



AGENDA

Temuka Community Board Meeting Monday, 11 November 2019

Date Monday, 11 November 2019

Time 5pm

Location Temuka Library/Service Centre
King Street
Temuka

File Reference 1295370

Timaru District Council

Notice is hereby given that a meeting of the Temuka Community Board will be held in the Temuka Library/Service Centre, King Street, Temuka, on Monday 11 November 2019, at 5pm.

Temuka Community Board Members

Clr Paddy O'Reilly, Clr Richard Lyon, Gaye Broker, Lloyd McMillan, Charles Scarsbrook, Stephanie McCullough, Ali Talbot

Local Authorities (Members' Interests) Act 1968

Community Board members are reminded that if you have a pecuniary interest in any item on the agenda, then you must declare this interest and refrain from discussing or voting on this item, and are advised to withdraw from the meeting table

Bede Carran
Chief Executive

Order Of Business

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- 1 Apologies**
- 2 Public Forum**
- 3 Identification of Items of Urgent Business**
- 4 Identification of Matters of a Minor Nature**
- 5 Declaration of Conflicts of Interest**
- 6 Chairperson's Report**

7 Reports

7.1 Declaration by Temuka Community Board Members

Author: Bede Carran, Chief Executive

Authoriser: Bede Carran, Chief Executive

Declaration

Members of the Temuka Community Board are required to make and sign a declaration, pursuant to section 54(1) and clause 14 of Schedule 7 of the Local Government Act 2002.

The wording of the declaration is below. The written declaration must be signed and witnessed in accordance with the LGA.

Declaration by Community Board Member

I, *[full name of member]*, declare that I will faithfully and impartially, and according to the best of my skill and judgement, execute and perform, in the best interests of the Temuka community, the powers, authorities, and duties vested in, or imposed upon me as a member of the Temuka Community Board by virtue of the Local Government Act 2002, the Local Government Official Information and Meetings Act 1987, or any other Act.

Attachments

Nil

7.2 Election of Chairperson

Author: Bede Carran, Chief Executive

Authoriser: Bede Carran, Chief Executive

Recommendation

1. That the Board select the voting system to be used for the appointment of the Chairperson and Deputy Chairperson.
2. That a Chairperson of the Temuka Community Board be appointed.

Purpose of Report

- 1 To select a voting system for the appointment of a Chairperson and Deputy Chairperson.
- 2 To nominate and appoint a Chairperson to the Temuka Community Board. The Chief Executive will call for nominations for the position.

Discussion

- 3 When electing a Chairperson or Deputy Chairperson, the Temuka Community Board must decide by resolution to use one of the following two voting systems:

4 **System A—**

- (a) requires that a person is elected or appointed if he or she receives the votes of a majority of the members of the Community Board present and voting; and
- (b) has the following characteristics:
 - (i) there is a first round of voting for all candidates; and
 - (ii) if no candidate is successful in that round there is a second round of voting from which the candidate with the fewest votes in the first round is excluded; and
 - (iii) if no candidate is successful in the second round there is a third, and if necessary subsequent, round of voting from which, each time, the candidate with the fewest votes in the previous round is excluded; and
 - (iv) in any round of voting, if 2 or more candidates tie for the lowest number of votes, the person excluded from the next round is resolved by lot.

5 **System B—**

- (c) requires that a person is elected or appointed if he or she receives more votes than any other candidate; and
- (d) has the following characteristics:
 - (i) there is only 1 round of voting; and
 - (ii) if 2 or more candidates tie for the most votes, the tie is resolved by lot.

Relevant Legislation, Council Policy and Plans

Local Government Act 2002

Attachments

Nil

7.3 Election of Deputy Chairperson

Author: Bede Carran, Chief Executive

Authoriser: Bede Carran, Chief Executive

Recommendation

1. That a Deputy Chairperson of the Temuka Community Board be appointed, using the voting system agreed to.

Purpose of Report

- 1 To appoint a Deputy Chairperson to the Temuka Community Board. The Chairperson will call for nominations for the position.

Relevant Legislation, Council Policy and Plans

- 2 Local Government Act 2002

Attachments

Nil

7.4 General Explanation by the Chief Executive

Author: Bede Carran, Chief Executive

Authoriser: Bede Carran, Chief Executive

Recommendation

That the Community Board notes the advice of the Chief Executive regarding key legislation that applies to members of the Community Boards.

Purpose of Report

- 1 To give the overview of key legislation applying to members of the Community Boards.

Assessment of Significance

- 2 This matter is important and the report is a statutory requirement. However, in respect of Council's Significance and Engagement Policy it does not require direct community engagement and consultation.

