotiki

Granting

To help achieve our Purpose and Objectives in our Key Priority Areas, the Trust paid \$8.1m in grants and scholarships distributed across our region and our priority areas as outlined below:

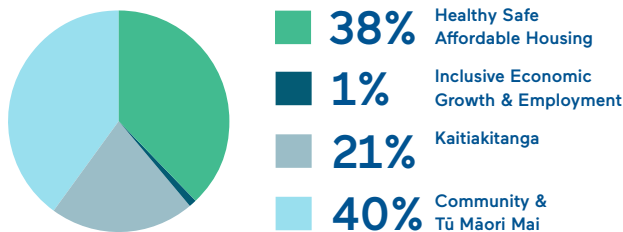
Granting Across Priority Areas



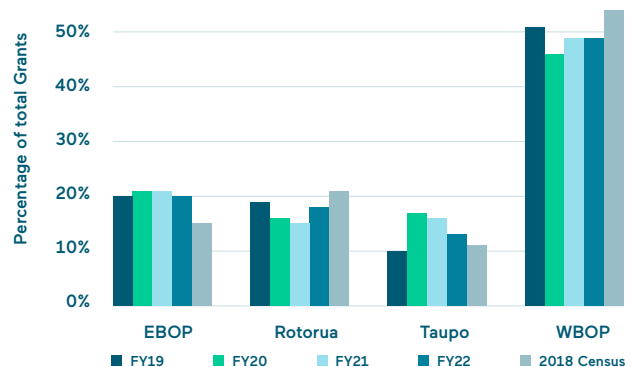
Funding into the priority areas over the last two years has been broadly consistent. The larger allocation to Strong Communities and Improved Environment in 2021/22 is attributable to investment in multi-year funding in these outcome areas. The Safe and Active priority area includes the contract with Sport Bay of Plenty. BayTrust also uses Impact Investment as a mechanism to achieve social impact in our strategic priorities.

Community/Tū Māori Mai continues to receive the largest percentage of grants (76%) while housing has the most impact investment (\$5.6m). Combining grants and impact investment, a reasonable distribution is seen between community (40%), housing (38%) and kaitiakitanga (21%).

Total including Grants and Impact Investment



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 Rotorua and less into Taupō which is due to Strategic Partnership fund payments (due to their relatively large size).

MYF for operational costs was approved for 28 organisations totalling \$1,941,150 in the 2021/22 year.

The number of applications 292 (2021: 234) has increased and the approval rate remains high, much the same as last year at 84% (2021: 83%). The total granted as a percentage of requests increased this year to 84% (2021: 76%).

Partnerships

2021/2022 has seen the continuation of our approach to building meaningful partnerships with a selection of groups through the Strategic Partnership Fund in our strategic priority areas. We continued to fund into Kaitiakitanga via HALO Whakatāne (\$190,000), Tongariro Natural History Society (164,000), Uretara Estuary Managers (\$140,000), Wai Kokopu (\$350,000) and Envirohub (\$165,000), Housing via Sustainability Options (\$50,000) and Tūwharetoa (\$170,000), Community via Toi EDA for digital access in the EBOP (\$100,000), Taupō Pathways for youth employment (\$170,000) and Tū Māori Mai via Otumoetai Intermediate for Te Ao Māori local curriculum (\$75,000).

Covid-19 Funds

Through a combined funders initiative BayTrust distributed \$180,000 through the Covid Recovery Fund designed to support community groups over the last year.

Capability Building Support

During the 2021/22 year, BayTrust supported 16 organisations with Toolbox funding for a wide range of capacity building support including strategic planning training, housing feasibility and cooperative residential ownership studies, Mātauranga Ake and blue carbon credit research.



"BayTrust was instrumental in the group purchasing a new hybrid patrol vehicle. Not only can we assist in keeping our community safe, we can do so in a sustainable way. It is an asset our community can be truly proud of."

Tūrangi Community Patrols

"Thank you to BayTrust, their funding has helped boys who do not have a dad in their lives. It allows us to realise our kaupapa, which is simple, yet profound. It involves a good man showing up in a boy's life each week, assuring him that another man cares for him and giving him a reference point of what it means to be a good man. At Big Buddy we witness the outstanding results of one man simply taking one boy out, once a week. It's inspiring."

