

The Hauraki Rail Trail Charitable Trust Annual Report FY2021

As per Section 9 of the Funding Agreement, the Hauraki Rail Trail Charitable Trust is required to present its audited annual accounts and annual report ("Annual Report"), and all the information each Council requires to meet its obligations under the Local Government Act 2002 for annual reporting purposes (including, without limitation, Schedule 10 of the Local Government Act 2002) whether or not the Trust is an exempted council-controlled organisation (CCO) under section 7(3) of the Local Government Act 2002.

As per section 7(3) of the LGA, all three settlor councils have exempted the Hauraki Rail Trail Charitable Trust from the high level reporting requirements of a CCO. This review occurs every three years. Exemptions were approved as follows:

- Hauraki District Council 16 September 2020
- Thames-Coromandel District Council 27 October 2020
- Matamata-Piako District Council 28 October 2020

The next review process is now due in 2023, next calendar year.

Audit New Zealand has completed its audit of the Trust's FY2021 accounts. This Report was delayed due to Audit New Zealand not completing their full audit of the FY2021 accounts until July 2022. This delay was directly attributable to the shortage of auditors due to COVID 19 restrictions.

The Audit Opinion had the following comments:

1. *Ensure that policies need to be reviewed in a timely manner.*
The Trustees rectified this omission at the board meeting of May 2022. A policy review register has been added to the agenda at Appendix 16E, page 86) to ensure this omission does not recur. See section 4.1 of the Audit report.
2. *Interest Declaration Register*
Audit NZ state there is a "possibility that transactions between the Trust and the undisclosed related parties could occur resulting in a conflict of interests not being appropriately managed." See section 4.2 of the Audit report.
3. *Confirmation of year end balances with three Councils.*
Coombes Accountants have followed up with the Settlor Councils and added this to the audit schedule for future years. See section 4.3 of the Audit report.

The issues raised above are minor in the overall scheme of the audit. The Trust was complemented on the robustness of its accounting processes, management controls and ease that the Auditors could access complete information.

The Annual Report outlines the deliverables against the agreed business plan below:



1. Brand/Marketing and Communication

Key Outcome: To grow awareness of the Hauraki Rail Trail brand and to increase the numbers of users (domestic and international) across the length of the Hauraki Rail Trail.

Specific Actions

Task	Specific	Progress
Strategic Partner development	<ol style="list-style-type: none"> NZCT AGM National and Regional Cycle Trail workshops Wider collaboration with key industry partners 	<ul style="list-style-type: none"> The CEO is now a board member of the national organisation Nga Haerenga New Zealand Cycle Trail Network
Brand review	<ol style="list-style-type: none"> Brand development Brand guidelines Trademarking 	<ul style="list-style-type: none"> Branding in place with consistency on use of brand Rolling out signage with new brand across network ongoing All assets are trademarked
Develop a marketing and communications strategy	<ol style="list-style-type: none"> General. Specific Events, i.e. Official Opening/track extension 	<ul style="list-style-type: none"> Major spend in FY2021 ongoing is in the social media space, especially important in the COVID19 environment.
Identify business opportunities	<ol style="list-style-type: none"> Support new business development 	<ul style="list-style-type: none"> Supporting council Econ Dev teams Meetings with new service providers Provision of statistics and research to support business concept development
Support product development	<ol style="list-style-type: none"> Support development of at least two commissionable Trade products 	<ul style="list-style-type: none"> Working alongside Destination Coromandel with Strategic Asset Protection funding to support <ol style="list-style-type: none"> Gold Heritage product Historical Maritime Park Developments
Promote all legs of the Rail Trail	<ol style="list-style-type: none"> Develop Trail Collateral 	<ul style="list-style-type: none"> Dedicated and managed Social Media Presence Town Flags Location maps Brochures Trail Signage Tear off maps
Encourage events	<ol style="list-style-type: none"> Destination Coromandel Hamilton-Waikato Website promotion 	<ul style="list-style-type: none"> Promotion on website Support of Tour Aotearoa (1000 riders)
Communicate research data to Trail partners	<ol style="list-style-type: none"> Official partner programme Website/social media channels Via newsletter 	<ul style="list-style-type: none"> Trust sends research outcomes to Official Partners periodically
Produce a range of HRT specific retail product to support the development of the Rail Trail	<ol style="list-style-type: none"> Marketing/Retail product development to sell through info centres and official partners/web 	<ul style="list-style-type: none"> Research underway with Official Partners
Official Partner Programme	<ol style="list-style-type: none"> 30 Official Partners 	<ul style="list-style-type: none"> 99 Official Partners up from 70 in the previous year

