

Eastern & Central Community Trust

BOARD PACK

for

A & R Committee Meeting

30 August 2017 03:00 PM

Held at:

ECCT Offices

102 Russell Street Hastings

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AGENDA

A & R COMMITTEE MEETING

NAME: Eastern & Central Community Trust
DATE: Wednesday, August 30, 2017
START TIME: 3:00 PM
LOCATION: 102 Russell Street Hastings

BOARD MEMBERS: Geoff Milner, Shelly Mitchell-Jenkins
ATTENDEES: Jonathan Bell

1. Housekeeping

1.1 **Apologies** 3:00 PM
Shelly Mitchell-Jenkins 1 min
To receive apologies

1.2 **Confirm Minutes** 3:01 PM
Shelly Mitchell-Jenkins 10 min
Approval of the Draft Minutes of the June 28th 2017 A & R Committee Meeting

1.2 a 1.2 Minutes.docx
1.2 b Audit Risk Minutes June Final Draft 2017 .docx

1.3 **Matters Arising and Action Items** 3:11 PM
Shelly Mitchell-Jenkins 15 min
Provide the A & R Committee with an update of the action items from the previous Board meeting.

1.3 a 1.3 Matters Arising 7 Action List.docx
1.3 b Action Plan July 2017 Meeting.docx

2. Reporting

2.1 **General Manager Report** 3:26 PM
Jonathan Bell 5 min
Provide the A & R Committee with an overview of the financial reports and any issues which need to be identified and addressed by the committee.

2.1 a 2.1 GM Report Aug 2017.docx

2.2 **Finance Report** 3:31 PM
Jonathan Bell 15 min
Financial information linked to the General Managers report

2.2 a 2.2 Financial Report Aug 2017.docx
2.2 b Finance Reports July 2017.pdf

2.3 **A & R Workplan** 3:46 PM
Shelly Mitchell-Jenkins 10 min
The A & R committee to review the current work plan and review any action items

-
- 2.3 a 2.3 A and R Workplan.docx
 - 2.3 b Audit Workplan (Final).docx
 - 2.3 c CT Act 1999 Clause 13.pdf
 - 2.3 d Cert of Compliance 2017.pdf
 - 2.3 e Auditor Evaluation.pdf

3. Decisions

3.1 Health & Safety Policy

3:56 PM

Jonathan Bell

15 min

Provide the Trustees with an updated Health & Safety Policy for their review, discussion and recommendation to the full Board meeting in September 2017

-
- 3.1 a 3.1 H and S Cover.docx
 - 3.1 b 3.22 H and S POLICY.docx

4. Noting

4.1 Risk Register Report

4:11 PM

Jonathan Bell

5 min

To provide the A & R Committee with an updated version of the Risk Register and note any changes since the last meeting for the committees consideration.

-
- 4.1 a Risk Register July 2017.pdf

4.2 MCA Report

4:16 PM

Jonathan Bell

2 min

To provide the Committee with the monthly investment portfolio report from MCA

-
- 4.2 a EandCCT monthly report - July 2017 (short report).pdf

4.3 Forsyth Barr Report

4:18 PM

Jonathan Bell

10 min

To provide the A & R Committee with the monthly NZ Bond portfolio report from Forsyth Barr Hastings

-
- 4.3 a FBARR Hastings.pdf

4.4 Hunter Fund Report

4:28 PM

Jonathan Bell

5 min

To provide the A & R Committee with the monthly Hunter Investment report

-
- 4.4 a 4 August.PDF

5. Close Meeting

5.1 Close the meeting

Next meeting: No date for the next meeting has been set.

Review actions raised in this meeting

Meeting Closed: 4:33 PM

HOUSEKEEPING PAPER

Agenda Item **1.2**

Agenda Item **Confirmation of minutes of previous meeting**

Presenter **Shelly Mitchell-Jenkins**

Proposed Resolution:

That the minutes of the Board meeting held June 28th 2017 be received as a true and accurate record of the meeting.

Purpose:

To review and approve the minutes of the previous A & R Committee Meeting.

**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 WEDNESDAY 27th JUNE 2017, COMMENCING AT 3:00 PM.**

IN ATTENDANCE:

Mark Kilmister, Jonathan Bell (General Manager)

COMMITTEE MEMBERS BY TELECONFERENCE:

Ron Garrod, Stephen Kerr Shelly Mitchell-Jenkins (Chair)

1. APOLOGIES

Geoff Milner

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

Taken as read.

2.1 RESOLUTION

The Committee resolved to approve the minutes of the previous meeting held on 27th April 2017 as a true and accurate record of the meeting.

S Mitchell Jenkins / R Garrod

CARRIED

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

- External review of MCA – Noted that this had not been confirmed if this was to be undertaken and nothing was in the 2017-18 budget. Consideration will be given to an external review after the internal review has been completed and will be presented to the Board. It may be that the Board will approve for the following year.
- General Managers Annual Leave – J Bell informed the committee of his intention to take two weeks leave in early August.
- TKP – Update provided with no change, formal notification yet to be received from Foundation North but highly likely they will be exiting the partnership.
- Budget review – Noted that this was to be reviewed in September. **ACTION ITEM.**
- Private Equity – Noted that it would be worthwhile to keep a track of the call amounts and revaluations as this investment grows. J Bell to develop a matrix to show this. **ACTION ITEM.**
- Noted that \$2million from the Forsyth Barr equities portfolio will be used for any further calls on Private Equity in the first instance.
- Cash held by Forsyth Barr Bond portfolio is to be returned and held in self managed cash portfolio. When PE calls are made, cash is used in the first instance then a request is made to the Equities portfolio to replenish the cash. As above Forsyth Barr will be called upon first and continues to be called until the equity portfolios are evened up.

3.2 ACTION ITEMS: (Page 8)

- Item 2; PE Policy – Noted that the policy exists and has been followed for the preparation of the 2017 Annual Report.
- Item 5; Change the date for completion. **ACTION ITEM.**
- Item 6; Noted that nothing was received from MCA, to be discussed as part on the annual review.
- Item 11; To be included as an agenda item for Board Meetings. **ACTION ITEM.**

4.0 GENERAL MANAGERS REPORT: (Page 8)

Taken as read.

- The General Manager noted the following;
 - PE calls of \$31k for Pioneer Capital II and \$50k Waterman during the month.
 - Private Equity to be introduced to the dashboard. **ACTION ITEM.**
 - Change PIMCO to Hunter Funds. **ACTION ITEM.**
 - Insurance budgeted for June so timing issue.
 - Trustee expenses to be recoded to appropriate area. **ACTION ITEM.**
- Commitment schedule has a variation of \$86k compared to the Balance Sheet. Investigation suggests that batch's run prior to end of month and then payment after end of month may create a slight variance. The reports were run mid-June and they reconcile.
- Request for cash from Forsyth Barr Hastings to be actioned and placed on TD at better rates than what is currently being obtained. **ACTION ITEM.**
- Request monthly interest from Forsyth Barr Hastings to go to ECCT bank account. **ACTION ITEM.**

5.0 RISK REGISTER REPORT: (Page 24)

- For Noting only.
- No 27 TKP Failure (Financial): Noted that there has been no change to the current situation.
- Noted cyber risk to be reconsidered given latest world-wide attack. For July Board meeting. **ACTION ITEM.**
- Risk matrix scoring to be added to the report for Trustee clarification of how assessments are made. **ACTION ITEM.**

6.0 A&R WORK-PLAN REVIEW: (Page 29)

1. Monthly accounts and Investment Reports - Completed
2. Annual Report – Separate item
3. Risk Register review – Completed
4. Audit Findings List – To come from Auditor. An action plan to be developed from this.
5. Internal Audit – Request to gain a better understanding of the NZ Bond portfolio. S Kerr is providing a worksheet to J Bell. J Bell to meet with P Williams and report back to the committee. The Chair will also undertake an exercise with the GM to look at the procedures for the preparation of the monthly accounts to improve on controls and quality review. **ACTION ITEM.**
6. Policy Review – Agenda item 7.

7.0 HEALTH & SAFETY (Page 31)

- Policy statement provided to the committee.
- Suggestion that it be rewritten along the lines of other ECCT policies and then provided to the A & R Committee. **ACTION ITEM.**

8.0 FUND ADVISOR AND FUND MANAGERS MONTHLY REPORTS: (Page 36)

- Noted that interest rates have dropped in Global Bond portfolio.
- Commentary suggests these will rise worldwide.

9.0 ANNUAL REPORT

- Draft Annual Report completed and will be sent to the A & R Committee.
- Feedback required by end of day Tuesday 4th July.
- Amendments will be made by General Manager

- Final draft version with email resolution to be sent to the A & R Committee by Thursday 6th July.
- Final Annual report to be presented at July Board Meeting.

10.0 GENERAL BUSINESS:

- Nil

There being no further business the meeting closed at 3:45pm.

DRAFT

HOUSEKEEPING PAPER

Agenda Item	1.3
Agenda Item	Matters Arising and Action Items
Presenter	Shelly Mitchell-Jenkins

Purpose:
To review any matters arising from the minutes and the updated action list.

A & R COMMITTEE ACTION PLAN

Meeting Date: 30th July 2017

#	ACTION	WHO	WHEN	STATUS
1	Charter Governance Review 1. Add amended Trustee exit interview strategy to plan and charter 2. Development of: • Auditor Rotation Policy and, • Include in ECCT Policy Manual 3. Development of an interview template when Trustees retire or are not re-appointed	A Hansen, C Rangi, S Mitchell-Jenkins, J Bell	At Governance Charter Review	September 2017
2	Public Trust Performance – To be completed as part of the Annual Review process with Michael Chamberlain and the General Manager	Jonathan	May 2017	Review of MCA not completed.
3	MCA External Review due Dec 2017 – General Manager to include in 2016-17 Budget	Jonathan	March 2018	Pending
4	Private Equity Accounting Policy to be developed and reported back to the A & R Committee	J Bell, S Mitchell-Jenkins	August 2017	
5	Budget Review planned for September Board meeting	J Bell	Sept 2017	September 2017
6	Develop a matrix of Private Equity Investment portfolio covering off call amounts, total investment valuation etc	J Bell	Sept Board Meeting	Sept 2017
7	TKP Update – Report at Board meetings as standard agenda item in GM report	J Bell	Sept Board Meeting	Noted
8	GM Report • PE to be introduced to dashboard • Change PIMCO to Hunter Fund • Request monthly Interest from FBarr Hastings to be paid back to ECCT • Request cash from FBarr to reinvest in TD's • Trustee expenses to be recoded	J Bell J Bell J Bell J Bell J Bell	Aug 2017 Aug 2017 Aug 2017 Aug 2017 Aug 2017	Completed Completed Completed Completed Completed
9	Cyber Risk to be an agenda item for board meeting	J Bell	July 2017	Completed
10	Risk matrix to be added to Risk Register	J Bell	July 2017	Completed

11	Chair of A & R Committee and GM to meet to discuss compilation and process of developing financial reports	S Mitchell- Jenkins, J Bell	ASAP	Completed
12	H & S Policy to be rewritten and presented to A & R Committee at August meeting	J Bell	Aug 2017	Agenda item 3.2

REPORTING PAPER

Agenda Item 2.1

Agenda Item General Managers Report

Presenter Jonathan Bell (General Manager)

Proposed Resolution:

That the A & R Committee receives and accepts the General Managers report.

Purpose:

To report to the A & R Committee the operational performance of the Trust, including identification of risks and where performance is not tracking to plan, what corrective action is being taken.

Highlights for the month

Since the last Trust meeting the following points are noted;

1. Hedging cover on the Euro matured and we paid BNZ \$338k
2. Our equity portfolios have decreased in value in July.
3. PIMCO funds have been fully transferred to Hunter Investment funds.

Red Flags for attention of Trustees

- Equity markets continue to be volatile and our portfolio has reduced for two consecutive months.
- Rabobank have announced they will be redeeming their perpetual bonds in October. Total issue was for \$900mill. This will mean the financial markets will have a large amount of cash wanting a home. ECCT may have difficulty in finding a home for any future NZ Bond issuances as these will likely be oversubscribed and will be scaled down.

Policies for Approval

- The Health & Safety Policy has been rewritten and is for consideration and discussion. Agenda item 3.2.

HR

- Nil to report

Other

- Nothing to report

REPORTING PAPER

Agenda Item 2.2

Agenda Item Financial Reports

Presenter Jonathan Bell (General Manager)

Proposed Resolution:

That the A & R Committee receives and accepts the Financial Reports.

Purpose:

To report to the A & R Committee the financial reports and performance of the Trust.

Balance Sheet

- Forsyth Barr equity portfolio has dropped since last month due to currency and market values reducing.
- Elevation Capital has increased due to market movement.
- Private Equity has increased with the capital call by Waterman
- We have received a call from Direct Capital for \$1.5 million to be settled before the end of July.

Financial Performance Report

- Realised income was below budget, mainly in the equity portfolio. This may be a timing issue and will be monitored closely next month.
- Expenses below budget as are the donations approved
- Overall result is surplus income of \$368k against a budget of negative \$730k
- YTD income tracking slightly behind, expenses slightly under and donations approved under budget.
- YTD surplus income at negative \$525k against a budget of negative \$1.538 mill.
- The review of the actuals to budget is scheduled for the September meeting of the Board.

Commitment Report

- Timing of printing the schedule and a payment being processed shows a variation between the balance sheet and the Commitment Schedule. I will discuss the timing with Patricia and try and align these in the future.