Big Buddy



Photo John Borren/Sun Media ©

Community Feedback

BayTrust surveys grantees annually, the key outtakes from the latest survey undertaken in December 2021 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 advised that currently local economy recovery post-COVID the biggest community challenges that BayTrust could influence in the next two to three years. Like previous years housing was also a top priority. This year environment and climate change were also seen as important issues for BayTrust to support.

	2021		2020	2019	2018
High or very high level of awareness of BayTrust’s funding priorities	85%	↑	78%	73%	79%
Rating of the application process overall (out of 5)	4.6	↑	4.3	4.1	4.3
Rating of BayTrust as a “user-friendly and accessible” organisation (out of 5)	4.5	↑	4.4	4.2	4.3

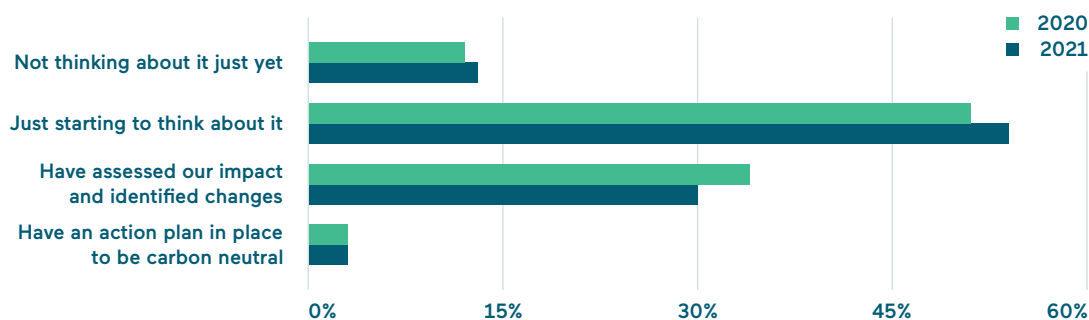
Climate Change

One of the goals of the Trust’s Climate Change Action Plan is to be an active enabler in the BOP. BayTrust seeks to understand at what point applicants are in their own organisations’ climate change journey so we might know how best to support our communities.

There is an increasing trend of applicants who saw climate change as a medium-high priority for both their organisation and community. Almost two-thirds of applicants saw climate change as a high/medium-high priority for the community and half the applicants 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 and 54% reported they were just starting to think about it. BayTrust will continue to support the community and investigate further ways to support community organisations on this important journey.

Applicants Climate Change Journey



Bay of Plenty Community Trust Incorporated – 2022 Annual Report

Consolidated Statement of comprehensive revenue and expense

For the year ended 31 March 2022

in New Zealand Dollars (\$000's)

	Note	2022	2021
Investment Income	4	16,958	49,761
Less Expenses			
Portfolio management and advisory fees		471	403
Other expenses	5	1,249	1,130
Total Expenses		1,720	1,533
Grants Expenditure	6, 16	12,868	6,287
Surplus/(Deficit) for the year		2,370	41,941
Other Comprehensive Income		-	-
Total comprehensive revenue and expense for the period		2,370	41,941

Consolidated Statement of changes in equity

For the year ended 31 March 2022

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 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
Balance at 1 April 2021	89,308	-	44,205	57,721	54,656	245,890
Total comprehensive revenue and expense for the period	-	2,370	-	-	-	2,370
Reallocation of Funds	-	-	3,070	(13,075)	10,005	-
Reserves transfers	-	(2,370)	-	2,370	-	-
Balance at 31 March 2022	89,308	-	47,275	47,016	64,661	248,260

The notes on pages 18 to 24 are an integral part of these financial statements.