2. Trust Administration and Management

Key Outcome:

To establish a clear set of operating protocols that raises the professionalism of the Trust, while giving confidence to the Councils to continue supporting the Trust and Rail Trail development.

Specific Actions

Task	Specific	• Progress
Prioritise and allocate actions	<ol style="list-style-type: none"> 1. Regularly review Trust meeting frequency 2. Develop an action plan and report against it 	<ul style="list-style-type: none"> • Quarterly meeting working well. • Annual review of work programme occurs in January each year
Action Plan FY2021	<ol style="list-style-type: none"> 1. Success in raising significant capital investment to complete the trail 2. Additional support of economic development opportunities alongside the trail, i.e. Historical Maritime Park, and activation of Kaiaua and Matamata business communities 3. Progression of the Trail Enhancement Strategy 	<ol style="list-style-type: none"> 1. P2K and TAMM sections raised additional funding to support landscaping shortfalls 2. Focussed support of Matamata community increasing Official Partner Programme numbers. Kaiaua still in genesis stage. 3. Investment in ecology improvements noticeable. Need investment into multi-agency ecology strategy to support enhancement strategy
Maintenance of Trail documentation systems and processes	<ol style="list-style-type: none"> 1. Financial Controls and spending authorities. 2. Fraud and Sensitive Expenditure 3. Operational 4. Emergency Plans 5. Asset Management Plan. 	<ul style="list-style-type: none"> • Financial/Sensitive Expenditure/Fraud policy/procedures in place, but missed review date as noted in Audit Report • Health and Safety and Emergency plans reviewed and updated by XYST. Still in a review process with Councils/Trust • Asset Management Plan developed and in play
Major project management	<ol style="list-style-type: none"> 1. Develop specific plans and tasks with delegated RASCI for major project tasks 	<ul style="list-style-type: none"> • Ongoing. TAMM and P2K nearing completion
Prepare and manage annual plans and budgets	<ol style="list-style-type: none"> 1. Prepare annual plans and budgets 2. Incorporate feedback from councils 	<ul style="list-style-type: none"> • one-year budget to FY2022 delivered to settlor councils within Asset Management Plan
Prepare and manage Long Term Plans and budgets	<ol style="list-style-type: none"> 1. Prepare Long Term Plans and budgets 	<ul style="list-style-type: none"> • 10-year budgets presented in Asset Management Plan to guide LTP process
Information Management	<ol style="list-style-type: none"> 1. Establish and maintain information management systems 2. Ensure security of confidential documentation. 3. Ensure all electronic documentation is regularly backed-up and secure 	<ul style="list-style-type: none"> • Moved to online cloud-based system • Restricted access to confidential information
Reporting	<p>Meet all reporting requirements for</p> <ol style="list-style-type: none"> 1. Audit NZ 2. Settlor Councils 3. Charities Office 3. NZCT 	<ul style="list-style-type: none"> • FY2021 Annual Report late due to late audit • Charities Office timeframe extended to allow for audit delay

