



Annual Report

Wellington Community Fund

For the year ended 31 March 2024

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Audit Report

Wellington Community Fund
For the year ended 31 March 2024

Statement of Responsibility

Wellington Community Fund For the year ended 31 March 2024

The Board of Trustees of Wellington Community Fund accepts responsibility for the preparation of the annual financial statements.

The Trustees and CEO accept responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the organisation's financial reporting.

It is the opinion of the Board of Trustees and management that the annual financial statements for the financial year ended 31 March 2024 fairly reflects the financial position and operations of Wellington Community Fund.

The 2024 financial statements are authorised for issue by the Board of Trustees.



Mele Wendt - Board Chair

Date **29/07/24**



Ming-Chun Wu - Finance Committee Chair

Date **29/07/24**

Statement of Service Performance

Wellington Community Fund

For the year ended 31 March 2024

Description of Entity's Outcomes

What we do: Funding for communities to thrive, across the Wellington region.

Our vision: Thriving communities across the Wellington region.

Our purpose: Investing in the communities of the Wellington region.

Our ambitions: Advance equity by supporting communities experiencing the greatest inequity, exclusion, and disadvantage.

Our outcomes: Improved lives for people who experience the most disadvantage as a result of inequitable systems.

Description and Quantification of the Entity's Outputs

	2024	2024	2023	2023
	Number of grants	Total granted	Number of grants	Total granted
General Grants Grants to support equity and inclusion in our communities. Prioritized to projects/work that is led by and serves members of population groups, and those living in locations, which experience the greatest inequity and exclusion.	64	\$1,154,251	103	\$1,608,517
Multi-year General grants awarded to organisations we have existing relationships/funding history with. Proactive selection process, reducing the application requirement for 4 organisations for 3 years. Giving organisations the ability to focus on their work, and not fund-raising.	0	\$0	4	\$435,000
LIFT Grants Grants for professional development & capability building within the non-profit sector.	0	\$0	11	\$78,863
He Rau Aroha Grants to assist and advance Maori aspirations for Mana Whenua and Taura Here in the region.	21	\$964,812	17	\$807,673
Refunds from Prior Years Grants	(2)	(\$116,494)	n/a	n/a
Total Grants		\$ 2,002,569		\$2,930,053

Additional Output Measures

Our Ambitions	Our Outcomes
Advance equity by supporting communities experiencing the greatest inequity, exclusion, and disadvantage	Improved lives for people who experience the most disadvantage as a result of inequitable systems
Support tino rangatiratanga of mana whenua and taura here, in our region	Aspirations of mana whenua and taura here are realised
Support inclusion of communities that experience exclusion	Fairer access to opportunities and resources
Work with others to focus our resources where they'll have the biggest impact	Improved impact with and for community
Increase capability, and support community-led initiatives	Communities to lead change and have meaningful representation
Increase access, and reduce barriers, to funding	Funding those who need it the most

80% of grants spend is going to priority populations	76%
90% of grants spend is going to those experiencing inequity, exclusion, and disadvantage	95%

Statement of Comprehensive Revenue and Expenses

Wellington Community Fund For the year ended 31 March 2024

	NOTES	2024	2023
Revenue			
Interest received from investments held to maturity		16,031	24,478
Secretariat Fees		12,174	12,174
Other Revenue		-	1,383
Total Revenue		28,205	38,036
Investment gains / (losses)			
Investment gains / (losses)	2	10,493,287	(2,500,378)
Total Investment gains / (losses)		10,493,287	(2,500,378)
Less Expenses			
Fund Management Expenses		232,475	209,642
Operating costs	3	202,733	206,058
Personnel expenses	4	468,705	439,211
Trustee Fees	4	69,630	69,833
Trustee expenses		218	6,739
Other expenses	5	27,368	28,709
Total Expenses		1,001,129	960,191
Surplus / (Loss) Before Grants		9,520,363	(3,422,534)
Grants			
Grants Paid	10	2,002,569	2,930,053
Total Grants		2,002,569	2,930,053
Net Surplus / (Loss) for the year		7,517,794	(6,352,586)
Total comprehensive income / (losses) for the year		7,517,794	(6,352,586)

These financial statements have been audited, and should be read in conjunction with the accompanying Notes.