Bay of Plenty Community Trust Incorporated – 2022 Annual Report

Consolidated Statement of financial position

For the year ended 31 March 2022


in New Zealand Dollars (\$000's)

	Note	2022	2021
Assets			
Property, plant and equipment		142	158
Loans	8	3,502	1,409
Investments	10	249,861	247,737
Total non-current assets		253,505	249,304
Loans	8	312	198
Derivatives	11	1,200	-
Other Receivables		114	82
Cash and cash equivalents		3,122	3,067
Total current assets		4,748	3,347
Total assets		258,253	252,651
Trust equity			
Trust capital		89,308	89,308
Retained earnings		-	-
Population reserve	9	47,275	44,205
Grants maintenance reserve	9	47,016	57,721
Inflation reserve	9	64,661	54,656
Total equity		248,260	245,890
Liabilities			
Grants Payable		4,506	2,578
Derivatives	11	-	1,625
Trade and other payables		232	202
Total current liabilities		4,738	4,405
Grants Payable		5,255	2,356
Total non-current liabilities		5,255	2,356
Total liabilities		9,993	6,761
Total equity and liabilities		258,253	252,651

The notes on pages 18 to 24 are an integral part of these financial statements.

Signed on behalf of the Board of Trustees;

Chair: 

Trustee: 

Date: 28 July 2022



Bay of Plenty Community Trust Incorporated – 2022 Annual Report

Consolidated Statement of cashflows

For the year ended 31 March 2022

in New Zealand Dollars (\$000's)

	2022	2021
Cashflows from operating activities		
Investment income	(2,618)	662
Cash paid to suppliers, Trustees and staff	(1,661)	(1,411)
Proceeds from realisation of investments	51,474	71,905
Funds Invested	(35,851)	(66,294)
Grants paid to the community	(8,042)	(6,457)
Net cash flows from operating activities	3,302	(1,595)
Cashflows from investing activities		
Acquisition of property, plant and equipment	(16)	(59)
Sale of property, plant and equipment	0	11
Loans (Issued) / Repaid	(3,231)	53
Net cash flows from investing activities	(3,247)	5
Net increase/(decrease) in cash and cash equivalents	55	(1,590)
Cash and cash equivalents at 1 April	3,067	4,657
Cash and cash equivalents at 31 March	3,122	3,067

The notes on pages 18 to 24 are an integral part of these financial statements.

Bay of Plenty Community Trust Incorporated – 2022 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
----------------------------	-------------------

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 28 July 2022.

(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 2022 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 – 2022 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 – 2022 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 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 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 – 2022 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 2021. The Group has not applied any standards, amendments and interpretations that are not yet effective.

4 Investment Income

	2022	2021
Interest received	96	43
Fair Value Investment gains and losses	17,885	49,674
Net changes in fair value movement on loans and receivables / other investments	(1,023)	44
Total Investment Income	16,958	49,761

5 Other expenses

	2022	2021
Accountancy fees	12	20
Depreciation	31	26
Office operating costs	39	63
Office lease expenses	56	65
Trust administration	251	156
Employer kiwisaver contribution	25	21
Wages and salaries	629	533
Trustees' Remuneration (note 12)	152	162
Trustee expenses and professional development	26	54
Vehicle expenses	10	7
	1,231	1,107
Auditor's remuneration to William Buck (2021 year KPMG)		
- audit of financial statements	18	23
Total auditor's remuneration	18	23
Total other expenses	1,249	1,130

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.

	2022	2021
Grants Paid/Approved	12,936	6,356
Grants refunded or cancelled	(68)	(69)
Total Grants	12,868	6,287

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 – 2022 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 2022.

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 \$5,041,848 however due to the below market interest rates that have been charged the carrying value of these loans is actually \$3,814,361. The variance of \$1,227,487 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 %	2022	2021
Tauranga Squash Racquets Club Inc	31/01/26	3%	83	117
Theatre Whakatane Inc	19/11/26	3%	101	104
Tauranga Community Housing Trust	17/10/25	2%	760	760
Tauranga Community Housing Trust	01/12/36	2%	785	830
Tauranga Community Housing Trust	25/05/41	2%	3,293	-
EnviroHub	20/12/24	0%	19	-
Imputed Interest on low interest loans			(1,227)	(204)
Total			3,814	1,607
			2022	2021
Classified as:				
Current			312	198
Non-current			3,502	1,409
Total			3,814	1,607

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 2021 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. No payment or interest holidays were given during the 2022 year.