Background

- 3 Clause 21(5)(c) to Schedule 7 of the Local Government Act 2002 (**LGA**) requires the Chief Executive to give a general explanation of the following Acts at the first meeting:
 - The Local Government Official Information and Meetings Act 1987 (**LGOIMA**); and
 - Other laws affecting members, including:
 - The appropriate provisions of the Local Authorities (Members Interests) Act 1968; and
 - Sections 99, 105 and 105A of the Crimes Act 1961; and
 - The Secret Commissions Act 1910; and
 - Financial Markets Conduct Act 2013

Discussion

Local Government Official Information and Meetings Act 1987

- 4 The LGOIMA has the following purposes under section 4:
 - To increase progressively the availability to the public of official information held by local authorities, and to promote the open and public transaction of business at meetings of local authorities, in order –
 - to enable more effective participation by the public in the actions and decisions of local authorities; and
 - to promote the accountability of local authority members and officials,-and thereby to enhance respect for the law and to promote good local government in New Zealand.
 - To provide for proper access by each person to official information relating to that person.

- To protect official information and the deliberations of local authorities to the extent consistent with the public interest and the preservation of personal privacy.
- 5 Most requests for information held by Council (and Elected Members in their official capacity) that are made to Council come within the ambit of the LGOIMA. Any person can ask for official information. Broadly, official information is any information held by a local authority. There are exclusions for (in summary):
- information held in libraries and museums and held for reference or exhibition purposes;
 - information held as an agent or for safe custody and held on behalf of another person or local authority;
 - information contained in correspondence and communication that has taken place between the office of the Ombudsmen and the local authority;
 - information contained in correspondence and communication that has taken place between the office of the Privacy Commissioner and the local authority and which relates to an investigation by the Privacy Commissioner.
- 6 Section 5 of the LGOIMA stipulates that the principle to be applied when dealing with requests for information is that the information will be provided unless good reason exists for withholding it.
- 7 The 'good reasons' for withholding information are specified in sections 6 and 7 of the LGOIMA, and include (but are not limited to) the following:
- The making available of that information would be likely to prejudice the maintenance of the law, including the prevention, investigation and detection of offences, and the right to a fair trial (section 6(a)).
 - The making available of that information would be likely to endanger the safety of any person (section 6(b)).
 - To protect the privacy of natural persons, including that of deceased natural persons (section 7(2)(a)).
 - To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information (section 7(2)(b)(ii)).
 - To enable the local authority to carry out without prejudice or disadvantage commercial activities (section 7(2)(h)).
 - To maintain legal professional privilege (section 7(2)(g)).
 - To enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial or industrial negotiations) (section 7(i)).
- 8 These grounds are always subject to considering whether the public interest justifies releasing the information.
- 9 The LGOIMA also contains 'rules' for the conduct of meetings of Council under Part 7. These 'rules', that must be observed, are additional to those contained in Schedule 7 of the LGA or in the Council's Standing Orders. The 'rules' imposed on meetings by LGOIMA are intended to ensure that:
- Meetings of the Community Boards are publicly notified (section 46).
 - Members of the public can obtain copies of agendas of all meetings, including the reports and other information to be provided to members for consideration and discussion at the meetings (section 46A).

- All the business dealt with at the meeting will be listed in the agenda for the meeting. However, an item that is not on the agenda can be considered at a meeting if special circumstances exist and procedures and restrictions imposed by the LGOIMA are observed (section 46A).
- The public may only be excluded from a meeting or part of a meeting on one of the grounds specified in the LGOIMA (section 48). In general terms, the LGOIMA permits an item to be discussed in private if to do so in public would be likely to result in the disclosure of information which the Community Board has good reason to withhold for one of the reasons set out in sections 6 or 7. The LGOIMA also stipulates the procedure to be followed at a meeting where it is intended to conduct some business in the absence of the public.

- 10 Compliance with LGOIMA by Elected Members and Council staff is supervised by the Office of the Ombudsman, which has wide powers to investigate and make recommendations.

Local Authorities (Members Interest) Act 1968

- 11 The Local Authorities (Members' Interest) Act 1968 (**Members' Interest Act**) stipulates that any member who has "...directly or indirectly, any pecuniary interest, other than an interest in common with the public" in any matter before the Community Board shall not vote on the matter or take part in its discussion (section 6(1)).
- 12 Instances where a member is deemed to have a pecuniary interest are set out in section 6 of the Members' Interest Act. In particular, the interest of a spouse and certain involvement in a company is deemed to be the interest of the member for the purposes of the Members' Interest Act.
- 13 Section 6 also identifies situations that are deemed not to create a pecuniary interest.
- 14 Section 3 of the Members' Interest Act limits the extent to which a member may act as a contractor [or subcontractor] to the Council. Any member who earns more than \$25,000 in any financial year from contracts with the Council is automatically disqualified from office unless prior Audit Office approval to the excess is obtained.

Crimes Act 1961

- 15 Under section 105(1) of the Crimes Act 1961, every "official" who corruptly accepts or obtains, or agrees or offers to accept or attempts to obtain, any bribe is liable to imprisonment for a term not exceeding seven years.
- 16 Under section 105(2) of the Crimes Act 1961, every "official" who corruptly gives or offers or agrees to give any bribe to any person with intent to influence any "official" is liable to imprisonment for a term not exceeding seven years.
- 17 Under section 105A of the Crimes Act 1961, every "official" who corruptly uses or discloses any information acquired by him in his official capacity to obtain directly or indirectly an advantage or a pecuniary gain for himself or any other person is liable to imprisonment for a term not exceeding seven years.
- 18 Section 99 is an interpretation clause and contains the definition of "official". The term includes "... any member or employee of any local authority..."

