



Eastern & Central
**COMMUNITY
TRUST**
Helping fund a better community

AUDIT & RISK COMMITTEE MEETING
Wednesday
21st December 2016
Commencing at 3.00 pm.

AGENDA PAPERS

**THE AGENDA FOR A MEETING OF THE A & R COMMITTEE OF THE EASTERN AND CENTRAL
COMMUNITY TRUST INC., TO BE HELD AT THE TRUST'S OFFICE,
ON WEDNESDAY 21ST DECEMBER 2016 COMMENCING AT 3:00 P.M.**

Ring 08 30 33, then on voice prompt enter the PIN 333352 followed by the hash key.

SECRETARIAL AND COMMITTEE ADMINISTRATION ITEMS

1. Welcome and Apologies
2. Draft Minutes of the A & R Committee Meeting held 27th October 2016 : [pages 3-6](#)
3. Matters arising and action items: [pages 7-8](#)

OPERATIONAL REPORTS TO THE COMMITTEE

4. General Managers Report including financial reports; [pages 9-30](#)

COMMITTEE DECISION PAPERS

5. Risk Register Report: [pages 31-36](#)
6. Policies for Approval : [pages 37-42](#)

COMMITTEE INFORMATION PAPERS

7. Fund Advisor and Fund Managers Monthly Reports: [Pages 43-62](#)
8. General Business

Close of Meeting

Next meeting: 12:00pm 26th January 2017 (Auditor present)

Report type:	A & R Committee Decision Papers
Recommendation:	That the Board receives and approves the draft Minutes from the A & R Committee meeting October 27th 2016
Agenda item no:	2
Subject:	Draft Minutes
Responsible for the report:	General Manager

Purpose of report:	To provide the A & R Committee with the draft minutes from the previous committee meeting for approval
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**MINUTES OF THE MEETING OF THE AUDIT & RISK COMMITTEE
OF THE EASTERN AND CENTRAL COMMUNITY TRUST INC.,
HELD IN THE TRUST OFFICES, RUSSELL STREET SOUTH, HASTINGS,
ON THURSDAY 27th OCT 2016, COMMENCING AT 3:00 PM.**

COMMITTEE MEMBERS BY TELECONFERENCE:

Stephen Kerr, Ron Garrod, Geoff Milner (from 3:30pm)

IN ATTENDANCE:

Shelly Mitchell-Jenkins (Chair), Mark Kilmister, Jonathan Bell (General Manager) Rebecca Huckle (Secretary)

1. APOLOGIES

Geoff joining at 3:30pm

2. MINUTES FROM THE PREVIOUS AUDIT & RISK COMMITTEE MEETING: (Page 3)

2.1 RESOLUTION

The Committee resolved to approve the minutes of the previous meeting held on 29th August 2016 as a true and accurate record of the meeting.

S Kerr / M Kilmister

CARRIED

3.1 MATTERS ARISING FROM THE PREVIOUS MINUTES: (Page 7)

- None

3.2 ACTION ITEMS: (Page 8)

- The auditor rotation policy is missing - Jonathan to add on. **ACTION ITEM**

4.0 GENERAL MANAGERS REPORT: (Page 9)

- Jonathan: This is in two parts as the reports from the Public Trust were not received in time. Having had one day to review and distribute they are not as robust as he would have liked.
- Discussion on the Public Trust performance. Suggestion that ECCT consider alternatives to the Public Trust. Make this an agenda item for November Board meeting when reviewing SIPO. **ACTION ITEM**
- Question asked on the current hedging contracts and at what point should the Trust consider exiting any contracts. ,

It was noted that the current hedging position was within policy and the contract is reviewed weekly by MCA.

Geoff Milner joined the meeting at 3:12pm.

- The Currency Policy on hedging is in place to mitigate risk and take advantage of any interest rate differentials between global markets and currencies. An annual review of the investment policy is in place to ensure that it is in synch with any changes global currency markets. .
- Noted that the realised hedging gain/loss is stated twice (but not added in twice) in the financial performance report. Jonathan to discuss with Trevor Nunes change to get the line on the 1st page removed. **ACTION ITEM.**

- Noted that there was a difference in the surplus on the financial performance report and the balance sheet where there had been a code that was not picked up. This will be fixed prior to the November meeting. **ACTION ITEM**
- Discussion on the PIMCO income and how it is calculated. This will be answered when Matthew McLenaghan is present during the November meeting.
- Discussion on the monthly reports of Elevation Capital and Forsyth Barr equities. Points raised were around; dividend payments or lack of from certain investments, level of shares +/- 20% of the equal weighting target, annual performance etc. A board paper is to be presented at the November meeting from Michael Chamberlain to cover off these issues.
- General Manager to check the fund manager mandates. **ACTION ITEM**
- Quarterly reports from Fund Managers had just been received and they will be presented in the November board papers.
- Debtors figure was higher than in previous months. This was the income accrued from the Public Trust as the payment didn't appear in the bank account until October.

5.0 RISK REGISTER REPORT: (Page 25)

- The register has been reviewed and is now linked to ECCT's strategic objectives. The committee was asked for their input into the document. This will continue to be developed and will be presented to the full Board no later than the January Board meeting.

6.0 AUDITOR APPOINTMENT RECOMMENDATION: (Page 30)

- The process of request for proposals was explained by the committee Chair. Four proposals were received and these were distributed to the committee at the beginning of October.
- The recommendation is to re-appoint Staples Rodway with the condition that a new audit partner be appointed. This recommendation considered a number of factors including staff, ability to conduct the audit, understanding of the not for profit sector and cost.
- The committee noted that timeliness for completion of the audit was of the essence.

2.1 RESOLUTION

The Committee resolved to recommend to the Board the re-appointment of Staples Rodway as auditors of the Trust

S Mitchell Jenkins / S Kerr

CARRIED

- The auditor rotation policy is to be added to the policy manual. **ACTION ITEM**

7.0 POLICY REVIEW UPDATE: (Page 47)

- Update from Jonathan. He has been collating all the current policies, gathering new ones and then developing a policy manual. The paper submitted was noted.

8.0 INTERNAL AUDIT REVIEW: (Page 50)

- The Audit & Risk Committee engaged Staples Rodway to conduct a processes check on the financial processes of the ECCT. This was conducted two years ago. The committee may wish to consider this for the future. Shelley stated that if the

committee were of the same view she would look into this. She has some starting documentation from other trusts. **ACTION ITEM**

- Noted that the two areas that the Board would want assurance on is financial controls regarding investments and payments and that they continue to operate as expected and need to be, and also the grants processes. There is a form of self-review around low risk donations.. It was noted that there can be some assurance to the Board that processes are robust from the financial audit which does look at systems and controls in place and notes any weaknesses identified. It is not the focus of the audit though. It was also noted that in small organisations it is difficult to have high levels of control as there are not enough people to have complete segregation of duties. More trust is involved.

9.0 AUDIT MANAGEMENT REPORT: (Page 51)

- The management letter received post-audit had been received. It was noted that this letter has been received later than expected. All the issues identified have been addressed and will be dealt with.
- Banking Administrator has already been actioned. Jonathan is the only administrator for Westpac deskbanking.
- The valuation of private equity will become more important as this investment increases. This will be discussed pre audit with the Private Equity companies and a process for determining value agreed to between ECCT and the Auditor.
- Discussion ensued around donations data entry into DMS. Concerns raised by the committee on the issue of accuracy and making a payment to someone accidentally.
- Noted that the likelihood of data entry inaccuracy happening was low. Payments have a three- step process to check that the organisations and amount paid are correct.
- The committee noted receipt of report.

10.0 FUND ADVISOR AND FUND MANAGERS MONTHLY REPORTS: (Page 60)

- Discussion on the level of returns from our equities portfolio. Also the current mix of investments
- Noted that this was a discussion to be held at Board level when reviewing SIPO.
- Noted that we should be revisiting SIPO in the world that we are in; do we need to look at expectations and see it is fit for the world we live in?.

11.0 GENERAL BUSINESS

Philanthropy New Zealand Summit 2017- early bird registrations are open. It is to be held on 10-12 May 2017. Trustees will be advised of further details in the November General Managers report to the Board.

Meeting closed at 4:02pm.

Report type:	A & R Committee Decision Papers
Recommendation:	That the Committee receives the action plan and any matters arising from the Minutes from the A & R Committee meeting October 27th 2016
Agenda item no:	3
Subject:	Matters arising and Action Plan
Responsible for the report:	General Manager

Purpose of report:	To provide the A & R Committee with the action plan from the previous committee meeting.
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A & R COMMITTEE ACTION PLAN

Meeting Date; 29th October 2016

#	ACTION	WHO	WHEN	STATUS
1	Add amended Trustee exit interview strategy to plan and charter	Jonathan	At Governance Charter Review	Pending
2	Risk Register Matrix development – Update to be reported at the Feb meeting	Shelly & Jonathan	Feb 2017	Ongoing
3	Valuation of Private Equity – Need to consider these well before year financial year end in time for 2017 Audit	Shelly & Jonathan	Feb 2017	Pending
4	Chair of A & R Committee and General Manager to develop a process and timeline for 2017 Audit	Shelly & Jonathan	Nov 2016	Meeting with Auditor in January to discuss.
5	Work Plan Update – Now part of A & R Committee BAU	Shelly/Caren	Ongoing	Completed
6	Reporting from MCA to be discussed with possibility of more commentary, discussion with MCA on possible reporting going forward.	Jonathan	Nov 2016	Reporting paper from MCA has covered off future requirements. Completed.
7	Development of: <ul style="list-style-type: none"> • Auditor Rotation Policy and, • Include in ECCT Policy Manual 	Shelly & Jonathan	Jun 2017	Pending
8	Public Trust Performance – Agenda item for November Board Meeting	Jonathan	Nov 2016	See GM Report
9	Remove entry for hedging gain/loss from first section of financial performance report	Jonathan	ASAP	Completed
10	Difference in Financial Performance Report and Balance Sheet, to be corrected by next meeting	Jonathan	Nov 2016	Completed for December Reports
11	General manager to check Fund Manager Mandates prior to SIPO review in November	Jonathan	Nov 2016	Completed
12	Internal Audit Reviews – Jonathan & Shelly have some information which they can share with the committee	Jonathan/Shelly	Feb 2017	Pending
13	MCA External Review due Dec 2017 – General Manager to include in 2016-17 Budget	Jonathan	Jan 2017	Pending

Report type:	Operational Reports to the A & R Committee
Recommendation:	The A & R receives and accepts <ol style="list-style-type: none">1. The Financial Report for the period to 30th November 20162. The General Manager's report for the period to 16th December 2016.
Agenda item no:	4
Subject:	General Manager's Report to the A & R Committee
Responsible for the report:	Jonathan Bell

Purpose of report:	To inform the A & R Committee of progress and/or exceptions to the achievement of the 2016/17 Business Plan (inclusive of key Financial performance measures to 30th Nov 2016), and other KPI's to 16th Dec 2016. To flag any items of risk for the Board and to flag any other items of significance to the Board.
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GENERAL MANAGERS REPORT DECEMBER 2016

1.0 Executive Summary

Since the last Trust meeting the following points are noted;

1. The Hedging contract was closed out on December 5th with a payment to BNZ of \$580,045.
2. Overseas markets continue to “stagnate”.
3. The Fed in the US has raised interest rates and have indicated further rises for 2017.
4. John Key has resigned as Prime Minister of NZ, as has the Italian Prime Minister.

2.0 Financial Performance

2.1 Dashboard

The number of red lights has increased since the last Board meeting in November. Key comments to note are;

2.2 Balance Sheet

- No portfolios had any major gains or losses.
- Overall combined gain for the month was \$1.0 mill, YTD negative \$1.32 mill

2.3 Income

- Realised income for the month was behind budget by \$115k.
- Income YTD is ahead of budget by \$944k.
- Elevation Capital is behind budget by \$156k or 11%.
- Unrealised income YTD is \$1.1 million, compared to this time last year it was \$3.6million.

2.4 Expenses

- Expenses for the month were higher than budgeted.
- This was due to a prepayment of \$90k to CSI for the Funding Strategy Project. If this was removed we would have been slightly under budget.
- Consequently YTD expenses are now over budget by \$69k due to this payment to CSI.

2.5 Distributions

- Applications for the upcoming January meeting are 72, the ten year average for January is approximately 80.
- The recommended amount is \$425k against a budget of \$750k.
- The commitment schedule has dropped to under \$3mill from a high of \$3.9mill.

2.6 Hedging

- Attached are the
 - BNZ Hedging Report for end of November showing a negative \$248k position.
 - The MCA Hedging report for 30th Nov showing a negative \$268k position.
- The contracts matured on the 6th of December. At one stage they had a negative \$890k position. We closed out at negative \$580k.
- The dollar was very volatile leading up to the close out date due to among other things Prime Ministers resigning
- Hedging is in place according to policy of;
 - \$4.5 mill against the Pound
 - \$8.8 mill against the Euro

2.7 Capital base

- The capital base graphs are attached.
- We have increased the amount accrued, and will continue to adjust this up to the end of the year. This step has been taken following the last Board meeting in November.

2.7 Risk Register

- Agenda Item # 5

3.0 Action Plan

- The action plan is attached and it is up to date.

4.0 Policies for Approval

- Agenda Item # 6

5.0 HR






















- Nothing to report

6.0 Other

- Nothing to report

Jonathan Bell
General Manager
16th November 2016

ECCT MONTHLY FINANCIAL REPORTING DASHBOARD

<u>Month End</u>	<u>Comparison Current Month to Budget</u> 30th November 2016			<u>Comparison YTD to Budget</u> 30th November 2016		
	Actual (000's)	Budget (000's)		Actual (000's)	Budget (000's)	
Total Realised Income	\$ 0.274	\$ 0.389		\$ 6.089	\$ 5.145	
Total Operating Expenses	\$ 0.212	\$ 0.130		\$ 1.263	\$ 1.195	
Net Disposable Investment Income	\$ 0.062	\$ 0.259		\$ 4.826	\$ 3.950	
Donations Approved	\$ 0.528	\$ 0.950		\$ 4.230	\$ 4.239	
Donations Written Back	\$ 0.006	\$ 0.020		-\$ 0.075	\$ 0.065	
Surplus After Donations	-\$ 0.460	-\$ 0.711		\$ 0.521	-\$ 0.354	
Less Brokerage Fees	\$ -	\$ -		-\$ 0.536	\$ -	
Hedging Gain/Loss	\$ 0.358	\$ -		\$ 0.427	\$ -	
Unrealised Income	-\$ 0.863	\$ -		\$ 0.179	\$ -	
Surplus Income	-\$ 0.965	-\$ 0.711		\$ 0.591	-\$ 0.354	
Investments						
	Oct 2016 Value	Nov 2016 Value	Monthly Change (000's)	YTD Change (000's)		March 31st 2016 Value (000's)
Equity F Barr	53,752	54,165	413	- 1,156		55,321
Equity E Capital	47,364	47,089	-275	-		47,089
NZ Bonds	37,047	37,808	761	848		36,960
O'Seas Bonds	17,640	17,273	-367	- 1,214		18,487
Own Cash	5,700	6,200	500	200		6,000
	Total	162,535	1,032	- 1,322	Total	163,857
Complaints	Nil			Nil		

For commentary please

see GM's Report

Not Budgeted For

Not Budgeted For

 Value increased or ahead of budget

 No change

 Value decreased or behind budget

Eastern & Central Community Trust
Statement of Financial Position
As at 30 November, 2016

	Actual	Last Year
<u>Trust Funds</u>		
Surplus Income	591,443	1,165,850
General Reserves	144,467,079	162,332,729
Donations reserve	19,031,500	-
Total Trust Funds	164,090,022	163,498,579
<u>Current Assets</u>		
Petty Cash	41	66
Current	83,734	252,196
Imprest	673	1,050
Call	1,183,214	487,745
Conference 2017	18,165	22,752
Sundry Debtors	22,263	25,093
Total Current Assets	1,308,090	788,902
<u>Investment Assets</u>		
New Zealand		
Shares Forsyth Barr	54,164,972	55,320,573
Shares Elevation Capital	47,089,329	47,088,886
Hedging Contracts NZ	(248,385)	178,217
Cash Self Term Deposits	6,200,000	6,000,000
Bonds Self	37,807,930	36,960,191
Te Kete Putea Ltd Partnership	54,394	54,394
Private Equity Pioneer Capital	1,503,663	1,216,822
Private Equity - Waterman Fund	1,062,500	-
Private Equity - Morrisons	1,031,864	-
Total New Zealand Investments	148,666,267	146,819,083
Overseas		
Bonds Pimco	17,272,638	18,486,729
Total Overseas Investments	17,272,638	18,486,729
Total Current and Investment Assets	167,246,996	166,094,714
<u>Fixed Assets</u>		
Fixed Assets at Cost	190,806	181,303
Accumulated Depreciation	(159,496)	(152,495)
Total Fixed Assets	31,310	28,808
Total Assets	167,278,306	166,123,522
<u>Current Liabilities</u>		
Donation Creditors	2,908,350	2,444,267
Trade Creditors	191,769	99,226
Creditor Accruals	88,165	81,450
Total Current Liabilities	3,188,284	2,624,943
Net Assets	164,090,022	163,498,579

EASTERN & CENTRAL COMMUNITY TRUST
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE 8 PERIODS ENDING 30 November 2016