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 \$10.0m in the March 2022 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 \$47.28m 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

	2022	2021
Investments		
NZ Fixed Interest	5,569	5,771
Emerging Market Equities	13,359	14,696
Global Fixed Income	24,130	25,660
Global Equities	82,605	88,501
Property & Infrastructure	27,781	23,008
Growth Alternatives	30,380	31,458
Impact Investments	7,595	4,252
Private Investments	29,503	21,487
Defensive Alternatives	15,224	16,857
NZ Fixed Income	13,715	16,047
Total investments designated at fair value through profit or loss	249,861	247,737



Bay of Plenty Community Trust Incorporated – 2022 Annual Report

Notes to the financial statements (continued) in New Zealand Dollars (\$'000's)

11 Derivative Financial Instruments

	2022	2021
Balance at the beginning of the period	(1,625)	(1,573)
Unrealised gain in fair value	2,825	
Unrealised loss in fair value		(52)
Balance at the end of the period	<u>1,200</u>	<u>(1,625)</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:

	2022	2021
Less than one year	56	55
Between one and five years	211	274
Total	<u>267</u>	<u>329</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 \$
Carley, Sara	9	12
Clarke, Simon (Resigned 31 December 2021)	7	10
Harris, Judy	6	13
Joiner, Kristen (Resigned 31 December 2021)	5	9
Karetaj, Mawera	8	12
Murphy-Fell, Te Aorangi (Commenced August 2021)	6	8
Nabney, Rita (Trust Chair)	8	24
Napier, Steve	9	13
Northey, Stephanie	4	15
Phillips, Tane	6	12
Smith, Gary	9	13
Taylor, Roger	9	12
		<u>153</u>

There are fees payable to 10 Trustees at balance date of \$11,700 gross (2021:11 Trustees at \$11,500).

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 \$362,527 (2021: \$342,776).

14 Subsequent events

There have been no significant events subsequent to balance date.

Bay of Plenty Community Trust Incorporated – 2022 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:

- Committed \$1,000,000 to Climate Venture Capital (Committed June 2021) (Conditional upon them raising \$20m of funds)
- Committed \$6,470,580 (AUD \$6,000,000) to ICG Global loan fund (Committed March 2022)
- Committed \$4,000,000 to Pencarrow Fund VI (Committed September 2021)
- Committed up to \$1,000,000 (conditional) to Credit Union Baywide Perpetual Non-cumulative preference shares (Committed September 2021) - Conditional upon BayTrust completing the DD and match funding from Te Arawa (raising at least \$1m)
- Committed \$1,000,000 to Blackbird NZ fund 2 (Committed March 2022)
- Committed \$2,156,860 (AUD \$2,000,000) to Blackbird FOF IV (Committed March 2022)
- Committed up to \$4,600,000 flexible loan facility to Habitat Central Region (subject to various terms)
- Committed \$3,500,000 (USD) to Generation IM Sustainable Solutions Fund IV (B) (Committed December 2021)

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	125,000
Waterman Capital Ltd	1,670,000
Pencarrow Private Equity	605,000
Oriens Capital	130,000
Public Infrastructure Partners II LP (Morrison&Co)	83,425
NIO Infrastructure Feeder Fund II (EURO 1,682,480)	2,691,395
WNT Ventures Fund 3 Limited Partnership	870,000
WNT Ventures Fund 2 Limited Partnership	140,000
Generation Sustainable Fund 1 (USD 880,000)	1,265,185
Blackbird 2019 NZ Fund	342,500
Blackbird Ventures 2020 (AUD 15,000)	16,195
LGT Crown Global Securities (USD 1,920,000)	2,760,403
Accolade Growth Fund II (USD 2,445,000)	3,515,201
Accolade Growth Fund (USD 1,759,872)	2,530,186
Purpose Capital	3,700,000
Allegro Fund IV (AUD 3,971,333)	4,287,632
Oriens Capital Fund II LP	1,660,000
BOP Housing LP (YouOwn)	504,985
Climate Adaptive (USD 1,554,320)	2,234,661
New Ground (Bureta)	950,000
WNT Carbon Co	140,000