Secret Commissions Act 1910

- 19 As its title suggests, the Secret Commissions Act 1910 (**SCA**) has the purpose of prohibiting secret commissions which term includes gifts and all other forms of valuable consideration.
- 20 Under the SCA, a member of the Community Board could commit an offence by, for example:
- Corruptly accessing or soliciting gifts as an inducement or reward for carrying out, or forbearing to carry out some act in relation to the Council's business; or
 - Securing a Council contract for a third person in exchange for a reward; or
 - By falsifying receipts.

Financial Markets Conduct Act 2013

- 21 If the Council seeks to borrow money from members of the public, it must ensure that any offer of debt securities is made in compliance with the Financial Markets Conduct Act 2013 (**FMCA**) which includes issuing a product disclosure statement for a regulated offer. This is not something Council currently does or proposes to do at this time.
- 22 The penalties for breach of the FMCA are severe, with liability potentially applying to both the Council and members individually.

Health and Safety at Work Act

- 23 Council is the person conducting a business or undertaking (**PCBU**) and Councillors and the Chief Executive are the Officers of the PCBU.
- 24 Officers must exercise due diligence to ensure the PCBU is meeting its health and safety obligations.
- 25 Elected members are exempted from most offences but still have due diligence duties (section 52).

Financial and Funding Implications

- 26 There are no financial and funding implications arising from this report.

Attachments

Nil

7.5 Appointment of Community Board Representatives to Organisations**Author:** Bede Carran, Chief Executive**Authoriser:** Bede Carran, Chief Executive**Recommendation**

- a) That the Temuka Community Board makes a recommendation to Council in relation to the appointment of a Temuka Community Board member to the following organisation:
- Temuka and Districts Historical Society (one voting appointment required)
- b) That the Temuka Community Board decides whether to appoint a Temuka Community Board member as a non-voting liaison person for each of the following community organisations:
- Temuka Promotions Association (one non-voting appointment requested)
 - Orari Waihi Temuka Rivers Liaison Committee (ECan committee)

Purpose of Report

- 1 To recommend for appointment or to appoint members of the Temuka Community Board to local organisations.

Background

- 2 Council has traditionally appointed a member (with voting rights) to the Temuka and Districts Historical Society, and non-voting liaison persons on the Temuka Promotions Association and Orari Waihi Temuka Rivers Liaison Committee.
- 3 For voting positions, a recommendation to Council is required. For liaison (non-voting) positions, appointments are typically made by the Temuka Community Board.

Attachments**Nil**

7.6 Community Board Meeting Dates

Author: Bede Carran, Chief Executive

Authoriser: Bede Carran, Chief Executive

Recommendation

That the proposed Temuka Community Board 2020 meeting dates be noted.

Purpose of Report

To confirm the 2020 Temuka Community Board meeting calendar.

Discussion

- 1 The meeting of 11 November 2019 is the last meeting for 2019. The proposed dates for the 2020 Temuka Community Board meetings are as follows –
 - 20 January
 - 2 March
 - 20 April
 - 25 May
 - 6 July
 - 17 August
 - 5 October
 - 16 November
- 2 It is intended that the full Council 2020 meeting calendar will be confirmed at the Council meeting on 10 December 2019.

Attachments

Nil

7.7 Thomas Hobson Trust Fund - Correspondence Received**File Reference:** 1248622/F561**Author:** Grant Hamel, Customer Services Manager**Authoriser:** Symon Leggett, Group Manager People and Digital**Recommendation**

That the correspondence be received and noted.

Purpose of Report

- 1 To present correspondence received from recipients of donations through the Thomas Hobson Trust Fund.

Assessment of Significance

- 2 This matter is not deemed significant under the Council's Significance and Engagement Policy.

Discussion

- 3 The following correspondence is attached for the Board's information:
 - Royal New Zealand Plunket (Mid & South Canterbury): Thank you for \$2,000 towards service delivery for Temuka.
 - Temuka & Districts Historical Society Inc: Thank you for \$10,000 towards detailed seismic assessment of Temuka Courthouse Museum.

Attachments

1. Royal New Zealand Plunket [!\[\]\(e04a2df4a948cc496cda3a868d1e74be_img.jpg\)](#) 
2. Temuka & Districts Historical Society [!\[\]\(1d45e9bfd7550a20f78b8254f46cf725_img.jpg\)](#) 

Thomas Hobson Trust
C/-Timaru District Council
King George Place
PO Box 5221
Timaru 7940



15 January 2019

Dear Thomas Hobson Trust,

Thank you for your grant of \$2,000.00 in support of our Community Services delivered to families in the Thomas Hobson Trust Area. Please find below a receipt for your records.

15 January '19

Dear Thomas Hobson Trust,
Thank you very much for
a grant of \$2,000 in
support of our Temuka
Plunket Community Services.

Your support helps us
help families with children
ages 0-5 in the Temuka
Community.

Best regards,
Sherry Thornbury



183018

Temuka & Districts Historical Society inc
Temuka Courthouse Museum
c/o 45 Alexandra St. Temuka 7920

To:

Grant Hamel

The Timaru District Council.