Statement of Changes in Equity

Wellington Community Fund For the year ended 31 March 2024

	2024	2023
Equity		
Opening Balance	64,329,500	70,682,086
Plus:		
Current Year Earnings	7,517,794	-
Total Increases	7,517,794	-
Less:		
Current Year Losses	-	(6,352,586)
Total Decreases	-	(6,352,586)
Retained Earnings Closing Balance	71,847,293	64,329,500

These financial statements have been audited, and should be read in conjunction with the accompanying Notes.

Statement of Financial Position

Wellington Community Fund

As at 31 March 2024

	NOTES	31 MAR 2024	31 MAR 2023
Current Assets			
Cash and cash equivalents		497,982	1,026,111
Prepayments		21,060	20,933
GST Receivable		12,454	29,937
Investments at fair value through profit or loss	7	72,050,486	64,649,219
Total Current Assets		72,581,983	65,726,200
Current Liabilities			
Payables & Accruals		101,856	403,338
Grants to be paid in future years - Current Portion	11	145,000	868,333
Total Current Liabilities		246,856	1,271,671
Working Capital		72,335,127	64,454,529
Non-Current Assets			
Property, Plant and Equipment	6	12,167	19,971
Total Non-Current Assets		12,167	19,971
Non-Current Liabilities			
Grants to be paid in future years - Term Portion	11	-	145,000
Kaupapa of National Significance Fund (KONS)		500,000	-
Total Non-Current Liabilities		500,000	145,000
Net Assets		71,847,293	64,329,500
Trust Funds			
Retained Profits		71,847,293	64,329,500
Total Trust Funds		71,847,293	64,329,500

These financial statements have been audited, and should be read in conjunction with the accompanying Notes.

Statement of Cash Flows

Wellington Community Fund For the year ended 31 March 2024

	2024	2023
Cash Flows from Operating Activities		
Receipts from / (used in) operations	12,174	13,557
Payments to suppliers and employees	(742,511)	(763,368)
Management fees	(227,730)	(214,955)
Grants	(2,675,398)	(3,055,891)
Total Cash Flows from Operating Activities	(3,633,465)	(4,020,657)
	2024	2023
Cash Flows from Investing Activities		
Payments to acquire financial assets	(10,158,259)	(9,882,500)
Proceeds on sale of financial assets	13,250,278	12,597,783
Interest received	16,031	44,068
Payments for purchase of property, plant and equipment	(2,714)	(10,257)
Total Cash Flows from Investing Activities	3,105,336	2,749,094
	2024	2023
Net Cash Flows		
Net increase / (decrease) in cash and equivalents	(528,129)	(1,271,563)
	2024	2023
Cash and Cash Equivalents		
Net change in cash for period		
Opening Balance	1,026,111	2,297,674
Net change in cash for period	(528,129)	(1,271,563)
Total Net change in cash for period	497,982	1,026,111
Total Cash and Cash Equivalents	497,982	1,026,111

Notes to the Financial Statements

Wellington Community Fund For the year ended 31 March 2024

1. Statement of Significant Accounting Policies

Reporting Entity

The Community Trust of Wellington ('The Trust'), trading as the Wellington Community Fund, is an incorporated Charitable Trust under the Charitable Trusts Act 1957.

Basis of Preparation

These financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") as appropriate for Tier 2 not-for profit public benefit entities. The criteria under which an entity is eligible to report in accordance with Tier 2 Public Benefit Entity Accounting Standards are that the Trust has no public accountability and the Trust is not a large entity with total expenditure greater than \$30 million in the two preceding reporting periods.

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Comprehensive Revenue and Expenses and Statement of Financial Position on a historical cost basis are followed by the Trust, except that certain investments are disclosed at fair value.

The information is presented in New Zealand dollars as it is the functional and presentational currency.

Specific Accounting Policies

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

(a) Revenue

Revenue is considered to be exchange revenue in accordance with Public Benefit Entity IPSAS 9. There is no non-exchange revenue.

Rental revenue in relation to operating leases is recognised in the Statement of Comprehensive Revenue and Expenses on a straight-line basis over the lease term.

Dividend revenue from investments is recognised when the Trust's rights to receive payment have been established. Interest income is recognised as interest accrues using the effective interest method.