<u>Income</u>	<u>Actual</u>	<u>Current Month</u>		<u>Actual</u>	<u>Year To Date</u>		<u>Full Year</u>	
		<u>Budget</u>	<u>Last year</u>		<u>Budget</u>	<u>Last year</u>	<u>Budget</u>	<u>Last Year</u>
<u>Realised Investment Income</u>								
Shares FBarr Interest	291	800	1,338	9,917	6,900	23,851	10,000	31,168
Shares FBarr Dividend	28,824	50,000	32,297	1,431,215	1,325,000	1,273,540	1,882,500	1,751,752
Shares ECap Interest	736	500	20	7,613	7,200	27,993	10,000	30,327
Shares ECap Dividend	49,875	70,000	68,771	1,175,495	1,331,000	1,390,788	1,803,750	1,930,940
Bonds Self Interest	175,123	250,000	257,582	1,627,700	1,670,000	1,723,430	2,200,000	2,370,416
Cash Self Realised Income	18,824	18,000	24,165	149,827	135,000	173,681	201,000	244,636
Sundry Income	1,100	170	170	1,100	170	170	170	220
	<u>274,773</u>	<u>389,470</u>	<u>384,343</u>	<u>4,402,868</u>	<u>4,475,270</u>	<u>4,613,453</u>	<u>6,107,420</u>	<u>6,359,459</u>
<u>Overseas</u>								
Shares SSAG Dividend	0	0	0	0	0	0	0	0
Bonds Fimco Interest	0	0	0	1,686,506	670,000	566,086	1,080,000	700,336
	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,686,506</u>	<u>670,000</u>	<u>566,086</u>	<u>1,080,000</u>	<u>700,336</u>
<u>Total Realised Investment Income</u>	<u>274,773</u>	<u>389,470</u>	<u>384,343</u>	<u>6,089,374</u>	<u>5,145,270</u>	<u>5,179,540</u>	<u>7,187,420</u>	<u>7,059,794</u>
<u>Expenses</u>								
<u>Administration Expenses</u>								
Advertising- Statutory	0	0	0	33,131	34,000	40,646	34,000	40,646
Promotion	133	2,800	2,799	21,382	47,100	23,744	50,000	26,252
Rent & Services	7,622	8,400	7,462	76,978	83,400	76,211	115,000	106,290
Telephone	794	1,100	0	6,792	9,500	8,555	14,000	14,528
Postage	0	200	176	1,533	2,450	2,317	4,000	3,493
Kiwi Saver Net Contributions	1,287	1,270	1,278	11,070	10,910	10,943	16,000	16,848
Printing & Stationery	627	800	484	7,665	8,000	6,364	13,000	10,431
Insurance	0	0	0	4,955	6,000	5,387	6,000	5,387
General Expenses	509	110	122	2,468	1,820	1,866	3,000	2,927
Computer Services	606	1,000	6,570	35,682	37,200	57,016	67,000	89,767
Staff Remuneration	34,519	33,000	35,449	281,506	286,500	292,809	436,000	432,391
Staff Training	403	1,000	0	4,435	4,000	2,262	7,000	3,680
Staff Travel	1,130	1,000	902	10,085	14,900	14,392	24,000	20,192
Acc Levies	0	0	0	1,075	1,700	1,660	1,700	1,660
	<u>47,629</u>	<u>50,680</u>	<u>55,244</u>	<u>498,757</u>	<u>547,480</u>	<u>544,174</u>	<u>790,700</u>	<u>774,492</u>

	<u>Current Month</u>			<u>Year To Date</u>			<u>Full Year</u>	
	<u>Actual</u>	<u>Budget</u>	<u>Last year</u>	<u>Actual</u>	<u>Budget</u>	<u>Last year</u>	<u>Budget</u>	<u>Last Year</u>
Trustee Expenses								
Trustee Remuneration	13,080	14,500	13,177	111,762	116,000	112,004	175,000	171,291
Meeting Expenses	346	6,500	6,679	2,881	41,500	41,165	65,000	52,662
Trustee Accommodation	2,280	0	0	7,273	0	0	0	0
Trustee Mileage	384	0	0	12,463	0	0	0	0
Trustee Meals/ Catering expenses	1,157	0	0	8,739	0	0	0	0
Trustee Vehicle rental	704	0	0	3,944	0	0	0	0
Trustee Training	0	2,000	0	2,360	12,000	1,405	12,000	1,405
Liability Insurance	10,149	12,715	10,034	10,149	12,715	10,034	12,715	10,034
	<u>28,100</u>	<u>35,715</u>	<u>29,890</u>	<u>159,571</u>	<u>182,215</u>	<u>164,607</u>	<u>264,715</u>	<u>235,392</u>
Fee Expenses								
Affiliation Fees	0	0	0	6,325	7,000	6,325	7,000	6,325
Conference Fees	0	0	0	25,001	30,000	16,719	30,000	16,719
Donation Expenses	0	1,000	0	12,635	15,000	7,794	20,000	10,669
Professional Expenses	5,313	5,000	3,472	108,227	70,000	46,809	90,000	88,807
CS Expenses	0	0	0	40,186	30,000	0	30,000	0
ECCT Funding Project	90,563	0	0	90,563	0	0	0	0
Audit Fees	1,875	1,000	800	15,000	11,500	9,353	20,000	20,272
Custodian Fees	4,664	5,100	5,051	30,978	40,500	40,021	60,000	55,690
Fund Management Fees	33,202	32,000	32,524	268,155	261,000	264,359	370,000	395,348
	<u>135,617</u>	<u>44,100</u>	<u>41,846</u>	<u>597,069</u>	<u>465,000</u>	<u>391,379</u>	<u>627,000</u>	<u>593,830</u>
Depreciation	1,038	0	1,034	7,254	0	8,946	0	12,889
Amortisation	0	0	0	0	0	0	0	18,131
Profit/Loss on Disposal of Fixed Assets	0	0	0	896	0	0	0	147
	<u>1,038</u>	<u>0</u>	<u>1,034</u>	<u>8,150</u>	<u>0</u>	<u>8,946</u>	<u>0</u>	<u>31,167</u>
Total Operating Expenses	<u>212,384</u>	<u>130,495</u>	<u>128,013</u>	<u>1,263,547</u>	<u>1,194,695</u>	<u>1,109,105</u>	<u>1,682,415</u>	<u>1,634,880</u>
Net Disposable Investment Income	<u>62,389</u>	<u>258,975</u>	<u>256,330</u>	<u>4,825,827</u>	<u>3,950,575</u>	<u>4,070,434</u>	<u>5,505,005</u>	<u>5,424,914</u>
Donations								
Community Donations								
Special Donations	158,000	600,000	739,700	1,857,500	1,915,000	1,972,700	2,900,000	2,978,600
Standard Donations	370,050	350,000	345,350	1,534,796	1,560,000	1,517,860	1,941,005	1,885,627
Discretionary Donations	0	0	0	0	0	0	0	0
Education Initiatives	0	0	0	305,000	174,000	93,500	174,000	93,500

	<u>Current Month</u>			<u>Year To Date</u>			<u>Full Year</u>	
	<u>Actual</u>	<u>Budget</u>	<u>Last year</u>	<u>Actual</u>	<u>Budget</u>	<u>Last year</u>	<u>Budget</u>	<u>Last Year</u>
Sports Trusts	0	0	0	340,000	340,000	340,000	340,000	340,000
Summer Reading Programme	0	0	0	226,000	250,000	250,000	250,000	250,000
	528,050	950,000	1,085,050	4,263,296	4,239,000	4,174,060	5,605,005	5,547,727
Regional Project Reserve Fund	0	0	0	0	0	0	0	0
Less Donation Written Back	-6,286	20,000	-7,000	-74,868	65,000	-325,175	100,000	-352,808
	521,764	0	970,000	4,188,428	4,304,000	3,848,885	5,505,005	5,194,919
Surplus From Investment Income After Dc	-459,375	-711,025	-821,720	637,399	-353,425	221,549	0	229,995
Realised Non Investment Income/ Expenditure								
New Zealand								
Shares FBarr Disposal Gain/Loss	0	0	0	0	0	0	0	0
Shares ECap Disposal Gain/Loss	0	0	0	0	0	0	0	0
Property NZ Disposal Gain/Loss	0	0	0	0	0	0	0	0
Brokerage Fees	-15	0	-8,636	-53,557	0	-211,785	0	-321,262
Hedging Gain/Loss	0	0	-495,046	3,619,783	0	-1,862,403	0	-2,467,071
Donds Disposal Gain/Loss	0	0	0	0	0	0	0	0
	-15	0	-503,682	3,566,226	0	-2,074,188	0	-2,788,333
Unrealised Investment Income								
New Zealand								
Shares FBarr Change in Currency	273,880	0	815,417	-1,716,477	0	4,961,138	0	4,371,624
Shares FBarr Change in Value	-84,460	0	82,925	375,455	0	268,278	0	-999,699
Shares ECap Change in Currency	-60,844	0	877,076	-3,006,674	0	4,903,055	0	3,472,292
Shares ECap Change in Value	-214,831	0	-432,082	3,119,621	0	-3,063,396	0	-2,749,695
Hedging Change in Value	358,136	0	0	-426,602	0	-1,299,036	0	-625,895
Bonds Self Change in Interest	-15,793	0	-91,989	-25,790	0	-123,336	0	-20,611
Bonds Self Change in Value	-398,405	0	-167,738	-761,046	0	105,615	0	123,981
	-142,316	0	1,083,609	-2,441,513	0	5,752,318	0	3,571,996
Overseas								
Bonds Fllmoo Change in Value	-362,360	0	89,548	-1,170,669	0	-478,748	0	50,869
	-362,360	0	89,548	-1,170,669	0	-478,748		50,869
	-504,691	0	669,475	-45,956	0	3,199,382	0	834,532
	-964,066	-711,025	-152,246	591,443	-353,425	3,420,931	0	1,064,527

Commitment Schedule

- 1 DEC 2016

<u>Client Number</u>	<u>Client Name</u>	<u>Request Number</u>	<u>Date Approved</u>	<u>Balance Remaining</u>
Eastern And Central				
7,403	New Zealand Red Cross	24182	26-Mar-15	6,000.00
1,200	Young Men's Christian Assn - Gisborne Inc	24176	28-May-15	20,000.00
7,320	Petane Marae	24383	30-Jul-15	51,500.00
4,174	Tauparanui Ki Heretaunga Te Kohanga Reo	24432	30-Jul-15	3,500.00
574	Keirunga Gardens Arts and Crafts Society Inc	24298	24-Sep-15	20,000.00
3,052	Horowhenua District Council	24374	24-Sep-15	170,000.00
7,705	Te Hau ki Turanga Trust	24489	24-Sep-15	50,000.00
3,049	Horowhenua Agricultural Pastoral & Industrial Assn	24610	24-Sep-15	20,000.00
7,715	Carterton Community Courthouse Trust	24457	26-Nov-15	20,000.00
7,729	Wildbase Recovery Community Trust	24545	26-Nov-15	250,000.00
1,093	The Salvation Army New Zealand Trust	24560	26-Nov-15	80,000.00
2,662	Central Hawke's Bay Agricultural & Pastoral Societ	24643	26-Nov-15	10,000.00
634	Mana Tamariki Incorporated Society	24649	26-Nov-15	2,000.00
7,751	The Tapestry Trust of New Zealand	24652	26-Nov-15	2,500.00
6,952	EnsembleImpact Educational Trust	24695	26-Nov-15	2,000.00
240	Cobblestone Trust	24717	26-Nov-15	12,000.00
7,769	Lions Club of Gisborne Wainui Inc	24723	26-Nov-15	50,000.00
2,639	Campion College	24764	26-Nov-15	5,000.00
7,588	Equippers Napier Trust	24752	27-Nov-15	1,500.00
7,753	Ashhurst Community Trust	24803	28-Jan-16	30,000.00
5,178	Gisborne District Council	24826	28-Jan-16	180,000.00
7,539	Turanganui A Kiwa Voyaging Trust	24013	31-Mar-16	150,000.00
7,802	Schizophrenia Fellowship Wairarapa Branch Incorp	24863	31-Mar-16	2,000.00
728	Hawke's Bay Parents' Centre Inc	24872	31-Mar-16	3,500.00
891	Regent Theatre Trust	24886	31-Mar-16	30,000.00
7,713	Eketahuna Youth Trust	24459	26-May-16	40,000.00
5,469	Poupatate Marae	24830	26-May-16	20,000.00
3,289	Napier Marist Football Club Inc	24914	26-May-16	4,000.00
4,233	Central Hawke's Bay District Community Trust	24964	26-May-16	140,000.00
1,861	Porangahau Primary School	24967	26-May-16	15,000.00
5,894	Hawke's Bay Regional Council	24986	26-May-16	40,000.00
7,735	Ngāi Tumapūhia-a-Rangi ki Mōtūwairaka Inc	25031	26-May-16	40,000.00
7,845	Bring it to Colombo Trust	25032	26-May-16	175,000.00
7,852	Order of St John - Wairarapa	25034	26-May-16	15,000.00
6,245	National Science Technology Roadshow Trust Boa	24836	27-May-16	140,000.00
2,343	Ngata Memorial College	24915	28-Jul-16	40,000.00
1,881	Queen Elizabeth College	24990	28-Jul-16	20,000.00
4,886	Maraenui Golf Club Inc	25043	28-Jul-16	4,000.00
4,624	Napier Golf Club Inc	25082	28-Jul-16	10,000.00
863	Poukawa School	25083	28-Jul-16	20,000.00
2,653	Carter Society Inc	25085	28-Jul-16	10,000.00
7,871	Sisterson Lagoon Restoration Trust	25092	28-Jul-16	3,000.00
7,343	Wairoa Young Achievers Trust	25095	28-Jul-16	40,000.00
7,864	Tairāwhiti Connex Charitable Trust	25098	28-Jul-16	120,000.00
2,475	Te Kawau Playcentre	25109	28-Jul-16	2,400.00
3,202	Sport Manawatu Charitable Trust	25117	28-Jul-16	9,000.00
1,655	Makirikiri Marae Komiti	25168	28-Jul-16	4,000.00
7,588	Equippers Napier Trust	25172	28-Jul-16	10,000.00
6,045	Life Flight Trust	25174	28-Jul-16	25,000.00
7,674	Ka Pai Kaiti Trust	25175	28-Jul-16	18,000.00

<u>Client Number</u>	<u>Client Name</u>	<u>Request Number</u>	<u>Date Approved</u>	<u>Balance Remaining</u>
3,867	Wharerangi Marae Trust	25178	28-Jul-16	40,000.00
889	Masterton Red Star Rugby Club	25007	29-Sep-16	6,800.00
4,201	Napier Sailing Club	25188	29-Sep-16	4,000.00
7,700	Auckland District Kidney Society Inc	25194	29-Sep-16	4,000.00
7,676	Wellington Gliding Club	25216	29-Sep-16	30,000.00
4,797	Pahiatua Golf Club Inc	25220	29-Sep-16	10,000.00
7,484	Rotary River Pathways Trust	25222	29-Sep-16	15,000.00
4,583	NZ Symphony Orchestra Foundation	25223	29-Sep-16	8,000.00
924	Rongotea School	25233	29-Sep-16	30,000.00
2,199	Porangahau Playcentre	25237	29-Sep-16	3,500.00
455	Hastings District Council	25274	29-Sep-16	30,000.00
4,474	Gisborne Tennis Club	25275	29-Sep-16	35,000.00
7,657	Footnote NZ Dance	25277	29-Sep-16	8,100.00
7,890	Anglican Diocese of Waiapu - Puketapu Parish	25280	29-Sep-16	2,000.00
7,323	Rotary Club of Makino Incorporated	25284	29-Sep-16	4,000.00
2,324	Sacred Heart College, Napier	25292	29-Sep-16	10,000.00
2,766	East Coast Rugby Football Union Inc	25297	29-Sep-16	4,000.00
7,565	PTC Trust	25265	24-Nov-16	10,000.00
2,506	Young Men's Christian Assn - Palmerston Nth Inc	25268	24-Nov-16	18,000.00
7,886	Te Ha 1769 Sestercentennial Trust	25276	24-Nov-16	4,000.00
7,868	Agape Fellowship Charitable Trust	25303	24-Nov-16	3,800.00
6,891	Birchleigh Polo Club	25304	24-Nov-16	3,000.00
5,512	Hawke's Bay Area Pony Club	25305	24-Nov-16	4,000.00
6,895	Matahiwi Marae	25306	24-Nov-16	4,000.00
4,494	Parkinsonism Society - Kapiti Horowhenua	25308	24-Nov-16	4,000.00
4,256	Taradale Rugby and Sports Club Inc	25309	24-Nov-16	2,200.00
3,214	Dannevirke Small Bore Rifle Club	25310	24-Nov-16	4,000.00
6,012	Sustaining Hawke's Bay Trust	25311	24-Nov-16	4,000.00
2,887	Gisborne Justices of the Peace Assn Inc	25312	24-Nov-16	4,000.00
2,599	Athletic Rugby Football Club Levin Inc	25313	24-Nov-16	4,000.00
6,296	Matapuna Trust	25314	24-Nov-16	4,000.00
2,399	Midway Surf Life Saving Club Inc	25315	24-Nov-16	7,000.00
230	Citizens Advice Bureau - Palmerston Nth Inc	25316	24-Nov-16	4,000.00
6,757	Lions Club of Fitzherbert Charitable Trust	25317	24-Nov-16	2,000.00
246	Colyton School	25318	24-Nov-16	8,000.00
508	Hawke's Bay Squash Rackets Club Inc	25319	24-Nov-16	8,000.00
3,020	Hawke's Bay & East Coast Aero Club	25320	24-Nov-16	35,000.00
7,262	Foxton Horse Tram Society Inc	25321	24-Nov-16	4,000.00
5,126	Napier Baptist Church	25322	24-Nov-16	4,000.00
2,319	Taradale Softball Club Inc.	25323	24-Nov-16	3,500.00
7,259	Wairoa Amateur Swimming Club	25324	24-Nov-16	4,000.00
1,014	St Vincent de Paul Society - Napier	25325	24-Nov-16	4,000.00
6,626	Manawatu Woodworkers Guild Inc	25326	24-Nov-16	1,350.00
6,412	Special Olympics Manawatu	25327	24-Nov-16	4,000.00
7,254	Talk Link Trust	25328	24-Nov-16	4,000.00
6,279	Wairarapa Community Counselling Centre Inc	25329	24-Nov-16	4,000.00
7,893	Carterton Film Society	25331	24-Nov-16	1,500.00
238	Cloverlea School	25332	24-Nov-16	8,000.00
4,924	Eketahuna Golf Club Inc	25333	24-Nov-16	4,000.00
2,789	Featherston Toy Library	25334	24-Nov-16	4,000.00
5,879	Horowhenua Savage Club	25336	24-Nov-16	4,000.00
7,838	Girl Guides Assn NZ Inc	25337	24-Nov-16	700.00
109	Alzheimers Society Gisborne Inc	25339	24-Nov-16	4,000.00
7,898	Manawatu Fourwheel Drive Club	25340	24-Nov-16	1,500.00
5,294	Napier Old Boys' Marist Cricket Club	25341	24-Nov-16	4,000.00
4,191	Porangahau Country Club Inc	25342	24-Nov-16	40,000.00
7,899	Wellington Jazz Orchestra Inc	25345	24-Nov-16	4,500.00
5,834	Foxton Windmill Trust Inc	25346	24-Nov-16	15,000.00
1,034	Takaro School / Te Kura o Takaro	25347	24-Nov-16	8,000.00
2,954	Havelock North High School	25348	24-Nov-16	10,000.00