2 King George Place

Timaru. 7940.

Dear Grant,

Many thanks for the grant of \$10,000-00 which was credited by the Public Trust to the current account of the Temuka & Districts Historical Society inc. on 7/1/2019.

Arrangements will soon be made for the Detailed Seismic Assessment of the old Temuka Courthouse buildings.

Please find the receipt attached.

Kind regards,

A handwritten signature in cursive script that reads "Jean Phillips".

Jean Phillips, Secretary/treasurer,
Temuka & Districts Historical Society.

7.8 Thomas Hobson Trust Fund Accounts**Author:** Grant Hamel, Customer Services Manager**Authoriser:** Symon Leggett, Group Manager People and Digital**Recommendation**

That the information be received and noted.

Purpose of Report

- 1 To inform the Temuka Community Board of the funds available for distribution.

Assessment of Significance

- 2 This matter is not deemed significant under the Council's Significance and Engagement Policy.

Discussion

- 3 The Thomas Hobson Trust was established under the will of the late Thomas Hobson for the purpose of providing grants to organisations within the district of the former Geraldine County.
- 4 Funds available for the Thomas Hobson Trust 2019 are:
Temuka Account: \$34,000.00
Geraldine Account: \$22,800.00
- 5 The Thomas Hobson Trust financial accounts for year ending 30 June 2019 and Public Trust Investment Service Diversified Funds Disclosure Statement are attached for your information.

Attachments

1. **Thomas Hobson Trust Accounts as at 30/06/2019**  
2. **Thomas Hobson Public Trust Diversified Funds Disclosure Statement 01/09/2019**  

**THOMAS HOBSON – CHARITABLE TRUST**

CLI00005919 CLI00005927 CLI00005938 CLI00005926

Performance Report**1 July 2018 to 30 June 2019**

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Thomas Hobson - Charitable Trust

1

THOMAS HOBSON – CHARITABLE TRUST

CLI00005919 CLI00005927 CLI00005938 CLI00005926

Entity Information 1 July 2018 to 30 June 2019

| | |
|--|--|
| Legal Name of Trust: | THOMAS HOBSON – CHARITABLE TRUST |
| Type of Trust: | Trust |
| Registration Number: | |
| Trust's Purpose: | The Charitable Trust was set up to pay an income in perpetuity for the purposes as outlined in the Will. |
| Trust Structure: | Public Trust administers the Charitable Trust as Trustee. Grants are made annually to organisations within the funding region who receive distributions of income from the Trust via a Grant Round. The Grant Round is organised by the Timaru District Council. |
| Main Source of Cash and Resources: | The main sources of the entity's resources are the capital residue left to the Charitable Trust by the deceased. The capital is invested Rural Property and the Public Trust Investment Service - Balanced Fund. There is a small amount of Capital held in the common fund, to cover Capital Expenditure. |
| Main Method Used to Raise Funds: | N/A |
| Reliance on Volunteers and Donated Goods or Services: | |
| Additional Information: | |

Thomas Hobson - Charitable Trust

2

THOMAS HOBSON – CHARITABLE TRUST

CLI00005919 CLI00005927 CLI00005938 CLI00005926

**Statement of Service Performance
1 July 2018 to 30 June 2019**

| | |
|---------------------------------------|--|
| Trust's Outcomes for the year: | Paid income as directed for the purpose charitable purposes in the Will. |
|---------------------------------------|--|

| | Current NZD | Previous NZD |
|--|------------------------|-------------------------|
| Trust's Outputs: | | |
| Milford Community Hall Incorporated | | 4,000 |
| Rata Kindergarten | | 701 |
| Refund – Geraldine Historical Society | | -500 |
| The Parenting Place | 1,616 | 1,768 |
| Temuka Historical Society | 10,000 | |
| Geraldine Community Bus Service | 10,000 | |
| South Canterbury Hospice | 2,000 | |
| Plunket – Mid-South Canterbury | 2,000 | |
| Geraldine Primary School – Board of Trustees | 5,000 | |
| Geraldine District Promotions Association Incorporated | 3,000 | |
| Geraldine Vintage Car and Machinery Club Incorporated | 950 | |
| Geraldine Cycling Without Age Trust | 4,000 | |
| Geraldine Community Resource Centre Trust | 3,888 | |
| | | |
| Total | 42,454 | 5,969 |

| | |
|------------------------------------|--|
| Additional Output Measures: | |
| Additional Information: | |

**Financial Information Compilation Report
1 July 2018 to 30 June 2019****Scope**

Public Trust has compiled the financial statements based on the information provided and in accordance with the Service Engagement Standard No.2 (SES-2): Compilation of Financial Statements. The financial statements are simple format-cash reports and have been prepared in accordance with the accounting policies described in the notes attached.

Responsibilities

The Trustees are responsible for the information contained in the financial statements and have determined that reporting on a simple format-cash basis is appropriate for the intended users of the financial statements. The intended users are the beneficiaries and Charities Services. The simple format financial report is prepared only for their benefit. Public Trust does not accept responsibility to any other person for the contents of the financial statements.