Hedging

- BNZ report is attached. All currencies have fallen since this report and currently we are in a positive \$300k position.
- The contracts mature at the end of September. We will monitor closely and possibly close them out prior to the general election.

Asset Allocation Reports

- The trust assets have decreased in the past two months but are still within the 125% fluctuation buffer as per SIPO.

ECCT MONTHLY FINANCIAL REPORTING DASHBOARD

Month End	Comparison Current Month to Budget 31st July 2017		Comparison YTD to Budget 31st July 2017		
	Actual (000's)	Budget (000's)	Actual (000's)	Budget (000's)	
Total Realised Income	\$ 0.278	\$ 0.674	\$ 2.080	\$ 2.304	For commentary please see GM's Report
Total Operating Expenses	\$ 0.158	\$ 0.204	\$ 0.712	\$ 0.731	
Net Disposable Investment Income	\$ 0.120	\$ 0.470	\$ 1.368	\$ 1.573	
Donations Approved	\$ 0.838	\$ 1.180	\$ 2.886	\$ 3.075	
Donations Written Back	\$ 0.076	\$ 0.020	\$ 0.082	\$ 0.036	
Surplus After Donations	-\$ 0.642	-\$ 0.730	-\$ 1.436	-\$ 1.538	
Less Brokerage Fees	\$ -	\$ -	\$ -	\$ -	Not Budgeted For
Hedging Gain/Loss	-\$ 0.338	\$ -	-\$ 0.327	\$ -	Not Budgeted For
Unrealised Income	\$ 1.348	\$ -	\$ 1.238	\$ -	
Surplus Income	\$ 0.368	-\$ 0.730	-\$ 0.525	-\$ 1.538	
Investments	Monthly Change (000's)		YTD Change (000's)		March 31st 2017 Value (000's)
Equity F Barr	June 2017 Value 60,082	July 2017 Value 59,413	-669	86	59,327
Equity E Capital	50,905	51,256	351	586	51,842
NZ Bonds	35,603	35,726	123	1,767	37,493
O'Seas Bonds	17,924	18,117	193	456	17,661
Own Cash	5,200	5,200	0	2,000	3,200
Private Equity	4,178	4,855	677	758	4,097
	Total	174,567	675	947	Total 173,620
Complaints	Nil		Nil		
Investment Fluctuation Buffer					Less than 125%
	Currents Assets	\$ 175,400			
	Capital Base	\$ 147,490			
	%	118.92%			

Value increased or ahead of budget
No change
Value decreased or behind budget



Eastern & Central Community Trust
Statement of Financial Position
As at 31 July, 2017

	Actual	Last Year
<u>Trust Funds</u>		
Surplus Income	(525,009)	9,310,957
General Reserves	156,061,234	147,118,072
Donations reserve	16,748,302	16,380,507
Total Trust Funds	<u>172,284,527</u>	<u>172,809,537</u>
<u>Current Assets</u>		
Petty Cash	38	57
Current	14,742	225,592
Imprest	138	925
Call	28,151	505,844
Conference 2017	-	24,045
Interest Receivable	13,805	27,596
HBFF Capacity Project	(93)	(6,000)
Prepayment of fees	-	25,563
Total Current Assets	<u>56,781</u>	<u>803,621</u>
<u>Investment Assets</u>		
New Zealand		
Shares Forsyth Barr	59,412,988	59,327,316
Shares Elevation Capital	51,256,130	51,842,084
Hedging Contracts NZ	984,265	-
Cash Self Term Deposits	5,000,000	3,200,000
Bonds Self	35,726,039	37,492,734
Te Kete Putea Ltd Partnership	24,175	36,263
Private Equity Pioneer Capital 11	1,580,158	1,548,929
Private Equity Pioneer Capital 111	458,287	458,287
Private Equity - Waterman Fund	1,648,262	948,262
Private Equity - Morrisons	1,141,243	1,141,243
Private Equity - Direct Capital V	27,500	-
Total New Zealand Investments	<u>157,259,047</u>	<u>155,995,118</u>
Overseas		
Hunter Investment Management	18,117,027	17,661,307
Total Overseas Investments	<u>18,117,027</u>	<u>17,661,307</u>
Total Current and Investment Assets	<u>175,432,855</u>	<u>174,460,046</u>
<u>Fixed Assets</u>		
Fixed Assets at Cost	1,007,436	995,042
Accumulated Depreciation	(162,591)	(157,817)
Fixed Asset Clearing	(612)	-
Total Fixed Assets	<u>844,233</u>	<u>837,225</u>
Total Assets	<u>176,277,089</u>	<u>175,297,271</u>
<u>Current Liabilities</u>		
Donation Creditors	3,171,620	2,311,850
Trade Creditors	756,691	111,054
Accrued Expenses	64,250	64,830
Total Current Liabilities	<u>3,992,562</u>	<u>2,487,734</u>
Net Assets	<u>172,284,527</u>	<u>172,809,537</u>

EASTERN & CENTRAL COMMUNITY TRUST
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE 4 PERIODS ENDING 31 July 2017

Income	Actual	Current Month Budget	Last year	Actual	Year To Date Budget	Last year	Budget	Full Year Last Year
<u>Realised Investment Income</u>								
Shares FBarr Interest	187	900	586	6,040	3,600	8,498	10,000	17,898
Shares FBarr Dividend	133,325	430,000	413,532	679,651	900,000	906,558	1,997,969	1,657,112
Shares ECap Interest	137	1,000	1,227	1,774	3,300	3,651	10,000	12,558
Shares ECap Dividend	68,224	160,000	149,134	740,960	710,000	694,702	1,931,562	1,767,863
Bonds Salf Interest	63,534	70,000	70,496	606,220	640,000	750,611	1,870,000	2,302,259
Cash Salf Realised Income	12,715	12,000	17,940	36,524	48,000	68,936	144,000	213,767
Sundry Income	0	0	0	0	0	0	170	1,100
	<u>278,120</u>	<u>673,900</u>	<u>662,915</u>	<u>2,071,169</u>	<u>2,304,900</u>	<u>2,432,955</u>	<u>5,963,701</u>	<u>5,972,558</u>
<u>Overseas</u>								
Hunter Investments Interest	0	0	0	0	0	0	883,000	0
Bonds Pimco Interest	0	0	1,183,159	8,831	0	1,506,677	0	1,695,201
	<u>0</u>	<u>0</u>	<u>1,183,159</u>	<u>8,831</u>	<u>0</u>	<u>1,506,677</u>	<u>883,000</u>	<u>1,695,201</u>
	<u>278,120</u>	<u>673,900</u>	<u>1,836,074</u>	<u>2,080,000</u>	<u>2,304,900</u>	<u>3,939,632</u>	<u>6,846,701</u>	<u>7,667,759</u>
<u>Total Realised Investment Income</u>								
	<u>278,120</u>	<u>673,900</u>	<u>1,836,074</u>	<u>2,080,000</u>	<u>2,304,900</u>	<u>3,939,632</u>	<u>6,846,701</u>	<u>7,667,759</u>
<u>Expenses</u>								
<u>Administration Expenses</u>								
Annual Report costs	0	9,800	9,836	5,348	13,800	12,998	34,000	33,131
APM expenses and costs	1,260	0	0	1,677	0	0	0	0
Promotion	16,197	8,000	681	23,368	25,000	13,015	65,000	40,170
Rent & Services	9,415	8,400	8,396	46,192	43,800	43,743	110,000	107,126
Telephone	836	1,000	1,281	3,562	4,000	5,177	12,000	10,139
Postage	200	500	423	725	1,550	1,233	4,000	2,308
Kiwi Saver net Contributions	2,493	1,350	1,343	6,319	5,380	5,217	17,250	16,832
Printing & Stationery	743	1,200	773	2,917	6,420	5,006	13,000	10,414
Insurance	0	0	0	5,512	5,000	2,244	5,000	4,955
General Expenses	-2,030	1,200	1,111	1,276	1,700	1,554	4,000	5,031
Computer Services	3,055	5,500	5,417	18,065	12,830	20,393	70,000	57,067
Nelson S - insurance	0	0	0	0	0	0	0	986
Nelson S - other	0	0	0	0	0	0	0	1,889
Staff Remuneration	37,146	49,500	37,557	146,891	149,600	140,911	430,500	415,980
Staff Training	2,494	800	823	2,692	2,300	1,500	6,000	3,908
Staff Travel	4,477	2,000	480	10,856	8,900	4,860	23,000	11,996
ACC Levies	887	1,700	1,075	887	1,700	1,075	1,700	1,075
Conference 2017	0	0	0	0	0	0	0	0
	<u>77,173</u>	<u>90,950</u>	<u>69,195</u>	<u>276,288</u>	<u>281,980</u>	<u>258,925</u>	<u>795,450</u>	<u>723,005</u>

	Current Month		Year To Date		Full Year	
	Actual	Budget	Actual	Budget	Actual	Budget
Trustee Expenses						
Trustees Remuneration	16,708	18,980	55,949	59,280	171,300	169,991
Trustee Expenses	-488	0	-488	0	0	3,304
Trustee Accommodation	802	3,000	4,375	5,300	12,700	9,464
Trustee - Mileage	2,901	1,900	9,304	7,800	20,200	18,534
Trustee - Meals/ Catering expenses	1,052	2,300	5,239	3,800	15,500	14,697
Trustee - Vehiderental	466	1,000	2,017	2,700	6,600	5,043
Trustee Airfares	896	0	896	0	0	0
Trustee Training	0	0	7,860	7,500	10,000	2,360
Liability Insurance	0	0	0	0	10,500	10,149
	22,33£	27,180	85,15£	86,380	246,800	233,541
Fee Expenses						
Affiliation Fees	0	7,000	6,325	7,000	7,000	6,325
Conference Fees	0	0	25,029	25,000	25,000	25,001
Donation Expenses	0	2,000	9,545	8,500	30,000	17,361
Professional Expenses	6,591	7,000	28,673	31,000	95,000	146,441
CGI Expenses	0	0	0	0	0	40,186
ECCT Funding Project	0	30,000	102,704	135,000	167,000	65,000
HEFF Capacity Project	9,718	0	9,718	0	0	0
Audit Fees	230	1,750	4,746	7,000	21,000	19,394
Nelson S - rates	0	0	0	0	0	0
Custodian Fees	3,754	4,200	15,484	15,600	50,000	47,547
Fund Managers Fees	34,185	33,600	129,183	134,400	400,000	401,425
	54,468	85,550	331,40£	363,500	795,000	768,67£
Depreciation	1,667	0	6,500	0	0	11,339
Amortisation-Te Kate Putea Fair Value Adjustment	3,022	0	12,088	0	0	18,131
Profit/Loss on Disposal of Fixed Assets	0	0	590	0	0	896
	4,689	0	19,168	0	0	30,366
Total Operating Expenses	158,664	203,680	712,01£	731,880	1,837,250	1,755,59£
Net Disposable Investment Income	119,45£	470,220	1,367,967	1,573,040	5,009,451	5,912,164
Donations						
Community Donations	353,000	750,000	1,309,000	1,550,000	3,053,000	2,190,500
Special Donations	485,600	430,000	892,450	780,000	2,011,203	2,107,996
Standard Donations	0	0	0	0	0	0
Discretionary Donations	0	0	105,000	175,000	175,000	305,000
Education Initiatives	0	0	0	0	0	0

	Current Month		Year To Date		Full Year	
	Actual	Budget	Actual	Budget	Budget	Last Year
Sport Trusts	0	0	340,000	340,000	340,000	340,000
Summer Reading Programme	0	0	240,000	230,000	230,000	226,000
	838,600	1,180,000	2,886,450	3,075,000	5,809,203	5,169,496
Regional Project Reserve Fund	0	0	0	0	0	0
Less Donations/Written Back	-76,845	20,000	-82,832	36,000	100,000	-98,216
	761,755	0	2,803,619	3,111,000	5,709,203	5,071,280
	-642,299	-729,780	-1,435,632	-1,537,990	-699,752	840,894
Surplus From Investment Income After Donations						
Realised Non Investment Income/Expenditure						
New Zealand						
Shares FBarr Disposal gain/loss	0	0	0	0	0	0
Shares ECap Disposal gain/loss	0	0	0	0	0	0
Property NZ Disposal gain/loss	0	0	0	0	0	0
Brokerage Fees	-16	0	-63	0	0	-55,787
Hedging gain/loss	-338,484	0	-327,173	0	0	1,681,130
Bonds Self Disposal gain/loss	0	0	0	0	0	0
	-338,499	0	-327,237	0	0	1,625,343
Unrealised Investment Income						
New Zealand						
Shares FBarr change in Currency	-513,657	0	-1,620,045	0	0	-1,490,464
Shares FBarr change in Value	-147,892	0	1,691,125	0	0	5,547,867
Shares ECap change in Currency	-585,793	0	-1,520,284	0	0	-2,112,001
Shares ECap change in Value	938,735	0	884,426	0	0	6,888,013
Property NZ change in Value	0	0	0	0	0	0
Hedging change in Value	1,188,902	0	984,265	0	0	-178,217
Bonds Self change in Interest	88,424	0	48,092	0	0	-91,863
Bonds Self change in Value	180,154	0	297,743	0	0	-675,353
FE Pioneer Capital II - Fair Value Adjustment	0	0	0	0	0	39,767
FE Pioneer Capital III - Fair Value Adjustment	0	0	0	0	0	-117,630
FE Direct Capital V - Fair Value Adjustment	0	0	0	0	0	-58,951
FE Morrison - Fair Value Adjustment	0	0	0	0	0	27,848
FE Watermans Fund - Fair Value Adjustment	0	0	0	0	0	-114,238
	1,148,872	0	765,322	0	0	7,664,778
Overseas						
Hunter Investment change in Value	199,333	0	472,538	0	0	-761,098
	199,333	0	472,538	0	0	-761,098
	1,009,705	0	910,623	0	0	8,529,024
	367,406	-729,780	-525,009	-1,537,990	-699,752	9,369,908