Establish an ongoing review process for Trail documentation	<ol style="list-style-type: none"> 1. Identify list of key documentation including <ol style="list-style-type: none"> a. Trust Deed b. Financial documents c. Management Agreement(s) d. Underwriting Agreement e. CCO Exemptions f. Asset Register g. Asset Maintenance h. HSE and Emergency Plans i. NZCT 	<ul style="list-style-type: none"> • Ongoing • Trust Deed reviewed and updated in 2018 • Accountancy services working well • Management agreement signed • All CCO exemptions reviewed FY2021, next review 2023 • Asset Management Plan developed • Work on RAMMs Asset Management software underway • All major assets recorded and GPSd ongoing • Trail maintenance sitting with HDC • HSE and Emergency Plans under review (Eric Hamilton) • NZCT compliance current
Recognition of Success	<ol style="list-style-type: none"> 1. Identify items at Trust and Stakeholder meetings and communicate accordingly 	<ul style="list-style-type: none"> • Ongoing

3. Trail Operation

Key Outcomes: Maintenance of the Rail Trail to a grade one standard as outlined in the NZCT Nga Haerenga Cycle Trail Design Guide.

Specific Actions

Task	Specific	Progress
As per the management agreement variation advice dated 30 August 2016 and in conjunction with the Asset managers, the responsibility for Asset Management currently sits with HDC	<ol style="list-style-type: none"> 1. The Rail Trail is maintained to grade one standard by <ol style="list-style-type: none"> a. Regular inspections of the trail b. Develop condition assessment criteria and methodology 2. Implement and maintain a Health and Safety Plan for routine maintenance work (HSE) 3. Implement and maintain an Asset Management plan for the Rail Trail assets 4. Prepare annual and forward routine maintenance budgets 5. Undertake track grading inspections with NZCT as and when required 6. Manage and maintain the Kiwirail lease in accordance with the requirements of the lease agreement dated April 2011 and any updates or amendments thereof 	<ol style="list-style-type: none"> 1. Achieved 2. XYST contracted to undertake review of HSE 3. Asset Management Plan completed and in use 4. Work beside HDC to prepare Annual maintenance plan and budgets 5. WOF system under review 6. No issues

	<p>7. Manage and maintain all leases with private landowners in accordance with the requirements of each individual lease agreement</p> <p>8. Maintain the resource consents for the Rail Trail operation and adhere to the resource consent requirements regarding the physical assets</p> <p>9. Communicate with adjacent landowners as and when required in relation to routine maintenance works</p> <p>10. Managing the Rail Trail during weather events. This includes closing the Rail Trail as required and reopening following inspections and any routine emergency repair works required to make the track safe</p> <p>11. Responding to any service requests relating to track safety or routine maintenance</p>	<p>7. Leases up to date (HDC)</p> <p>8. Ongoing</p> <p>9. Ongoing</p> <p>10. Ongoing and more often with climate change impacts</p> <p>11. Ongoing SLA agreement outlining response times and work priorities in place</p>
Implement the signage strategy over the entire length of the Rail Trail	<p>1. Ensure signage is 100% consistent signage strategy</p> <p>2. Raise funds for implementation of signage</p>	<ul style="list-style-type: none"> • Ongoing investment needed, but progress being made

3. Quality Assurance and Data Collection

Key Outcomes:

- Accurate and timely trail usage data
- Valid visitor survey data providing information on the quality of visitor experience
- To ensure compliance by the Rail Trail of critical standards such as brand usage and membership criteria

Specific Actions

Task	Specific	Outcomes
Maintenance	<p>1. Monitor Social media feedback and report known issues to the Service Department</p> <p>2. Join the inspection rides of the Rail Trail</p> <p>3. Take the lead on funding applications to the MGR Fund</p>	<ul style="list-style-type: none"> • Dedicated contractor managing social media presence • Attending inspection rides when possible • MGR funding 100 per cent successful to date – note MGR moved to an annual application window
NZCT Membership	<p>1. Ensure all reporting and membership requirements are met:</p> <p>a. Reporting on:</p> <p>b. -visitor numbers</p> <p>c. -regular newsletters</p> <p>d. -attendance at NZCT events</p>	<ul style="list-style-type: none"> • Ongoing and up to date • Regular newsletter developed and going out quarterly • Attendance at NZCT conference and AGM • GET Smart Survey supported