Independence

Public Trust is not independent of the Charitable Trust because it acts as trustee for the Trust.

Disclaimer of Liabilities

Public Trust has prepared the financial report based on the information provided to it and covers the time period stated above.

The compilation is limited primarily to the collection, classification and summarisation of financial information. These special purpose financial statements have not been independently audited or reviewed but they have been prepared according to Public Trust's accounting processes, internal control framework and accounting policies.

Prepared by Public Trust and authorised for Issue:**Authorised Signatory****Stewart Vartan****25 October 2019**

For more information on how to read this statement, please visit <http://www.publictrust.co.nz/more-information> or contact us on 0800 371 471

Thomas Hobson - Charitable Trust

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Statement of Receipts and Payments
1 July 2018 to 30 June 2019

| | Notes | Current NZD | Previous NZD |
|--|-------|----------------|-----------------|
| Operating Receipts | | | |
| Donations/fundraising/other similar receipts | | - | - |
| Fees, Subs & other receipts from members | | | |
| Receipts from Providing Goods & Services | | 48,409 | 47,898 |
| Interest/dividends/investment receipts | | 1,010 | 1,126 |
| Other Operating Receipts | | - | - |
| Total Operating Receipts | | 49,419 | 49,024 |
| Operating Payments | | | |
| Payments relating to Public fundraising | | | |
| Volunteer and employee related payments | | | |
| Payments - providing goods & services | | 4,993 | 2,967 |
| Grants and donations paid | | 42,454 | 5,969 |
| Other operating payments | | - | - |
| Public Trust Charges | | 10,245 | 9,087 |
| Total Operating Payments | | 57,692 | 18,023 |
| Operating Surplus or (Deficit) | | (8,272) | 31,001 |
| Capital Receipts | | | |
| Receipts from the Sale of Resources | | - | - |
| Receipts from borrowings | | - | - |
| Total Capital Receipts | | - | - |
| Capital Payments | | | |
| Purchases of Resources | | 50,000 | - |
| Repayments of borrowings | | - | - |
| Total Capital Payments | | - | - |
| Net change in Debtors | | - | - |
| Net change in Creditors | | (162) | (649) |
| Increase/(Decrease) in Bank Accts & Cash | | (58,434) | 30,352 |
| Bank Accts & cash-beginning of the fiscal year | | 153,405 | 123,053 |
| Bank Accts & Cash- End of the Fiscal Year | | 94,971 | 153,405 |

Thomas Hobson - Charitable Trust**5****Represented by**

Operating Accounts

94,971

153,405

Total Bank Accts & Cash-End of the Fiscal Year

94,971

153,405

Thomas Hobson - Charitable Trust

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**Statement of Resources and Commitments
as at 30 June 2019**

| | Notes | Current NZD | Previous NZD |
|---------------------------------------|--------------|------------------------|-------------------------|
| Schedule of Resources: | | | |
| Bank Accounts and Cash | | 94,971 | 153,405 |
| Money Held on Behalf of Others | | | |
| Money Owed to the Entity | | | |
| Other Resources | | | |
| Land & Property | | 2,015,000 | 1,985,000 |
| Managed Funds | | 91,865 | 38,070 |
| Total Resources | | <u>2,201,836</u> | <u>2,176,475</u> |
| Schedule of Commitments: | | | |
| Money Payable by the Entity | | | |
| Accounts Payable | | 47 | 209 |
| Total Schedule of Commitments | | <u>47</u> | <u>209</u> |
| Equity | | | |
| Retained Operating Surplus/(Deficit) | | <u>(7,772)</u> | <u>31,002</u> |
| Capital Share of Surplus/(Deficit) | | - | - |
| Income Share of Surplus/(Deficit) | | <u>(7,772)</u> | <u>31,002</u> |
| Retained Income from Previous Years | | 83,685 | 52,683 |
| Transfer to/(from) Income | | <u>-</u> | <u>-</u> |
| Total Retained Income | | <u>75,913</u> | <u>83,685</u> |
| Capital Equity | | <u>2,125,876</u> | <u>2,092,581</u> |
| Total Trust Equity | | <u>2,201,789</u> | <u>2,176,266</u> |

Thomas Hobson - Charitable Trust

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**Statement of Resources and Commitments
as at 30 June 2019**

| | Current NZD | Previous NZD |
|---|----------------|-----------------|
| Grants or Donations with Conditions Attached (where conditions not fully met at balance date): | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| Resources Used as Security for Borrowings: | | |
| | | |
| | | |
| | | |
| | | |
| | | |

**Notes to the Performance Report
1 July 2018 to 30 June 2019****Note 1: Accounting Policies****Basis of Preparation**

The Charitable Trust is permitted by law to apply PBE SFR-C (NFP) Public Benefit Simple Format Reporting - Cash (Not-for-Profit) and has elected to do so. All transactions are reported in the Statement of Receipts and Payments and related Notes to the Performance Report on a cash basis.

Changes in Accounting Policies

There have been no changes in accounting policy. The accounting policies adopted are consistent with those of the previous year.

Taxation

The Trust is registered with Charities Services and as such is exempt from New Zealand income tax.