Committment Schedule

As at 1 August 2017

<u>Client</u> <u>Number</u>	<u>Client Name</u>	<u>Request</u> <u>Number</u>	<u>Date</u> <u>Approved</u>	<u>Balance</u> <u>Remaining</u>
Eastern And Central				
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
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
2,662	Central Hawke's Bay Agricultural & Pastoral Societ	24643	26-Nov-15	10,000.00
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
7,802	Schizophrenia Fellowship Wairarapa Branch Incorp	24863	31-Mar-16	2,000.00
7,713	Eketahuna Youth Trust	24459	26-May-16	40,000.00
5,469	Poupatate Marae	24830	26-May-16	20,000.00
4,233	Central Hawke's Bay District Community Trust	24964	26-May-16	140,000.00
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
6,245	National Science Technology Roadshow Trust Boa	24836	27-May-16	70,000.00
2,343	Ngata Memorial College	24915	28-Jul-16	40,000.00
1,881	Queen Elizabeth College	24990	28-Jul-16	20,000.00
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
7,864	Tairāwhiti Connex Charitable Trust	25098	28-Jul-16	80,000.00
7,588	Equippers Napier Trust	25172	28-Jul-16	10,000.00
4,201	Napier Sailing Club	25188	29-Sep-16	4,000.00
924	Rongotea School	25233	29-Sep-16	30,000.00
455	Hastings District Council	25274	29-Sep-16	30,000.00
4,474	Gisborne Tennis Club	25275	29-Sep-16	35,000.00
5,834	Foxton Windmill Trust Inc	25346	24-Nov-16	15,000.00
2,954	Havelock North High School	25348	24-Nov-16	10,000.00
6,450	Pukaha Mount Bruce Board	25352	24-Nov-16	30,000.00
1,058	Te Aute College	25406	26-Jan-17	25,000.00
7,529	Pourerere Beach Improvement Assn	25422	26-Jan-17	10,000.00
5,903	Tairāwhiti Community Law Trust	25423	26-Jan-17	18,000.00
2,714	Dannevirke & District Agricultural & Pastoral Assn	25424	26-Jan-17	35,000.00
4,384	Mahia Golf Club Inc	25432	26-Jan-17	10,000.00
4,569	Returned Services Assn Inc - Wairoa	25455	26-Jan-17	8,000.00
4,848	Ngati Porou Hauora Charitable Trust	25468	26-Jan-17	30,000.00
1,711	Matawai School	25469	23-Mar-17	25,000.00
3,784	Horowhenua Motorcycle Club Inc	25484	23-Mar-17	1,000.00
5,399	Card Reserve Artificial Surface Trust	25492	23-Mar-17	25,000.00
7,684	Zeal Education Trust	25504	23-Mar-17	10,000.00
7,933	Anderson Park Community Group	25510	23-Mar-17	4,000.00
2,498	Reignier School	25518	23-Mar-17	5,000.00
2,997	Hawke's Bay Mountain Bike Club Inc	25520	23-Mar-17	40,000.00
5,409	Wairoa Pony Club Inc	25522	23-Mar-17	15,000.00
7,938	Wairarapa Track & Field Inc	25538	23-Mar-17	4,000.00
7,256	Central Wairarapa Indoor Bowls Assn Inc	25541	23-Mar-17	10,000.00
7,767	Ashhurst Aquanauts	25553	23-Mar-17	4,000.00
5,401	Tikitiki School	25573	23-Mar-17	5,000.00
5,148	Te Huki Raupunga Marae Trustees	25436	25-May-17	45,000.00

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<u>Client Number</u>	<u>Client Name</u>	<u>Request Number</u>	<u>Date Approved</u>	<u>Balance Remaining</u>
5,635	Palmerston Nth City Council	25508	25-May-17	150,000.00
6,114	Waiohiki Marae Board of Trustees	25519	25-May-17	80,000.00
7,928	Rangiwaho Marae	25551	25-May-17	45,000.00
926	Roslyn School	25577	25-May-17	20,000.00
1,936	Ryder Cheshire Foundation (Manawatu)	25578	25-May-17	15,000.00
1,422	Frimley School	25584	25-May-17	10,000.00
1,048	Taradale Primary School	25596	25-May-17	10,000.00
2,826	Foxton Primary School	25605	25-May-17	1,900.00
6,296	Matapuna Trust	25615	25-May-17	18,000.00
5,452	Parenting Place Inc	25631	25-May-17	16,000.00
172	Bridge Pa School	25643	25-May-17	18,000.00
3,394	Otane School	25645	25-May-17	18,000.00
2,098	Waipawa Primary School	25646	25-May-17	20,000.00
7,963	Hawke's Bay Community Fitness Centre Trust	25647	25-May-17	250,000.00
7,951	Cape Coast Arts & Heritage Trust	25648	25-May-17	12,000.00
6,890	Tairāwhiti Cultural Development Trust	25649	25-May-17	35,000.00
6,519	Zion Family Centre Trust	25650	25-May-17	18,000.00
7,941	Te Taitoa Maori o Te Awahou	25652	25-May-17	20,000.00
7,968	Martinborough Volunteer Fire Brigade	25668	25-May-17	10,000.00
5,478	Reporua Marae	25692	25-May-17	10,000.00
2,118	Wairarapa Rural Education Activities Programme	25689	26-May-17	105,000.00
3,013	Sport Hawke's Bay	25693	26-May-17	106,120.00
2,377	Levin & District Senior Citizens Association	25580	27-Jul-17	10,000.00
2,496	Argyll East School	25599	27-Jul-17	20,000.00
3,225	Maraekakaho School	25601	27-Jul-17	18,000.00
268	Dannevirke High School	25711	27-Jul-17	15,000.00
431	Gisborne Rowing Club	25717	27-Jul-17	10,000.00
6,093	Horowhenua Events Centre Trust	25718	27-Jul-17	15,000.00
7,983	Returned Services Assn Inc - Levin	25719	27-Jul-17	13,000.00
6,096	Theatre Hawke's Bay Inc	25720	27-Jul-17	20,000.00
6,485	Canteen - Hawkes Bay Branch	25721	27-Jul-17	4,000.00
1,181	Westshore Surf Life Saving Club Inc	25725	27-Jul-17	12,000.00
6,944	NZ Down Syndrome Association	25728	27-Jul-17	4,000.00
7,353	Toki Incorporated	25729	27-Jul-17	4,000.00
578	Kereru School	25737	27-Jul-17	4,800.00
7,602	Youthquest Hawke's Bay Charitable Trust	25749	27-Jul-17	18,000.00
223	Chanel College	25750	27-Jul-17	14,000.00
6,254	NZ Council of Victim Support Groups Inc	25755	27-Jul-17	20,000.00
3,440	Palmerston Nth Community Patrol Charitable Trust	25758	27-Jul-17	2,500.00
7,978	Bennelong Mountain Bike Club	25763	27-Jul-17	4,000.00
6,601	Bay Independent Hockey Club	25765	27-Jul-17	4,000.00
1,243	Art Deco Trust Inc	25768	27-Jul-17	4,000.00
5,137	Waipapu Anglican Social Services Trust Board	25770	27-Jul-17	40,000.00
7,990	Fell Locomotive Museum Inc	25775	27-Jul-17	10,000.00
3,123	Levin Golf Club Inc	25776	27-Jul-17	8,000.00
7,981	Foxton Te Awahou Lions Club Inc	25778	27-Jul-17	2,000.00
4,262	Life Education Trust - Wairarapa & Southern Hawke	25779	27-Jul-17	20,000.00
1,865	Porritt Primary School	25780	27-Jul-17	18,000.00
1,518	Havelock North Tennis Club Inc	25781	27-Jul-17	35,000.00
6,811	Plant to Plate Aotearoa	25783	27-Jul-17	4,000.00
3,124	Levin Gymsports Inc.	25790	27-Jul-17	4,000.00
750	North Street School	25802	27-Jul-17	5,000.00
1,655	Makirikiri Marae Komiti	25803	27-Jul-17	4,000.00
444	Halcombe School	25806	27-Jul-17	15,000.00
3,939	Tennis Manawatu Inc	25810	27-Jul-17	4,000.00
999	St Mary's School - Hastings	25820	27-Jul-17	1,000.00
1,613	Kowhai Special School	25821	27-Jul-17	5,000.00
426	Gisborne Intermediate School	25822	27-Jul-17	5,000.00
6,709	Centre Skate Inc	25824	27-Jul-17	4,000.00
7,820	Paul Henare & Paora Winitana Basketball Academ	25833	27-Jul-17	4,000.00

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<u>Client</u> <u>Number</u>	<u>Client Name</u>	<u>Request</u> <u>Number</u>	<u>Date</u> <u>Approved</u>	<u>Balance</u> <u>Remaining</u>
7,984	Massive Company Trust	25834	27-Jul-17	2,000.00
180	Camberley School	25838	27-Jul-17	22,000.00
7,777	Hikoi Koutou Charitable Trust	25840	27-Jul-17	4,000.00
4,741	Life Education Trust - Hawke's Bay	25843	27-Jul-17	20,000.00
7,784	Waipawa District Lions Club	25844	27-Jul-17	18,000.00
Total for Eastern And Central				2,803,320.00
Report Totals				2,803,320.00

Donations Payable
TOTAL

\$ 368,300
\$ 3,171,620

Eastern & Central Community Trust

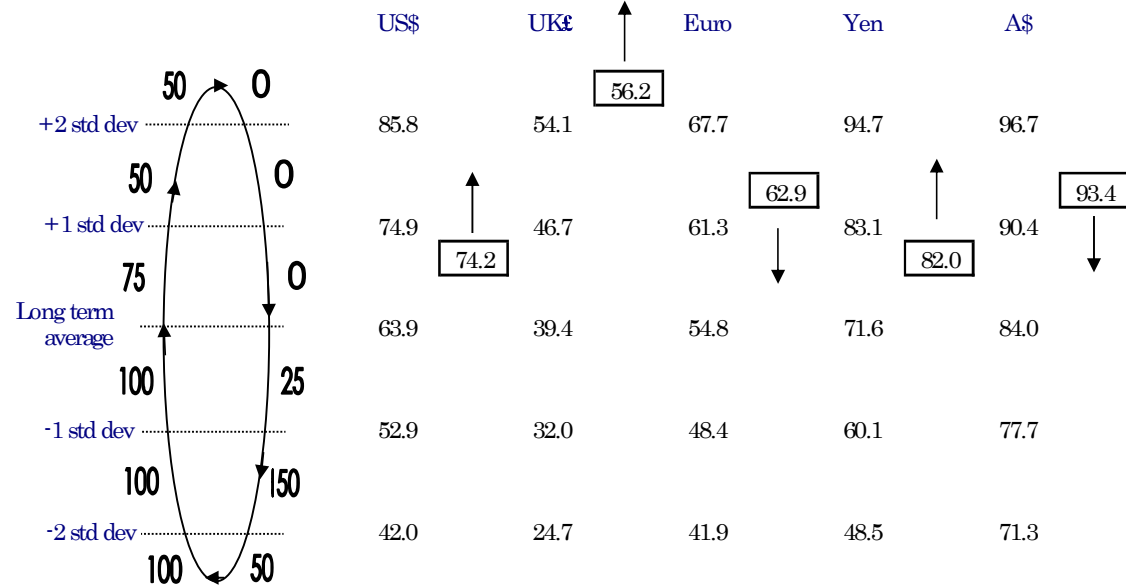
In the following table Bank of New Zealand sets out the mark to market value[s] of the transaction[s] stipulated in the request from the Customer on the bases set out in that request

External Deal Ref	Cust Buy Ccy	Cust Buy Amount	Cust Sell Ccy	Cust Sell Amount	Deal Rate	Maturity Date	Reval Rate	Market Value Date	
								MTM Value (NZD)	Spot Rate
CB461238	NZD	17,000,000.00	USD	12,374,300.00	0.727900	27-Sep-17	0.749652	492,776.28	0.750400
CB461239	NZD	3,000,000.00	AUD	2,874,300.00	0.958100	27-Sep-17	0.940436	-56,332.63	0.940705
CB461240	NZD	3,000,000.00	GBP	1,699,200.00	0.566400	27-Sep-17	0.570110	19,463.82	0.571755
CB464219	NZD	16,000,000.00	USD	11,635,200.00	0.727200	27-Sep-17	0.749652	478,714.81	0.750400
CB464221	NZD	3,500,000.00	GBP	1,967,000.00	0.562000	27-Sep-17	0.570110	49,642.40	0.571755
Total								984,264.67	



Eastern & Central Community Trust

Equities currency hedging contract position at 2 August 2017



	US\$	UK£	Euro	Yen	A\$
Current exchange rate	0.7419	0.5622	0.6288	82.03	0.9339
Policy position (from the above graph)	75%	50%	0%	75%	0%
Current position	75%	50%	50%	0%	25%

Exposure as at 30 June 2017

Forsyth Barr	24.86	2.99	13.48		6.21
Elevation Capital	17.29	9.24	10.49		5.32
Total	42.16	12.23	23.97		11.53

Target cover at 02 Aug 17 (\$m)	31.6	6.1	0.0	0.0	0.0
Current contract cover	33.00	6.500	12.200		3.000
Strike rate purchased	0.7276	0.5640	0.6534		0.9581
Target minus current contract cover =	-1.4	-0.4	-12.2	0.0	-3.0

Contract surplus (deficit) (\$m)	\$0.65	(\$0.02)	(\$0.46)	\$0.00	(\$0.08)
Total current contract surplus (deficit) = 93,480.26					

Historical hedging actions

6 Jul 2017 - 75% to US\$, 50% to UKP, EUR; 25% to AUD; 0% to Yen; maturity 27 Sep 2017.

28 Jun 2017 - 50% to US\$, EUR; 25% to UKP, AUD; 0% to Yen; maturity 27 Sep 2017.

20 Apr 2017 - 50% to EUR.; 0% to US\$, UKP, AUD & Yen; maturity 20 Jul 2017.

15 Mar 2017 - 0% to US\$, UKP, EUR, AUD & Yen; contract not rolled over.

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.