<u>Client Number</u>	<u>Client Name</u>	<u>Request Number</u>	<u>Date Approved</u>	<u>Balance Remaining</u>
7,513	Horse of the Year (Hawke's Bay) Ltd	25349	24-Nov-16	4,000.00
7,511	Masonic Villages Trust	25351	24-Nov-16	10,000.00
6,450	Pukaha Mount Bruce Board	25352	24-Nov-16	30,000.00
5,476	Horowhenua Kapiti Cricket Association Inc	25354	24-Nov-16	4,000.00
6,377	Manawatu Overtones	25355	24-Nov-16	2,000.00
6,443	Heretaunga Ararau O Ngati Kahungunu Waka Ama	25356	24-Nov-16	4,000.00
4,837	Levin Contract Bridge Club Inc	25357	24-Nov-16	4,000.00
7,906	NZ Rural Games Trust	25358	24-Nov-16	10,000.00
648	Manawatu Scottish Pipe Band Inc	25359	24-Nov-16	10,000.00
183	Camp Kaitawa Trust	25360	24-Nov-16	4,000.00
5,628	Havelock North Plunket Toy Library	25361	24-Nov-16	2,000.00
3,012	Hawke's Bay Softball Association	25362	24-Nov-16	4,000.00
7,389	Mauriceville West Reserve Committee	25363	24-Nov-16	4,000.00
7,909	NZ Badminton Federation Inc	25364	24-Nov-16	4,000.00
1,769	Northern Club Manawatu Inc	25365	24-Nov-16	2,500.00
7,601	Te Ora Hou Te Tairawhiti Charitable Trust	25366	24-Nov-16	4,000.00
6,098	Awhina Whanau Services Inc	25367	24-Nov-16	4,000.00
4,681	Life Education Trust - Gisborne East Coast and Wa	25368	24-Nov-16	20,000.00
4,741	Life Education Trust - Hawke's Bay	25369	24-Nov-16	5,000.00
2,437	Te Mata Park Trust Board	25370	24-Nov-16	4,000.00
1,846	Park Road Playcentre	25371	24-Nov-16	1,600.00
149	Ashhurst Kindergarten	25372	24-Nov-16	2,400.00
6,418	Epic Ministries Inc.	25373	24-Nov-16	4,000.00
142	Adult Literacy Palmerston Nth Inc	25374	24-Nov-16	4,000.00
7,778	Hawke's Bay Youth Trust	25375	24-Nov-16	4,000.00
6,568	Tidal Arts Inc.	25376	24-Nov-16	2,500.00
6,225	Te Whakaritorito Trust	25377	24-Nov-16	4,000.00
6,623	Wairarapa Rescue Trust	25378	24-Nov-16	4,000.00
312	FAHS - Feilding High School	25379	24-Nov-16	5,000.00
3,804	Stopping Violence Services Wairarapa Inc	25380	24-Nov-16	4,000.00
7,902	Capital Zone Basketball Trust	25381	24-Nov-16	4,000.00
5,194	NZ National Horse & Pony Show Assn Inc	25382	24-Nov-16	2,000.00
6,512	Hawke's Bay Regional Sports Park Trust	25383	24-Nov-16	4,000.00
7,907	Prison Chaplaincy Service of Aotearoa NZ	25384	24-Nov-16	3,000.00
5,718	SPELADD NZ Inc	25385	24-Nov-16	4,000.00
2,459	Community Arts Palmerston Nth Inc	25386	24-Nov-16	2,000.00
718	Napier Civic Choir Inc	25387	24-Nov-16	1,000.00
3,404	Pacific Surf Life Saving Club Inc	25388	24-Nov-16	4,000.00
7,630	Tairawhiti Multicultural Council	25389	24-Nov-16	2,500.00
7,690	U Turn Trust Board	25390	24-Nov-16	4,000.00
1,126	Waimarama Surf Life Saving Club	25391	24-Nov-16	7,000.00
705	Mohaka School	25392	24-Nov-16	10,000.00
7,627	Prima Volta Charitable Trust	25393	24-Nov-16	4,000.00
993	St Joseph's School - Hastings	25394	24-Nov-16	5,000.00
7,011	Bhutanese Society of Palmerston North	25395	24-Nov-16	3,000.00
4,736	Nga Tukemata O Kahungunu Charitable Trust	25396	24-Nov-16	4,000.00
5,150	Eketahuna Health Centre Trust Inc	25397	24-Nov-16	4,000.00
4,647	Diabetes Hawke's Bay Incorporated	25399	24-Nov-16	4,000.00
2,144	Westside Playcentre	25400	24-Nov-16	2,500.00
6,850	Surf Life Saving NZ Inc	25401	24-Nov-16	4,000.00
Total for Eastern And Central				2,908,350.00
Report Totals				2,908,350.00

Eastern & Central Community Trust

In the following table Bank of New Zealand sets out the mark to market value[s] of the transaction[s] stipulated in the request from the Customer on the bases set out in that request

Market Value Date

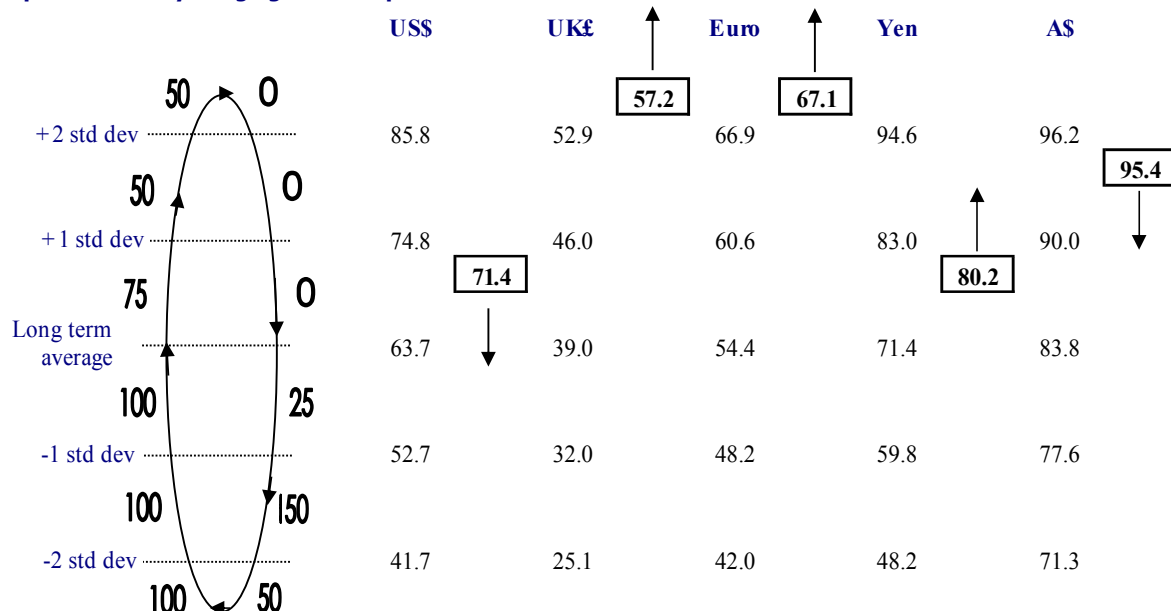
Wednesday, 30 November 2016

External Deal Ref	Cust Buy Ccy	Cust Buy Amount	Cust Sell Ccy	Cust Sell Amount	Deal Rate	Maturity Date	Reval Rate	MTM Value (NZD)	Spot Rate
CB351148	NZD	34,000,000.00	USD	24,799,600.00	0.729400	06-Dec-16	0.714286	-719,318.08	0.714400
CB351150	NZD	4,500,000.00	GBP	2,462,400.00	0.547200	06-Dec-16	0.572675	200,137.33	0.572803
CB351154	NZD	5,700,000.00	AUD	5,465,160.00	0.958800	06-Dec-16	0.956834	-11,709.99	0.956871
CB351167	NZD	9,800,000.00	EUR	6,392,540.00	0.652300	06-Dec-16	0.671668	282,505.43	0.671871
Total								-248,385.31	



Eastern & Central Community Trust

Equities currency hedging contract position at 30 November 2016



	US\$	UK£	Euro	Yen	A\$
Current exchange rate	0.7140	0.5718	0.6707	80.19	0.9539
Policy position (from the above graph)	0%	50%	50%	75%	0%
Current position	75%	50%	50%	0%	50%

Exposure as at 31 October 2016

Forsyth Barr	23.26	2.79	10.64		5.94
Elevation Capital	19.06	6.18	8.94		5.93
Total	42.32	8.97	19.57		11.87

Target cover at 30 Nov 16 (\$m)	0.0	4.5	9.8	0.0	0.0
Current contract cover	34.00	4.500	9.800		5.700
Strike rate purchased	0.7294	0.5472	0.6523		0.9588
Target minus current contract cover =	-34.0	0.0	0.0	0.0	-5.7

Contract surplus (deficit) (\$m)	(\$0.72)	\$0.20	\$0.28	\$0.00	(\$0.03)
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Total current contract surplus (deficit) = (268,240.60)

Historical hedging actions

6 Sep 2016 - 75% hedged to US\$, 50% to UKP, EUR and AUD; 0% to Yen; maturity 6 Dec 2016.

15 Jun 2016 - 75% hedged to US\$, 50% to UKP, EUR and AUD; 0% to Yen; maturity 16 Sep 2016.

18 Apr 2016 - 50% hedged to US\$, UKP and EUR; 0% to AUD and Yen; maturity 17 Jun 2016.

18 Mar 2016 - 50% hedged to UKP, US\$; 75% hedged to EUR; 0% to AUD and Yen; maturity 17 Jun 2016.

Notes

USD is used to hedge the currencies of USA, Brazil, Thailand, Malaysia & Hong Kong. Euro is used to hedge the Euro, Norwegian and Swiss currencies.

The hedging contract for overseas bonds is excluded from this report.

Exchange rates: current and relative levels

30 November 2016

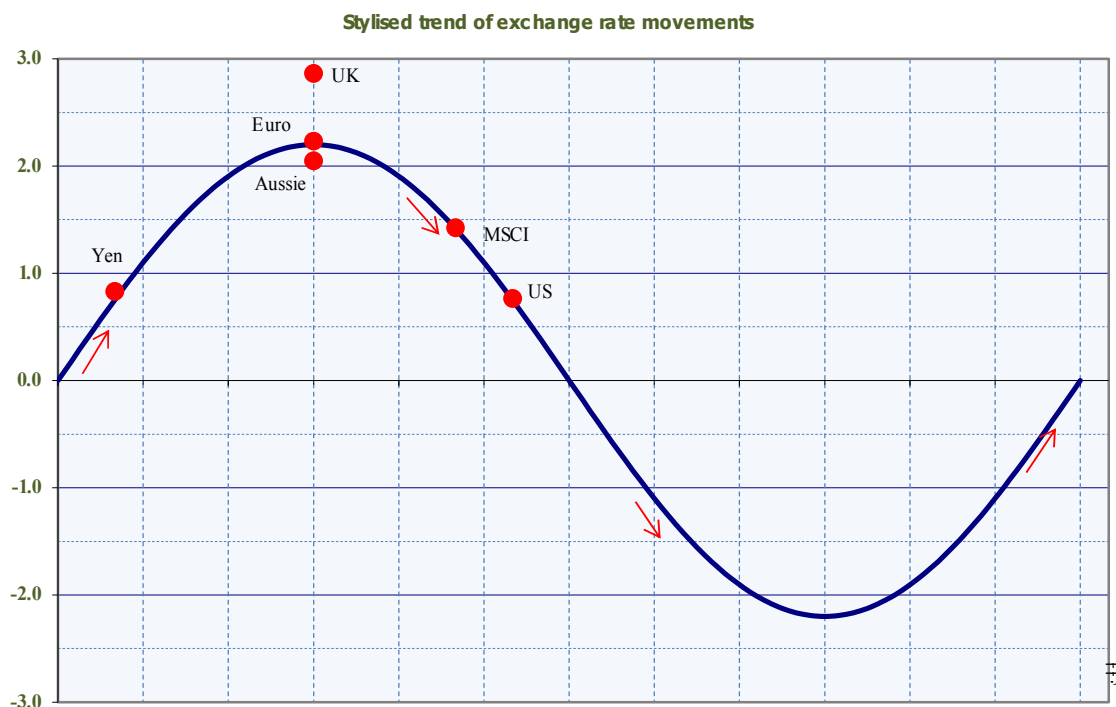
The data and graphs in these pages are from a NZ dollar perspective.

	US	UK	Aussie	Yen	Euro	China	MSCIweighted
Current level	0.7140	0.5718	0.9539	80.1900	0.6707	4.9205	0.6495
Six months ago	0.6684	0.4576	0.9335	74.1000	0.6020	4.3990	0.6061
1-month average trend	down	down	up	up	up	up	up
3-month average trend	down	up	down	up	up	up	down
6-month average trend	up	up	down	up	up	up	up
1-year average trend	up	up	up	down	up	up	up

Historical statistics (post 1986)

+2 standard deviations	0.8579	0.5295	0.9625	94.6158	0.6688	6.1341	0.7025
+1 standard deviations	0.7475	0.4598	0.9002	83.0187	0.6065	5.4551	0.6273
Average	0.6372	0.3900	0.8379	71.4215	0.5442	4.7760	0.5520
-1 standard deviations	0.5269	0.3202	0.7756	59.8243	0.4820	4.0969	0.4768
-2 standard deviations	0.4166	0.2505	0.7133	48.2271	0.4197	3.4179	0.4016

In the stylised trend graph, the level of the exchange rate is plotted relative to the average since 1986. The trend is the moving three month average. 1986 was when the NZ dollar floated.



Note: the movement of the exchange rate does not follow a perfect cycle and may not cycle. It can be observed to fluctuate around an "average" and by mathematical definition will fall within plus or minus one standard deviation 68% of the time.

Currency trends

Exchange rates: current and relative levels

The graphs below plot the NZ dollar and the 3 month trend in the NZ dollar from 31 December 2008 to 30 November 2016, against the long-term average and standard deviations since 1986.

