

# Performance Report

The Wilson Home Trust  
As at 30 June 2016

Prepared by Management Accountants Limited

# Contents

<b>3</b>	Entity Information
<b>5</b>	Approval of the Performance Report
<b>6</b>	Statement of Financial Performance
<b>7</b>	Statement of Financial Position
<b>8</b>	Statement of Cash Flows
<b>9</b>	Notes to the Performance Report
<b>13</b>	Auditor's Report

# Entity Information

## The Wilson Home Trust For the year ended 30 June 2016

### Entity Information

The Wilson Home Trust Deed (20 July 1937) declared the Auckland Hospital Board to be the Trustee of the Wilson Home Trust. On 1 July 1993, pursuant to the Health Reforms Act 1993, Waitemata Health Ltd became Trustee. Pursuant to the New Zealand Public Health and Disability Services Act 2000, the Trusteeship was transferred to the Waitemata District Health Board ("WDHB") on 1 January 2001. Use of the assets and funds of The Wilson Home Trust are accounted for distinct from the accounts of Waitemata District Health Board. The Trust is classified as a "DHB Subsidiary" Organisation by the Office of the Auditor-General.

The Wilson Home Trust is subject to the provisions of the Charitable Trusts Act 1957. On 27 February 2008 the Trust was registered as a charitable entity under the Charities Act 2005 and is registered as a donee organisation with Inland Revenue.

### Department of Internal Affairs - Charities Services

Registration Number - CC21396

Date of Registration - 27 February 2008

### Entity Purpose & Mission

The Wilson Home Trust Deed authorises the Trust to provide a range of services within the qualifying area (Northland, Auckland, Waikato, Bay of Plenty, Gisborne and Central Plateau) for children with primarily physical disabilities and their families. As the Waitemata District Health Board and the Ministry of Education currently provide many of these services, the Trust adopts a collaborative and facilitative approach in order to enhance and complement those services rather than duplicate them.

The Trust has four key focus areas:

1. To support key stakeholders in the qualifying area within the disability sector.
2. To provide support to families, specifically information, on-site accommodation plus grants for equipment, assistance and activities.
3. To provide facilitation and education, specifically championing the needs of families at local and national levels and providing resources to help caregivers develop themselves.
4. To protect and, where possible, enhance returns from assets in order to increase the contribution the Trust makes to children and families.

### Structure

Waitemata District Health Board is the Trustee for the the Wilson Home Trust.

The Trust is governed by a Committee of Management appointed by WDHB and CCS Disability Action.

The Committee comprises the following individuals:

Brian Neeson - Chairman - WDHB nominee

Fraser Boddy - CCS Disability Action nominee

Lynne Coleman - WDHB nominee

Allison Roe - WDHB nominee

Russell Vickery - CCS Disability Action nominee (till May 2016)

### Primary Sources of Revenue

The Trust receives revenue from the following sources:

- Rental Income from Ministry of Education, WDHB, Homes of Choice and residential rents
- Wedding and Event Income
- Donations and Grants
- Investment Income

## Chartered Accountant

Management Accountants Limited  
Auckland

## Auditors

RSM Hayes Audit on behalf of the Auditor General  
Auckland

## Bankers

ASB Bank  
Auckland

## Solicitors

Schnauer & Co  
Auckland

## Trust Outcomes

The Trust's key focus areas are described above. Our significant outputs in the 2016 Financial Year for each of these focus areas are captured below.