E&CCT ASSET ALLOCATION

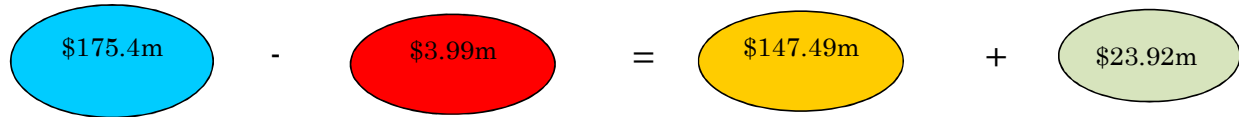
AS AT 31st JULY 2017

CURRENT ASSETS

LIABILITIES

CAPITAL BASE

RESERVES

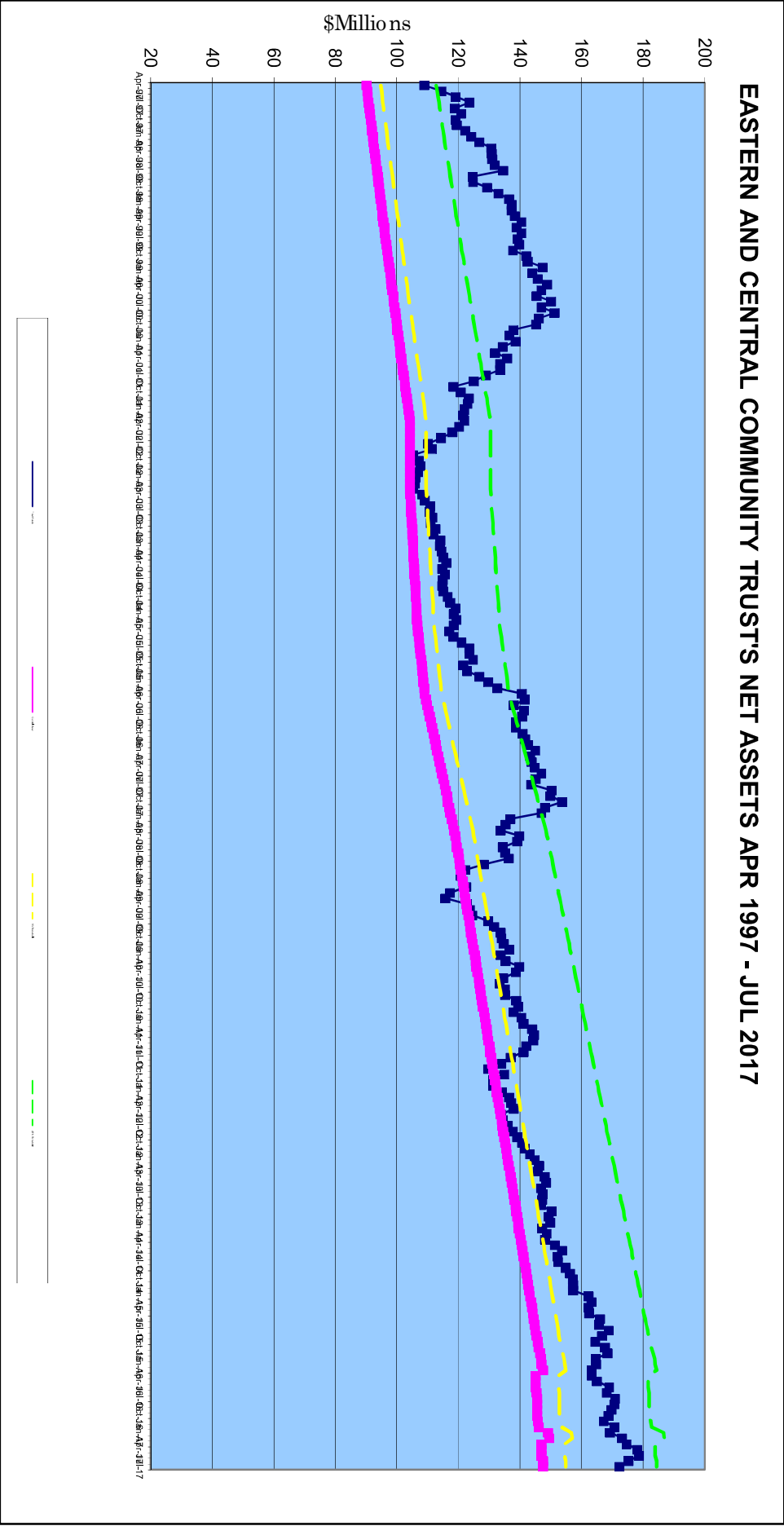


Benchmark (For Capital Base + maximum 25% in reserves)		Allowable Range	Tactical Target Updated February 2017	Actual Value \$m	Percentage of Current Assets	Percentage Variance from target	Variance from tactical target
60%	GROWTH ASSETS	50 - 65%	64%	\$115.5	65.9%	1.9%	\$3.2
30.0%	Shares Forsyth Barr	22.5% - 37.5%	30.0%	\$59.4	33.9%	3.9%	\$6.8
30.0%	Shares Elevation Capital	22.5% - 37.5%	30.0%	\$51.3	29.2%	-0.8%	-\$1.4
0%	Private Equity	0% - 10%	4%	\$4.9	2.8%	-1.2%	-\$2.2
35%	INCOME ASSETS	25 - 45%	30%	\$53.8	30.7%	0.7%	\$1.2
27.5%	NZ Bonds	20 - 35%	24.0%	\$35.7	20.4%	-3.6%	-\$6.4
7.5%	Overseas Bonds	5% - 10%	6.0%	\$18.1	10.3%	4.3%	\$7.6
5%	LIQUID ASSETS	2 - 10%	6%	\$6.1	3.5%	-2.5%	-\$4.5
5%	Self-managed Cash (incl Hedges & TKP)	2 - 10%	6%	\$6.1	3.5%	-2.5%	-\$4.5
100%	TOTAL		100%	\$175.4	100.0%		\$0.0

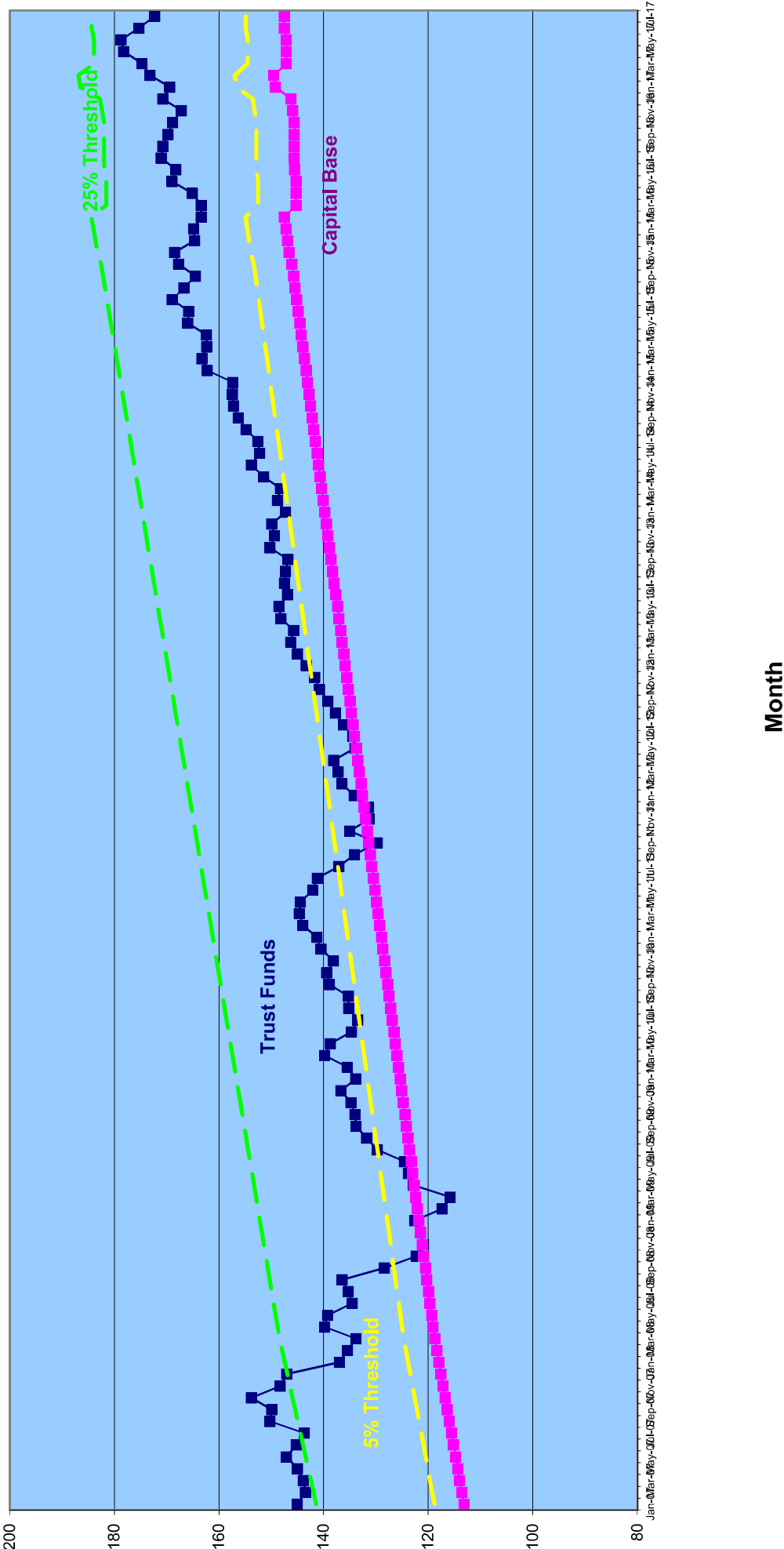
Benchmark Allocation -The benchmark allocation reflects the long-term views of the asset structures likely to generate the required investment return to meet the primary objectives. The benchmark allocation assumes a hypothetical “neutral environment”, i.e. one in which the Trustees do not have a tactical 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%.



EASTERN AND CENTRAL COMMUNITY TRUST'S NET ASSETS
JAN 2007 - JULY 2017



J:\Monthly Mgt Report\Financial Overview\Total Trust Funds.xls

REPORTING PAPER

Agenda Item **2.3**

Agenda Item **A & R Work-plan**

Presenter **Shelly Mitchell-Jenkins (A & R Chair)**

Proposed Resolution:

That the Board receives and accepts the A & R Work-plan report, and notes any required action items.

Purpose:

To report to the A & R Committee the action items on the monthly work-plan.

Management Letter from Auditor

We have not yet received this from the Auditor. Once received the action items recommended will be addressed by the General Manager and added to the A & R Committee Action Plan.

Certificate of Compliance with Statutory Reporting Requirements

In June 2015 the Trust Deed the financial reporting requirement of the community trusts was amended. Clause 15 (which required publishing financial reports and lists of donations in public newspapers) was replaced with a reference to clauses 13, 13A, 13B and 13C of the Community Trusts Act 1999. Copies of these clauses are attached for your information along with a letter from the General Manager outlining confirmation of the actions required.

Post Audit Task Schedule

Tasks required by the General Manager and A & R Committee will be identified and actioned once the post audit meeting has been completed with the Auditor.

Auditor Evaluation

The attached auditor review form will be forwarded to Staples Rodway and A & R Committee members for completion. The responses will be collated by the General Manager and the results will be used for the formal review of the auditor. The timeframe for this is October 2017.

ECCT Audit and Risk Committee Work -plan

Audit Work-plan

Purpose

To ensure that the Audit and Risk Committee have a work-plan that will ensure duties as outlined in the Terms of Reference are delivered.

Context

The terms of reference sets out what duties the Audit and Risk Committee have been tasked with. This paper serves to review those duties, outline how the duties are to be performed and then form the basis of an annual work-plan. The work-plan forms the basis of Audit and Risk meeting agendas, spreading the duties appropriately over the year.