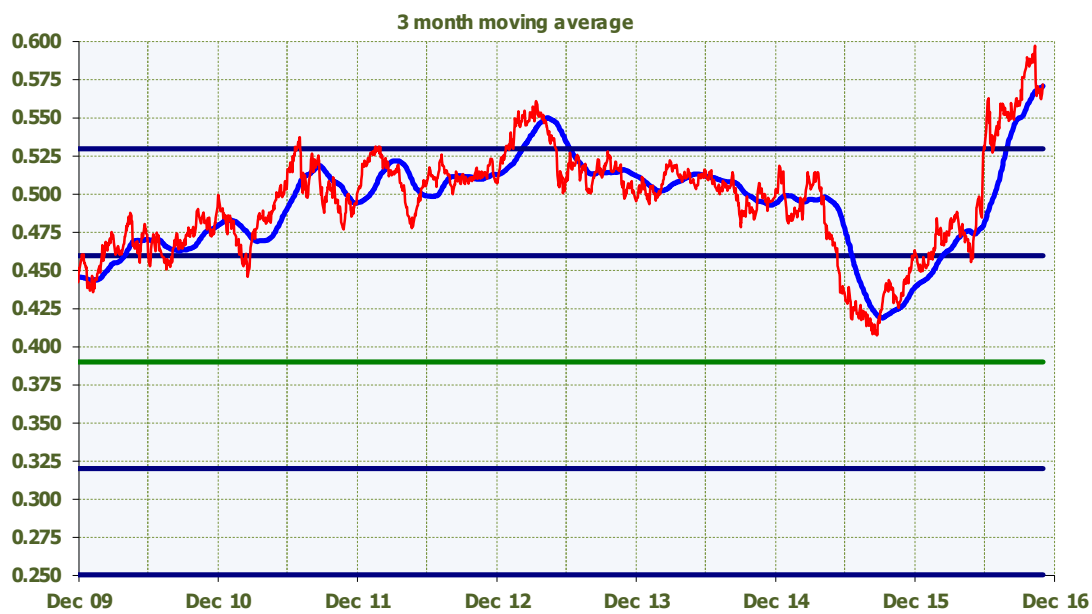


Currency trends

Exchange rates: current and relative levels

The graphs below plot the NZ dollar and the 3 month trend in the NZ dollar from 31 December 2008 to 30 November 2016, against the long-term average and standard deviations since 1986.

UK 0.5718 up up up down



Euro 0.6707 up up up up



Currency trends

Exchange rates: current and relative levels

The graphs below plot the NZ dollar and the 3 month trend in the NZ dollar from 31 December 2008 to 30 November 2016, against the long-term average and standard deviations since 1986.

Australia

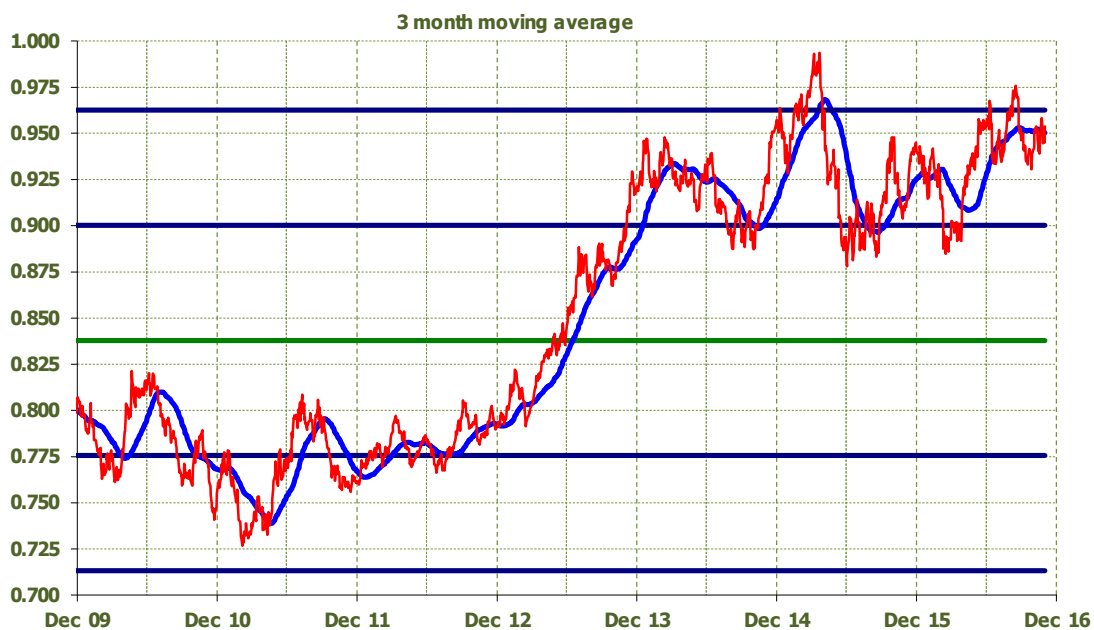
0.9539

up

down

down

up



Japan

80.1900

down

up

up

up



Currency trends

Exchange rates: current and relative levels

The graphs below plot the NZ dollar and the 3 month trend in the NZ dollar from 31 December 2008 to 30 November 2016, against the long-term average and standard deviations since 1986.

Canada

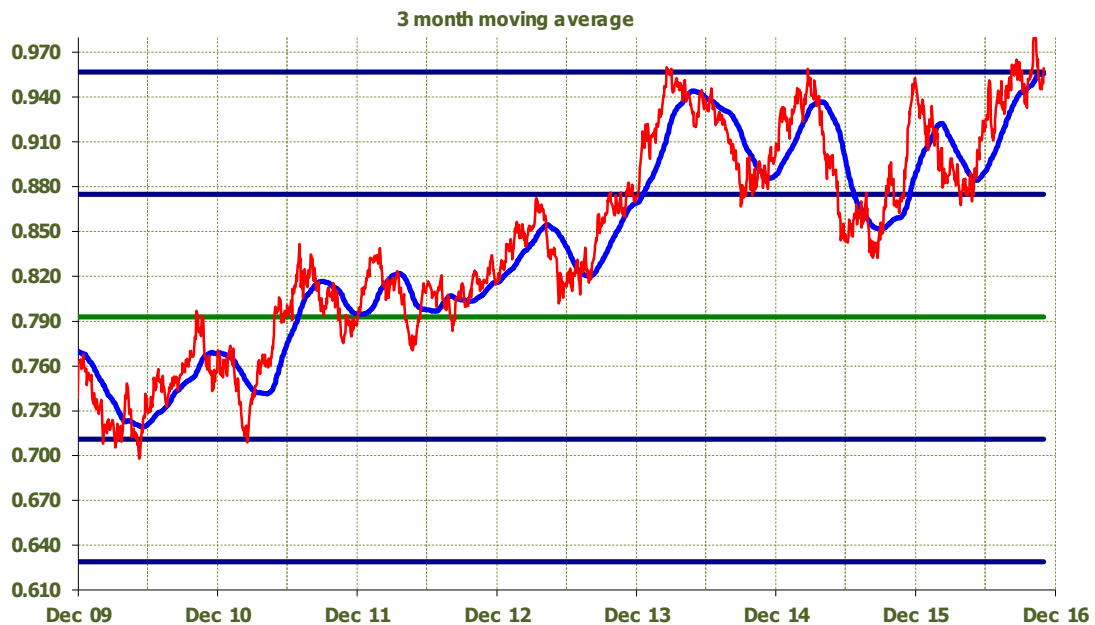
0.9592

down

up

up

down



Singapore

1.0163

up

up

up

up



Currency trends

Exchange rates: current and relative levels

The graphs below plot the NZ dollar and the 3 month trend in the NZ dollar from 31 December 2008 to 30 November 2016, against the long-term average and standard deviations since 1986.



E&CCT ASSET ALLOCATION

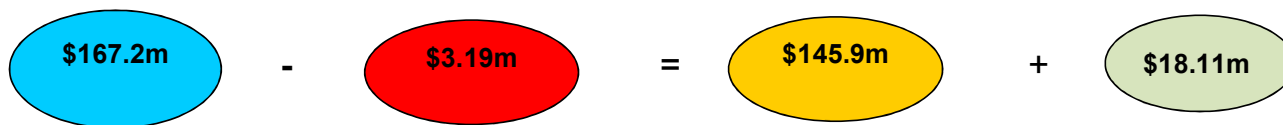
AS AT 30TH NOVEMBER 2016

CURRENT ASSETS

LIABILITIES

CAPITAL BASE

RESERVES



Benchmark (For Capital Base + maximum 25% in reserves)		Allowable Range	Tactical Target <small>Updated January 2015</small>	Actual Value \$m	Percentage of Current Assets	Percentage Variance from target	Variance from tactical target
60%	GROWTH ASSETS	50 - 65%	60%	\$104.9	62.7%	2.7%	-\$2.2
30.0%	Shares Forsyth Barr	22.5% - 37.5%	30.0%	\$54.2	32.4%	2.4%	\$4.0
30.0%	Shares Elevation Capital	22.5% - 37.5%	30.0%	\$47.1	28.2%	-1.8%	-\$3.1
0%	Private Equity	0% - 10%	4%	\$3.6	2.2%	-1.8%	-\$3.1
35%	INCOME ASSETS	25 - 45%	35%	\$55.1	32.9%	-2.1%	-\$3.4
27.5%	NZ Bonds	20 - 35%	27.5%	\$37.8	22.6%	-4.9%	-\$8.2
7.5%	Overseas Bonds	5% - 10%	7.5%	\$17.3	10.3%	2.8%	\$4.7
5%	LIQUID ASSETS	2 - 10%	5%	\$7.3	4.4%	-0.6%	-\$1.1
5%	Self-managed Cash (Incl Hedges & TKP)	2 - 10%	5%	\$7.3	4.4%	-0.6%	-\$1.1
100%	TOTAL		100%	\$167.2	100.0%		-\$6.7

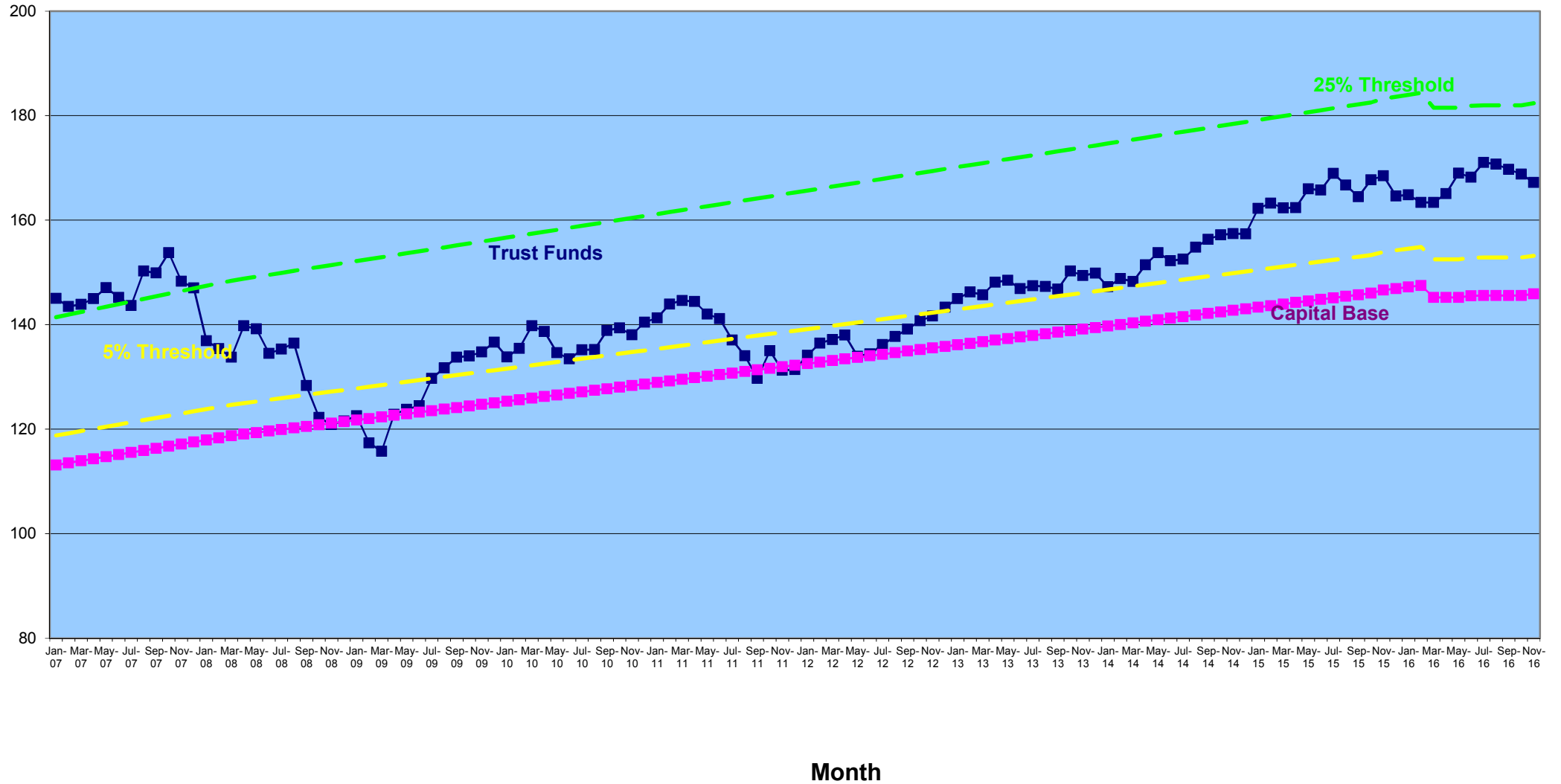
Benchmark Allocation –The benchmark allocation reflects the long-term views of the asset structures likely to generate the required investment return to meet the primary objectives. The benchmark allocation assumes a hypothetical “neutral environment”, i.e. one in which the Trustees do not have a tactical view that one asset class should be favoured over another or that special action should be undertaken.

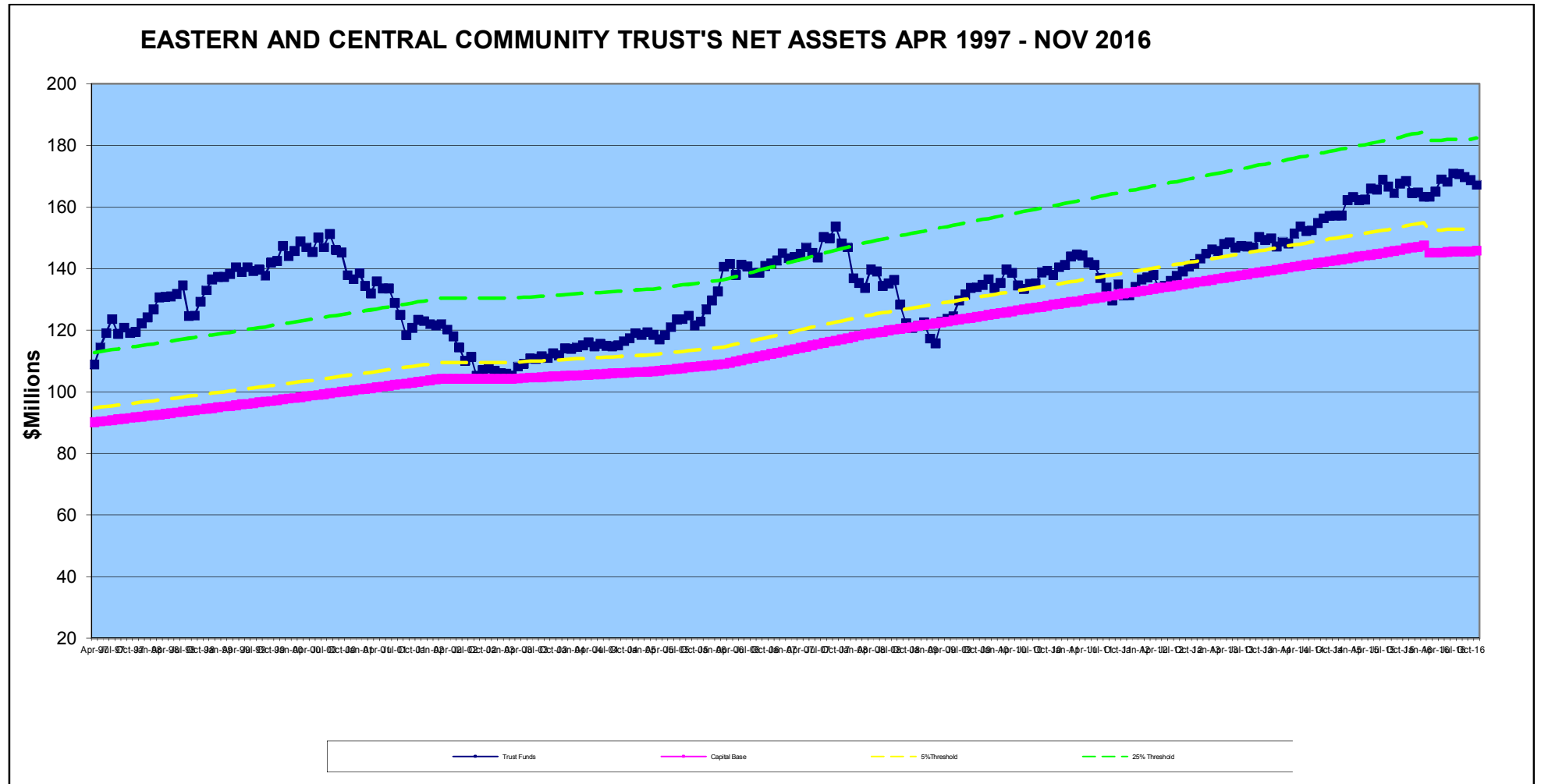
Allowable Range -These reflect the normal minimum and maximum holdings for an asset class. The ranges exist to allow for normal market movement so that the Trustees can minimise transaction costs and for short-term tactical decisions.

Tactical Target -This allows the Trustees to exercise a tactical view to favour one asset class over another, e.g. more into fixed interest, less into shares in times of high interest rates, while remaining within the “allowable range” for that asset class. Trustees will re-examine the “tactical target” where the variation between the “tactical target” and the Actual situation is plus or minus 5%.