### 1. Support Key Stakeholders

- Leased premises to WDHB
- Leased land/premises to the Wilson School and the Northern Health School (Ministry of Education)
- Leased premises to Homes of Choice
- Allowed free use of facilities to synergistic groups. For example: Art Adventure, Touch Compass, Star Jam

### 2. Provide Practical Support to Families

- Provided families with direct advice, support and networking opportunities (including coffee groups, school holiday activities and the annual Children's Christmas Party)
- Provided information via the website, e-news, and newsletters plus direct information
- Provided grants totaling approximately \$281,405 for equipment, assistance and activities (Last Year \$231,065)

### 3. Facilitate and Educate

- Liaised with similar organisations
- Provided a grant to Auckland Council Libraries to maintain a specialised book collection
- Provided grants for families to attend relevant conferences

### 4. Protect and Enhance Returns

- Retained MyFiduciary Ltd investment governance services
- Held investments with Rutherford Rede (previously Bradley Nuttall) and with the BNZ
- Held current and higher interest-bearing accounts with ASB
- Maintained and/or improved the capital assets to ensure ongoing rental income
- Prepared a submission to the Auckland Council Unitary Plan to protect out zoning and heritage buildings while allowing maximum flexibility for the site

# Approval of the Performance Report

## The Wilson Home Trust For the year ended 30 June 2016

The Committee of Management are pleased to present the approved performance report including the historical financial statements of The Wilson Home Trust for year ended 30 June 2016.

---

**Brian Neeson**

Chairman

Date .....

---

**Fraser Boddy**

Committee Member

Date .....

# Statement of Financial Performance

## The Wilson Home Trust For the year ended 30 June 2016

	NOTES	2016	2015
<b>Revenue</b>			
<b>Revenue from Central or Local Government</b>			
Lease - Government Sourced		844,593	843,299
<b>Total Revenue from Central or Local Government</b>		<b>844,593</b>	<b>843,299</b>
<b>Revenue from Providing Goods or Services</b>			
Lease - Non-Governmental		28,500	26,522
Rental - Residential		31,510	38,409
Event Income		30,891	28,662
<b>Total Revenue from Providing Goods or Services</b>		<b>90,901</b>	<b>93,593</b>
<b>Donations, fundraising and similar revenue</b>			
Donations		11,474	8,061
<b>Total Donations, fundraising and similar revenue</b>		<b>11,474</b>	<b>8,061</b>
<b>Total Revenue</b>		<b>946,968</b>	<b>944,953</b>
<b>Total Operating Income</b>		<b>946,968</b>	<b>944,953</b>
<b>Operating Expenses</b>			
Administration/General		184,041	174,087
Audit Fees - Current Year		13,040	11,990
Committee Fees		38,500	35,000
Depreciation		127,273	131,138
Events Expenses		16,364	23,724
Family/Children Grants Provided		281,407	231,065
Loss/(Gain) on Sale of Assets		-	(71)
Operating Lease	5	1,332	2,169
Property Maintenance		95,254	133,981
Travel and Accommodation		3,193	10,652
Employee Related Costs		155,422	239,918
<b>Total Operating Expenses</b>		<b>915,826</b>	<b>993,654</b>
<b>Net Operating Surplus/(Deficit)</b>		<b>31,142</b>	<b>(48,700)</b>
<b>Investment Activity</b>			
Investment Income		298,649	414,760
Loss/(Gain) on Investment - Realised		(9,007)	127,491
Exchange Rate Variances - Realised		-	(9)
Management Fees - Investments		(37,496)	(31,839)
<b>Total Investment Activity</b>		<b>252,146</b>	<b>510,403</b>
<b>SURPLUS/(DEFICIT) FOR YEAR</b>		<b>283,288</b>	<b>461,703</b>