	2. Hosting NZCT personnel as required	
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4. Stakeholder Relationships and Communications

Key Outcome: To create the Hauraki Rail Trail community of engaged businesses that support the Trust in taking the Rail Trail from good to great

Specific Actions

Task	Specific	Outcomes
1. Improve communications, access to and transparency of information to stakeholders at all levels	<ol style="list-style-type: none"> 1. Develop a communications plan in conjunction with the Settlor council staff 2. Create portals on the website for central document collation 	<ul style="list-style-type: none"> • Ongoing • Regular meetings of Hauraki Rail Trail Advisory Group well minuted and active
2. Monthly stakeholder newsletters	<ol style="list-style-type: none"> 1. Mailchimp on website, and regular mail-outs to key partners 	<ul style="list-style-type: none"> • Using Mailchimp database for comms • Regular comms to Official Partners on all issues relating to trail status, workshops etc
3. Manage updates (ie track closures)	<ol style="list-style-type: none"> 1. Updates through social media and other partners 	<ul style="list-style-type: none"> • Ongoing and current via website /NZCT/other partners • Support business with shuttle services where needed
4. Maintain the official Rail Trail website	<ol style="list-style-type: none"> 1. Keep information current 2. Ensure platform is fit for purpose 	<ul style="list-style-type: none"> • Needs an upgrade • Regular blogs/newsletters/trail updates
5. HRT Advisory Group meetings	<ol style="list-style-type: none"> 1. Attendance and support 	<ul style="list-style-type: none"> • Regular attendance at bi-monthly meetings • CEO chairs these meetings
6. Chairperson to meet with Mayor/Council on a six-monthly basis	<ol style="list-style-type: none"> 1. Strategic discussion on progress and future direction 	<ul style="list-style-type: none"> • Trust is meeting but has become irregular due to COVID 19
7. Regular progress report to CEO's of councils after each board meeting	<ol style="list-style-type: none"> 1. Provide quarterly report 	<ul style="list-style-type: none"> • Minutes sent though upon signing by Chair
8. Continue to build iwi relationships	<ol style="list-style-type: none"> 1. Ensure kaupapa Māori protocols are respected and relationships are fostered 	<ul style="list-style-type: none"> • Active iwi members on governance board
9. Stakeholder database	<ol style="list-style-type: none"> 1. Compile and maintain for variety of purpose, ie media, leaseholders, businesses, etc 	<ul style="list-style-type: none"> • Increased 16% to 3500 registrations from 3000 in FY2020
10. Maintain relationship with Department of Conservation	<ol style="list-style-type: none"> 1. Attendance at DoC initiatives and community meetings 2. Maintain reporting on funding commitments 	<ul style="list-style-type: none"> • Regular monthly meetings with Chelsea Brett proactive • DoC Reporting current
11. Develop and maintain relationship with NZCT network	<ol style="list-style-type: none"> 1. Attendance at NZCT partner workshops where appropriate 2. Support of others in the network 	<ul style="list-style-type: none"> • Ongoing and current • Support of other councils who have responsibility for Great Rides,

partners and MBIE, NZTA, WRC		particularly around governance • WRTC Network no longer active
12. Community group relationships	<ol style="list-style-type: none"> 1. Speaker at group meetings 2. Support funding initiatives ie HELP Waihi 3. Leverage from initiatives where possible 	<ul style="list-style-type: none"> • Ongoing and active • HELP Waihi funding leveraged for ecology improvements • Stakeholder engagement when requested
13. Develop and enhance relationship with local information centres	<ol style="list-style-type: none"> 1. Use information network as referral point for booking enquiries 	<ul style="list-style-type: none"> • Active, and highlighted on website as main booking source
14. Enhance relationship with Regional Tourism Organisations (Destination Coromandel and Hamilton/Waikato Tourism	<ol style="list-style-type: none"> 1. Include in HRT advisory group 2. Support product development 	<ul style="list-style-type: none"> • Active and strong relationships in place • RTO's active members of Advisory Group • Joint Ventures • Support STAPP funding applications and rollouts