Foreign Currency

Foreign Currency transactions are converted to New Zealand dollars at the exchange rate prevailing on the day of each transaction. Amounts held in foreign currency at balance date are translated at the exchange rate at that day. Gains or losses in foreign exchange will be shown in the Statement of Receipts and Payments.

Resources

Fixed assets such as property, plant and equipment are initially recorded at cost and retained at cost unless otherwise stated. Land and buildings are subsequently revalued on a 3 yearly cyclical basis to the current rating valuation. These assets are not depreciated.

Investments are stated at cost unless otherwise stated. Listed investments and Public Trust Investment Funds are stated at current market value.

Contingent Commitments

At balance date any known contingent commitments are detailed in the Notes section of the Report.

Goods and Services Tax

The Trust is registered for GST. Therefore, amounts recorded in the Performance Report relating to the taxable activity are exclusive of GST.

These notes have not been audited or reviewed and are to be read subject to the compilation report on page 3 of this report.

Thomas Hobson - Charitable Trust

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Notes to the Performance Report
1 July 2018 to 30 June 2019

| | |
|--------------------------------------|--|
| Note 4: Correction of Errors: | |
|--------------------------------------|--|

| Note 5: Related Party Transactions: | | Public Trust is the Trustee of the Trust. Public Trust fees are detailed in the Statement of Receipts and Payments. | | | |
|--|---|---|---------------------------|----------------------|--------------------------|
| Description of Relationship | Description of Transaction (cash or amount in kind) | 2019 Transactions NZD | Previous Transactions NZD | 2019 Outstanding NZD | Previous Outstanding NZD |
| Public Trust | Fees | 10,245 | 9,087 | | |
| | | | | | |
| | | | | | |
| | | | | | |

| Note 6: Events After the Balance Date: | There were no events that have occurred after the balance date that would have a significant impact on the Performance Report. (Previous period - Nil) | |
|---|--|---|
| Nature of the Event | Estimated Amount NZD | How, if at all, the event is likely to affect the continuing viability of the Trust |
| | | |
| | | |

| | |
|----------------------------------|--|
| Note 7: Additional Notes: | |
|----------------------------------|--|

Public Trust Investment Service: Diversified Funds. Disclosure Statement

1 September 2019



This disclosure statement provides information to beneficiaries about how Estate or Trust monies are invested into certain Public Trust managed funds detailed in this disclosure statement.

This is a disclosure statement for the purposes of the Public Trust Act 2001 and the Public Trust Regulations 2002 only and as a result is not an investment statement and does not constitute an offer of securities to the public under the Securities Act 1978. References to 'Investor' below are references to the trustee(s) of the Trust or Estate of which you are a beneficiary.

What is this document?

This is important information about the Public Trust Investment Service Diversified Funds.

What are the Public Trust Investment Service Diversified Funds?

The Public Trust Investment Service Diversified Funds are a collective investment scheme where investors' money is pooled with other investors' money and invested in various investments. Public Trust will charge a fee for this. The returns you receive depend on Public Trust's investment decisions and the performance of the investments. The value of these investments may go up or down. The types of investments and the fees you will be charged are described in this disclosure statement.

What is your money invested in?

There are seven options offered in the Public Trust Investment Service Diversified Funds. They are:

- Cash Fund
- Defensive Fund
- Conservative Portfolio
- Moderate Portfolio
- Balanced Fund
- Balanced Growth Portfolio
- Growth Fund

Who manages the Public Trust Investment Service Diversified Funds?

The manager of the Public Trust Investment Service Diversified Funds is Public Trust. See page 5 'Who is involved?' for further information.

Public Trust's investment beliefs and strategy

Public Trust has been managing money for over 140 years and as at the date of this Information Statement manages funds of over \$1 billion. The Diversified Funds Service is used by Public Trust where it is acting in a fiduciary capacity. Consequently the investment programme may be characterised as prudent so as to meet obligations under the Trustee Act.


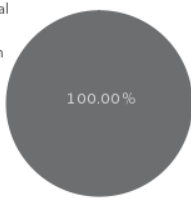

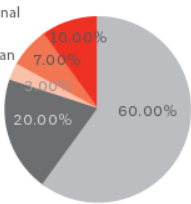

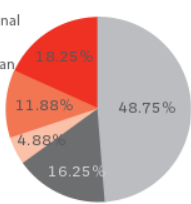

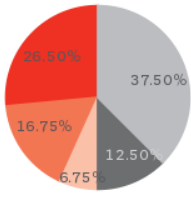
Within the overall investment programme a key investment belief is that, the main stream investment markets in which the Diversified Funds invest are competitive and dynamic, with active returns very difficult to find and constantly changing source.

Therefore, the investment strategy we employ is a market capitalisation indexed strategy i.e. investing in accordance with the composition of the relevant benchmark for each asset class. The key benefits of this strategy are; that it provides reliable returns relative to the performance of the underlying market, is able to be implemented at a significantly lower cost than more active strategies that attempt to outperform the market and is simple to understand.