# Statement of Financial Position

## The Wilson Home Trust As at 30 June 2016

	NOTES	30 JUN 2016	30 JUN 2015
<b>Assets</b>			
<b>Current Assets</b>			
Bank Accounts and Cash		365,253	335,184
Interest Receivable		94	-
Accounts Receivable		-	3,280
Short Term Investments		50,428	-
<b>Total Current Assets</b>		<b>415,775</b>	<b>338,464</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	4,020,093	4,131,296
<b>Total Non-Current Assets</b>		<b>4,020,093</b>	<b>4,131,296</b>
<b>Investments</b>			
Investment managed by Rutherford Rede	7	4,591,813	4,385,682
Investment managed by BNZ Securities	7	2,316,422	2,177,718
<b>Total Investments</b>		<b>6,908,234</b>	<b>6,563,400</b>
<b>Total Assets</b>		<b>11,344,102</b>	<b>11,033,160</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Creditors and Accrued Expenses</b>			
Accounts Payable		42,898	35,012
Accruals		29,182	27,698
Employee Costs Payable		16,559	13,756
GST Payable		23,104	24,034
<b>Total Creditors and Accrued Expenses</b>		<b>111,743</b>	<b>100,499</b>
<b>Unused Donations and Grants</b>			
Unspent Family Grants		44,583	28,673
Donation Fund		12,304	11,804
<b>Total Unused Donations and Grants</b>		<b>56,887</b>	<b>40,477</b>
<b>Total Current Liabilities</b>		<b>168,631</b>	<b>140,977</b>
<b>Total Liabilities</b>		<b>168,631</b>	<b>140,977</b>
<b>Net Assets</b>		<b>11,175,471</b>	<b>10,892,183</b>
<b>Equity</b>			
Accumulated Trust Equity	4	11,175,471	10,892,183
<b>Total Equity</b>		<b>11,175,471</b>	<b>10,892,183</b>

# Statement of Cash Flows

## The Wilson Home Trust For the year ended 30 June 2016

'How the entity has received and used cash'

	2016	2015
<b>Cash Flows from Operating Activities</b>		
<b>Cash Received from Operating Activities</b>		
Lease - Government Sourced	844,593	835,385
Lease - Non-Governmental	28,500	26,522
Rental - Residential	31,510	38,409
Event Income	30,891	28,662
Donations	11,474	8,191
Net GST	2,551	20,243
<b>Total Cash Received from Operating Activities</b>	<b>949,520</b>	<b>957,411</b>
<b>Cash Applied to Operating Activities</b>		
Administration/General	(185,228)	(182,579)
Audit Fees	(12,210)	(11,690)
Committee Fees	(38,000)	(33,500)
Event Expenses	(17,414)	(24,215)
Operating Lease	(1,332)	(2,169)
Property Maintenance	(81,521)	(133,593)
Salaries and Wages	(152,619)	(244,854)
Family/Children Grants	(268,856)	(209,947)
Donations Paid	(3,280)	(1,377)
<b>Total Cash Applied to Operating Activities</b>	<b>(760,460)</b>	<b>(843,924)</b>
<b>Total Net Cash Flows from Operating Activities</b>	<b>189,060</b>	<b>113,487</b>
<b>Cash Received from and Applied to Investing and Financing Activities</b>		
Investment Income & Fees	8,753	15,324
Donation Fund	500	(480)
Purchase of Property, Plant & Equipment	(17,641)	(68,445)
ASB Bank - 72 Term Deposit	(50,428)	-
Investment managed by Rutherford Rede	(100,000)	(200,000)
Accounts Payable	(175)	-
<b>Total Cash Received from and Applied to Investing and Financing Activities</b>	<b>(158,991)</b>	<b>(253,601)</b>
<b>Net Increase/ (Decrease) in Cash</b>	<b>30,068</b>	<b>(140,114)</b>
<b>Cash Balances</b>		
Cash and cash equivalents at beginning of period	335,184	475,298
Cash and cash equivalents at end of period	365,253	335,184
Net change in cash for period	30,068	(140,114)



# Notes to the Performance Report

## The Wilson Home Trust

### For the year ended 30 June 2016

#### 1. Basis of Preparation

The entity has elected to apply PBE SFR-A (PS) *Public Benefit Entity Simple Format Reporting - Accrual (Public Sector)* on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

#### Goods and Services Tax

All amounts are recorded exclusive of GST, except for Accounts Receivable and Accounts Payable which are stated inclusive of GST.

#### Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

#### 2. Specific Accounting Policies

The following specific accounting policies, which materially affect the measurement of financial performance and financial position of the entity, have been applied:

##### Foreign Currencies

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction. At balance date foreign monetary assets and liabilities are translated at the closing rate and variations arising from these translations are included in the Statement of Financial Performance.