Bay of Plenty Community Trust Incorporated – 2022 Annual Report

Notes to the financial statements (continued)

16 Grants expenditure for the year ended 31 March 2022

Community Wellbeing		Community Wellbeing (Continued)	
Age Concern RTO Inc; Operational costs	\$57,000	NZ Family & Foster Care Fed Inc; Operational costs	\$20,000
Age Concern TPO Inc; Operational costs	\$10,000	NZ Nutrition Foundation; Cooking & nutrition programs	\$7,500
Age Concern TGA Inc; Support Services	\$15,000	One Chance CT; Operational costs	\$25,000
Alzheimers Soc TPO Inc; Operational costs	\$15,000	One Love Charity; Diwali & Holi colour splash festivals	\$7,000
Alzheimers Soc WBOP Inc; Navigation services	\$35,000	Pāpāmoa Surf Base; Complete building fitout	\$50,000
Anxiety NZ Trust; Operational costs	\$8,500	Parent to Parent Central Lakes; Operational costs	\$7,500
Aphasia NZ CT; Operational costs	\$15,000	Parent to Parent Coastal BOP; Outreach program	\$7,500
Aratika Cancer Trust; Wellbeing retreats	\$7,500	People First NZ; Ngā Tāngata Tuatahi; Operational costs	\$7,500
Aronui Arts Festival CT; Indigenous arts festival	\$15,000	Perinatal Mental Health NZ; Free registrations	\$5,000
Atua Awhi CCT; Operational costs	\$35,000	Pregnancy Choice; Support services	\$12,500
Auckland District Kidney Soc Inc; Operational costs	\$20,000	Pregnancy Help Inc Taupō branch; Operational costs	\$15,000
Autism NZ Inc; Operational costs	\$10,000	Priority One; Instep Program	\$80,000
Awhi Mai Stroke Trust; Māori Stroke Conference	\$5,000	Rainbow Youth Inc; Operational costs	\$35,000
Bandquest Charitable Trust; Bandquest 2021	\$3,290	Recreate NZ; Operational costs	\$25,000
Barnardos NZ; 0800 What's up free phone	\$15,000	Road Safety Education Ltd; Education for young drivers	\$5,000
Bethlehem Baptist Church; Counselling services	\$15,000	Rotorua Arts Village Trust; Operational costs	\$25,000
Big Brothers, Big Sisters EBOP; Mentoring program	\$15,000	Rotorua Bike Festival CT; 2021 Rotorua bike festival	\$14,000
Big Buddy Mentoring; Operational costs	\$10,000	Rotorua Chamber of Commerce; Pathways to employment	\$37,500
Bike Whakatane Trust; Operations & projects	\$5,000	Rotorua Lakes Council; Museum exhibition redevelopment	\$150,000
Blue Light Ventures Inc; Hooks for change	\$50,000	Rotorua Multicultural Council; Networking & celebrations	\$15,000
BOP District Health Board; Toi ora whānau mahi tahi	\$25,000	Rotorua RDA; Operational costs	\$30,000
BOP Film Trust; Growing screen media	\$50,000	Royal NZ Coastguard; Eastern region unit support	\$130,000
BOP MS; Operational costs	\$25,000	Royal NZ Plunket Trust; Operational costs	\$22,000
BOP Youth Development Trust; Operational costs	\$30,000	Safe Tūrangī; Operational costs	\$20,000
BOPDSA Inc NZ & STPDS NZ; Operational costs	\$25,000	Sam's Skate School; Operational costs	\$7,500
Brave Hearts NZ; Operational costs	\$20,000	Sewing for Success; Operational costs	\$2,500
Christians Against Poverty NZ; BOP operational costs	\$10,000	Sir Edmund Hillary Outdoors Education; Scholarships	\$10,000