ECCT Audit and Risk Committee Work -plan

#	Duty per Terms of Reference	How is this delivered	When is it delivered	Work-plan entry
1	Oversight of the Annual Financial Reporting and Audit Process	Discussions are held, a timeline is prepared by the GM which is reviewed and agreed to by the Committee. Progress against this plan is monitored at meetings. Drafts are reviewed when prepared and final review prior to presentation to the Board	The annual reporting and audit process is carried out from late January each year to the end of May when the financial accounts are approved by the full Trust.	January - discuss timeline for annual reporting process. April – review draft annual accounts. May – review final annual accounts for recommendation
2	Ensure the financial statements are compliant with generally accepted accounting practices	Compliance is ensured by the GM and accounting team monitoring changes in reporting standards. The audit report confirms they are compliant. Committee members who are CA's advise known changes, Community Trust's discuss and use of outside expert is used and can be funded jointly by Trusts	Ongoing but particularly relevant in the year end reporting process outlined in point 1	January – discuss with auditor any changes that they are aware of, discuss any areas of concern February – agenda item to discuss inclusion April – review draft accounts and confirm with GM compliance May – auditor will confirm compliance
3	Oversight of the annual production of the financial statements and related reports	Review and agree timeline with GM and auditor. Provide input to GM. Monitor progress over timeline	January - agree timeline Feb – May – monitor progress	January – agree timeline Feb – May – agenda item for progress report
4	Liaising with the external auditors	Meetings are held pre and post audit outlined below. The Chair will work with the GM and auditor as required at the time of financial statement during the audit process		January – planning meeting May – post audit
5	Reviewing the annual audit plan with the external auditors	A meeting is held with the auditor before year end and before the audit commences	At the January meeting	January – review audit plan

ECCT Audit and Risk Committee Work -plan

#	Duty per Terms of Reference	How is this delivered	When is it delivered	Work-plan entry
6	Reviewing audit findings in relation to the annual audit and matters relating to the financial statements, and monitoring the status of corrective actions required	A meeting is held with the auditor at the completion of the audit. The auditor provides a letter of audit findings to be discussed and then audit findings are carried forward to each meeting to monitor as needed	Generally at the May meeting but will be at the completion of the audit and prior to sign off of the financial statements Audit findings and corrective actions are checked at each bi-monthly meeting	May – post audit meeting Bring “post-audit task list” to meetings - June August October December
7	Reviewing compliance to relevant statutory reporting requirements	Part of timeline agreement for preparation of accounts and audit	Confirm with GM that requirements met	August
8	Recommending the appointment of the external auditors	Appointment of new auditors at the end of each contract is per the policy (Being developed)	At end of each contract or if decision not to continue within a contract period.	September – RFP issued October – review proposal and recommend to November Trust meeting
9	Determining the audit fees	Fees are included in the contract but reported again by the auditor at the pre-planning meeting, discussed by the committee then a resolution to recommend to the full Board	January meeting	January – determine audit fees for Board approval at January Trust meeting
10	Assessing the performance of the auditor	The auditor assessment is undertaken using the evaluation tool, self-review, review by A & R with GM and then meeting with auditor. Continuation of the auditor is recommended to the Board annually	Review is held post audit and recommendation made to the November meeting for continuation if within contract period.	Undertake review process in July/August to be confirmed at August meeting and recommended to September Board
11	Ensuring that the Trust has the appropriate policies in place and these policies are reviewed and monitored on a regular basis and reported to the Trust Board	There are a number of Board policies that are on the Board agenda for review and monitoring. (SIPD and Donations). Once the policy project is completed the A & R Committee will have a timetable	Policy project started August 2016, will take some time to develop and approve by Trust. Following this the policy	Ongoing Each meeting would usually have one or more policy reviews.

ECCT A & Work-plan – Approved October 2016

ECCT Audit and Risk Committee Work -plan

#	Duty per Terms of Reference	How is this delivered	When is it delivered	Work-plan entry
		for the review of each one which is then recommended for amendment or otherwise to the Trust. New policies would either go directly to the Trust or be first reviewed by the Committee.	index will be part of each meeting papers and one or more will be reviewed	
1 2	Receiving and reviewing the monthly financial reports, including investment performance of the Trust in months where a full Trust meeting is not held	These are provided bi-monthly by the GM		February April June August October December
1 3	Monitoring compliance with the Trust Deed and the Statutory Financial Reporting requirements as set in clause 15 of the Trust Deed	GM will provided a certificate of compliance annually	After the requirements are due to have been met – August each year	August
1 4	Evaluation and monitoring of the Trust's risk management policies, practices and procedures.	Evaluation and monitoring is carried out by the development of the Risk Matrix (developed by GM and A & R and approved by Board), regular update and review of status by GM, reporting by GM to the A & R Committee and Board,	The initial redevelopment of the matrix, scoring system, reporting/monitoring system and annual review will be brought to the October meeting for recommendation to the November Trust meeting. GM will report bi-monthly on Matrix	February April June August October December
1 5	Monitoring the Trust's internal control environment to assess its adequacy.	The internal control environment is generally assessed and documented by the auditor as part of their audit work.	This can be considered at each meeting.	February April June

ECCT Audit and Risk Committee Work -plan

#	Duty per Terms of Reference	How is this delivered	When is it delivered	Work-plan entry
		Comment is then given to management and to A & R post audit. There is no internal audit function being performed at present. The Committee should consider an independent controls review every couple of years or when key staff change, there is a major systems change or there is suspicion of some kind.		August October December

ECCT Audit and Risk Committee Work -plan

Audit and Risk Committee Annual Work-plan

January	Monthly Accounts and Investment reports Meet with auditor – audit plan/engagement letter/determine fees Recommend fees to Board Review annual report preparation planning timeline	
February	Monthly Accounts and Investment reports Independent review of internal controls Risk Register update Review annual report preparation timeline Review need for internal audit Policy review per timeline	
March	Meet with auditor for update Review annual report preparation timeline	
April	Monthly Accounts and Investment reports Review draft annual accounts Risk Register update Review need for internal audit Policy review per timeline	
May	Monthly Accounts and Investment reports Meet with auditor Review and Recommend annual financial statements to Board Review annual report preparation timeline	
June	Monthly Accounts and Investment reports Review annual report preparation timeline Risk Register update Audit findings list Review need for internal audit Policy review per timeline	
August	Monthly Accounts and Investment reports Risk Register update Audit findings list Auditor review Recommend Auditor to Board (if within contract) Review need for internal audit Policy review per timeline Certificate of compliance with Trust Deed and Statutory reporting	
October	Monthly Accounts and Investment reports Risk Register update Audit findings list Review need for internal audit Policy review per timeline Review proposals for auditor (2016) and recommend appointment to Board	
December	Monthly Accounts and Investment reports Risk Register update	

ECCT Audit and Risk Committee Work -plan

	Audit findings list Review need for internal audit Policy review per timeline	
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s 12

Community Trusts Act 1999

Reprinted as at
1 April 2014

transferred to that bank's successor company, in which the trust holds shares, or held shares at the time of its establishment.

- (2) This section is subject to sections 17 and 18.

Compare: 1988 No 90 s 18

12 Purposes of community trusts

- (1) Property vested in, or belonging to, a community trust must be—

- (a) held on trust to be applied for charitable, cultural, philanthropic, recreational, and other purposes; and
- (b) applied for purposes that are beneficial to the community principally in the area or region of the trust.

- (2) The purposes of a community trust are deemed to be charitable for the purposes of the application to a community trust of any enactment or rule of law.

- (3) Despite subsection (2), the application to a community trust of the Inland Revenue Acts or any other enactment that imposes or provides for the collection of a tax, duty, levy, or other charge is not affected.

Compare: 1988 No 90 s 21

Operational requirements relating to community trusts

13 Community trusts must prepare financial statements

- (1) A community trust must ensure that, within 5 months after the balance date of the trust, financial statements that comply with generally accepted accounting practice are—

- (a) completed in relation to the trust and that balance date; and
- (b) dated and signed on behalf of the trust by 2 trustees of the trust.

- (2) In addition to complying with subsection (1), the financial statements of a community trust must show separately—

- (a) the names of persons or organisations to whom distributions of income and capital have been approved or paid by the community trust under section 12 in the relevant accounting period; and
- (b) the amounts approved or paid.

- (3) In this section and sections 13A to 13C,—

applicable auditing and assurance standard has the same meaning as in section 5 of the Financial Reporting Act 2013

applicable financial reporting standard has the same meaning as in section 5 of the Financial Reporting Act 2013

balance date means the close of 31 March

financial statements has the same meaning as in section 6 of the Financial Reporting Act 2013

Reprinted as at
1 April 2014

Community Trusts Act 1999

s 13C

generally accepted accounting practice has the same meaning as in section 8 of the Financial Reporting Act 2013.

Section 13: replaced, on 1 April 2014, by section 125 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

13A Financial statements must be audited

- (1) A community trust must ensure that its financial statements are audited by a qualified auditor (within the meaning of section 35 of the Financial Reporting Act 2013).
- (2) *See* sections 37 to 39 of the Financial Reporting Act 2013 (which provide for the appointment of a partnership and access to information in relation to a community trust).
- (3) The auditor must, in carrying out an audit, comply with all applicable auditing and assurance standards.
- (4) The auditor's report on the financial statements must comply with the requirements of all applicable auditing and assurance standards.
- (5) Subsections (3) and (4) do not apply to a community trust that is a public entity (within the meaning of the Public Audit Act 2001).

Section 13A: inserted, on 1 April 2014, by section 125 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

13B Distribution and publication of financial statements

- (1) Unless directed otherwise by the Minister, the trustees of a community trust must, not later than 31 August in each year,—
 - (a) send the financial statements of the trust and the auditor's report to the Minister; and
 - (b) publish copies of those financial statements and the auditor's report on an Internet site maintained by or on behalf of the trust.
- (2) Despite subsection (1)(b), the trustees are not required to publish on the Internet site the information specified in section 13(2) if the trustees publish on the Internet site, with the financial statements and auditor's report, a statement that a list of all distributions of income and capital approved or paid by the community trust in the relevant accounting period is available, on request, from the office of the trust.

Section 13B: inserted, on 1 April 2014, by section 125 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

13C Financial reporting offences

- (1) Subsection (2) applies if—
 - (a) the financial statements of a community trust—
 - (i) are not completed and signed within the time specified in section 13; or

- (ii) fail to comply with an applicable financial reporting standard; or
 - (b) a community trust fails to comply with section 13A or 13B (which relates to auditing and distribution and publication of financial statements).
- (2) Every trustee commits an offence and is liable on conviction to a fine not exceeding \$50,000.
- (3) It is a defence to a trustee charged with an offence under this section in respect of a requirement referred to in subsection (1) if the trustee proves that—
 - (a) the community trust took all reasonable and proper steps to ensure that the requirement would be complied with; or
 - (b) the trustee took all reasonable steps to ensure that the requirement would be complied with; or
 - (c) in the circumstances, the trustee could not reasonably have been expected to take steps to ensure that the requirement would be complied with.

Section 13C: inserted, on 1 April 2014, by section 125 of the Financial Reporting (Amendments to Other Enactments) Act 2013 (2013 No 102).

14 Trustees must hold public meeting

- (1) The trustees of a community trust must hold a public meeting in the area or region of the trust not later than 31 October in each year.
- (2) The trustees must give not less than 14 days' notice of the meeting in 1 or more principal newspapers circulating in the area or region of the trust.
- (3) At the meeting the trustees must report on—
 - (a) the operation of the trust during the preceding financial year; and
 - (b) the financial statements of the trust for that year.

Compare: 1988 No 90 s 25

Contents of trust deeds

15 Provisions required in trust deed

The trust deed of a community trust must contain provisions—

- (a) specifying the number of trustees;
- (b) for the holding of, and voting at, meetings of trustees;
- (c) specifying the quorum required for the holding of meetings of trustees;
- (d) for the remuneration of trustees;
- (e) specifying the manner in which a vacancy in the office of trustee must be filled;
- (f) for the appointment of officers, employees, managers, and agents;
- (g) specifying the investment powers of trustees;



25th August 2017

S Mitchell-Jenkins
Cahir
A & R Committee
Eastern & Central Community Trust

Re: Certificate of Compliance with Statutory Requirements

Dear Shelly

In accordance with Trust Deed, I wish to advise the A & R Committee of the following requirements under clauses 13, 13A, 13B and 13C of the Community Trusts Act 1999.

13. I can confirm that the ECCT has prepared a set of financial statements according to generally accepted accounting practices. The financial statements have been dated and signed on behalf of the Trust by the Chair and Chair of the A & R Committee. The Trust has also compiled a separate list of names of organisations to whom grants were made in the financial year end 31 March 2017.

13A. I can confirm that the financial statements have been audited by a qualified auditor, and to the best of my knowledge the auditor complied with all applicable auditing and assurance standards.

13B. I can confirm that a set of signed/audited financial statements have been sent to the Associate Minister of Finance and the Department of Internal Affairs. A copy of the financial statements, along with the list of donations, will be uploaded to the ECCT website by end of day 28th of August as required by the Act.

13C. This clause is for noting by the A & R Committee.

If you have any questions regarding any points in this letter, please do not hesitate to contact me.