5. Funding

Key Outcome:

The Trust generates over \$50,000 of cash or in-kind product/services per annum

Specific Actions:

Task	Specific	Outcomes
1. Corporate Sponsorship	<ol style="list-style-type: none"> 1. Identify potential corporate sponsors 2. Develop sponsorship proposals that match client profiles 	<ul style="list-style-type: none"> • MGR and other grants \$387K • Official Partners \$59,512
2. Establish strong credibility and professionalism that attracts support from financial funding partners	<ol style="list-style-type: none"> 1. Manage strong brand image and ensure compliance 	<ul style="list-style-type: none"> • Consistency in brand ongoing • Consistency in professionalism achieved
3. Engage the services of a funding specialist to give capability and capacity during its transition period	<ol style="list-style-type: none"> 1. Identify targeting funding needs to grow capacity and capability 	<ul style="list-style-type: none"> • Delayed
4. Leverage off economies of scale in purchasing products and services that are common across the NZCT network	<ol style="list-style-type: none"> 1. Identify commonality of products within the network 	<ul style="list-style-type: none"> • Cost savings in Insurance achieved

THE HAURAKI RAIL TRAIL CHARITABLE TRUST
Performance Report for the year ended 30 June 2021

ENTITY INFORMATION FOR THE YEAR ENDED 30 JUNE 2021

Legal name

Hauraki Rail Trail Charitable Trust (the Trust).

Type of entity and legal basis

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957. The Trust is a Council Controlled Organisation (CCO) as defined under section 6 of the Local Government Act 2002, by virtue of 50% of the votes at Trust meetings being indirectly controlled by three councils, Hauraki District Council (HDC), Matamata-Piako District Council (MPDC) and Thames-Coromandel District Council (TCDC). The Trust was exempted as a CCO by three settlor Councils in 2017. The three-year review process is due in FY2021.

The Trust's purpose or mission

The nature and scope of the Hauraki Rail Trail Charitable Trust's activities under the Trust Deed are relatively narrow and limited to governance of the Hauraki Rail Trail.

Structure of the Trust's operations, including governance arrangements

The Trust is the governance entity for the Hauraki Rail Trail and includes appointment made by each of Hauraki District Council (HDC), Matamata-Piako District Council (MPDC) and Thames-Coromandel

Main sources of the Trust's cash and resources

The main source of revenue is from underwriting agreements with the three councils and project funding from central government for the completion of stages of the trail and the maintenance of the trail.

Outputs

The main output of the entity is to operate, maintain, repair, develop and facilitate the use and enjoyment of the Hauraki Rail Trail Cycleway.

In undertaking its responsibilities, the Trust takes all reasonable steps to protect any areas of spiritual and cultural significance to mana whenua.

Approval of Trust Performance Report

The Board of Trustees adopted this performance report on 27 May 2022.


PP: _____
Chair of the Board


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STATEMENT OF FINANCIAL POSITION
As at 30 June 2021

		Actual 2021	Actual 2020
	Note	\$	\$
ASSETS			
Current Assets			
Bank Accounts & Cash	1	54,774	91,511
Debtors	2	212,956	67,550
Prepayments			
GST Receivable		15,670	4283
Total Current Assets		283,400	163,344
Non- Current Assets			
Vehicle, Furniture, Equipment and Signage	3	50,813	61,597
Total Non-Current Assets		50,813	61,597
TOTAL ASSETS		334,213	224,941
LESS			
LIABILITIES			
Current Liabilities			
Creditors & Accrued Expenses	4	256,007	108,063
Income in Advance			
Employee Costs Liability	5	21,617	17,214
GST Liability			
Total Current Liabilities		277,624	125,277
NET ASSETS		56,589	99,664
Represented by:			
EQUITY			
Retained Earnings	6	56,589	99,664
TOTAL EQUITY		56,589	99,664

The accompanying notes form part of these statements.