Citizens Advice Bureau TPO Inc; Operational costs	\$15,000	SMC Events; Mt festival of multisport	\$7,500
Citizens Advice Bureau Whakatane; Operational costs	\$12,500	Social Sector Innovation Trust; Operational costs	\$115,000
Combined EBOP Blue Lights; Operational costs	\$150,000	Soc of St Vincent de Paul NZ; Thermal lands; Fulfill projects	\$5,000
Community Leisure Facilities CT; Water safety program	\$25,000	Spirit of Adventure Trust; Scholarship program	\$10,000
Complex Chronic Illness Support; Operational costs	\$10,000	Sport BOP; Coachforce program	\$784,487
Detour Theatre Trust; Community & educational theatre	\$10,000	St Chads Communication centre; Operational costs	\$29,170
DIY Shed Aotearoa; Operational costs	\$5,000	St John Te Whānau-ā-Apanui Area Ctte; Ambulance station	\$240,000
Eastern BOP Riding for the Disabled; Operational costs	\$15,000	St Peters Care & Counselling; Operational costs	\$50,000
Eastern Bay Villages; Operational costs	\$40,000	St Peters Anglican Church Katikati; Seasons programs	\$7,000
EmpowermentNZ; The Hub Te Puke operations	\$40,000	STEM Wana Trust; Operational costs	\$10,000
Epilepsy Assoc of NZ Inc; Field support services	\$10,000	Storytime Foundation Trust; First 1,000 days BOP	\$25,000
EVLOCITY Ltd; BOP Regional program	\$15,000	Surf Lifesaving NZ Inc; Eastern region unit costs	\$120,000
Families Achieving Balance CT; Operational costs	\$15,000	Taki Rua Productions Soc Inc; Te Reo 2021 theatre tour	\$10,000
Family & Financial Solutions Trust; Operational costs	\$20,000	Talklink Trust; Essential support services	\$20,000
Fulfilled NZ Inc; Operational costs	\$7,500	Taupō BlueLight Ventures; Operational costs	\$40,000
Gender Dynamix NZ; Operational costs	\$5,000	Taupō Council of Social Services; Stronger community orgs	\$30,000
Get Smart Tauranga; Operational costs	\$30,000	Taupō Pathways for Youth Employment; Operational Costs	\$171,150
Good Neighbour; Operational costs	\$80,000	Taupō Riding for the Disabled; Building maintenance	\$3,289
Graeme Dingle Foundation; KiwiCan delivery Rotorua	\$25,000	Tauranga District Group RDA; Operational costs	\$30,000
Graeme Dingle Foundation WBOP; Navigator program	\$20,000	Tauranga Parents Centre Inc; Operational costs	\$5,000
Graeme Dingle Foundation WBOP; Youth programs	\$55,000	Tauranga Youth Development (TYDT) Inc; Operational costs	\$25,000
Grandparents Raising Grandchildren NZ; Operational costs	\$40,000	Te Amorangi Trust Museum Inc; Operational costs	\$5,000
Grief Support Services Inc; Grief & loss counselling sessions	\$30,000	Te Parahia Trust; Whakatane Christmas in the park 2021	\$10,000
Halberg Foundation; Junior disability sport advisory	\$10,000	The Boys' Brigade in NZ Inc; ICONZ Edge workshop programs	\$15,000
Have a Heart CT; Operational costs	\$20,000	The Clothing Project; Operational costs	\$5,000
He Kaupapa Kotahitanga Trust Tauranga; Awhina House	\$60,000	The Incubator Growing Art & Culture CT; Operational costs	\$40,000