Shares in listed companies and quoted fixed interest investments are designated as "financial assets at fair value through profit and loss" as the portfolios are managed on a fair value basis in accordance with a documented investment strategy. They are initially recorded at cost and subsequently revalued to bid price each balance date. Gains and losses are recorded in the Statement of Comprehensive Revenue and Expense as part of the investment income.

Investment Income is gains and losses recognised on investments held at fair value through profit and loss.

(b) Income tax

The Trust is exempt from income tax under section CW 52 of the Income Tax Act 2007.

(c) Property, Plant, Equipment and Intangibles

Property, plant, equipment and intangibles are stated at cost less accumulated depreciation, amortisation and impairment.

(d) Depreciation / Amortisation

Depreciation has been calculated as follows using either the diminishing value method or straight line method for assets within the classes detailed below.

Office Equipment	11.4% - 60% DV and 40% SL
Plant	12% DV

Amortisation has been calculated as follows using the straight line method for assets within the classes detailed below.

Website Development	40% SL
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(e) Financial instruments

Financial instruments are recognised if the Trust becomes a party to the contractual provisions of the instruments. Financial assets are initially measured at fair value plus transaction costs except for those classified as fair value through profit or loss which are initially measured at fair value. Financial assets are derecognised if the Trust's right to the cash flows from the financial assets expire or if the Trust transfers a financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular purchases and sales of financial assets are accounted for at trade date. Financial liabilities are derecognised if the Trust's obligations, specified in the contract, expire, are discharged or cancelled.

Held-to-maturity investments

If the Trust has the intent and ability to hold debt securities to maturity, then they are classified as held-to-maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less any impairment losses.

Investments at fair value through profit and loss

An instrument is classified at fair value through profit and loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit and loss if the Trust manages such investments and makes purchase and sale decisions based on their fair value. They are initially recorded at cost and subsequently revalued to market bid price each balance date. Upon initial recognition, attributable transaction costs are recognised in the Statement of Comprehensive Revenue and Expenses when incurred. Subsequent to initial recognition, financial instruments at fair value through profit or loss are measured at fair value and changes therein are recognised in the Statement of Comprehensive Income and Expenses.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method less any impairment.

Cash and cash equivalents comprise cash balances and call deposits.

(f) Impairments

The carrying amount of the Trust's assets is reviewed each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

If the estimated recoverable amount of an asset is less than its carrying amount, the asset is written down to its estimated recoverable amount and an impairment loss is recognised immediately in the Statement of Comprehensive Revenue and Expenses.

The estimated recoverable amount of investments carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at their original effective interest rate. Receivables with a short duration are not discounted.

The estimated recoverable amount of any other assets is the greater of their fair value, less costs to sell, and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value, using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses are reversed when there is a change in the estimates used to determine the recoverable amount.

(g) Operating leases

Operating lease payments, where the lessor effectively retains substantially all the risks and rewards of ownership of the leased items, are included in the determination of the net surplus in equal instalments over the lease term.

(h) Goods and Services Taxation (GST)

Revenues and expenses have been recognised in the Statement of Comprehensive Revenue and Expenses exclusive of GST. All items in the Statement of Financial Position are stated net of GST except for receivables and payables which are stated inclusive of GST.

Grants

Grants are recognised as an expense when they have been paid out in cash or when a commitment to a payment has been made for a future year.

Changes in accounting policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

	2024	2023
2. Investment income		
Portfolio income - realised revenue	2,559,695	668,436
Net change in fair value of financial assets (unrealised)	7,933,592	(3,168,814)
Total Investment income	10,493,287	(2,500,378)

	2024	2023
3. Operating costs		
ACC Levies	571	520
Accounting Contract Fees	30,198	31,983
APM Expenses	1,680	4,250
Bank Fees	149	210
CEO Special Project Fund	3,300	-
Community Engagement and Insights	10,435	18,504
Climate Action Working Group	12,578	-
Climate Response	1,150	(11,886)
Computer expenses	41,539	41,689
Conferences and Seminars	3,890	5,836
Consulting Fees	6,818	2,870
Electricity	1,547	1,454
Entertainment	-	495
Equipment Rental	148	1,975
General Expenses	561	1,620
Koha Expense	500	-
Insurance	10,988	11,233
Meeting expenses	2,056	5,739
Other Governance Costs	-	206
Postage & Stationery	1,058	444
Professional Fees	1,555	-
Recruitment Costs	1,595	-
Rent	58,527	58,270
Repairs and Maintenance	40	40
Strategic Development Implementation	-	849
Subcontractors	-	8,925
Subscriptions	6,112	5,821
Telecommunications Expenses	1,185	1,277
Tenancy and cleaning expenses	-	2,306
Travel expenses	3,839	10,379
Website Expenses	715	1,050
Total Operating costs	202,733	206,058

