



AUCKLAND AIRPORT
COMMUNITY
TRUST

Annual Report

For the year ended 30 June 2010

**Auckland Airport Community Trust
Contents**

Trust Directory	2
Statement of Responsibility	3
Statement of Financial Position	4
Statement of Financial Performance	5
Statement of Movement in Trustee Funds	6
Notes to the Financial Statements	7
Independent Auditor's Report	13

**Auckland Airport Community Trust
Trust Directory
As at 30 June 2010**

Settlor Auckland International Airport Limited

Type of Trust: Charitable Trust

Trustees: John McShane
 Roger Baldwin
 Martin Fryer
 Ian McGechie
 Raewyn Clarke – Resigned 12 April 2010

Bankers: ASB Bank, Mangere Bridge

Solicitors: Martelli McKegg Wells & Cormack, Auckland

Auditors: CST Nexia Audit, Manukau City

Accountants: CST Nexia Limited, Manukau City

**Auckland Airport Community Trust
Statement of Responsibility
For the year ended 30 June 2010**

The Board is responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The independent external auditors, CST Nexia Audit, have audited the financial statements and their report appears on page 13.

The Board is also responsible for the systems of internal control. These are designed to provide reasonable but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements. Appropriate systems of internal control have been employed to ensure that all transactions are executed in accordance with authority and are correctly processed and accounted for in the financial records. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Board to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.


The financial statements are prepared on a going concern basis. Nothing has come to the attention of the Board to indicate that the Trust will not remain a going concern in the foreseeable future.

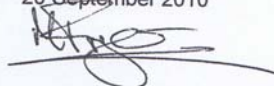
In the opinion of the Board:

- The statement of financial performance is drawn up so as to give a true and fair view of the surplus of the Trust for the financial year ended 30 June 2010.
- The statement of financial position is drawn up so as to give a true and fair view or the state of affairs of the Trust as at 30 June 2010.

There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they fall due.

For and on behalf of the Board:

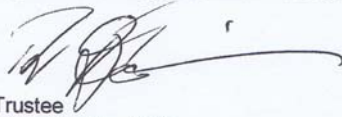

Trustee
20 September 2010

20/09/2010
Trustee
20 September 2010


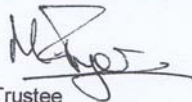
**Auckland Airport Community Trust
Statement of Financial Position
As at 30 June 2010**

	Note	2010 \$	2009 \$
Trustee Funds			
Trustee Funds	2	<u>136,382</u>	<u>123,182</u>
		136,382	123,182
Current Liabilities			
Accounts Payable		4,902	4,866
Unpaid and Approved Distributions and Grants	3	<u>378,343</u>	<u>414,573</u>
		383,245	419,439
Total Funds Employed		<u>519,627</u>	<u>542,621</u>
Current Assets			
Current Account		3,668	16,616
Term Deposits		512,479	521,462
Accrued Interest		3,479	3,505
Other Receivables		-	1,038
		<u>519,627</u>	<u>542,621</u>
Total Assets		<u>519,627</u>	<u>542,621</u>

Signed on behalf of the Board of Trustees:



Trustee
20 September 2010



Trustee
20 September 2010

The notes and accounting policies on pages 7 to 12 form a part of and are to be read in conjunction with these financial statements.

**Auckland Airport Community Trust
Statement of Financial Performance
For the year ended 30 June 2010**

	Note	2010 \$	2009 \$
Income			
Grant - Auckland International Airport Limited		295,847	290,374
Interest Received		<u>24,449</u>	<u>35,013</u>
		320,296	325,387
Operating Expenses			
Administration Fees		4,996	6,828
Advertising		482	928
Annual Public Meeting		1,598	913
Bad Debts Expenses		-	-
Bank Charges		35	16
Computer Expenses		40	233
Consultancy Fees		-	12,190
General Expenses		683	515
Legal Fees		-	309
Printing and Stationery		1,548	4,535
Remuneration to CST Nexia - Audit		2,250	2,250
Remuneration to CST Nexia - Other Services		<u>2,475</u>	<u>2,475</u>
		14,108	31,192
Surplus Before Distributions and Grants		<u>306,188</u>	<u>294,195</u>
Distributions and Grants			
Less: Approved Distributions	3	270,788	346,878
Less: Hardship Grants	3	22,200	5,200
Plus: Grants Cancelled	9	-	74,479
		<u>(292,988)</u>	<u>(277,599)</u>
Net Surplus/(Deficit) Transferred to Trustee Funds		<u>13,200</u>	<u>16,596</u>