Yours sincerely

Jonathan Bell
General Manager

EASTERN AND CENTRAL COMMUNITY TRUST
AUDITOR EVALUATION

Scoring	Total
1 = poor	0-24
2 = below average	25-52
3 = average	53-76
4 = above average	77-94
5 = excellent	95-105

Expectation		
	Score	
Knowledge	Auditor	ECCT
1 Demonstrates the industry knowledge required to perform the audit work		
2 Demonstrates an understanding of the organisations needs and the final product to be delivered		
3 Shows a sound knowledge of legislation applicable to the organisation		
4 Uses knowledge to provide insights that provide value to the organisation		
Competency		
5 Ability to deal with difficult situations and conversations		
6 Provides access to technical information to support management		
7 Employs appropriate level of staff to undertake the audit		
8 Audit Partner was involved appropriately		
9 The audit team is professional, reliable and courteous		
10 Shows good judgment and sound		
11 Takes a risk based approach		
Communication and relationships		
12 Maintains timely and continuous communication before, during and after the audit		
13 Has an effective working relationship with the General Manager		
14 Has an effective working relationship with the Audit and Risk Committee		
15 Is flexible and responsive to urgency or change		
Outputs		
16 Provide audit plan and engagement documentation in a timely fashion		
17 Complete audit in agreed timeframe to meet Trust deadline		
18 Deliver an audit report that meets professional standards		
19 Provide a management letter that presents the findings and recommendations from the audit		
20 Complete the audit on budget or advise in advance of overruns		
21 Audit fees are fair and reflect the value of the services required		
Total score		

Key documents and agreed timeline

	Due date	Date Delivered	Comment
Audit plan and engagement documents			
Audit work started			
Audit sign off for full financial statements			
Audit sign off for summary financial statements			
Report to the Audit & Risk Committee			
Management letter			

DECISION PAPER

Agenda Item **3.1**

Agenda Item **ECCT Health & Safety Policy**

Presenter **Jonathan Bell (General Manager)**

Proposed Resolution:

That the A & R Committee review and ratify the ECCT Health & Safety Policy and make a recommendation to the full Board for approval.

Purpose:

To provide the A & R Committee a final draft of the Health & Safety Policy for their review and ratification as requested at the June 28th A & R Committee meeting.

3.22 Health & Safety Policy

Principle

ECCT is committed to providing and maintaining a safe and healthy workplace for all staff, and to providing the information, training and supervision needed to achieve this.

It is the Trust's responsibility, as an employer, to widely communicate the various procedures and to continuously mitigate, minimise and, where possible, eliminate, any barriers to achieving a safe working environment for its staff.

Each staff member is encouraged to play a vital and responsible role in maintaining a safe and healthy workplace.

An occupational safety and health (OSH) assessment must be carried out for any new staff members.

ECCT will abide by the Health and Safety in Employment Act 1992 and take all reasonable steps to prevent harm to staff, visitors and Trustees. The purpose of this policy is to communicate ECCT's commitment to the health and safety of its staff.

Scope

The policy applies to all staff members and Trustees.

Guidelines of the Policy

ECCT is committed to working together with staff members and those who attend our workplace to provide a safe and healthy working environment which meets national health and safety standards.

Safe Working Environment

A safe working environment can be defined as an environment and culture that ensures all staff and visitors are aware of the various hazards in the workplace and the procedures for mitigating and managing the occurrence of those.

In meeting the commitment to ensuring a safe working environment, ECCT will:

- provide a safe workplace, equipment, and proper materials
- establish and insist upon safe work methods and practices including regular reviews of health and safety issues
- provide relevant training and information pertaining to job requirements
- will keep a register of all incidents and accidents and cases of serious harm that occur at work
- in the case of an accident causing injury the procedures to be followed will be accordance with the Act, including:
 - Non-interference with the scene of the accident until authorised by an OSH Inspector, unless it is to help the injured or prevent serious damage or loss of property
 - Notification of the accident to the General Manager as soon as possible after the event

Approved date	
Next Review date	

- Providing the General Manager with a written report of the circumstances of the accident
- report all cases of serious harm to Worksafe as soon as practicable after the event
- comply with requirements of relevant legislation.
- Hold regular staff health and safety meetings
-

Consequences of Non-Compliance

If staff members do not comply with this policy, warnings may be given and/or their employment may be terminated depending on the seriousness of the breach. In some circumstances failure to follow the rules and procedures may result in the termination of employment.

Responsibilities

Staff Members

Staff members will be responsible for the following.

- Practicing safe work methods and observing rules and regulations relating to their work.
- Participating in health and safety training and information sessions arranged by ECCT.
- Reporting all situations deemed unsafe including incidents, accidents, injuries, and illnesses to the General Manager immediately and participating in any resulting investigation for preventive purposes.
- Enhancing the health and safety culture by taking advantage of consultation opportunities and contributing suggestions for improvement.
- Being aware that they may refuse to perform work if they reasonably believe that the work is likely to cause serious harm to themselves.
- Reporting any pain or discomfort as soon as possible.
- Helping new employees, trainees and visitors to ECCT to understand the right safety procedures and why they exist.
- Keeping the workplace tidy to minimise the risk of any trips or falls.

General Manager

The General Manager will be responsible for the following.

- Ensuring a register is in place and kept up to date that includes all incidents and accidents and cases of serious harm that occur at work.
- Taking practicable steps to provide and maintain a safe and healthy work environment and be responsible for safety in their area(s) of supervision in the same way that they are

Approved date	
Next Review date	

responsible for quality, efficiency, and maintenance.

- Recording all cases of serious harm as soon as practicable after the event.
- Fostering a work climate that supports early reporting of injuries and niggles.
- Ensuring accurate reporting and recording of all matters to do with health and safety.
- Identifying, assessing, and managing any unsafe conditions.
- Supporting the safe and early return to work of any injured staff.
- Ensuring regular staff health and safety meetings are held

Trustees

Trustees will

- Review the Health and Safety Policy on an annual basis.
- Abide by the Health & Safety Policy
- Provide a safe work environment for staff and visitors.

Approved date	
Next Review date	

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.	15
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.	15
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. GMI 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 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)	High	Significant	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	16
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 & FMS) failure.	Medium	Significant	General Manager & providers	TKP back ups off-site. External providers support TKP. Help Desk in place.	Review of TKP by all CTs 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	Media statements are issued by the Chair or GM. Code of conduct in place outlining expected behaviour of Staff & Trustees	Actions taken in accordance with the Complaints Policy. Trustees to be contacted advising of any issues which would cause serious concern to the Trust	4

CHANGES SINCE LAST REVIEW

Document Control	Date	Action
Annual Review by Board	27-Jul-17	Board Agenda Item
Reviewed by A & Committee	28-Jun-17	Noted

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

J: Audit & Risk/Risk Register Review

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

Monthly investment report to 31 July 2017

MCA statement

The investments are managed in accordance with the Sipo. We are not aware of any issues that require the trustees to take action.

Objective - \$7.2m target grants & operational costs

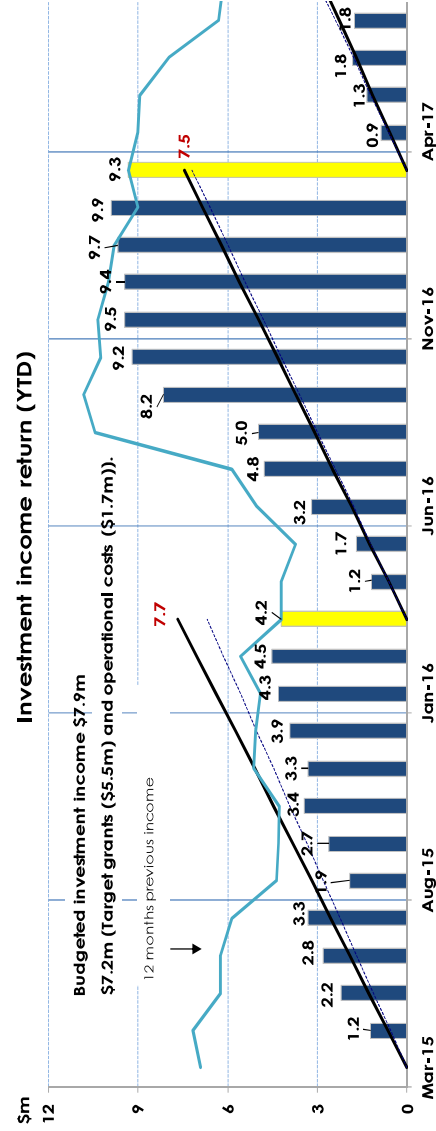
To receive each year actual investment income to fund the budgeted grants and operating costs, and total investment earnings to grow the capital base over the long term to protect the capital and future grants against the impact of inflation.

Assets: 175,334,421

Capital base: 147,166,482

Year-to-date (since 1 April 2017)












The investment portfolio has generated \$1,755,019 of income and experienced positive \$1,048,799 of market movements since 1 April 2017. The total return has been \$2,803,818 or 1.60% since 1 April 2017. The income level is below the budget.



The income excluding currency hedging settlements is \$2,082,203, which is above the accrued budgeted level.

The income attributed to currency hedging is negative \$327,184.

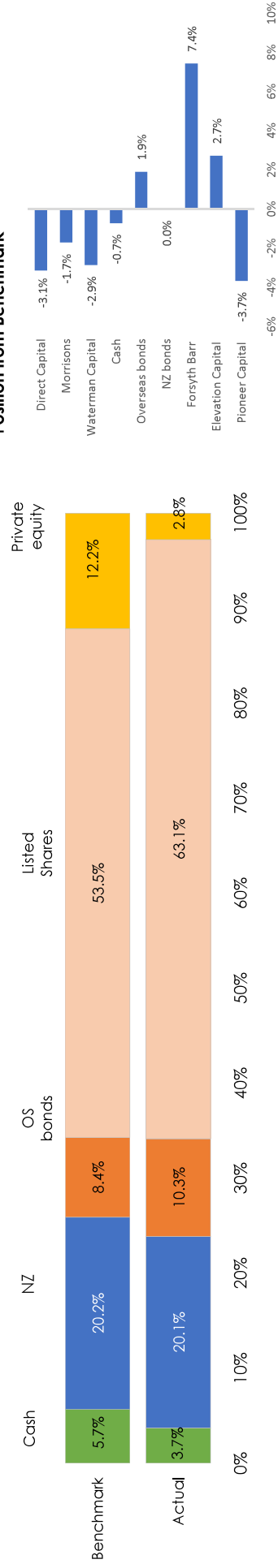
Summary

Overall Trust return (%)	Month	Year-to-date	2016/2017	Objectives
Income return	-0.03%	1.00%	5.66%	Liquidity 
Market movement	0.45%	0.60%	4.43%	Income 
Total return	0.42%	1.60%	10.10%	Growth 
Benchmark return	0.98%	2.89%	10.73%	Strategy 
Summary accounts (\$)				
Assets at start	174,452,687	174,735,066	165,961,700	Trust performance 
Net cash flow	153,395	(2,204,463)	(7,489,361)	Manager performance
Income received/(paid)	(58,161)	1,755,019	9,336,916	Cash 
Growth gains/(losses)	786,500	1,048,799	6,925,810	NZ bonds 
Total investment gains/(losses)	728,339	2,803,818	16,262,727	Overseas bonds 
Assets at end	175,334,421	175,334,421	174,735,066	Total listed shares 
Income sector assets at end	58,825,214	59,157,661		Elevation Capital 
Growth sector assets at end	116,509,207	115,577,405		Forsyth Barr 

Investment strategy - by manager and asset type

	Listed shares	Private equity	Bonds	Cash	Total	Actual	
						\$	%
Growth							
Listed shares							
Elevation Capital	\$51,230,642			\$25,488	\$51,256,130	\$51.26m	29.2%
Forsyth Barr	\$59,336,781			\$76,582	\$59,413,363	\$59.41m	33.9%
Private equity							
Pioneer Capital 2		\$1,580,158			\$1,580,158	\$1.58m	0.9%
Pioneer Capital 3		\$458,287			\$458,287	\$0.46m	0.3%
Waterman Capital		\$1,648,262			\$1,648,262	\$1.65m	0.9%
Morrison & Co		\$1,141,243			\$1,141,243	\$1.14m	0.7%
Direct Capital		\$27,500			\$27,500	\$0.00m	0.0%
						\$115.52m	65.9%
Income							
NZ bonds			\$35,305,824		\$35,305,824	\$35.31m	20.1%
Overseas bonds			\$18,042,393		\$18,042,393	\$18.04m	10.3%
						\$53.35m	30.4%
Cash							
Trust				\$5,056,781	\$5,056,781	\$5.06m	2.9%
Forsyth Barr				\$420,215	\$420,215	\$0.42m	0.2%
FX Overlay				\$984,265	\$984,265	\$0.98m	0.6%
						\$6.46m	3.7%
Total	\$110,567,422	\$4,855,450	\$53,348,218	\$6,563,331	\$175,334,421		
Current allocation (%)	63.1%	2.8%	30.4%	3.7%	100.0%		
Difference from benchmark	9.5%	-9.4%	1.8%	-1.9%	100.0%		
Benchmark	53.5%	12.2%	28.6%	5.7%			

Position from Benchmark



Investment strategy - by investment asset type

The investment strategy should be looked at in terms of the split of the current assets relative to the purpose, the benchmark, the benchmark applied to the capital base and the benchmark applied to 125% of the capital base.