##### Property, Plant and Equipment

Property, plant and equipment is recorded at cost. It includes properties owned by the Trust that are leased to third parties to provide services that contribute to the Trust achieving its objectives.

##### Depreciation

Buildings have been depreciated at 4% on diminishing value basis.

For all assets other than buildings, depreciation has been calculated at the maximum rates permitted for Income Tax purposes as follows:

- Children and Families Equipment - 13% diminishing value basis
- Plant, Equipment and Furniture - 10-67% diminishing value basis, 7-67% straight line basis
- Other - 40% straight line basis

##### Income Tax

The Trust is registered as a charitable entity and is exempt from income tax on income derived for charitable purposes, under section CW 41 and CW 42 of the Income Tax Act 2007. Hence, there is no provision for income tax in these financial statements.

##### Accounts Receivable

Accounts Receivable are stated at their estimated realisable value. Bad debts are written off in the year they are identified.

## Investments

Investments are sums held on deposit at a registered bank, marketable bonds and shares. Deposit accounts are carried at face value together with interest. Investments in bonds are stated at cost plus accrued interest. Investments in shares are stated at cost. Investments are written down to market value where it appears that the carrying amount will not be recovered.

## Revenue Recognition

### Investment Income, Event Income, Donations and Bequests

These revenue items are recorded on a "cash received" basis.

Investment income includes distributions from unit funds that are recorded when distributions are received. Distributions from unit funds are made twice annually and depend on the performance of each fund. The amount of distributions is not known in advance and is therefore not able to be accrued.

### Rental and Interest Received

These revenue items are recorded on an "accrual" basis.

## Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period (2015: nil).

	2016	2015
<b>3. Property, Plant and Equipment</b>		
<b>Land</b>		
Land at cost	1,165,530	1,165,530
<b>Total Land</b>	<b>1,165,530</b>	<b>1,165,530</b>
<b>Buildings</b>		
Buildings at cost	5,474,636	5,468,092
Accumulated depreciation - buildings	(2,688,126)	(2,573,315)
<b>Total Buildings</b>	<b>2,786,510</b>	<b>2,894,777</b>
<b>Plant and Equipment</b>		
Plant and machinery	118,388	113,487
Accumulated depreciation - plant and machinery	(65,064)	(54,824)
<b>Total Plant and Equipment</b>	<b>53,324</b>	<b>58,662</b>
<b>Furniture and Fittings</b>		
Furniture and fittings	15,501	15,501
Accumulated depreciation - furniture and fittings	(4,785)	(3,184)
<b>Total Furniture and Fittings</b>	<b>10,716</b>	<b>12,317</b>
<b>Other Fixed Assets</b>		
Other fixed assets	4,630	1,875
Accumulated depreciation - fixed assets	(617)	(1,864)
<b>Total Other Fixed Assets</b>	<b>4,013</b>	<b>11</b>
<b>Total Property, Plant and Equipment</b>	<b>4,020,093</b>	<b>4,131,296</b>

## Asset Valuations

All assets are recorded at initial purchase price less aggregate depreciation. No assets have been revalued to date.

## Significant Donated Assets

### Significant Donated Assets Recorded

The Wilson Home Trust was established in 1937 when Mr. & Mrs. W R Wilson gifted their family home, and 13 acres of magnificent coastal gardens at Takapuna, for the express benefit of children with disabilities. Additionally, Lord Nuffield, the founder of Morris Motors, contributed £10,000 to the endowment fund at this time.

### Significant Donated Assets - Not Recorded

There are no significant donated assets that are not recorded in the Performance Report.

	2016	2015
<b>4. Accumulated Funds</b>		
Opening Balance	10,892,183	10,430,480
Current Year Earnings	283,288	461,703
<b>Total Accumulated Funds</b>	<b>11,175,471</b>	<b>10,892,183</b>

### Reserves

The Trust does not have any specific reserves.