Hearing Dogs for Deaf People NZ; Operational costs	\$7,500	The Parkinson's NZ CT; Operational & support costs	\$15,000
House of Science NZ; Operational costs	\$30,000	The Salvation Army Tauranga Corps; Whānau support services	\$35,000
House of Science Tauranga CT; STEAM education	\$35,000	The Search Party CT; Provision of responsive initiatives	\$50,000
Inspiring Stories Trust; Future leaders	\$42,000	The StarJam CT; StarJam 2021	\$6,500
Journey Restorative Trust; Community Christmas dinner	\$3,000	The Tauranga Art Gallery Trust; In the Wake: Rena 10 years on	\$5,000
Katch Katikati; Operational costs	\$20,000	The Tauranga CT; A night before Christmas	\$10,000
Katch Katikati; Waitekohekohe recreational reserve	\$15,000	The Wish for Fish CT; Making adventures accessible	\$10,000
Katikati Community Resource Centre; Operational costs	\$35,000	Tikanga Aroto CT; Pūwhakamua	\$18,750
Katikati Open Air Art; Operational & festival costs	\$12,500	Tipu Skills For Life CT; Operational costs	\$30,000
Kawerau & Districts Ageing In Place Inc; Operational costs	\$20,000	Toi EDA; Digital access EBOP	\$100,000
Kawerau District Council; Christmas in the park 2021	\$10,000	Tūrangī Foodbank Inc; Operational costs	\$7,500
Kawerau Putauāki School; Whānau engagement	\$60,000	Tūrangī Mountain Region Trust; Community dinners	\$3,150
Kidz Need Dadz CT BOP Inc; Operational costs	\$25,000	Tūrangī Neighbourhood Support; Operational costs	\$5,000
Kimiora CT; Program costs	\$35,000	Tūrangī Nightowl Group; New community patrol vehicle	\$15,000
Ko Te Tuara Totara O Fordlands Soc; Operational costs	\$80,000	U3A Beachside BOP; Setup costs	\$7,500
Ko Te Tuara Totara O Fordlands Soc; Feasibility study	\$40,800	Volunteer WBOP; Operational costs	\$35,000
Linkt CT; Remaker - A sustainability hub	\$12,500	Water Safety NZ; Drowning prevention initiatives	\$75,000
Literacy Aotearoa Waiariki; Literacy cluster 4	\$30,000	WBOP Neighbourhood Support; Operational costs	\$7,500
Live for More CT; Operational costs	\$45,000	Welcome Bay CC Inc; Operational costs	\$30,000
Male Support Services; Operational costs	\$15,000	Whakatāne District Community Arts Council; Coordinator	\$10,489
Mangakino Family Services Inc; Operational costs	\$15,000	Whakatāne District Council; Wild food challenge & festival	\$10,000
Menzshed Omokoroa Inc; Startup costs	\$10,000	Whakatāne Kiwi Trust; Kiwi project	\$25,000
Mockingbird CT; Operational costs	\$40,000	Wiggle Enterprises; The West end Wiggle 2022	\$10,000
Mokoia Community Assoc Inc; Operational costs	\$35,000	Young Enterprise Trust; YES operational costs	\$7,500
Mt Maunganui Community Menz Shed; Operational costs	\$10,000	Youth Encounter Ministries; Youth leadership	\$45,000
Multicultural Tauranga; Multicultural festival 2022	\$5,000	Youthline Auckland CT; Operational costs	\$12,500
Neighbours Day Aotearoa CT; Operational costs	\$7,500	YMAM Ships Aotearoa; Koha dental program	\$40,000
NZ Council of Victim Support Inc; Operational costs	\$15,000	YSAR Trust; Operational costs	\$27,500
			\$5,261,575