		+		+		=	
Purpose/focus	Liquidity Certainty	Income Reduced volatility	Inflation protection Growth	Current grants Intergenerational Equity			
Benchmark (\$)	Short-term \$10.00m	Medium-term \$50.00m	Long-term \$115.33m	\$175.33 m			
Benchmark (%)	5.7%	28.6%	65.7%	100.0%			
Current assets vs benchmark							
Current assets	\$6.46 m	\$53.35 m	\$115.52 m	\$175.33 m			
Benchmark assets	<u>\$10.00 m</u>	<u>\$50.00 m</u>	<u>\$115.33 m</u>	<u>\$175.33 m</u>			
Excess (shortfall)	-\$3.54 m	\$3.35 m	\$0.19 m	\$0.00 m			
Current assets vs capital base							
Current assets	\$6.46 m	\$53.35 m	\$115.52 m	\$175.33 m			
Capital base	<u>\$10.00 m</u>	<u>\$50.00 m</u>	<u>\$87.17 m</u>	<u>\$147.17 m</u>			
Excess (shortfall)	-\$3.54 m	\$3.35 m	\$28.35 m	\$28.16 m			
Current assets vs 125% x capital base							
Current assets	\$6.46 m	\$53.35 m	\$115.52 m	\$175.33 m			
Target assets	<u>\$10.00 m</u>	<u>\$50.00 m</u>	<u>\$123.96 m</u>	<u>\$183.96 m</u>			
Excess (shortfall)	-\$3.54 m	\$3.35 m	-\$8.44 m	-\$8.63 m			

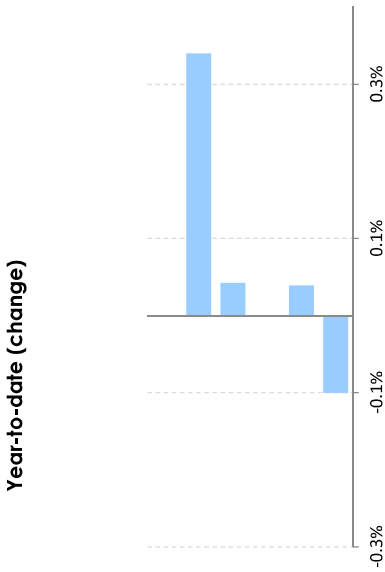
Notes:

1. For the target asset levels, the cash holdings should include the undistributed distribution a/c.
2. The allocation to bonds is below the optimal level for 125% x Capital base.
3. The allocation to shares/property is below the benchmark level on each basis, reflecting the general downturn in the markets over the last 6 years.
4. The capital base (i.e. \$147.17m) represents the inflation adjusted original capital base set in April 1997 (i.e. \$90m) and should, in addition, include the undistributed grants reserve. The current assets should ideally exceed the value of these.

Environment and market statistics

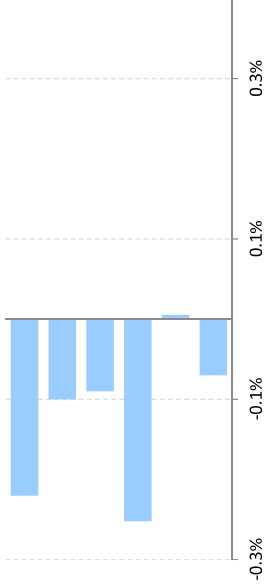
90-day bank bill rates

	Start of year 1 Apr 2017	Start of period 1 Jul 2017	End of period 31 Jul 2017	Movement	
				Month	Year-to-date
NZ	2.0%	2.0%	2.0%	0.0%	0.0%
US	0.8%	1.0%	1.1%	0.1%	0.3%
UK	0.1%	0.1%	0.1%	0.0%	0.0%
Euro	(0.3%)	(0.3%)	(0.3%)	0.0%	0.0%
Japan	(0.1%)	(0.1%)	(0.1%)	0.0%	0.0%
Australia	1.8%	1.7%	1.7%	0.0%	(0.1%)



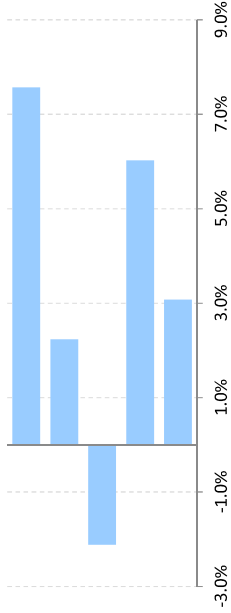
10-year government bond yields

	Start of year 1 Apr 2017	Start of period 1 Jul 2017	End of period 31 Jul 2017	Movement	
				Month	Year-to-date
NZ	3.2%	3.0%	3.0%	0.0%	(0.2%)
US	2.4%	2.3%	2.3%	(0.0%)	(0.1%)
UK	1.1%	1.0%	1.0%	0.0%	(0.1%)
Euro	1.5%	1.1%	1.2%	0.1%	(0.3%)
Japan	0.1%	0.1%	0.1%	(0.0%)	0.0%
Australia	2.7%	2.6%	2.6%	0.0%	(0.1%)



Exchange rates

	Start of year 1 Apr 2017	Start of period 1 Jul 2017	End of period 31 Jul 2017	Movement	
				Month	Year-to-date
US	0.6991	0.7326	0.7520	2.6%	7.6%
UK	0.5600	0.5626	0.5725	1.8%	2.2%
Euro	0.6543	0.6403	0.6405	0.0%	(2.1%)
Yen	78.36	82.03	83.08	1.3%	6.0%
Australia	0.9142	0.9508	0.9423	(0.9%)	3.1%



Environment and market statistics

Sharemarket returns (local currency)

	Month	Year-to-date	Last 12 months	Last 3 years (p.a.)	Last 5 years (p.a.)
US (S&P 500)	1.9%	4.6%	13.7%	8.6%	12.4%
Japan (Nikkei 225)	(0.5%)	5.4%	20.3%	8.5%	18.0%
UK (FTSE 100)	0.8%	0.7%	9.6%	3.1%	5.5%
Germany (DAX)	(1.7%)	(1.6%)	17.2%	8.8%	12.3%
France (CAC 40)	(0.5%)	(0.6%)	14.7%	6.3%	9.1%
Australia (ASX 200)	(0.0%)	(1.6%)	7.3%	5.1%	10.9%
NZ (S&P/NZX 50)	1.1%	6.9%	4.7%	14.2%	16.8%
MSCI Net div unhedged	1.6%	3.8%	16.7%	12.8%	14.4%
MSCI Net div 50% hedged	1.5%	4.9%	18.0%	12.4%	15.3%
MSCI Net div 100% hedged	3.0%	7.7%	21.2%	12.4%	16.3%

Note:

1. Year-to-date is the period since 1 April 2017.
2. The exchange rates are those on the Reserve Bank website. These are generally updated at 3pm each day. The actual exchange rates for the hedging contracts will be the bank's close of business rates, which will be a different exchange rate. The movement in rates from 3pm to 3pm may be materially different from close of business to close of business.

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Eastern & Central Community Trust Inc

Monthly Report for July 2017

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
--------	---------------	------------	---------------------	-------

Nil

The bond sales over the period were as follows:

Issuer	Maturity Date	Face Value	Proceeds ²	Yield
--------	---------------	------------	-----------------------	-------

Nil

The bond maturities over the period were as follows:

Issuer	Maturity Date	Face Value	Coupon
--------	---------------	------------	--------

Nil

The cash purchases over the period were as follows:

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

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:	\$11.678 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 July the following occurred:

- Nil

During August the following will occur:

- Rabobank announced that they will be redeeming their perpetual bonds in October (as expected). ECCT holds \$1 million of these bonds and the redemption will decrease the portfolio exposure to Hybrids / Perpetuals;
- \$1.275 m of Powerco bonds will mature in September;
- Heartland Bank has announced an offer of senior bonds with a 5 year maturity – details to follow.

Key Portfolio Information

Eastern & Central Community Trust Inc

Bond Maturity Analysis:

Maturity Date ¹	Portfolio Holding	
	\$ Face Value	%
2017 ²	\$3,350,000	10%
2018	\$1,958,000	6%
2019	\$4,375,000	13%
2020	\$2,000,000	6%
2021	\$7,800,000	23%
2022	\$4,475,000	13%
2023	\$6,270,000	18%
2024	\$2,710,000	8%
2025	\$0	0%
2026	\$0	0%
Perpetual	\$1,275,000	4%
	\$34,213,000	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+	\$11,340,000	33.1%
BBB	\$3,800,000	11.1%
BBB-	\$1,000,000	2.9%
BB+	\$6,178,000	18.1%
BB	\$0	0.0%
BB-	\$0	0.0%
Not Rated	\$9,895,000	28.9%
	\$34,213,000	100%
Average Weighted Credit:		BBB-



Interim Only

Portfolio Summary

Eastern & Central Community Trust Inc
31 July 2017

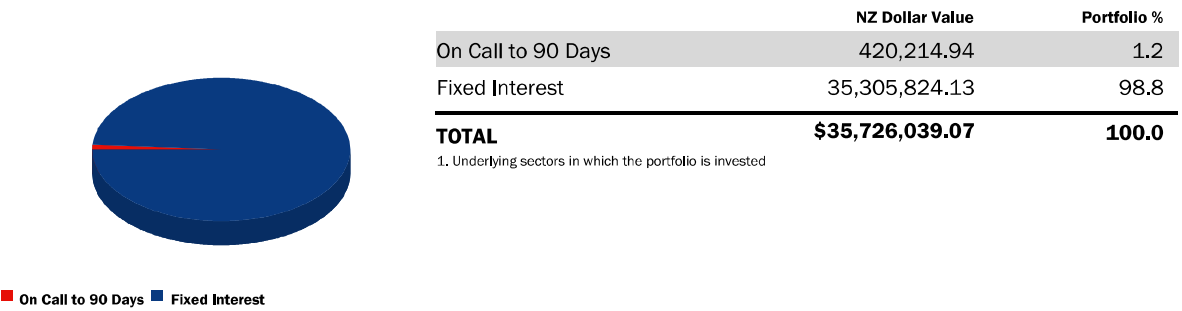
Account Number: 1870575
Advisor Name: Philip Williams

Premium Advisory Service

Your Forsyth Barr Advisor will provide you with advice in relation to this portfolio, while you, the investor, will determine the investments held and any changes to those investments by instructing us on each and every transaction. You will then receive the relevant contract note or acknowledgement, to confirm the details of the transaction.

Our understanding of the basis of provision of advice to you is as follows:
You request our advice on each of the securities in your portfolio and to receive recommendations for other securities or opportunities that you may wish to consider.

Asset Allocation¹



Portfolio Valuation²



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Interim Only

Portfolio Appraisal

Securities listed by market on which they trade

Eastern & Central Community Trust Inc
31 July 2017

Account Number: 1870575
Advisor Name: Philip Williams

New Zealand Dollar		Local Currency				
Quantity	Security	Unit Cost	Total Cost	Current Price	Market Value	% Asset (1)
Cash						
At Call						
	Forsyth Barr Cash Management		420,214.94		420,214.94	1.2%
			420,214.94		420,214.94	1.2%
Fixed Interest						
Direct						
1,250,000	Powerco Limited 28/09/2017 6.74% (Bond)	0.93	1,158,448.47	1.007	1,258,422.23	3.5%
600,000	Kiwibank Limited 15/12/2017 5.80% (Bond)	1.00	600,000.00	1.005	603,070.92	1.7%
500,000	Infratil Limited 15/11/2018 6.85% (Bond)	1.04	520,291.58	1.028	514,013.59	1.5%
500,000	Fletcher Building Industries Limited 15/03/2019 6.45% (Bond)	1.00	500,000.00	1.030	515,160.49	1.5%
1,375,000	Contact Energy Limited 15/05/2019 5.80% (Bond)	1.00	1,375,000.00	1.047	1,440,152.96	4.1%
2,000,000	ASB Bank Limited Subordinated Notes 15/06/2024 6.65% (Bond)	1.00	2,000,000.00	1.047	2,093,393.61	5.9%
1,870,000	Mercury NZ Limited 11/07/2044 6.90% (Bond)	1.00	1,870,000.00	1.044	1,953,129.94	5.5%
250,000	Kiwi Capital Funding Limited 15/07/2024 6.61% (Bond)	1.00	250,000.00	1.016	253,916.21	0.7%
250,000	Trustpower Limited 15/09/2019 6.75% (Bond)	1.00	250,000.00	1.048	262,006.21	0.7%
2,000,000	Bank of New Zealand Subordinated 17/12/2025 5.314% (Bond)	1.00	2,000,000.00	1.028	2,055,186.81	5.8%
1,500,000	Fletcher Building Industries Limited 15/03/2021 4.75% (Bond)	1.00	1,500,000.00	1.000	1,499,921.45	4.3%
250,000	Sky Network Television Limited 31/03/2021 6.25% (Bond)	1.00	250,000.00	1.045	261,256.30	0.7%
700,000	Chorus Limited 06/05/2021 4.12 % (Bond)	1.00	700,000.00	1.010	707,332.01	2.0%
600,000	Wellington International Airport Limited 15/05/2021 6.25% (Bond)	1.00	600,000.00	1.095	656,946.32	1.9%
750,000	Kiwi Property Group Limited 20/08/2021 6.15% (Bond)	1.00	750,000.00	1.076	806,884.47	2.3%