## 5. Commitments and Contingencies

### Lease and Capital Commitments

#### Capital Commitments

There are no capital commitments contracted for at balance date (2015: Nil).

#### Operating and Lease Commitments

<b>Plant and Equipment</b>	<b>2016</b>	<b>2015</b>
No later than one year	1,332	2,169
Later than one year and no later than five years	1,573	0
<b>Total</b>	<b>\$2,905</b>	<b>\$2,169</b>

### Contingent Liabilities and Assets

#### Contingent Liabilities

No contingent liabilities are known to exist at balance date (2015: Nil).

#### Contingent Assets

In the 2013 financial year there was a claim to inheritance raised against The Wilson Home Trust in respect of a property bequest to the trust. As a result, The Wilson Home Trust has not taken ownership of the property. The current property capital valuation per Auckland Council website is \$470,000. It is uncertain whether the Trust will be able to sell the property for this value. The property is being rented and at year end rental income to the value of \$53,000 (2015: \$44,706) was held by the Trust's lawyers. The Board expect that they will take ownership of the property in the near future; however, until such time as the legal proceedings are resolved the asset and rental income will not be recognised in the Performance Report.

The Trust is currently awaiting a High Court decision in respect of this matter.

## 6. Related Party Transactions & Balances

Waitemata District Health Board is the Trustee of the Trust's land, buildings and other assets. Management of the Trust is delegated to a Committee of Management which, in conformity with the Trust Deed, comprises three nominees of the Trustee and two nominees for CCS Disability Action. The committee members were paid committee member fees during the year which amounted to \$38,500 (2015: \$35,000).

The Trustee has a contract with the Ministry of Health to provide care for children with disabilities operating as The Wilson Centre. It carries out this work at The Wilson Home Trust properties and in the community. The Trustee paid rent to The Wilson Home Trust for the space used at The Wilson Home Trust site amounting to \$711,750 (2015: \$711,750). As at 30 June 2016, The Wilson Home Trust owes \$3,317 for rates wash-up with the Trustee (2015: (\$3,026)).

Although not a related party, another tenant of The Wilson Home Trust site is the Ministry of Education which operates the Wilson School for children with disabilities. Rent paid to The Wilson Home Trust for space used amounted to \$132,843 (2015: \$131,549). As at 30 June 2016 nothing was owed by the Ministry of Education (2015: Nil).

In recognition that each of these parties provide services and support for children with disabilities, their rentals are discounted by 25%.

Apart from the related party transactions disclosed, there have been no other material related party transactions during the financial year for which these financial statements are prepared.

## 7. Investments

<b>Investments managed by BNZ Securities</b>	<b>2016 At Cost</b>	<b>2016 At Market Value</b>	<b>2015 At Cost</b>	<b>2015 At Market Value</b>
Cash/on Call	188,852	188,852	104,056	104,056
Fixed Interest Bonds & Deposits	1,025,216	1,040,734	1,029,487	1,043,967
Equities	1,102,354	1,248,703	1,044,174	1,285,359
	<b>2,316,422</b>	<b>2,478,289</b>	<b>2,177,717</b>	<b>2,433,382</b>

<b>Investments managed by Rutherford Rede</b>	<b>2016 At Cost</b>	<b>2016 At Market Value</b>	<b>2015 At Cost</b>	<b>2015 At Market Value</b>
Cash/on Call	76,898	76,898	45,819	45,819
Fixed Interest Bonds & Deposits	1,423,274	1,361,774	1,343,198	1,219,805
Equities	3,091,641	3,687,762	2,996,665	3,943,338
	<b>4,591,813</b>	<b>5,126,434</b>	<b>4,385,682</b>	<b>5,208,962</b>

<b>Total Investments</b>	<b>6,908,235</b>	<b>7,604,723</b>	<b>6,563,399</b>	<b>7,642,344</b>
--------------------------	------------------	------------------	------------------	------------------