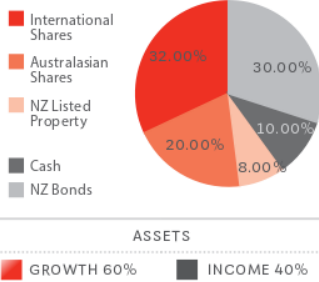

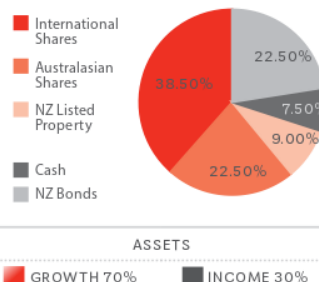

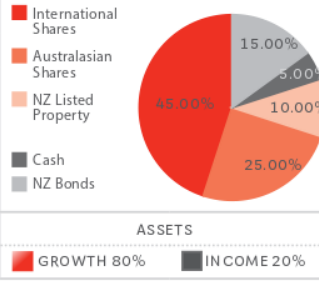
The benefits of investing in the Funds

In each Fund, investors' money is pooled together with that of other investors and invested by Public Trust in accordance with the investment purpose and investment strategy of each Fund. This enables investors to have their money professionally managed and to gain access to a wider range of investment opportunities than is likely to be available to an individual investor.

Description of the investment options

| Option | Investment purpose and investment strategy | Target investment mix |
|---|---|--|
| Cash Fund  Risk Indicator | Investment purpose To provide investors with low risk returns consistent with short-term wholesale bank deposits. | Target investment mix  100.00% ASSETS GROWTH 0% INCOME 100% |
| Defensive Fund  Risk Indicator | Investment purpose To provide investors with stable returns, low capital growth and low risk over the medium-term. | Target investment mix  60.00% ASSETS GROWTH 20% INCOME 80% |
| Conservative Portfolio  Risk Indicator | Investment purpose To provide investors with stable returns, some capital growth and low to medium risk over the medium-term. | Target investment mix  48.75% ASSETS GROWTH 35% INCOME 65% |
| Moderate Portfolio  Risk Indicator | Investment purpose To provide investors with moderate capital growth with moderate risk over the medium-term. | Target investment mix  37.50% ASSETS GROWTH 50% INCOME 50% |

Description of the investment options

| Option | Investment purpose and investment strategy | Target investment mix |
|--|--|---|
| Balanced Fund  Risk Indicator | Investment purpose To provide investors with long-term capital growth with medium levels of risk. Investment strategy Uses an enhanced-index investment management style to invest 60% in diversified growth assets (shares and listed property) and 40% in diversified income assets (cash and bonds). |  |
| Balanced Growth Portfolio  Risk Indicator | Investment purpose To provide investors with significant long-term capital growth with medium to high levels of risk. Investment strategy Invests 50% in the Balanced Fund and 50% in the Growth Fund. |  |
| Growth Fund  Risk Indicator | Investment purpose To provide investors with high long-term capital growth. Investment strategy Uses an index investment management style to invest 80% in diversified growth assets (shares and listed property) and 20% in diversified income assets (cash and bonds). |  |

Important note

No particular rate of return is promised. None of Public Trust, the Government of New Zealand or any other person guarantees the repayment of any investment in the Funds, the performance of the Funds or any particular rate of return.

What are the fees?

You will be charged fees for investing in the Public Trust Investment Service Diversified Funds. Fees are deducted from your investment, and will reduce your returns. If Public Trust invests in other funds, those funds may charge fees also. The total fees you pay are made up of three main types of fees:

- Public Trust management fee. This fee is expressed below as a percentage of your balance each year.
- Third party management fee. This fee is expressed below as a percentage of your balance each year.
- Entry/exit spread. These are one-off fees charged for investing or withdrawing from a Fund.

Management fee and third party management fee

| Option | Public Trust management fee | Third party management fee |
|---------------------------|-----------------------------|----------------------------|
| Cash Fund | 0.40% | Nil |
| Defensive Fund | 1.05% | 0.02% |
| Conservative Portfolio | 1.11% | 0.03% |
| Moderate Portfolio | 1.16% | 0.04% |
| Balanced Fund | 1.20% | 0.05% |
| Balanced Growth Portfolio | 1.20% | 0.06% |
| Growth Fund | 1.25% | 0.08% |

Third party management fees are calculated on the value of each Fund's investment in funds offered by the sub-contracted investment manager appointed to manage international shares. These fees are calculated and deducted daily from the third party funds in which these Funds invest.

Management fee rebate

Accounts with larger amounts invested qualify for a rebate of part of Public Trust's management fee, as outlined in the table below:

| Amount Invested | Rebate |
|------------------------------|--------|
| On the first \$500,000 | 0.00% |
| On the next \$500,000 | 0.40% |
| On the next \$1,000,000 plus | 0.80% |

The rebates are calculated daily and applied quarterly to your account held with Public Trust.