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STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2021

	Note	Actual 2021 \$	Budget 2021 \$	Actual 2020 \$
REVENUE				
Underwriting - Strategic		367,008	367,009	360,209
Underwriting - Proportional		230,064	230,965	230,965
Grants / Funding	7	376,395	761,501	607,819
Merchant Sales		17	0	0
Official Partner Programme		33,040	31,263	38,019
Leases (Sub Leases)		1,400	1,400	2,013
Interest Earned		-	-	-
TOTAL REVENUE		1,007,924	1,392,138	1,239,025
EXPENSES				
Audit Fees for the Financial Statement audit		18,957	17,525	16,843
Administration		67,274	70,139	72,504
Depreciation		12,279	-	8,750
Employee Related Costs	8	192,792	180,906	140,862
Trustee Expenses	9	18,496	19,177	20,432
Travel Expenses		19,535	18,500	13,374
Fees		720	720	720
Other Trail Operations		53,663	63,227	150,508
Professional Services		5,400	6,500	8,927
Marketing and Website Development		75,038	74,500	71,645
Stakeholder engagement		4,549	4,595	4,191
Grant Expenditure		352,232	715,501	514,373
Proportional Expenses		230,064	230,965	230,019
TOTAL EXPENSES		1,050,999	1,402,255	1,253,148
EXCESS EXPENSES OVER REVENUE FOR YEAR		-43,075	-10,117	-14,123



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STATEMENT OF CASH FLOWS
For the year ended 30 June 2021

Note	Actual 2021 \$	Actual 2020 \$
Cash flows from Operating Activities		
Receipt of council funding	499,020	544,967
Receipt of other grants and donations	376,395	589,964
Receipts from other revenue	-12,897	38,605
Payments to suppliers and employees	-886,373	-1,220,756
GST (net)	-11,387	-10,121
<i>Net cash flow from operating activities</i>	-35,242	-57,341
Cash flows from investing and financing activities		
Payments to acquire property, plant and equipment	-1,495	-15,875
<i>Net cash flow from investing and financing activities</i>	-1,495	-15,875
Net Increase / (decrease) in cash for the year	-36,737	-73,216
Add opening bank accounts and cash, including bank overdraft	91,511	164,727
Closing bank accounts and cash, including bank overdraft	54,774	91,511



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STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2021

Accounting policies applied

BASIS OF PREPARATION

The Board has elected to apply Tier 3 PBE SFR-A (PS) *Public Benefit Entity Simple Format Reporting – Accrual (Public Sector)* on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

The accounting policies adopted in these financial statements are consistent with those of the previous financial year and no changes have been made during 2021.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

GOODS AND SERVICES TAX

Hauraki Rail Trail Trust is registered for GST.

All items in the financial statements are presented exclusive of goods and service tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statements of financial position.

SIGNIFICANT ACCOUNTING POLICIES

Revenue

Revenue is measured at fair value of consideration received.

The main sources of revenue are from underwriting agreements with the councils and commission from bookings through the rail trail website.

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

Employee related costs

Wages, salaries, and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries, and leave entitlements.

Superannuation contributions are recorded as an expense as staff provide services.

Advertising, marketing, administration, overhead, and fundraising costs

These are expensed when the related service has been received.



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Bank Accounts and cash

Bank accounts and cash include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Leases

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Vehicles, Furniture, Equipment and Signage

Furniture, Equipment and Signage is recorded at cost, less accumulated depreciation and impairment losses.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Furniture and fittings 5 years (20%)

Equipment 3 years (33%)

Signage 10 years (10%)

Vehicles 5 years (21%)

Debtors

Short-term debtors and other receivables are recorded at their face value, less any provision for impairment.

Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

Employee costs payable

A liability for employee costs payable is recognised when an employee has earned the entitlement.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. A liability and expense for long service leave and retirement gratuities is recognised when the entitlement becomes available to the employee.

Income Tax

The Trust is a registered charity and is exempt from income tax. Accordingly, no provisions have been made for income tax.



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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

1 Bank Accounts & Cash		2021	2020		
Westpac cheque account		34,765	80,234		
Westpac savings account		20,009	11,277		
Total Bank Accounts & Cash		54,774	91,511		
Net bank accounts and cash for the purposes of the Statement of		54,774	91,511		
2 Debtors		2021	2019		
Debtors		50,229	2,875		
Related parties debtors (Councils)		162,727	64,675		
Total Debtors		212,956	67,550		
3 Vehicle, Furniture, Equipment and Signage					
	Vehicle	Furniture	Equipment	Signage	Total
Carrying amount as at 1 July 2019	0	3,021	3,150	48,301	54,472
Additions	13,035		2,840		15,875
Depreciation Expense	228	1,208	1,858	5,456	8,750
Carrying amount as at 30 June 2020	12,807	1,813	4,132	42,845	61,597
Carrying amount as at 1 July 2020	12,807	1,813	4,132	42,845	61,597
Additions			1,495		1,495
Depreciation Expense	2,738	1,208	2,878	5,455	12,279
Carrying amount as at 30 June 2021	10,069	605	2,749	37,390	50,813
4 Creditors & Accrued Expenses		2021	2020		
Westpac Credit Card		1,573	1,111		
Creditors		61,787	56,335		
Related parties creditors (Councils)		192,647	50,617		
Total Creditors		256,007	108,063		
5 Employee Costs Liability		2021	2020		
Accrued Wages & Salaries					
PAYE		7,597	5,172		
Leave Accrued		12,666	11,878		
KIWI Saver		1,354	164		
Total Employee Cost Liabilities		21,617	17,214		



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	2021	2020
6 Retained Earnings		
Opening Balance as at 01 July	99,664	113,945
Non Deductable IRD Penalties	0	-158
Retained earnings for the period ending 30 June	-43,075	-14,123
Total Retained Earnings	56,589	99,664
7 Grants / Funding	2021	2020
Councils	79,356	17,856
Grants recognised as income	33,608	100,761
Ministry of Business and Innovation	263,431	489,202
Closing Balance	376,395	607,819
8 Employee Related Costs	2021	2020
Salaries and wages	185,695	137,495
Employer Kiwi saver contributions	5,547	2,711
ACC levies	1,550	656
Total Employee Related Costs	192,792	140,862
9 Trustee Expenses	2021	2020
Honorarium	13,200	13,800
Expenses	2,796	4,132
NZCT Membership	2,500	2,500
Total Trustee Expenses	18,496	20,432

10 Related Party Disclosure

The Hauraki Rail Trail Charitable Trust is a Council Controlled Organisation of the Hauraki (HDC), Matamata-Piako (MPDC) and Thames-Coromandel (TCDC) District Councils.

Key Management Remuneration

The Chief Executive Officer of the Trust earned wages of \$143,982. (2020, \$138,689)
The total cost of Trustee Meeting Allowances of \$13,200. (2020, \$13,800)

Trustees

The Trust also reimbursed trustees for \$2,796 of expenditure. (2020, \$4,132)

Hauraki District Council

During the year HDC provided underwriting funding of \$122,336 (2020 \$120,070) as well as additional funding for proportional maintenance in total of \$167,394 as per the Funding Agreement.

At balance date the Trust owed HDC \$173,843 (2020, \$50,617) and HDC owed the Trust \$137,140. (2020 \$64,675).