\$m

EASTERN AND CENTRAL COMMUNITY TRUST'S NET ASSETS **JAN 2007 - NOV 2016**





Report type:	A & R Committee Decision Paper
Recommendation:	The A & R Committee considers the recommendation from the Chair of the A & R Committee and the General Manager to approve the updated risk register and matrix.
Agenda Item	5
Subject:	Approval of Risk Register and Risk Matrix
Responsible for the report:	A & R Committee Chair/General Manager

Purpose of report:	To present the A & R Committee with the updated Risk Register for approval and note the Risk Matrix.
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Background

The Risk Register has been approved by the Board with the request to add Reputational Risk. This has been added however the General Manager would like feedback on the two incomplete sections of the register.

Recommendation

That the A & R Committee;

1. Approve the risk matrix.
2. Approve the Risk Register with additions/alterations.

Shelly Mitchell-Jenkins
Chair A & R Committee
December 2016

Jonathan Bell
General Manager

E&CCT RISK REGISTER

Risk #	Identified Risk	Likelihood	Significance	Staff/People	Existing Controls	Risk Response	Risk Score
	Strategic Objective 1	Capital - to preserve the capital base in real terms while making optimal annual distributions					Likelihood x Significance
1	Equity Crash or prolonged period of negative returns	High	Significant	Trustees/General Manager/Advisor	Reserving policy, asset allocation, diversification & monitored monthly.	Review impact on portfolio and income generation. Advise Chair. Call special meeting if required. Adjust donations if necessary.	16
2	Global or local failure of financial markets	High	Significant	Trustees/General Manager/Advisor	Monthly reporting. Diversification of assets.	Review impact on portfolio and income generation. Advise Chair. Call special meeting if required. Adjust donations if necessary.	16
3	Currency Fluctuations	High	Significant	Executive/Trustees General Manager/Advisor	Currency Policy in place. FX monitored & reviewed monthly.	Act according to Policy. Change policy according to Financial model and advice from Fund Advisor.	16
4	SIPO inappropriate for purpose	Medium	Medium	Fund Managers/ Financial Advisor/ Trustees	Annual Review of SIPO, input from Funds Advisor and Fund Managers	Review and Change SIPO	6
5	Poor performance & advice from Financial Advisor	Low	Significant	Trustees/General Manager/ Financial Advisor	Appointment process in place with appropriate due diligence. Annual review of Advisor to measure performance against KPI's. Independent review every five years.	Monitor and advise concerns to Fund Advisor as appropriate. Replace the financial advisor if necessary.	8
6	Fund Manager not adhering to fund mandate or not holding a satisfactory internal controls assurance report	Low	Medium	Fund Managers/ General Manager/ Financial Advisor	Mandates provided to fund managers at appointment. Monitored monthly by Financial Advisor & General Manager. Annual review of Fund Managers reported annually to the May Board Meeting.	Provide feedback on annual review expressing any concerns. General Manager and/or Financial Advisor to advise the Board immediately of any concerns regarding internal controls. Replace the fund manager.	4
7	Custodial Trustee - Doesn't pay accurately or on time. Ownership of assets is compromised	Low	Medium	Fund Advisor/ General Manager	Contract in place for provision of custodial services. Annual provision of internal controls audit. Annual review of services by Funds Advisor and General Manager	Consider alternative options if unsatisfactory performance.	4

E&CCT RISK REGISTER

Risk #	Identified Risk	Likelihood	Significance	Staff/People	Existing Controls	Risk Response	Risk Score
	Strategic Objective 2	Giving - to distribute Trust funds, in partnership with our communities and stakeholders, in a fair and effective manner					
8	Donations are not granted fairly on a geographical basis	Low	Low	Trustees/Staff	Historical trends analysed and presented annually to Board	Discussed at annual review of Funding Strategy and at Annual Strategic retreat. Any actions formulated at that time.	2
9	Donations are not granted fairly across ECCT's Categories e.g. Arts & Culture, Youth etc	Low	Low	Trustees/Staff	Historical trends analysed and presented annually to Board	Discussed at annual review of Funding Strategy and at Annual Strategic retreat. Any actions formulated at that time.	2
10	Ineffective Funding Strategy	Medium	Significant	Trustees/Staff	The Trust is developing this strategy along with appropriate frameworks and policies	To be Developed	12
	Strategic Objective 3	Organisation - to exercise effective governance and management that reflects best practice					
12	Acting outside NZ Law and key trust Documents	Low	Significant	General Manager /Trustees	Trustee induction includes reference to this. Processes and practice are documented and actioned. Required compliance noted on Audit Work Plan. Changes to legislation affecting Community Trusts advised by DIA.	Any concerns are raised with the Chair or Deputy Chair. Appropriate action taken to ensure compliance.	8
13	Business Continuity - Premises affected by Fire, Flood, Earthquake, Burglary, Terrorism etc	Very Low	Significant	Staff / Trustees	Contents Insurance etc. Risk Prevention Strategy for the computer system. Pandemic Influenza Contingency Plan	Initiate Business Continuity Plan.	4
14	Loss of key staff.	Medium	Medium	All staff	Insurance cover on the General Manager upon death ensures temporary appointment. ECCT follows good employer practices.	If urgent replacement required use employment agency. Initiate Business Continuity Plan.	6
15	Pandemic	Low	High	General Manager	Pandemic Policy in place	Pandemic Policy and Business Continuity Plan initiated.	6
16	Health & Safety of Employees	Low	Medium	Staff /Trustees	H & S Policy developed and reviewed annually . GM reports to Board bi monthly.	Actions taken according to H & S Policy.	4

E&CCT RISK REGISTER

Risk #	Identified Risk	Likelihood	Significance	Staff/People	Existing Controls	Risk Response	Risk Score
	FRAUD						
17	Inflated or fraudulent invoices	Medium	Medium	General Manager & Admin Officer	All invoices checked by General Manager. Contracted services reviewed and negotiated regularly. Budget to actual expenses monitored by Trustees.	Disciplinary and recovery action taken.	6
18	Credit Card	Low	Low	General Manager, Donations Assessors	Credit Card Policy in place. All Statements checked by GM for approval. GM Statement signed retrospectively by Chair. Credit Card Limits in place.	Only work related expenses. Abuse will lead to removal of card from staff member and possible disciplinary action.	2
19	False Staff and Trustee expense claims	Low	Low	All staff and Trustees.	Payment of expenses requires invoice and receipt of payment. All expense claims signed off by GM or Chair. Mileage claimed as per vehicle policy. AA claim rates are used. Payment authorised by two signatories.	Disciplinary and recovery action taken.	2
21	Unauthorised adjustments to Payroll.	Low	Medium	Staff/GM	Payroll approved & imported into desk banking by General Manager. Access to Payroll on two computers only with password protection. Payment authorised by two signatories	Disciplinary and recovery action taken.	4
22	Fictitious Application	Low	Low	Staff/Trustees	Requirements at the time of application e.g. Charities #, annual accounts, tax status etc. place onus on organisation to prove authenticity. Checked by staff.	Recovery action taken if funds have been paid. Organisation/People red flagged in system.	2
23	Funding inappropriate organisations	Low	Low	Staff/Trustees	Staff recommendations & full Board decision. Adherence to Donations Policy.	Monitor applicants at database entry time and rely on the community knowledge of Trustees and staff.	2
24	Misappropriation of a Donation	Low	Significant	Staff/Trustees	Accountability audit process on all special donations and random selection of standard donations.	Accountability form requested to be completed. Trust to request return of all funds if deemed appropriate. If fraud involved liaise with organisation and police. Stand down period for organisation.	8
25	Unauthorised Payments	Low	Significant	General Manager	Two authorised signatories required for all payments. Protected Disclosure Policy in place.	Disciplinary and recovery action taken.	8

E&CCT RISK REGISTER

Risk #	Identified Risk	Likelihood	Significance	Staff/People	Existing Controls	Risk Response	Risk Score
CYBER/ICT							
26	General Computer system failure	Medium	Significant	GM/Donations Assessor	Internal back ups (discs) stored off-site and back up in cloud. Recovery possible within 24 hours	Reconsider the current procedures. Apply Business Continuity Plan.	12
27	Te Kete Putea Failure (Financially)	Low	Medium	General Manager	TKP reports monthly, quarterly & annually to Community Trusts	Community Trusts discuss further application of funds on a pro-rata basis according to the size of investments	4
28	TKP not fit for purpose	Medium	Medium	General Manager	TKP management updates system regularly. TKP enhances system at request of Community Trust staff.	Annual review of TKP.	6
29	Te Kete Putea (DMS & FMIS) failure.	Medium	Significant	General Manager & providers	TKP back ups off-site. External providers support TKP. Help Desk in place.	Review of TKP by all CT's in 2017.	12
30	Security around electronic devices (Laptops, iPads, phones) for cyberhack	Low	Medium	Staff/Trustees	IT policy developed and Trustees and staff sign a IT Usage Contract. Firewalls and anti virus software in place. Monitoring by Tech servicing company.	Reapply passwords, review software annually, remove device if abuse or non adherence to policy by staff or Trustee.	4
31	Physical loss of electronic devices	Low	Medium	Staff/Trustees	All devices password protected. iPads have inbuilt tracking systems	Invoke tracking system. Disable devices if possible.	4
GENERAL							
32	Reputational Risk	Low	Medium	Staff/Trustees			

CHANGES SINCE LAST REVIEW

Document Control	Date	Action
Annual Review by Board		
Reviewed by A & Committee		

Changes have been made since the last review and are highlighted in yellow.

Risk Matrix

Likelihood	High (4)	4	8	12	16	20
	Medium (3)	3	6	9	12	15
	Low (2)	2	4	6	8	10
	Very Low (1)	1	2	3	4	5
	Low (1)	Medium (2)	High (3)	Significant (4)	Very Significant (5)	

Significance

Risk Score is calculated by multiplying the Likelihood Score by the Significance Score

back to
agenda

Report type:	A & R Committee Decision Paper
Recommendation:	The A & R Committee considers the recommendation from the Chair of the A & R Committee and the General Manager to approve the policies presented.
Agenda Item	6
Subject:	Recommendation of ECCT Policies
Responsible for the report:	A & R Committee Chair/General Manager
<hr/>	
Purpose of report:	To present the A & R Committee with draft policies for approval.

Background

Part of the A & R Work-plan is for the development of appropriate policies for ECCT. The A & R Committee has been tasked with reviewing these and recommending their ratification by the full Board.

Policies for Approval

The following policies are provided for approval;

- 3.1 Alcohol & Drug Policy
- 3.10 Jury Service Policy
- 3.18 Smoke Free Policy
- 3.20 Well Being Policy

Recommendation

That the A & R Committee recommend that the following policies, Alcohol & Drug, Jury Service, Smoke Free and Well Being, be ratified by the Board.

Shelly Mitchell-Jenkins
Chair A & R Committee
December 2016

Jonathan Bell
General Manager

3.1 Alcohol & Drug Policy

Principle

ECCT aims to provide a work environment that is free of difficulties that may be caused as a result of a person's misuse or dependency upon alcohol or drugs. People under the influence of drugs and/or alcohol can cause injury to themselves and others. ECCT has a responsibility to ensure the health, safety and welfare of their employees and visitors at the workplace.

Scope

This policy explains the responsibilities and obligations of ECCT and its staff regarding alcohol consumption and drug use at work and at ECCT-related functions.

It applies to all staff, contractors, suppliers, customers and visitors in ECCT's working environment.

Guidelines of the Policy

It is every staff member's responsibility to take reasonable care for the health and safety of others in the workplace and to ensure that their performance and actions are not impeded by the use of drugs (either legal or illegal) or alcohol. If a staff member suspects that any staff member or visitor is under the influence of drugs or alcohol this is to be communicated to the General Manager or Chair.

There is a range of medication which can affect performance, including pain relievers, sleeping pills, tranquillisers etc. A staff member who is using legally prescribed medication that may impair performance is required to advise their manager of this.

Staff can consume alcohol at work-related functions and at informal work drinks with managerial discretion.

ECCT will always provide non-alcoholic beverages at such functions so staff and visitors can choose whether to consume alcohol or not. Consuming alcohol in a safe manner is the staff member's or visitor's responsibility.

Illicit drug use is prohibited at all times during work hours, at work-related social functions or at any event where staff members are representing ECCT.

Responsibilities

Staff members and Trustees are responsible for ensuring that their conduct meets reasonable social, ethical and business standards at all ECCT meetings and functions. Consumption of alcohol is a matter of personal choice. Staff and Trustees are not obliged to consume alcohol at ECCT functions, and should not expect others to do so.

The amount of alcohol that a staff member or Trustee consumes at an ECCT-related function is a matter of personal discretion. However, ECCT expects staff and Trustees to abide by the relevant laws on alcohol and driving.

3.10 Jury Service Policy

Principle

ECCT acknowledges the social obligation the organisation and its staff have to the community and supports the principle that staff should be able to fulfil their responsibilities to the New Zealand justice system where they feel they are able to do so.

Scope

The policy applies to all staff.

Guidelines of Policy

ECCT will provide paid jury service leave for all absences while on jury service providing the staff member pays to ECCT the amount received as a jury service fee (excluding expense reimbursements).

Alternatively the staff member may wish to keep their jury service fee in which case jury service leave without pay will be approved.

ECCT reserves the right to make application to excuse a staff member from serving on a jury if that service will cause undue hardship or serious inconvenience due to any special obligation or pressing commitment falling on the staff member.

Associated Documents

Annual Leave Policy

Responsibilities

Staff

Staff are responsible to advise the General Manager in a timely manner of any request to undertake jury service, and to:

- seek and obtain approval for jury service leave and reimburse ECCT the jury service fee, or
- seek unpaid leave, or
- request via the General Manager exclusion from jury service as requested.
- In the case of the General Manager they must request exclusion from jury service via the Chair.

General Manager

The General Manager has two options when faced with a staff member who has been called for jury service:

- to provide authorisation for jury service leave
- to provide a written explanation that excuses the staff member from jury service.

The General Manager will weigh up the effect that the service will have on the effective running of the organisation against the principle of supporting the community and justice system when making this decision.

3.18 Smoke Free Policy

Principle

This policy clearly outlines ECCT's commitment to providing staff, Trustees and visitors with a smoke-free workplace. The policy is based on three assumptions:

- that everyone on ECCT's premises is entitled to a smoke-free environment in all the areas normally used for work
- that everyone who does not smoke, or who does not wish to smoke in their place of work, shall, so far as is reasonably practicable, be protected from tobacco smoke in their place of work, in accordance with paragraph (a) of the title of the Smoke-Free Environments Act 1990
- that the implementation of the policy depends on everyone on ECCT's premises responding courteously and responsibly to the desire for a smoke-free environment.

Scope

This policy applies to all staff, visitors and Trustees.

Guidelines of the Policy

ECCT wishes to provide a smoke-free work environment, in accordance with the Smoke-Free Environments Act 1990.

- Any visitor to the site found smoking in an office will be asked to move outside.
- All of ECCT's offices are smoke-free.
- Staff who need to smoke (including vaping or its equivalent) will only do so during the regular tea and lunch breaks out of doors. Outside areas adjacent to buildings, where smoking may occur and affect other people, may be designated as no smoking areas, in which case there should be no smoking in those areas.
- Any complaint about smoking in the workplace is to be made to the General Manager who will arrange for the complaint to be investigated and, if it appears that a contravention has occurred, will attempt to resolve the complaint through the appropriate procedure outlined in the *Complaints Policy*.

ECCT encourages staff members who smoke to consider stopping smoking. Smokers can access free smoking cessation support from Quitline via telephone, text or online. The Quitline web site is <http://www.quit.org.nz/>

Responsibilities

Staff and Trustees

Staff members and Trustees are expected to respect the principles of this policy and to follow the guidelines.

General Manager

The General Manager is expected to deal with any alleged breach of this policy in an appropriate manner and in accordance with ECCT policies.

3.20 Wellbeing Policy

Principle

ECCT aims to maintain and improve the lifestyle, fitness, health and safety of all staff through promoting wellbeing and ensuring staff members' fitness for work. It also aims to ensure that no person continues to work if they are unfit for work and unable to carry out their duties. We recognise that health and safety and performance may be influenced by a range of factors including fatigue, psychological stress, illness, and use of medication, illicit drugs, and alcohol.

Scope

The policy covers all staff.

Guidelines of the Policy

The objectives of this policy are to:

- develop, in consultation with staff, workplace specific programmes and procedures to address lifestyle, fitness, and health and safety issues
- encourage staff member wellness and proactively manage risks of illness
- encourage staff to take periodic annual leave to maintain the life balance between work, family, and friends
- inform and educate all staff on the potential impacts of issues relating to general wellbeing and work performance
- recognise that fatigue, the use of illicit drugs, or the misuse of alcohol may be symptoms of other underlying issues
- actively promote exercise, healthy eating, and a smoke-free environment to improve or maintain staff wellbeing and provide confidential staff member assistance and counselling services for the benefit of all staff.

Influenza Vaccine

Each year ECCT offers to reimburse staff if they decide to have an influenza vaccine. Staff who have an influenza vaccine will be reimbursed in accordance with the expense reimbursement procedure which requires evidence of payment

Giving Blood

ECCT recognises that giving blood is a form of community service and undertakes to allow staff to do so during business hours.