Bay of Plenty Community Trust Incorporated – 2022 Annual Report

Notes to the financial statements (continued)

16 Grants expenditure for the year ended 31 March 2022 (continued)

Healthy Homes		Toolbox funding	
Accessible Properties; Tenant firewood pilot program	\$30,000	Central North Island Kindergarten; Mātauranga ake	\$7,500
Sustainability Options; Energy wellbeing collaboration	\$50,000	Get Smart Tauranga; Team strength coaching	\$1,325
Sustainability Options; Healthy Homes	\$150,000	He Kaupapa Kotahitanga; Strategic planning & training	\$6,000
Whakaatu Whanaunga Trust; Kāinga Awhina	\$50,000	Ko Te Tuara Totara O Fordlands Soc; Housing feasibility study	\$21,500
	\$280,000	Ngā Pepetuna Trust; Restoring connections workshops	\$7,500
		REKA Trust; Kura pilot to teach the teachers	\$10,000
		SocialLink; Child poverty action group	\$1,405
Kaitiakitanga		Tarakin Global Ltd; Stakeholder analysis re passenger trains	\$14,775
Bay Conservation Alliance; Collective conservation	\$157,046	TCC; Kāinga Tupu Taskforce; Growing homes strategy	\$20,000
Envirohub BOP; Hybrid vehicle	\$20,000	The Mana Enhancing STOP CT; Te Ao Māori healing	\$10,000
Envirohub BOP; Operational costs	\$165,000	Tipu Skills for Life CT; Team strength coaching	\$1,325
EnviroKatikati CT Taiao; Katikati Taiao	\$10,000	Tisane Ltd; The sleek project	\$17,000
Environmental Education Trust; Paper4trees	\$7,000	TNC NZ Trust; NZ Blue carbon resilience credits	\$14,000
HALO Whakatāne; Pest eradication	\$190,000	Venture Centre NZ; Residential cooperative ownership	\$30,000
Kai Rotorua; Sustainable local food system	\$10,000	Waiariki Film Studios Management; Indigenous film making	\$6,900
Lakes Water Quality Soc/Te Kāhui kounoa wai; Symposium	\$10,000	Welcome Bay CC Inc; Health & safety	\$13,223
Manawahe Eco Trust; Operational costs	\$20,000		\$182,453
Ōhiwa Headland Sanctuary Trust; Possum eradication	\$13,500		
Para Kore Marae Inc; Wananga Ikura	\$7,500		
PIPs Inc; In-school garden program	\$10,000		
Priority One; Environmental sustainability program	\$30,000	Covid Recovery Fund	\$180,268
Rotorua Sustainable Charter; Sustainability support	\$10,000		
Sustainable BOP CT; Sustainability programs	\$50,000	Scholarships	\$92,906
Te Mauri o Okere Awa CT; Okere Awa restoration	\$10,000		
Tongariro Natural History; Operational costs	\$164,000	Grants Returned	-\$68,186
Tongariro Natural Trout Centre Inc; Education program	\$30,000		
Uretara Estuary Managers Inc; Project Parore	\$140,000	Grants Paid	\$8,097,980
Wai Kōkopu; Catchment restoration	\$125,000	Grants Paid - Approved 2021	-\$2,895,039
Wai Kōkopu; Carbon farming & restoration	\$350,000	Grants Approved not Paid - 2022	\$7,665,577
Western Bay Heritage Trust; Environmental program	\$7,500	Paid/Approved Grants to 31 March 2022	\$12,868,518
Zero Waste Network; Training	\$1,918		
	\$1,538,464		(Refer Note 6)
Tū Māori Mai			
Aotearoa Impact Ecosystem Trust; Governing impact investing	\$10,000		
Awhina Activity Centre; Mana wahine & Mana tāne programs	\$20,000		
BOPDHB; Toi Ora whānau mahi tahi	\$25,000		
Digital Natives Academy CT; Haututu Laboratories (Tutu Labs)	\$25,000		
He Iwi Kotahi Tauranga Moana CT; Waitangi festival 2022	\$10,000		
Otumoetai Intermediate School; Te ao Māori local curriculum	\$75,000		
tauāki Te Tu CT; Healing, education & support	\$7,500		
Te Aka Toitū; Connected EBOP	\$50,000		
Te Ika Whenua Hauora Inc Soc; Te Ara tika	\$30,000		
Te Pou Oranga o Whakatōhea; Build youth, build Ōpōtiki	\$50,000		
Te Rereatukahia Marae Tribal Committee; Climate framework	\$13,000		
Te Tomika Trust; Te Waka waiora	\$17,500		
Te Tuhi Mareikura Trust; Ngā uri o muturangi; Ta atea Aotearoa	\$7,500		
Tipu Waiariki Charitable Trust; Native tree planting	\$30,000		
Toi Kai Rawa Trust; Implementation plan	\$45,000		
Tūwharetoa Ltd; Advice & advocacy	\$170,000		
Tūwharetoa FM CT; Media training program for rangatahi	\$20,000		
Waiariki Whanau Mentoring Ltd; Operational costs	\$25,000		
	\$630,500		

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 2022, and the 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 statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 March 2022, and of its financial performance and its 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.

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 14, but does not include the 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.

ACCOUNTANTS & ADVISORS

The Collective
145 Seventeenth Avenue
Tauranga 3112, New Zealand
Telephone: +64 7 927 1234
williambuck.com

William Buck Audit (NZ) Limited

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 entity 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 Trust'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 Trust 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 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.

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

28 July 2022