Matamata-Piako District Council

During the year MPDC provided underwriting funding of \$122,336 (2020 \$120,070) as well as additional funding for proportional maintenance in total of \$23,647 as per the Funding Agreement. Also provided reimbursement of Trustee Honorarium and expenses of \$1096.36.
At balance date the Trust owed MPDC \$18,804 (2020 \$0).



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Thames-Coromandel District Council

During the year TCDC provided underwriting funding of \$122,336 (2020 \$120,070) as well as additional funding for proportional maintenance in total of \$39,023 as per the Funding Agreement.

At balance date TCDC owed the Trust \$25,587 (2020 \$ \$0).

11 Commitments

The Hauraki Rail Trail Charitable Trust has no capital or operating commitments as at 30 June 2021. (2020 \$0).

12 Contingent Liabilities

There are no contingent liabilities as at 30 June 2021, (2020 \$0).

13 Funding Agreement

The HDC, MPDC, and TCDC are party to a Trust deed which formed the Hauraki Rail Trail Charitable Trust (the Trust). The deed, signed on 2 March 2012, allows the Trust to own, operate, maintain, repair, develop and facilitate the use and enjoyment of a rail trail within the region.

This deed was reviewed and global changes made, adopted 26 February 2019. This supercedes the original Trust deed of 2 March 2012.

A Funding Agreement was signed between the three councils and the Trust in May 2018 which supercedes the Underwriting Agreement, signed by HDC, MPDC and the Trust of April 2013 and, the Memorandum of Understanding between HDC and TCDC of December 2012.

This Agreement allows for the following:

Strategic and overhead costs associated with operating the Trail are apportioned equally amongst the Settlor Councils; and Proportional overhead costs are apportioned, where possible, based on the length of Hauraki Rail Trail within each Settlor Council boundary and Proportional income and expenses in the statement of financial performance relate directly to trail maintenance.

14 COVID-19

COVID-19 impacted targetted funding streams that were budgeted for within the financial year, leading to a reduction in grant income and associated expenditure. No subsidies were applied for or received for staffing or other overhead costs. The Trust does not anticipate any COVID-19 related changes in income levels from the Settlor Councils over the next financial year, however support from official partners and grant sources affected by Covid-19 may be reduced.

15 Events after Balance Date

There are no significant events after balance date.



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ENTITY INFORMATION FOR THE YEAR ENDED 30 JUNE 2021

Legal name

Hauraki Rail Trail Charitable Trust (the Trust).

Type of entity and legal basis

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957. The Trust is a Council Controlled Organisation (CCO) as defined under section 6 of the Local Government Act 2002, by virtue of 50% of the votes at Trust meetings being indirectly controlled by three councils, Hauraki District Council (HDC), Matamata-Piako District Council (MPDC) and Thames-Coromandel District Council (TCDC). The Trust was exempted as a CCO by three settlor Councils in 2017. The three-year review process is due in FY2021.

The Trust's purpose or mission

The nature and scope of the Hauraki Rail Trail Charitable Trust's activities under the Trust Deed are relatively narrow and limited to governance of the Hauraki Rail Trail.

Structure of the Trust's operations, including governance arrangements

The Trust is the governance entity for the Hauraki Rail Trail and includes appointment made by each of Hauraki District Council (HDC), Matamata-Piako District Council (MPDC) and Thames-Coromandel

Main sources of the Trust's cash and resources

The main source of revenue is from underwriting agreements with the three councils and project funding from central government for the completion of stages of the trail and the maintenance of the trail.

Outputs

The main output of the entity is to operate, maintain, repair, develop and facilitate the use and enjoyment of the Hauraki Rail Trail Cycleway.

In undertaking its responsibilities, the Trust takes all reasonable steps to protect any areas of spiritual and cultural significance to mana whenua.

Approval of Trust Performance Report

The Board of Trustees adopted this performance report on 27 May 2022.


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 Chair of the Board


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Hauraki Rail Trail Charitable Trust Performance Report for the year ended 30 June 2021