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Interim Only

Portfolio Appraisal

Securities listed by market on which they trade

Eastern & Central Community Trust Inc
31 July 2017

Account Number: 1870575

Advisor Name: Philip Williams

New Zealand Dollar		Local Currency				
Quantity	Security	Unit Cost	Total Cost	Current Price	Market Value	% Asset (1)
2,000,000	Westpac Banking Corporation Subordinated Notes 01/09/2026 4.695% (Bond)	1.00	2,000,000.00	1.012	2,024,928.70	5.7%
2,000,000	Christchurch International Airport Limited 04/10/2021 6.25% (Bond)	1.01	2,014,084.40	1.095	2,189,815.04	6.2%
2,000,000	Vector Limited 15/06/2022 5.70% (Bond)	1.00	2,000,000.00	1.036	2,072,887.10	5.8%
475,000	Contact Energy Limited 15/11/2022 4.63% (Bond)	1.00	475,482.50	1.035	491,500.75	1.4%
2,000,000	Trustpower Limited 15/12/2022 4.01% (Bond)	1.00	2,000,000.00	0.991	1,981,775.19	5.6%
2,000,000	Spark Finance Limited 10/03/2023 4.51% (Bond)	1.02	2,045,201.92	1.049	2,098,313.50	5.9%
1,400,000	Wellington International Airport Limited 12/05/2023 4.25% (Bond)	1.01	1,415,283.97	1.005	1,407,057.23	4.0%
870,000	Kiwi Property Group 07/09/2023 4.00% (Bond)	1.00	870,000.00	0.979	851,518.67	2.4%
2,000,000	Z Energy Limited Bonds 01/11/2023 4.32% (Bond)	1.00	2,000,000.00	0.991	1,982,632.22	5.6%
840,000	Meridian Energy Limited 20/03/2024 4.88% (Bond)	1.00	840,847.50	1.037	871,273.26	2.5%
958,000	Genesis Energy Limited 15/07/2041 6.19% (Bond)	1.07	1,022,535.58	1.026	982,908.00	2.8%
	Accrued Interest				310,170.95	0.9 %
Perpetuals						
500,000	ANZ Bank New Zealand Limited Perpetual 5.28% (Perpetual Bond)	1.00	500,000.00	1.023	511,250.00	1.4%
500,000	Credit Agricole Perpetual Deeply Subordinated Notes 5.04% (Perpetual Bond)	1.00	500,000.00	0.936	468,000.00	1.3%
12,750	Nufarm Finance NZ Limited Preference Shares 5.865% (Perpetual Bond)	115.74	1,475,694.44	94.000	1,198,500.00	3.4%
1,000,000	Rabobank Nederland Perpetual 2.8825% (Perpetual Bond)	1.00	1,000,000.00	0.983	982,500.00	2.8%
			34,482,870.36		35,305,824.13	98.8%

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Interim Only

Portfolio Appraisal

Securities listed by market on which they trade

Eastern & Central Community Trust Inc
31 July 2017

Account Number: 1870575
Advisor Name: Philip Williams

New Zealand Dollar		Local Currency			
Quantity	Security	Unit Cost	Total Cost	Current Price	Market Value
					% Asset (1)
Total			34,903,085.30		35,726,039.07
					100.0%
Exchange rate to New Zealand Dollar (FX = 1.0000)					
New Zealand Dollar Market Value of New Zealand Dollar assets:					
\$35,726,039.07					

Securities traded in this market are held by Forsyth Barr Custodians Ltd, New Zealand, with the exception of cash which is held by Forsyth Barr Cash Management Nominees Ltd, New Zealand.



Interim Only

Portfolio Appraisal

Securities listed by market on which they trade

Eastern & Central Community Trust Inc
31 July 2017

Account Number: 1870575
Advisor Name: Philip Williams

New Zealand Dollar		Local Currency				
Quantity	Security	Unit Cost	Total Cost	Current Price	Market Value	% Asset (1)

(1) Expressed as a percentage of the total value of the portfolio, as stated in the Portfolio Summary.

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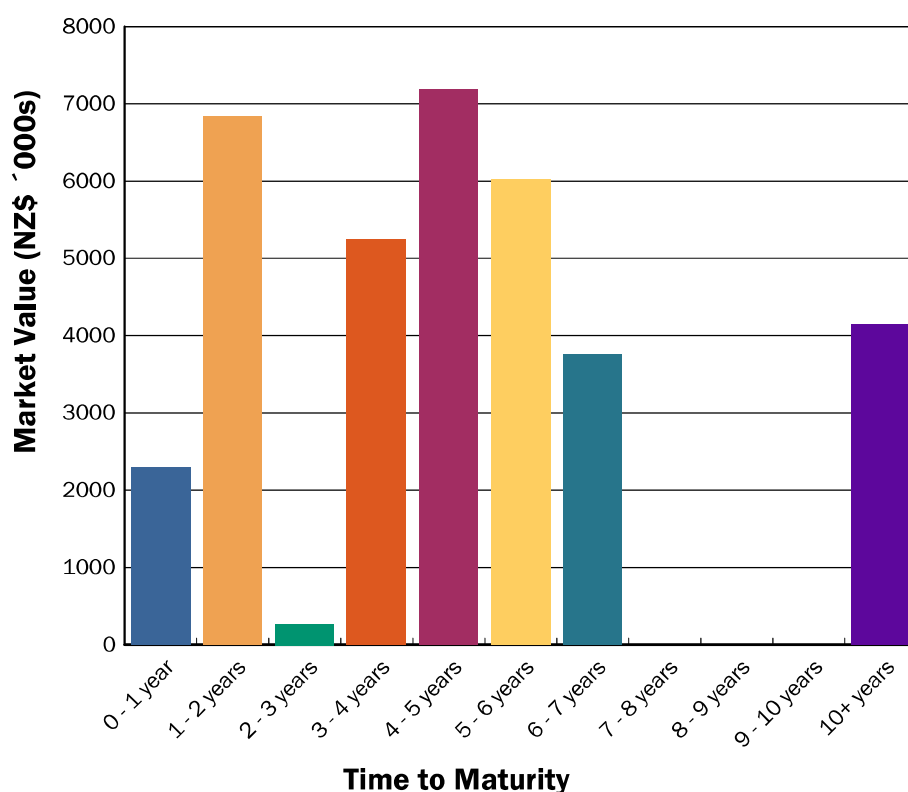
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Maturity Profile

Eastern & Central Community Trust Inc
31 July 2017

Account Number: 1870575

Advisor Name: Philip Williams



Maturity	Market Value NZ\$	Profile %
0 - 1 year	2,293,636.89	6.42
1 - 2 years	6,830,069.79	19.12
2 - 3 years	264,115.59	0.74
3 - 4 years	5,235,971.52	14.66
4 - 5 years	7,184,967.67	20.11
5 - 6 years	6,018,708.68	16.85
6 - 7 years	3,755,410.93	10.51
7 - 8 years	0.00	0.00
8 - 9 years	0.00	0.00
9 - 10 years	0.00	0.00
10+ years	4,143,158.00	11.60
Total	35,726,039.07	100.00

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Interim Only

Transactions

Securities listed by market on which they trade

Eastern & Central Community Trust Inc
From 1 July 2017 To 31 July 2017

Account Number: 1870575
Advisor Name: Philip Williams

				Local Currency			NZD	
Transaction Date	Quantity	Security	Transaction Description	Net Unit Price	Net Amount	Transaction Cost	FX Rate	Net Amount
There have been no transactions for the period.								

This schedule reports on any transaction that results in a consequential increase or decrease in your portfolio holding.

Transaction costs include brokerage, trade fee, and for securities transacted in foreign markets, an agency fee.

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Interim Only

Movements

Securities listed by market on which they trade

Eastern & Central Community Trust Inc
From 1 July 2017 To 31 July 2017

Account Number: 1870575
Advisor Name: Philip Williams

Date	Description	Quantity Held Open	Movement	Quantity Held Close
There have been no movements for the period.				



Interim Only

Cash Ledger

Eastern & Central Community Trust Inc
From 1 July 2017 To 31 July 2017

Account Number: 1870575
Advisor Name: Philip Williams

1. Current Cash Holdings

Currency	Amount	FX Rate	NZ Dollar Value
New Zealand Dollar			
Forsyth Barr Cash Management	420,214.94	1.0000	420,214.94
			420,214.94

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Interim Only

Cash Ledger

Eastern & Central Community Trust Inc
From 1 July 2017 To 31 July 2017

Account Number: 1870575
Advisor Name: Philip Williams

2. Cash Transactions

Date	Transaction	Value
New Zealand Dollar		
Forsyth Barr Cash Management		
	Opening Balance:	566,056.39
10/07/17	Transfer from Account Ledger	7,206.25
11/07/17	Transfer from Account Ledger	32,257.50
12/07/17	Transfer to Account Ledger	-9,375.00
17/07/17	Transfer from Account Ledger	14,825.05
18/07/17	Transfer from Account Ledger	8,262.50
19/07/17	Transfer to Account Ledger	-200,000.00
31/07/17	Interest Received - Forsyth Barr Cash Management	982.25
	Closing Balance:	420,214.94
Account Ledger		
	Opening Balance:	0.00
10/07/17	Interest Received - Rabobank Nederland Perpetual 2.8825%	7,206.25
10/07/17	Transfer from Account Ledger	-7,206.25
11/07/17	Interest Received - Mercury NZ Limited 11/07/2044 6.90%	32,257.50
11/07/17	Transfer from Account Ledger	-32,257.50
12/07/17	Portfolio Fee	-9,375.00
12/07/17	Transfer to Account Ledger	9,375.00
17/07/17	Interest Received - Kiwi Capital Funding Limited 15/07/2024 6.61%	8,262.50
17/07/17	Interest Received - Genesis Energy Limited 15/07/2041 6.19%	14,825.05
17/07/17	Transfer from Account Ledger	-14,825.05
18/07/17	Transfer from Account Ledger	-8,262.50
19/07/17	Transfer to Account Ledger	200,000.00
19/07/17	Withdrawal from Portfolio - 030642-0797656-00 (Eastern & Central Community Trust Inc) - Direct Credit	-200,000.00
	Closing Balance:	0.00

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Interim Only

Cash Ledger

Eastern & Central Community Trust Inc
From 1 July 2017 To 31 July 2017

Account Number: 1870575
Advisor Name: Philip Williams

3. Foreign Exchange Transactions

Cash transactions between currencies (extracted from Cash Ledger 2, Cash Transactions)

Date	Transaction	Currency	Value	FX Rate	NZ Dollar Value
There are no foreign exchange transactions for this period.					

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Interim Only

Income Summary

Eastern & Central Community Trust Inc
From 1 July 2017 to 31 July 2017

Account Number: 1870575

Advisor Name: Philip Williams

Prescribed Investor Rate (PIR) 0%

Withholding Tax Rate Exempt

All figures are shown in New Zealand Dollars (NZD)	Gross Amount	PIE Tax	Withholding Tax	Imputation Credits	Withholding Payment Credits	Issuer Management Fees	Net Amount
Cash & At Call	982.25						982.25
Fixed Interest	62,551.30						62,551.30
New Zealand Equities							
Foreign Equities							
Total Portfolio Income	63,533.55	0.00	0.00	0.00	0.00	0.00	63,533.55

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Performance Report: portfolio valuation

Internal rate of return (IRR) for the change in total portfolio value, adjusted for contributions/withdrawals, interest/dividends etc.

Eastern & Central Community Trust Inc

From 1 July 2017 To 31 July 2017

Account Number: 1870575

Advisor Name: Philip Williams

Reporting Currency New Zealand Dollars

Opening Market Value	35,555,439.08
Net Contributions/Withdrawals	-200,000.00
Realised Gain	0.00
Realised Price Gain	0.00
Realised FX Gain	0.00
Unrealised Gain	228,017.80
Unrealised Price Gain	228,017.80
Unrealised FX Gain	0.00
Interest	63,533.55
Dividends	0.00
Change in Accrued Interest	95,629.89
Change in Dividends Receivable	-7,206.25
Portfolio Fees	-9,375.00
Closing Market Value	35,726,039.07
Price IRR for 0.08 Years	1.04%
FX IRR for 0.08 Years	0.00%
IRR for 0.08 Years	1.04%

This report is interim only and some of the figures included may be subject to change due to some data being unprocessed at the time this report is created. The IRR is calculated on a before tax but after fees basis. The information shown in this report is obtained from various sources believed to be reliable. While every effort has been made to ensure accuracy, no liability is accepted for any errors or omissions. The foreign exchange (FX) rates reported are the closing rates as at the close of business. Actual transaction FX rates may differ.



07 August 2017

Eastern & Central Community Trust
102 Russell Street
South Hastings 4156
New Zealand

Investor number:	IIS5012
Investor name:	Eastern & Central Community Trust
Investor IRD number:	51220447
Investor Prescribed Investor Rate (PIR):	0.00%

Dear Jonathan Bell

Application transaction advice

Summarised below are the transaction details for your investment with Hunter Investment Funds for 04 Aug 2017:

Applications processed on 04 Aug 2017

Fund	Units	Price	Amount invested
Hunter Global Fixed Interest Fund	4,373.13	1.0343	\$4,523.13
Total net proceeds			\$4,523.13

Summary of holdings following today's transactions:

Fund	Units	Exit price	Market value
Hunter Global Fixed Interest Fund	17,533,172.78	1.0333	\$18,117,027.43

If you have any queries regarding your transactions please contact us on 0800 499 466.

Yours sincerely

A handwritten signature in black ink, appearing to read "Tony Hildyard".

Tony Hildyard
Managing Director