	2024	2023
4. Personnel expenses		
Wages & salaries	462,580	438,569
Professional Development	3,820	253
Other staff expenses	2,305	388
Total Personnel expenses	468,705	439,211

The Trust has a relationship with its key management personnel. Key management personnel includes the Trust's Board of Trustees and senior management.

The Trust has 10 Trustees, there are 4.2 FTEs. Key management and personnel compensation includes the following expenses:

	2024	2023
Senior Management Compensation		
Key Management and Personnel Compensation	176,400	166,886
Trustee Fees	69,630	69,833
Total Senior Management Compensation	246,030	236,719

	2024	2023
5. Other expenses		
Auditors Fees	16,850	19,974
Depreciation	8,137	8,372
Loss on Sale of Assets	2,381	363
Total Other expenses	27,368	28,709

	2024	2023
6. Property, Plant and Equipment		
Office Equipment, Software & Furniture, Plant		
Office Equipment, Software & Furniture, Plant owned	66,136	83,439
Accumulated depreciation - Office Equipment, Software & Furniture, Plant owned	(54,538)	(65,724)
Total Office Equipment, Software & Furniture, Plant	11,598	17,715
Website Development		
Website Development owned	20,023	20,023
Accumulated depreciation - Website Development owned	(19,454)	(17,767)
Total Website Development	569	2,256
Total Property, Plant and Equipment	12,167	19,971

2024 2023

7. Financial assets designated as fair value through profit or loss

Forsyth Barr - Cash	2,252,317	4,217,215
Forsyth Barr - Fixed Interest	11,549,261	9,258,114
Forsyth Barr - NZ Equities	9,057,213	8,629,382
Forsyth Barr - Australian Equities	7,108,684	6,977,192
Forsyth Barr - Property	4,703,630	2,753,351
Forsyth Barr - International Equities	37,126,632	32,699,825
Forsyth Barr - Alternatives	252,750	114,140
Total Financial assets designated as fair value through profit or loss	72,050,486	64,649,219

8. Financial instruments**Significant accounting policies**

Details of significant accounting policies and methods adopted, including the criteria for recognition and the basis of measurement applied in respect of each of the class of financial assets, are disclosed in Note 1 to the financial statements.

The Trustees have approved a Statement of Investment Policy and Objectives (SIPO) which establishes investment portfolio objectives and target asset allocations. Performance against these targets is reviewed at least quarterly by the Trustees and asset reallocations undertaken as required.

Fair value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective fair values, determined in accordance with the Trust's accounting policies.

Liquidity risk

All financial assets at fair value through profit and loss can be realised with 12 months. There are no significant financial liabilities.

The Trust's investments are managed to ensure that the Trust will have sufficient liquidity to meet expected cash flow requirements. Liquidity risk is managed through the Trust's asset allocation strategy, which provides exposure to both growth and income assets, and the benchmark portfolio against which investment returns are monitored. The Trust benchmarks are maintained through rebalancing between investment managers to bring the weights to benchmark.

Credit risk

Financial instruments which potentially expose the Trust to credit risk consist of cash and short term deposits, fixed interest securities and receivables and, indirectly, investments in unithold products which invest in cash and fixed interest investments. The maximum exposure to credit risk is the carrying value of these financial instruments:

2024 2023

Total

Cash	497,982	1,026,111
Investments at fair value	72,050,486	64,649,219

The significant counterparties of the Trust are its investment managers. The investment manager for current year is Forsyth Barr.

The investments are held in trust by Forsyth Barr for the benefit of the Trust.

The managers operate within the policy approved by the Trustees.

The credit risk on cash and held-to-maturity investments is limited because the counterparties are banks; BNZ, ASB, ANZ and Westpac, with high credit ratings assigned by international credit rating agencies.