“Five Ways to Wellbeing”

Staff members are invited to read the Five Ways to Wellbeing which is a set of five simple, evidence-based actions that can improve wellbeing in everyday life. The five actions are: Connect, Give, Take Notice, Keep Learning and Be Active. If you are interested in more information go to <http://www.mentalhealth.org.nz/page/1180-five-ways-to-wellbeing>

If a staff member is unfit for work and unable to carry out their duties then ECCT must consider all reasonable options. For example:

- where the incapacity is only temporary then ECCT can make reasonable temporary arrangements to allow the staff member adequate time to recover
- whether alternative employment is available under redeployment
- whether alternative duties are available during a reasonable rehabilitation phase.

It is important to remember the principle of “Procedural Fairness” which must be applied when considering terminating or varying a staff member’s employment agreement.

It is also important to remember that under the Human Rights Act 1993 a staff member must not be discriminated against because of their disability and must be able to continue in their employment if ECCT can reasonably and practicably provide appropriate special services and facilities.

Responsibilities

Staff

It is the responsibility of all staff to participate in ECCT initiatives which are aimed at achieving the objectives of the *Wellbeing Policy*.

Report type:	Committee Information Papers
Recommendation:	That the A & R Committee receives and notes the Monthly reports from Fund Managers and MCA.
Agenda item no:	7
Subject:	Monthly Reports
Responsible for the report:	General Manager

Purpose of report:	To provide the A & R Committee with the monthly reports from MCA, PIMCO and Forsyth Barr (Hastings)
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PIMCO

Caren J Rangi & Mark T Kilmister ATF Eastern&Central
Community Trust
102 Russell Street South Hastings
HASTINGS
New Zealand

Duplicate Copy

Your client recently received the following correspondence.

Transaction Statement 01 Nov 2016 to 30 Nov 2016

Dear Sir / Madam,

Set out below are the details of your investment and a transaction history for the period. Please keep this statement for future reference.

Investment Summary - 30 Nov 2016

Date	Investment Fund	Price	Units Held	Market Value	%
30/11/2016	PIMCO NZD Hedged Global Strategy Fund	\$922.0881	18,732.0910	\$17,272,638.20	100.00
30/11/2016	Total Investments			\$17,272,638.20	

Fund Transactions

PIMCO NZD Hedged Global Strategy Fund

Date	Transactions	Unit Price (\$)	Transaction Units	Amount (\$)	Unit Balance
01/11/2016	Opening Balance	941.7053		17,640,109.37	18,732.0910
30/11/2016	Closing Balance	922.0881		17,272,638.20	18,732.0910

If you have any questions about your investment, please contact your adviser, or call us on 1300 113 547.

Regards,

PIMCO Investor Services.

Enquiries: 1300 113 547

Mail: GPO Box 804
Melbourne VIC 3001

Fax: 02 9151 4096

Web: www.pimco.com.au

Email: investorservices@au.pimco.com

PIMCO Australia Pty Ltd

ABN 54 084 280 508

AFS Licence 246862

Page

1 of 1

Date

02 December 2016

Investor Name

Caren J Rangi & Mark T Kilmister ATF
Eastern&Central Community Trust

Investor Number

500101332

TFN/ABN Status

Tax Exempt

Financial Adviser

Default

**Eastern & Central Community
Trust Inc**

**Monthly Report for
November 2016**

Transaction Summary

Eastern & Central Community Trust Inc

The bond purchases over the period were as follows:

Issuer	Maturity Date	Face Value	Cost ^{1,3}	Yield
TrustPower	15-Dec-2022	\$2,000,000	\$2,000,000	4.01%
Z Energy	1-Nov-2023	\$2,000,000	\$2,000,000	4.32%

The bond sales over the period were as follows:

Issuer	Maturity Date	Face Value	Proceeds ²	Yield
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The bond maturities over the period were as follows:

Issuer	Maturity Date	Face Value	Coupon
Auckland Int. Airport	15-Nov-2016	\$2,000,000	8.00%

The cash purchases over the period were as follows:

Issuer	Maturity Date	Face Value	Cost ^{1,3}	Yield
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Nil

¹ Cost includes brokerage, if any

² Proceeds are less brokerage, if any

³ Cost will be different to that shown on the portfolio valuation – the difference being accrued interest.

Compliance Report

Eastern & Central Community Trust Inc

We confirm that we hold title, in the name of Forsyth Barr Custodians Limited, for all the bond securities listed in this report.

We confirm that all cash at call is held in trust for the Eastern & Central Community Trust Incorporated.

Current Exposures (Face Value):

Security Type	Portfolio	Mandate Limit
Hybrid:	\$9.678 m	\$8.0 m
Perpetual*:	\$3.275 m	\$2.0 m

* All of the perpetual securities are also hybrid securities and are excluded from the hybrid total.

Commentary

During **November** the following occurred:

- The **Reserve Bank** reduced the Official Cash Rate (OCR) by 25 basis points to 1.75 percent;
- We invested \$2 m into senior bonds from **Trustpower** maturing in 2022, at a yield of 4.01%;
- We invested \$2 m into the new issue of bonds, maturing in November 2023, from **Z Energy**, at a yield of 4.32%;
- \$2 million of **Auckland Int. Airport** bonds matured.

During **December** the following will occur:

- Nil

Key Portfolio Information

Eastern & Central Community Trust Inc

Bond Maturity Analysis:

Maturity Date ¹	Portfolio Holding	
	\$ Face Value	%
2016 ²	\$0	0%
2017	\$6,276,000	18%
2018	\$1,958,000	6%
2019	\$4,375,000	13%
2020	\$2,000,000	6%
2021	\$8,250,000	24%
2022	\$2,000,000	6%
2023	\$6,270,000	18%
2024	\$1,870,000	5%
2025	\$0	0%
2026	\$0	0%
Perpetual	\$1,275,000	4%
	\$34,274,000	100%

¹ Includes perpetual's where we believe an earlier redemption date is likely.

² Excludes cash

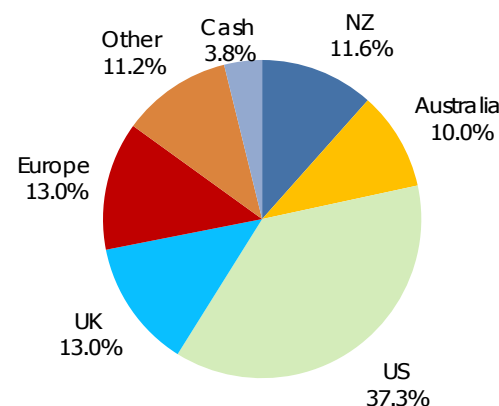
Bond Credit Analysis:

Long-Term Credit Rating	Portfolio Holding	
	\$ Face Value	%
AAA	\$0	0.0%
AA+	\$0	0.0%
AA	\$0	0.0%
AA-	\$0	0.0%
A+	\$0	0.0%
A	\$0	0.0%
A-	\$2,000,000	5.8%
BBB+	\$11,500,000	33.6%
BBB	\$3,775,000	11.0%
BBB-	\$1,000,000	2.9%
BB+	\$6,104,000	17.8%
BB	\$0	0.0%
BB-	\$0	0.0%
Not Rated	\$9,895,000	28.9%
	\$34,274,000	100%
Average Weighted Credit:		BBB-

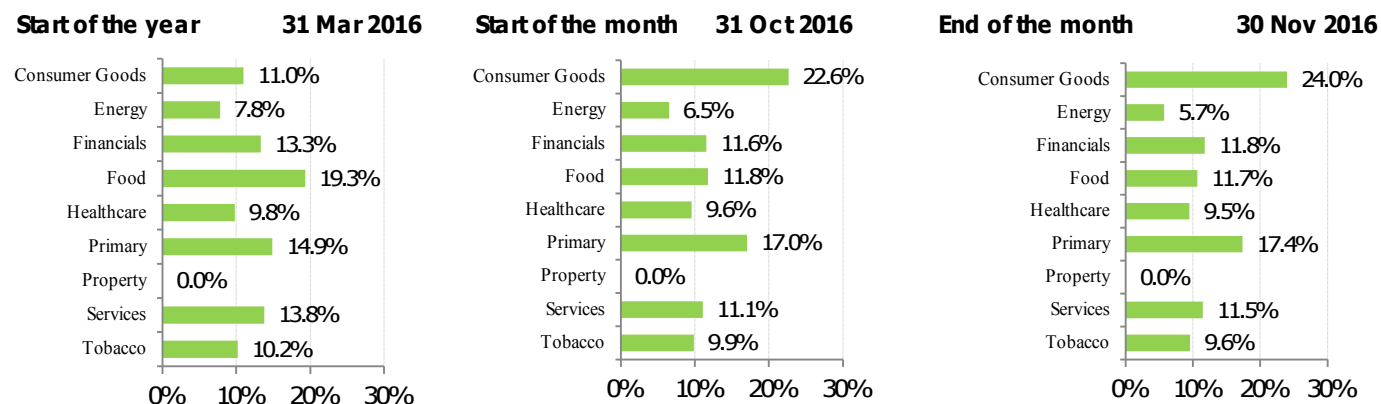
30 November 2016

Geographic split

Country of listing	No. of holdings	\$	%
NZ	5 shares	5,448,196	11.6%
Australia	5 shares	4,727,712	10.0%
US	19 shares	17,557,438	37.3%
UK	8 shares	6,123,980	13.0%
Europe	7 shares	6,144,727	13.0%
Other	7 shares	5,278,160	11.2%
Shares	51 shares	45,280,213	96.2%
Cash		1,809,055	3.8%
Total		47,089,267	100.0%



Industry split



Market returns (NZ\$)

	Last 1 year	Last 3 years	Last 5 years
Consumer goods	-9.2%	9.0%	15.4%
Energy	0.8%	-0.8%	1.2%
Financials	-3.0%	7.6%	13.7%
Food	-9.7%	10.9%	11.5%
Healthcare	-15.0%	9.9%	15.3%
Primary	5.6%	4.1%	2.6%
Services	-3.3%	9.7%	12.4%
Overall MSCI	-5.9%	8.3%	11.3%

Concentration risks:

Shares that are 20% or more above the "equal weighting target" of \$901,484

Fletcher Building APN Outdoor Group Limited Coach, Inc. Merck & Co Stk Procter & Gamble Corp Reynolds American, Inc. Daimler AG

Shares that are 20% or less below the "equal weighting target" of \$901,484

Chesapeake Energy Corp Freeport McMoran C&G Viacom Inc - A Diageo Vodafone Group PLC LUXOTTICA GROUP British American Tobacco MK Givaudan SA

New shares

JC Decaux SA

Exits

Coca-Cola Amatil, Metcash, Chevron Corp

30 November 2016

Note: The following table is extracted from the next tables, with figures shown in dollars.

	During the year						
	Values			Gain/loss		Values	
	Start	Buys	Sells	Market	Currency	End	Net dividend
Overall shares	44,413,103	8,165,906	-7,539,612	3,121,613	-2,880,797	45,280,213	1,174,603
Liquidity (cash)	2,675,781	-	-731,910	-37,768	-97,048	1,809,055	7,613
Overall asset	47,088,884	8,165,906	-8,271,522	3,083,844	-2,977,845	47,089,267	1,182,216

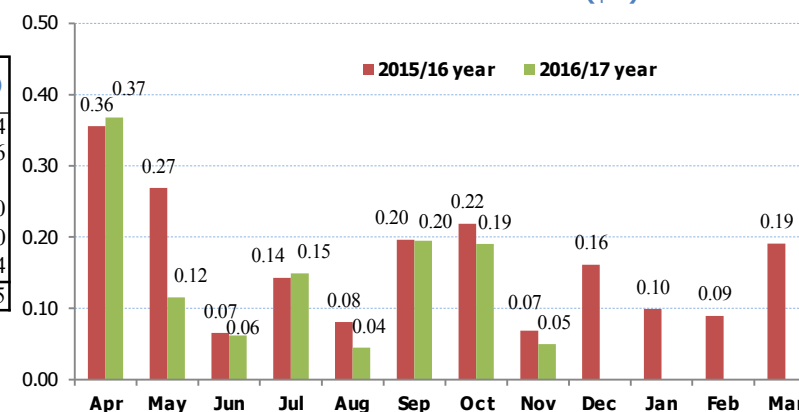
	During the month						
	Values			Gain/loss			
	Start	Buys	Sells	Market movement	Currency	End	Net dividend
NZ	5,330,695	140,060	-	-22,559	-	5,448,196	-
AUST	5,934,106	-	-1,227,869	140,934	-119,458	4,727,712	-
US	17,589,506	-	-551,592	353,312	166,212	17,557,438	43,355
UK	6,184,888	199,759	-	-450,276	189,610	6,123,980	-
Europe	4,879,146	1,398,427	-	652	-133,498	6,144,727	-
Other	5,523,865	94,439	-	-195,341	-144,802	5,278,160	6,520
Overall shares	45,442,205	1,832,685	-1,779,461	-173,279	-41,937	45,280,213	49,875
Liquidity (cash)	1,922,142	-	-52,621	-41,560	-18,907	1,809,055	736
Overall asset	47,364,347	1,832,685	-1,832,082	-214,839	-60,844	47,089,267	50,611

Returns		
Month	Year-to-date	Since Inception
-0.4%	11.4%	15.2%
0.4%	6.3%	3.5%
3.3%	5.4%	11.3%
-4.1%	0.5%	3.2%
-2.4%	-1.1%	8.6%
-6.0%	-6.9%	-0.8%
-0.4%	3.2%	6.7%
-3.2%	-5.6%	-1.1%
-0.5%	2.7%	6.5%

Cash holdings

Currencies	Ex rate 31 Oct 16	Start values (local)	End values (local)	Ex rate 30 Nov 16	Currency gain/loss	End values (NZ\$)
New Zealand dollars	1.0000	217,559	217,554	1.0000	-	217,554
Australian dollars	0.9397	-217	1,084,720	0.9591	-23,290	1,131,036
Swiss Franc	0.7073	-0	-	0.7208	-	-
Euro	0.6512	236,988	-80	0.6690	3	-120
Pound Sterling	0.5841	0	0	0.5664	0	0
US dollars	0.7151	958,869	326,232	0.7083	4,380	460,584
					-18,907	1,809,055

Year-to-date income (\$m)



Listed shares: Elevation Capital - Christopher Swasbrook

30 November 2016

Code	Company	Industry	Average purchase cost	During the year										Returns			
				Holdings		Price NZD		Values			Gain/loss		End Values				Net dividend
				Start	End	Start	End	Start	Buys	Sells	Market movement	Currency		Month	Ytd	Since Inception	
New Zealand																	
CEN	Contact Energy	Energy	4.77	200,000	220,000	5.00	4.70	1,000,000	89,009	-	-55,009	-	1,034,000	30,000	-0.5%	-2.7%	4.1%
FBU	Fletcher Building	Primary	8.11	125,000	125,000	7.89	10.28	986,250	-	-	298,750	-	1,285,000	48,750	-0.9%	35.9%	10.8%
GNE	Genesis Energy Limited	Energy	1.77	525,000	525,000	2.06	2.03	1,081,500	-	-	-15,750	-	1,065,750	86,100	3.6%	6.8%	22.6%
NZX	NZX Limited	Financials	1.05	-	1,000,000	-	1.01	-	1,046,546	-	-36,546	-	1,010,000	-	-2.9%	-3.6%	-3.6%
MCY	Mercury NZ Limited	Energy	2.56	349,982	349,982	2.92	3.01	1,021,947	-	-	31,498	-	1,053,446	44,098	-1.3%	7.3%	27.9%
NZ subtotal in \$ooo's			5 shares					4,090	1,136	-	223	-	5,448	209	-0.4%	11.4%	15.2%

Australia																	
ANZ	ANZ Banking	Financials	32.46	32,500	32,500	25.99	29.62	844,539	-	-	170,573	-52,362	962,750	27,403	0.0%	17.7%	2.0%
BHP	BHP Billiton	Primary	36.55	30,000	30,000	18.68	25.45	560,257	-	-	241,947	-38,636	763,568	5,844	3.7%	37.5%	-7.1%
CCL	Coca-Cola Amatil	Food	14.09	75,000	-	9.79	-	734,382	-	-749,200	62,905	-48,087	-	25,452	-1.6%	5.6%	-7.6%
CYB	CYBG Plc	Financials	4.28	7,375	-	4.36	-	32,186	-	-36,884	6,086	-1,387	-	-		14.6%	16.9%
IFL	IOOF Holdings	Financials	9.56	85,000	-	9.82	-	835,124	-	-823,441	18,647	-30,330	-	26,406		1.8%	4.5%
MTS	MetCash	Food	4.14	250,000	-	1.93	-	481,834	-	-478,669	28,094	-31,260	-	-	-9.6%	-0.7%	-18.5%
NAB	National Australia Bank	Financials	34.80	29,500	29,500	29.07	30.17	857,421	-	-	83,592	-51,138	889,875	30,781	1.2%	7.8%	2.4%
PTL	Pental Limited	Consumer goods	0.04	1,650,090	1,650,090	0.79	0.60	1,306,839	-	-	-241,917	-67,005	997,917	33,842	-5.3%	-21.1%	7.5%
APO	APN Outdoor Group Limited	Primary	5.01	-	200,000	-	5.57	-	1,001,988	-	100,877	10,737	1,113,602	-	10.2%	11.1%	11.1%
S32	South 32 Limited	Primary	2.48	25,000	-	1.62		40,568	-	-41,917	3,022	-1,673	-	-		3.3%	-30.4%
AUST subtotal in \$ooo's			5 shares		ex-rate	0.9028	0.9591	5,693	1,002	-2,130	474	-311	4,728	150	0.4%	6.3%	3.5%