Entry/exit spread

Transaction costs are incurred by a Fund when buying and selling investments. In order to help the Funds recover these expenses when investors enter or exit the Funds, an adjustment is made to the calculation of the

Funds' entry and exit unit prices. This is known as an entry/exit spread. The entry/exit spread applicable to each investment option is outlined in the table below.

| Option | Application price plus: | Withdrawal price less: |
|---------------------------|-------------------------|------------------------|
| Cash Fund | Nil | Nil |
| Defensive Fund | 0.13% | 0.13% |
| Conservative Portfolio | 0.18% | 0.18% |
| Moderate Portfolio | 0.23% | 0.23% |
| Balanced Fund | 0.26% | 0.26% |
| Balanced Growth Portfolio | 0.29% | 0.29% |
| Growth Fund | 0.32% | 0.32% |

The Fee is not charged in the Fund itself, but is based on the buy / sell spread of the wholesale funds in which it invests.

As transaction costs may change, the entry/exit spread may also change without prior notice. The income earned by the entry/exit spread goes towards the Fund's transaction costs and is not paid to Public Trust.

Certain administration expenses may be charged to the Funds where they are necessary in exercising our powers, as permitted under the Trust Deed. These include, but are not limited to, audit, legal and specialist investment advice. These expenses are not fixed and cannot be completely known ahead of time, but are not expected to be material.

Public Trust does not charge entry or exit fees (excluding the entry/exit spread), establishment fees, termination fees or any other fees or charges unless disclosed in the Information Statement.

The fees can be changed

Public Trust publishes an update for all its Funds showing the fees actually charged during the most recent year. The Fund update, including past reports, is available at www.publictrust.co.nz.

Making your investment

The minimum balance you may have in a Fund or combination of Funds is \$5,000*.

The minimum contribution amount you can make to your Public Trust investment is \$500.

**Except where investment is by or through a Prepaid Funeral Trust or Education Trust where the minimum balance is \$500.*

Withdrawing your investment

Subject to the terms of the governing trust deed or will (if relevant) you may withdraw your money in the Funds by writing to us at any time at the details given in section 11 'Contact information' in the Information Statement, in a manner approved by us. However, you must have held units in the Fund from which you are withdrawing for a minimum of seven business days. The minimum withdrawal amount is \$500. Withdrawal requests are processed each business day.

If your withdrawal request results in your investment falling below \$5,000*, we may treat this as a request for a full withdrawal.

When you withdraw your investment from a Fund, we will cash in the units held on your behalf at the withdrawal price for that Fund. We will process your application and pay the withdrawal price to your Public Trust account within 10 business days.

Subject to the terms of the governing trust deed or will (if relevant), you may also set up regular withdrawals to be made to your Public Trust account at monthly, quarterly, six-monthly or yearly intervals. The minimum regular withdrawal amount is \$500.

We may, in good faith, suspend withdrawals from a Fund or Funds. We may do this if, in our opinion, withdrawals from a Fund or Funds would not be practicable or would be materially prejudicial to your interests or the interests of other investors. In this case, withdrawals will be suspended until we give you notice stating otherwise.

Your investment in the Funds cannot be sold or transferred to anyone else.

No assets of a Fund are available to be applied to meet the liabilities of any other Fund in the Public Trust Investment Service Diversified Funds.

Who is involved?**About Public Trust**

Public Trust is the manager and trustee of the Funds. Public Trust has 140 years' experience in a wide range of services as trustee, executor, manager and attorney. As at the date of this disclosure statement, Public Trust administers or supervises estates, trusts, funds and agencies of a value of approximately \$42 billion and Public Trust's Investment Team manages funds of more than \$1 billion.

Public Trust is a statutory corporation under the Public Trust Act 2001 and is a Crown entity under the Crown Entities Act 2004. Public Trust is governed by a board, appointed by the Minister of Justice acting with the agreement of the Minister of Finance.

Who else is involved?

| Name | | Role |
|---------------------|--|--|
| Manager and trustee | Public Trust | Makes decisions about what the Funds invest in. |
| Custodian | BNP Paribas Fund Services Australasia Pty Limited (BNP Paribas) (trading as BNP Paribas Securities Services) | Appointed by the trustee to hold the assets of the Funds on behalf of investors. |
| Registry | Trustees Executors Limited | Keeps individual records of investments into the Funds. |

Further information

Further information on the Public Trust Investment Service Diversified Funds, is available in the Information Statement and quarterly Funds Update. These may be found at www.publictrust.co.nz. Your adviser can provide a copy on request, at no charge.

- 8 Consideration of Urgent Business Items**
- 9 Consideration of Minor Nature Matters**
- 10 Public Forum Issues Requiring Consideration**

11 Exclusion of the Public

Recommendation

That the public be excluded from the following parts of the proceedings of this meeting on the grounds under section 48 of the Local Government Official Information and Meetings Act 1987 as follows:

| General subject of each matter to be considered | Reason for passing this resolution in relation to each matter | Plain English Reason |
|---|--|--|
| 12.1 - Thomas Hobson Trust Fund Applications | <p>s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(f)(i) - The withholding of the information is necessary to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to members or officers or employees of any local authority, or any persons to whom section 2(5) of this Act applies, in the course of their duty</p> | <p>To protect a person's privacy</p> <p>To allow free and frank expression of opinions</p> |

12 Public Excluded Reports

12.1 Thomas Hobson Trust Fund Applications

13 Readmittance of the Public