Currency risk

The Trust is indirectly exposed to currency risk in that future currency movements will affect the valuation of investments in unitised products which invest in foreign currency denominated investments. Currency risk is managed by the investment managers through active hedging strategies. International fixed interest investments are 100% hedged and international equities are 50% hedged.

The Trust is exposed to interest rate risk in that future interest rate movements will affect cash flows and net market values of fixed interest assets and, indirectly, the valuation of investments in unitised products which invest in cash and fixed interest investments.

Interest rate risk management activities are undertaken by the investment adviser and the Trust's management in accordance with the investment mandate set by the Trustees.

9. Contingent Liabilities

The Trust has no contingent liabilities as at 31 March 2024 (31 March 2023 : Nil).

	2024	2023
10. Grants		
Paid in cash	2,002,569	2,640,053
Commitments to be paid in Future Years	-	290,000
Total Grants	2,002,569	2,930,053

11. Commitments

As at 31 March 2024 the Trust has the following commitments:

	2024	2023
Grants		
Less than one year	145,000	868,333
More than one year	-	145,000
Total Grants	145,000	1,013,333

Lease commitments

Commitments existed for non-cancellable operating leases as follows:

- The Wellington Community Trust lease premises at Level 7, 86 Lambton Quay, Wellington

The intention of the Trustees is to continue the lease until 31 August 2028.

	2024	2023
Lease		
Less than one year	50,000	50,000
One year to five years	170,833	220,833
Total Lease	220,833	270,833

Capital commitments

There are no capital commitments as at 31 March 2024 (2023: NIL).

12. Related party transactions

The Trust has a code of conduct and a register of interests in regard to related party transactions. The code of conduct requires Trustees and management to declare any interests in transactions that the Trust may undertake. The following grants were made in respect of related party transactions.

	2024 \$	2023 \$
Wellington Community Trust Trustees		
Ken Allen		
Meat the Need	\$10,000	
Ken has conflict of interest with Meat the Need due to having a role within the area of MPI funding which provided funding to Meat the Need in 2020.		
Mary O'Regan		
WellFed NZ Charitable Trust (General Grant)	\$50,000	\$49,620
Mary is a Board member for WellFed NZ Trust.		
Mele Wendt		
Volunteer New Zealand		\$9,598
Mele was Chair of the Steering group for Community Governance in 2022 who received a grant that Volunteer NZ were the fundholder for. Mele resigned from the role as chair of the steering group for Community Governance in 2022.		

Stephen Flude		
Atiawa Ki Whakarongotai Charitable Trust Board	\$157,031	
Stephen assists on the Manaaki Kapiti-Kaumatua Healthy Home Project which is run by Atiawa Ki Whakarongotai Charitable Trust.		
Pushpa Wood		
Papawhakaritorito Charitable Trust	\$140,000	
EKTA New Zealand	\$45,000	\$50,000
Pushpa has personal connections to some individuals at Papawhakaritorito Charitable Trust and is a member of EKTA New Zealand.		
Horiana Irwin-Easthope		
Ngā Hapū o Ōtaki	\$51,500	\$70,000
Whakatapuranga Rua Mano Charitable Trust	\$20,000	
Ātiawa Ki Whakarongotai Charitable Trust Board	\$157,031	
Horiana is a Director of Whāia Legal who have a client relationship with Ngā Hapū o Ōtaki and Ātiawa Ki Whakarongotai Charitable Trust Board. Horiana has a child at the Whakatapuranga Rua Mano Charitable Trust Kura.		
Diane Tunoho		
Te Rūnanga o Toa Rangatira Inc	\$20,000	
Diane is employed by Te Kura Māori o Porirua who received a grant which Te Rūnanga o Toa Rangatira Inc were the fundholder for.		
The following Trustees had no related party transactions:		
Ming-Chun Wu		
Roger Palairt		
Wellington Community Trust Staff		
The following staff had no related party transactions:		
Chiara LaRotonda		
Marysia Collins		
Hen Priestley		
Whetū Campbell		
Linn Araboglos		

Sara Norling		
Deanne Krieg		

13. Subsequent Events

There were no significant events after the balance date that impact the financial statements.

14. Trustees indemnity liability Insurance

Approved by the Trustees under the Community Trusts Act 1999.









Wellington Community Fund - 2024 Annual Report Final

Final Audit Report

2024-07-29

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