Listed shares: Elevation Capital - Christopher Swasbrook

30 November 2016

Code	Company	Industry	Average purchase cost	During the year										Returns			
				Holdings		Price NZD		Values			Gain/loss		End Values	Net dividend	Month	Ytd	Since Inception
				Start	End	Start	End	Start	Buys	Sells	Market movement	Currency					
United States																	
MMM	3M Co	Consumer goods	222.67	4,250	4,250	240.93	243.92	1,023,970	-	-	40,819	-28,120	1,036,669	11,124	5.2%	2.3%	9.1%
MO	Altria Group Inc	Tobacco	44.51	10,000	10,000	90.60	92.02	906,015	-	-	39,792	-25,575	920,232	20,799	-0.1%	3.9%	27.7%
ARCO	Arcos Dorados Holdings Inc	Food	11.06	91,000	91,000	5.42	8.40	493,421	-	-	283,292	-12,277	764,436	-	-3.1%	54.9%	-12.3%
BPT	BP Prudhoe Bay Royalty Trust	Primary	110.77	8,250	-	20.39	-	168,197	-	-231,874	74,313	-10,635	-	11,571		42.2%	-29.3%
CLX	Clorox Co	Primary	104.97	4,850	4,850	182.27	166.16	884,024	-	-	-51,538	-26,618	805,868	13,898	0.4%	-7.4%	16.9%
COH	Coach, Inc.	Services	49.61	21,000	21,000	57.97	52.80	1,217,308	-	-	-74,927	-33,529	1,108,852	16,782	5.7%	-7.5%	7.0%
KO	The Coca-Cola Company	Food	63.13	15,000	15,000	67.08	58.10	1,006,145	-	-	-120,546	-14,146	871,453	29,350	-1.6%	-10.5%	-2.8%
CVX	Chevron Corp	Energy	136.13	7,500	-	137.94	-	1,034,558	-	-1,080,988	88,301	-41,870	-	18,922	1.3%	8.1%	7.3%
CHK	Chesapeake Energy Corp	Energy	17.45	55,000	55,000	5.96	8.99	327,646	-	-	175,618	-8,629	494,635	-	11.1%	51.0%	-31.5%
FCX	Freeport McMoran C&G	Primary	31.64	31,500	31,500	14.95	21.14	470,951	-	-	207,086	-12,281	665,756	-	38.3%	41.4%	-11.5%
HSY	The Hershey Company	Food	139.24	6,400	-	133.16	-	852,192	-	-994,508	179,258	-36,942	-	4,446		17.3%	13.9%
JNJ	Johnson & Johnson	Healthcare	109.86	6,500	6,500	156.45	158.80	1,016,917	-	-	46,197	-30,897	1,032,218	12,261	-1.5%	2.7%	15.1%
KHC	The Kraft Heinz Company	Food	110.67	7,500	-	113.59	-	851,938	-	-896,876	80,523	-35,585	-	10,341		6.5%	9.2%
KMB	Kimberly-Clark Corp	Services	121.56	5,450	5,450	194.49	164.48	1,059,976	-	-	-132,994	-30,575	896,407	17,983	2.7%	-13.9%	13.0%
MDLZ	Mondelez International Inc	Food	68.42	15,000	-	58.01	-	870,156	-	-951,877	112,426	-30,705	-	6,115		9.8%	-7.0%
MRK	Merck & Co Stk	Healthcare	62.43	12,400	12,400	76.50	87.80	948,647	-	-	164,691	-24,595	1,088,742	20,458	6.7%	17.1%	14.9%
OAK	Oaktree Capital Management	Financials	65.72	14,000	15,550	71.33	58.31	998,583	93,949	-	-165,724	-20,108	906,699	35,089	-0.8%	-15.4%	2.2%
PAYX	Paychex Inc.	Services	47.23	12,750	12,750	78.09	83.95	995,702	-	-	103,495	-28,866	1,070,330	20,644	9.8%	9.7%	21.8%
PM	Philip Morris Int'l	Tobacco	113.25	7,500	7,500	141.86	127.91	1,063,946	-	-	-76,198	-28,409	959,339	32,391	-5.0%	-7.0%	8.5%
PG	Procter & Gamble Corp	Consumer goods	102.47	10,000	10,000	119.01	117.03	1,190,139	-	-	10,063	-29,935	1,170,267	24,298	-3.0%	0.4%	8.1%
RAI	Reynolds American, Inc.	Tobacco	64.57	13,000	14,550	72.74	77.59	945,677	99,051	-	103,840	-19,571	1,128,996	20,201	1.4%	9.4%	23.2%
TIF	Tiffany & Co.	Consumer goods	82.30	-	8,500	-	113.79	-	699,517	-	257,568	10,160	967,246	4,547	11.2%	39.0%	39.0%
VIA	Viacom Inc - A	Services	86.64	12,000	12,000	65.50	58.17	786,003	-	-	-67,983	-20,011	698,009	14,363	-1.8%	-9.5%	-14.5%
VZ	Verizon Communications	Services	67.97	13,500	13,500	78.20	71.95	1,055,639	-	-	-54,053	-30,303	971,283	27,884	7.8%	-5.3%	9.4%
US subtotal in \$ooo's		19 shares		ex-rate		0.6916	0.7083	20,168	893	-4,156	1,223	-570	17,557	373	3.3%	5.4%	11.3%

Listed shares: Elevation Capital - Christopher Swasbrook

30 November 2016

Code	Company	Industry	Average purchase cost	During the year										Returns			
				Holdings		Price NZD		Values			Gain/loss		End Values	Net dividend			
				Start	End	Start	End	Start	Buys	Sells	Market movement	Currency			Month	Ytd	Since Inception
United Kingdom																	
BP	BP PLC	Primary	8.93	110,000	110,000	7.28	7.81	800,291	-	-	220,803	-161,546	859,548	29,002	-7.3%	11.1%	1.4%
BAT	British American Tobacco	Tobacco	69.75	10,250	10,250	84.97	78.65	870,936	-	-	95,112	-159,857	806,191	32,316	-2.4%	-4.1%	8.7%
DGE	Diageo	Food	36.75	20,000	20,000	39.09	35.52	781,760	-	-	65,540	-136,962	710,338	22,003	-5.2%	-6.5%	2.6%
GSK	GlaxoSmithkline PLC	Healthcare	32.06	30,000	30,000	29.33	26.63	880,025	-	-	75,585	-156,810	798,799	47,245	-4.4%	-4.3%	-0.8%
RDSB	Royal Dutch Shell	Primary	43.01	22,500	22,500	35.32	35.87	794,640	-	-	165,090	-152,654	807,076	27,979	-2.8%	5.1%	0.5%
ULVR	Unilever Plc.	Consumer goods	51.53	14,000	14,000	65.49	55.27	916,900	-	-	20,224	-163,398	773,726	13,381	-6.2%	-14.4%	5.1%
HSBA	HSBC Holdings	Financials	12.57	75,000	75,000	9.01	11.16	676,067	-	-	277,130	-116,524	836,673	43,856	4.3%	31.7%	1.4%
VOD.UK	Vodafone Group PLC	Services	3.90	-	155,000	-	3.43	-	603,962	-	-68,174	-4,160	531,628	-	-11.8%	-15.0%	-15.0%
UK subtotal in \$ooo's		8 shares		ex-rate		0.4814	0.5664	5,721	604	-	851	-1,052	6,124	216	-4.1%	0.5%	3.2%

Europe																	
DEC	JC Decaux SA	Services	37.30	-	25,000	-	36.65	-	932,548	-	-15,888	-485	916,175	-	-1.8%	-1.8%	-1.8%
ABI	Anheuser-Busch InBev	Food	118.83	5,150	-	179.79	-	925,924	-	-909,317	57,836	-74,443	-	13,897	-2.8%	-1.7%	16.3%
DAI	Daimler AG	Services	84.13	-	12,500	-	94.98	-	1,051,657	-	183,595	-47,944	1,187,308	-	-4.7%	12.9%	12.9%
HEIO	Heineken Holding NV	Food	106.77	-	9,525	-	99.86	-	1,016,979	-	-53,624	-12,207	951,147	-	-7.1%	-8.9%	-8.9%
LUX	LUXOTTICA GROUP	Services	63.48	-	7,000	-	72.52	-	444,363	-	83,880	-20,627	507,616	-	4.2%	14.2%	14.2%
MUV	Münchener Rück AG	Financials	236.91	3,000	3,000	294.17	258.46	882,498	-	-	-35,168	-71,936	775,394	29,929	-4.5%	-8.9%	6.0%
SAN	Sanofi-Aventis S.A.	Healthcare	135.95	7,500	7,500	116.61	114.06	874,599	-	-	64,721	-83,875	855,445	25,319	4.7%	0.6%	-2.9%
TOD	TOD's SPA	Consumer Goods	82.66	-	12,000	-	79.30	-	991,899	-	22,093	-62,351	951,641	-	-2.6%	-4.7%	-4.7%
Europe subtotal in \$ooo's			7 shares		ex-rate	0.6077	0.6690	2,683	4,437	-909	307	-374	6,145	69	-2.4%	-1.1%	8.6%

Listed shares: Elevation Capital - Christopher Swasbrook

30 November 2016

Code	Company	Industry	Average purchase cost	During the year										Returns			
				Holdings		Price NZD		Values			Gain/loss		End Values				Net dividend
				Start	End	Start	End	Start	Buys	Sells	Market movement	Currency		Month	Ytd	Since Inception	
Other																	
ROTH:MK	British American Tobacco MK	Tobacco	24.11	37,500	37,500	20.01	13.92	750,556	-	-	-129,532	-98,942	522,081	19,731	-13.2%	-28.2%	-10.6%
GIN	Givaudan SA	Primary	2,586.74	245	245	2,835.24	2,525.15	694,633	-	-	-20,968	-55,004	618,661	-	-6.8%	-10.9%	0.2%
NESN	Nestle SA	Food	84.78	7,500	8,500	108.01	94.76	810,095	94,439	-	-33,782	-65,271	805,480	21,432	-7.4%	-9.4%	5.8%
ZURN	Zurich Insurance Group AG	Financials	342.70	2,500	2,500	335.69	367.67	839,221	-	-	151,264	-71,304	919,181	63,490	0.2%	18.3%	9.1%
NOVN	Novartis SA	Healthcare	143.61	7,750	7,750	104.78	97.19	812,049	-	-	10,233	-69,056	753,226	-	-3.3%	-7.2%	-26.3%
HEIM:MK	Heineken Malaysia Bhd	Food	6.24	150,000	150,000	5.19	4.98	778,889	-	-	86,011	-117,579	747,321	44,929	-13.0%	1.3%	-2.0%
SCCC:TB	Siam City Cement	Primary	16.01	30,000	-	12.69	-	380,639	-	-344,058	-21,020	-15,560	-	7,952		-7.7%	-12.5%
SGSN	SGS Soc Gen Surveillance Hldgs	Services	2,790.11	325	325	2,843.21	2,806.80	992,784	-	-	565	-81,139	912,210	-	-1.3%	-8.1%	7.3%
Other subtotal in \$ooo's		7 shares						6,059	94	-344	43	-574	5,278	158	-6.0%	-6.9%	-0.8%
Overall shares in \$ooo's		51 shares		4,302	5,233			44,413	8,166	-7,540	3,122	-2,881	45,280	1,175	-0.4%	3.2%	6.7%
Liquidity in \$ooo's								2,676	-	-732	-38	-97	1,809	8	-3.2%	-5.6%	-1.1%
Overall asset in \$ooo's								47,089	8,166	-8,272	3,084	-2,978	47,089	1,182	-0.5%	2.7%	6.5%

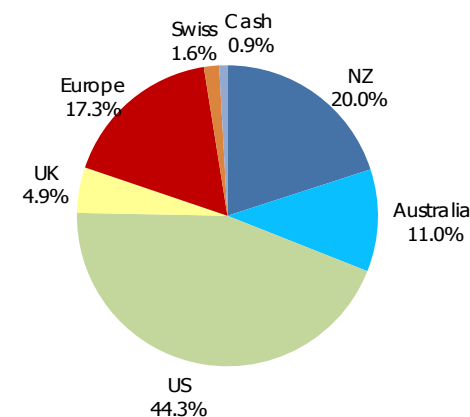
Note: ¹ "Average purchase cost" figures are since inception.

² Shares in South32 Ltd were received as a spin off from BHP Billiton Limited in May 2015. They were since sold in May 2016.

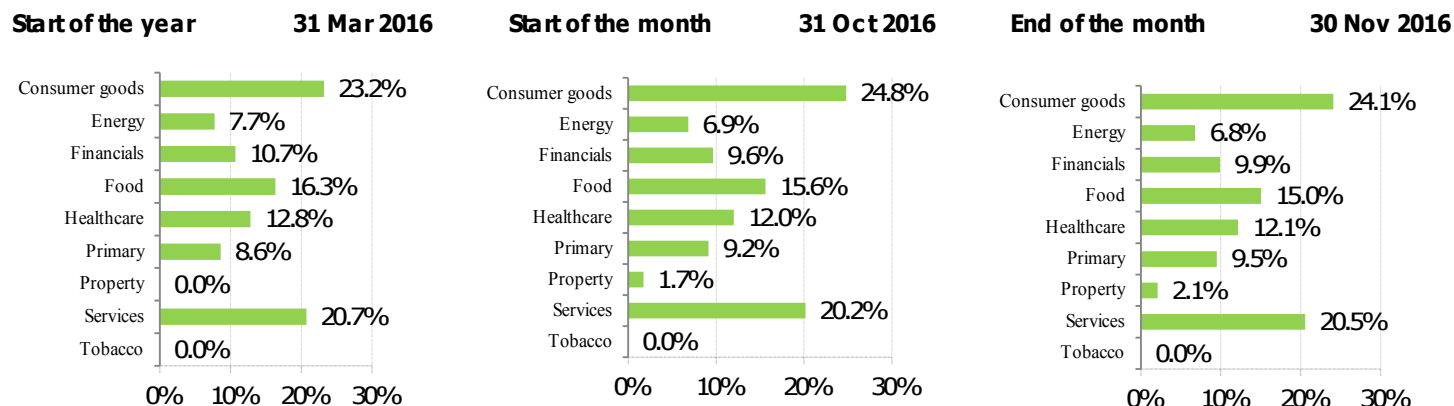
30 November 2016

Geographic split

Country of listing	No. of holdings	\$	%
NZ	11 shares	10,837,036	20.0%
Australia	7 shares	5,949,445	11.0%
US	26 shares	24,008,206	44.3%
UK	3 shares	2,651,988	4.9%
Europe	10 shares	9,352,835	17.3%
Swiss	1 shares	886,232	1.6%
Shares	58 shares	53,685,742	99.1%
Cash		479,203	0.9%
Total		54,164,946	100.0%



Industry split



Market returns (NZ\$)

	Last 1 year	Last 3 years	Last 5 years
Consumer goods	-9.2%	9.0%	15.4%
Energy	0.8%	-0.8%	1.2%
Financials	-3.0%	7.6%	13.7%
Food	-9.7%	10.9%	11.5%
Healthcare	-15.0%	9.9%	15.3%
Primary	5.6%	4.1%	2.6%
Services	-3.3%	9.7%	12.4%
Overall MSCI	-5.9%	8.3%	11.3%

Concentration risks:

Shares that are 20% or more above the "equal weighting target" of \$950,262

Illinois Tool Republic Services Inc. Moët Hennessy Louis Vuitton

Shares that are 20% or less below the "equal weighting target" of \$950,262

ANZ Bank National Australia Bank Newell Rubbermaid Inc. Fortive Corporation Aeroports De Paris

New shares

Nil.

Exits

Nil.

30 November 2016

Manager: Forsyth Barr - Richard Burton

Note: The following table is extracted from the next tables, with figures shown in dollars.

	During the year						
	Values			Gain/loss		Values	
	Start	Buys	Sells	Market	Currency	End	Net dividend
Overall shares	53,761,434	8,126,666	-7,059,005	1,392,412	-2,535,764	53,685,742	1,183,894
Liquidity (cash)	1,559,112	-	-1,083,845	38,639	-34,704	479,203	9,917
Overall asset	55,320,546	8,126,666	-8,142,850	1,431,052	-2,570,468	54,164,946	1,193,811

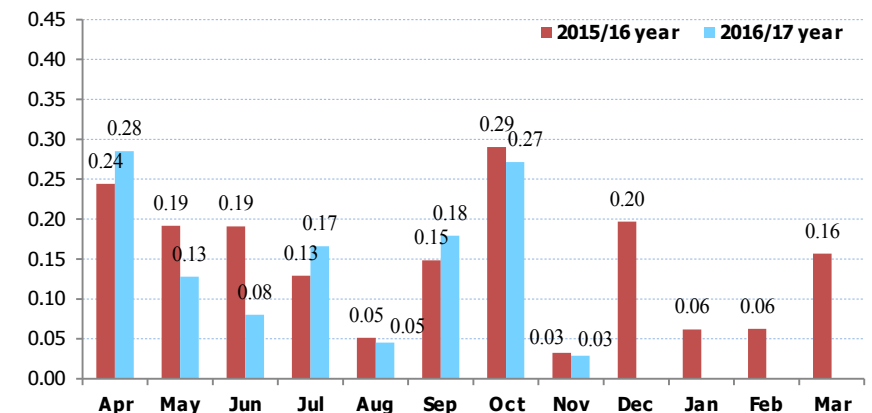
	During the month						
	Values			Gain/loss		Values	
	Start	Buys	Sells	Market	Currency	End	Net dividend
NZ	11,171,265	220,761	-516,253	-38,737	-	10,837,036	-
AUST	5,937,055	-	-	134,900	-122,509	5,949,445	-
US	23,259,063	-	-	520,662	228,480	24,008,206	19,205
UK	2,785,911	-	-	-214,293	80,370	2,651,988	-
Europe	9,675,191	-	-	-67,161	-255,196	9,352,835	9,619
Swiss	963,290	-	-	-60,206	-16,853	886,232	-
Overall shares	53,791,776	220,761	-516,253	275,165	-85,707	53,685,742	28,824
Liquidity (cash)	183,700	-	295,548	-1,285	1,240	479,203	291
Overall asset	53,975,476	220,761	-220,705	273,880	-84,466	54,164,946	29,115

Returns		
Month	Year-to-date	Since Inception
-0.4%	8.7%	16.3%
0.2%	2.6%	4.4%
3.3%	0.4%	12.4%
-4.8%	-8.0%	3.8%
-3.2%	-7.6%	3.7%
-8.0%	-9.6%	4.9%
0.4%	0.1%	9.7%
0.1%	5.3%	1.8%
0.4%	0.1%	9.6%

Cash holdings

Currencies	Ex rate 31 Oct 16	Start values (local)	End values (local)	Ex rate 30 Nov 16	Currency gain/loss	End values (NZ\$)
New Zealand dollars	1.0000	182,362	477,850	1.0000	-	477,850
Australian dollars	0.9397	16	16	0.9591	1,230	17
Swiss Franc	0.7073	-	-	0.7208	-	-
Euro	0.6512	-	-1	0.6690	0	-1
Pound Sterling	0.5841	115	115	0.5664	-	203
US dollars	0.7151	804	804	0.7083	11	1,135
					1,240	479,203

Year-to-date income (\$m)



30 November 2016

Code	Company	Industry	Average purchase cost	During the year										Returns			
				Holdings		Price NZD		Values			Gain/loss		End Values				Net dividend
				Start	End	Start	End	Start	Buys	Sells	Market movement	Currency		Month	Ytd	Since Inception	
New Zealand																	
ABA	Abano Healthcare	Services	6.05	134,246	128,248	7.19	8.38	965,229	-	-46,630	156,120	-	1,074,718	25,650	4.8%	19.4%	15.0%
AIA	Auckland Int'l Airport	Services	2.97	168,000	147,000	6.43	6.16	1,080,240	-	-133,211	-41,509	-	905,520	27,510	-6.5%	-1.7%	26.1%
CEN	Contact Energy	Energy	4.95	217,000	-	5.00	-	1,085,000	-	-1,153,876	68,876	-	-	-	6.5%	9.5%	
EBO	EBOS	Consumer goods	8.73	63,000	63,000	17.20	16.21	1,083,600	-	-	-62,370	-	1,021,230	36,855	-4.9%	-2.5%	25.6%
FRE	Freightways	Services	4.48	-	-	-	-	-	-	-	-	-		10,073			
FPH	F&P Healthcare	Healthcare	3.90	112,000	119,462	9.80	8.18	1,097,600	220,761	-197,492	-143,670	-	977,199	11,200	-7.1%	-14.9%	32.7%
GNE	Genesis Energy	Energy	2.17	-	465,080	-	2.03	-	1,007,592	-	-63,480	-	944,112	38,137	3.6%	-2.4%	-2.4%
GMT	Goodman Property Trust	Property	1.34	-	730,000	-	1.22	-	977,575	-	-86,975	-	890,600	12,136	-2.0%	-7.7%	-7.7%
HBV	Hellaby Holdings	Financials	2.76	322,000	343,590	2.65	3.25	853,300	105,251	-66,804	224,921	-	1,116,668	74,480	-2.7%	32.2%	11.8%
MFT	Mainfreight Limited	Services	15.54	61,600	50,400	15.86	20.17	976,976	-	-221,992	261,584	-	1,016,568	14,168	9.2%	29.6%	20.2%
MEL	Meridian Energy	Energy	2.25	404,005	373,709	2.62	2.57	1,058,493	-	-80,872	-17,189	-	960,432	70,972	0.0%	5.1%	15.0%
NPX	Nuplex Industries Limited	Primary	4.69	-	-	-	-	-	-	-	-	-		14,280			
POT	Port of Tauranga	Primary	3.29	-	250,390	-	3.76	-	988,517	-	-47,051	-	941,466	27,543	-3.6%	-2.0%	-2.0%
SKL	Skellerup	Consumer goods	1.34	732,515	659,015	1.28	1.50	937,619	100,528	-227,457	177,832	-	988,523	44,716	5.1%	22.5%	10.6%
VCT	Vector	Energy	2.83	300,993	-	3.28	-	987,257	-	-1,013,253	25,996	-	-	23,327		5.1%	11.0%
NZ subtotal in \$ooo's		11 shares				-	-	10,125	3,400	-3,142	453	-	10,837	431	-0.4%	8.7%	16.3%

Note: During October 2016, there was a POT 5-for-1 stock split whereby 50,078 shares became 250,390.

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				Start	End	Start	End	Start	Buys	Sells	Market movement	Currency			Month	Ytd	Since Inception
Australia																	
AMC	Amcor	Services	11.68	59,220	65,548	15.89	14.99	941,302	96,942	-	4,681	-60,098	982,827	19,731	-4.2%	-3.2%	16.4%
ANZ	ANZ Bank	Financials	31.63	42,000	21,000	25.99	29.62	1,091,405	-	-570,254	153,884	-52,951	622,084	35,413	0.0%	22.1%	2.0%
ANN	Ansell Ltd.	Primary	25.96	42,000	42,000	19.15	23.55	804,364	165,677	-198,305	268,034	-50,479	989,291	16,323	2.0%	26.9%	-6.4%
AHG	Automotive Holdings Group Ltd.	Services	4.62	-	-	-	-	-	-	-	-	-		10,350			
DUE	Duet Group	Energy	2.81	-	356,482	-	2.48	-	1,000,756	-	-88,578	-27,524	884,654	-	-2.0%	-11.6%	-11.6%
BXB	Brambles Limited	Primary	11.65	81,200	73,080	13.42	12.28	1,090,102	-	-109,110	-17,531	-65,821	897,641	24,111	0.1%	-6.3%	5.7%
NAB	National Australia Bank	Financials	33.89	35,000	17,500	29.07	30.17	1,017,280	-	-490,191	49,122	-48,319	527,892	36,520	1.2%	11.4%	2.5%
IPL	Incitec Pivot Limited	Primary	3.88	231,000	318,178	3.53	3.28	816,227	292,750	-	-13,871	-50,051	1,045,056	9,982	4.6%	-7.3%	-12.0%
AUST subtotal in \$ooo's		7 shares			ex-rate	0.9028	0.9591	5,761	1,556	-1,368	356	-355	5,949	152	0.2%	2.6%	4.4%

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				Start	End	Start	End	Start	Buys	Sells	Market movement	Currency		Month	Ytd	Since Inception	
United States																	
MMM	3M	Consumer goods	150.11	4,004	4,004	240.93	243.92	964,700	-	-	38,456	-26,492	976,664	10,480	5.2%	2.3%	19.1%
T	AT&T Inc	Services	57.75	16,100	16,100	56.64	55.74	911,852	-	-	14,060	-28,513	897,399	28,047	10.4%	1.5%	-0.4%
KO	Coca-Cola	Food	51.02	14,490	14,490	67.08	58.10	971,936	-	-	-106,285	-23,828	841,823	18,189	-1.6%	-11.6%	5.6%
CL	Colgate-Palmolive	Consumer goods	76.81	9,674	9,674	102.15	93.93	988,242	-	-	-52,994	-26,578	908,670	13,693	-5.2%	-6.8%	9.1%
DHR	Danaher Corporation	Primary	124.05	7,329	7,329	137.16	111.72	1,005,247	-	-247,286	90,967	-30,146	818,783	3,901	2.2%	6.7%	12.9%
DPS	Dr Pepper Snapple	Food	63.72	7,217	7,217	129.29	126.29	933,118	-	-	5,240	-26,935	911,423	13,719	2.3%	-0.9%	25.8%
ES	Eversource Energy	Energy	53.46	12,068	12,068	84.36	75.89	1,017,998	-	-	-73,638	-28,568	915,791	12,663	0.1%	-8.8%	13.6%
FTV	Fortive Corporation	Financials	67.49	-	3,664	-	78.05	-	247,286	-	34,723	3,952	285,961	299	11.2%	15.8%	15.8%
GE	General Electric	Consumer goods	31.44	22,498	22,498	45.97	43.84	1,034,140	-	-	-21,658	-26,230	986,253	18,545	7.3%	-2.8%	14.5%
GIS	General Mills	Food	66.06	11,298	9,380	91.60	88.47	1,034,888	-	-194,328	22,185	-32,940	829,805	18,293	3.3%	-1.2%	13.1%
HD	Home Depot	Services	104.64	5,341	5,341	192.93	183.00	1,030,436	-	-	-28,639	-24,386	977,411	8,690	5.9%	-4.3%	20.9%
ITW	Illinois Tool	Consumer goods	92.74	6,678	6,678	148.12	177.34	989,147	-	-	217,254	-22,124	1,184,277	13,967	11.4%	21.4%	23.8%
JNJ	Johnson & Johnson	Healthcare	114.49	6,419	5,782	156.45	158.80	1,004,245	-	-109,740	53,887	-30,195	918,198	11,514	-1.5%	2.7%	14.1%
KHC	The Kraft Heinz Company	Food	117.21	8,680	7,987	113.59	118.59	985,976	-	-86,462	75,035	-27,340	947,209	17,664	-3.7%	6.5%	2.0%
KMB	Kimberly-Clark Corp	Consumer goods	129.56	5,159	5,159	194.49	164.48	1,003,379	-	-	-125,897	-28,939	848,544	16,552	2.7%	-13.9%	12.0%
LB	L Brands	Consumer goods	122.43	7,210	-	126.95	-	915,324	-	-711,598	-216,694	12,968	-	-	-22.3%	-13.7%	-
MAT	Mattel Aktie	Consumer goods	-	-	-	-	-	-	-	-	-	-	1,328	-	-	-	-
MCD	McDonald's Corp	Services	129.13	5,607	5,607	181.72	170.38	1,018,924	-	-	-39,736	-23,869	955,319	11,767	8.7%	-5.0%	11.7%
MDT	Medtronic Aktie	Healthcare	70.86	8,701	8,267	108.44	103.66	943,573	-	-53,750	-3,024	-29,869	856,929	14,829	-9.5%	-2.9%	15.5%
MRK	Merck and Co.	Healthcare	78.73	-	-	-	-	-	-	-	50	-50	5,886	-	-	-	-
MDLZ	Mondelez International Inc.	Food	58.93	16,520	16,520	58.01	60.51	958,332	-	-	67,157	-25,846	999,643	10,465	-4.3%	5.4%	3.9%
NWL	Newell Rubbermaid Inc.	Consumer goods	70.24	-	11,200	-	67.02	-	786,658	-	-23,673	-12,365	750,620	2,482	-3.0%	-4.3%	3.6%
PFE	Pfizer Aktie	Healthcare	37.67	21,875	19,691	42.86	45.07	937,500	-	-112,264	91,255	-29,103	887,388	14,710	0.9%	7.0%	9.1%
PG	Procter & Gamble Corp	Consumer goods	100.14	7,896	-	119.01	-	939,734	-	-959,542	33,986	-14,178	6,644	-	-	2.8%	8.7%
RSG	Republic Services Inc.	Services	67.38	14,500	14,500	68.90	78.92	999,024	-	-	170,547	-25,211	1,144,360	15,946	8.6%	16.4%	8.6%
SWK	Stanley Black & Decker, Inc.	Primary	167.53	-	6,300	-	169.32	-	1,055,441	-	53,454	-42,174	1,066,722	7,932	5.8%	1.4%	1.4%
TRV	The Travelers Companies, Inc.	Financials	159.26	6,090	6,090	168.75	160.53	1,027,710	-	-	-22,810	-27,301	977,598	9,621	5.9%	-4.0%	2.7%
UTX	United Technologies	Services	154.24	7,210	7,210	144.74	153.66	1,043,553	-	-	90,962	-26,600	1,107,915	11,220	7.9%	7.3%	0.7%
WFC	Wells Fargo & Company	Financials	58.76	13,762	13,762	69.92	73.22	962,305	-	-	66,011	-20,696	1,007,620	12,331	13.3%	6.1%	12.8%
WBA	Walgreens Boots Alliance, I	Healthcare	117.06	8,330	8,330	121.80	120.75	1,014,632	-	-	16,361	-25,113	1,005,880	7,217	6.5%	-0.1%	4.0%
US subtotal in \$ooo's		26 shares		ex-rate		0.6916	0.7151	24,636	2,089	-2,475	427	-669	24,008	339	3.3%	0.4%	12.4%

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United Kingdom																	
DGE	Diageo	Food	38.22	24,878	25,613	39.09	35.52	972,431	102,182	-74,589	94,327	-184,656	909,695	25,842	-5.2%	-6.5%	0.3%
GSK	GlaxoSmithkline PLC	Healthcare	32.06	33,005	33,005	29.33	26.63	968,174	-	-	83,193	-172,555	878,812	47,563	-4.4%	-4.7%	-1.8%
RB	Reckitt Benckiser Group	Consumer goods	97.76	7,231	7,231	139.82	119.41	1,011,003	-	-	25,027	-172,549	863,481	21,225	-4.8%	-12.8%	10.7%
UK subtotal in \$ooo's			3 shares		ex-rate	0.4814	0.5664	2,952	102	-75	203	-530	2,652	95	-4.8%	-8.0%	3.8%

Europe																	
ADP	Aeroports De Paris	Services	177.98	4,900	4,900	178.80	138.08	876,138	-	-	-127,993	-71,542	676,602	10,198	-1.1%	-21.8%	-14.1%
ALV	Allianz SE	Financials	227.48	3,290	4,669	235.25	224.35	773,974	302,142	-	54,906	-83,525	1,047,498	29,105	3.2%	-1.1%	-0.7%
ABI	Anheuser-Busch Interbrew	Food	125.52	5,509	5,509	179.79	146.56	990,469	-	-	-92,193	-90,888	807,388	24,212	-9.1%	-16.4%	8.8%
BEI	Beiersdorf AG	Consumer goods	137.67	7,560	7,560	130.57	115.23	987,098	-	-	-22,014	-93,981	871,104	6,399	-5.9%	-11.2%	-16.3%
BN	Danone	Food	94.23	8,855	10,353	102.87	88.74	910,929	151,015	-	-53,142	-90,117	918,685	16,324	-8.4%	-12.3%	-0.6%
FRE	Fresenius SE & Co	Healthcare	62.76	8,596	9,758	105.67	101.47	908,334	120,585	-	54,175	-92,926	990,168	5,729	-2.3%	-3.0%	21.5%
OR	L'Oreal Paris	Consumer goods	267.13	3,920	3,920	259.11	240.75	1,015,723	-	-	26,631	-98,612	943,742	14,001	-5.0%	-5.8%	-6.4%
MC	Moet Hennessy Louis Vuitton	Consumer goods	222.07	3,647	4,522	247.68	255.25	903,272	201,363	-	142,554	-92,946	1,154,244	9,225	-1.0%	3.5%	8.6%
SAF	Safran	Consumer goods	99.60	8,708	10,808	101.18	96.82	881,046	203,643	-	53,812	-92,034	1,046,467	7,826	0.4%	-3.2%	-1.4%
UNA	Unilever NV	Consumer goods	53.69	15,890	15,890	64.82	56.45	1,030,045	-	-	-36,828	-96,280	896,938	13,400	-4.0%	-11.8%	5.0%
Europe subtotal in \$ooo's				ex-rate		0.6077	0.6512	9,277	979	-	-0	-903	9,353	136	-3.2%	-7.6%	3.7%

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Swiss																	
NESN	Nestle SA	Food	89.50	9,359	9,359	108.01	94.69	1,010,890	-	-	-44,294	-80,364	886,232	25,821	-8.0%	-10.1%	4.9%
NOVN	Novartis A.G.	Healthcare									42	-42		4,959			
Swiss subtotal in \$ooo's			1 shares		ex-rate	0.6652	0.7208	1,011	-	-	-44	-80	886	31	-8.0%	-9.6%	4.9%
Overall shares in \$ooo's				58 shares				53,761	8,127	-7,059	1,392	-2,536	53,686	1,184	0.4%	0.1%	9.7%
Liquidity in \$ooo's								1,559	-	-1,084	39	-35	479	10	0.1%	5.3%	1.8%
Overall asset in \$ooo's								55,321	8,127	-8,143	1,431	-2,570	54,165	1,194	0.4%	0.1%	9.6%

Note: ¹ "Average purchase cost" figures are for since inception period.

² Fortive Corporation shares were received as 2:1 spin-off from Danaher Corporation in July 2016.