The notes and accounting policies on pages 7 to 12 form a part of and are to be read in conjunction with these financial statements.

**Auckland Airport Community Trust
Statement of Movements In Trustee Funds
For the year ended 30 June 2010**

	Note	2010 \$	2009 \$
Trustee Funds at beginning of the year		123,182	106,586
Net Surplus/(Deficit) for the year		13,200	16,596
Transfer to Reserved Funds		(13,200)	(16,596)
Increase in Endowment Funds		13,200	16,596
Increase in Hardship Grant Reserves		-	-
Total Recognised Revenues and Expenses		<u>13,200</u>	<u>16,596</u>
Trustee Funds at the end of the year	2	<u>136,382</u>	<u>123,182</u>

The notes and accounting policies on pages 7 to 12 form a part of and are to be read in conjunction with these financial statements.

**Auckland Airport Community Trust
Notes to the Financial Statements
For the year ended 30 June 2010**

1 Statement of Accounting Policies

A Reporting Entity

The financial statements presented here are for the reporting entity Auckland Airport Community Trust (the Trust). The Trust is a charitable trust under the Charitable Trusts Act 1957. The Trust is reporting pursuant to the requirements of its trust deed.

B Statutory Base

The financial statements are prepared in accordance with the reporting requirements of the Financial Reporting Act 1993. The Trust is a charitable trust incorporated under the Charitable Trusts Act 1957.

C Financial Reporting Framework

These financial statements have been prepared under the existing New Zealand Financial Reporting Standards framework, which is one of the two frameworks for generally accepted accounting practice currently available to be applied in New Zealand for qualifying small entities. The other framework for generally accepted accounting practice is the New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS). The time line and criteria applicable to small entities and incorporated societies for mandatory conversion to NZ IFRS is yet to be announced by the Accounting Standards Review Board.

D Differential Reporting

The Trust is a qualifying entity within the New Zealand Institute of Chartered Accountants' differential reporting framework. The entity qualifies for differential reporting exemptions in the absence of public accountability and the entity is not large in terms of the size criteria. The entity has taken advantage of all differential reporting concessions available to it, with the exception of FRS 19 Accounting for Goods & Services Tax, with which it has complied fully.

E Measurement Base

The measurement base adopted is that of historical cost. Reliance is placed on the Trust being a going concern.

F Charities Status

The Charities Act 2005 was passed in April 2005, establishing the Charities Commission which came into being on 1 July 2005. Changes to the Income Tax Act 2007 and Estate and Gift Duties Act 1968 mean that only charities registered with the Charities Commission will be eligible for tax exemptions.

The Trust applied for and received registration as a charity from the Charities Commission. The Trust has taken advantage of the following:

- exemption from income tax for non business income
- exemption for business income derived by or in support of charities
- exemption from gift duty for persons who make gifts to the Trust

Auckland Airport Community Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2010

G Particular Accounting Policies

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

Grants

Grants and donations are recorded as revenue at the point their receipts are formally acknowledged by the Trust. The Trust is funded primarily by Auckland International Airport Limited.

Accounts Receivable

Accounts Receivable is stated at their estimated realisable value after providing for doubtful debts.

Goods and Services Tax

The financial statements have been prepared on a GST inclusive basis.

Trustee Funds

Trustee funds comprise of accumulated surplus over the years, Endowment Fund Reserves and Hardship Grant Reserves. Endowment Funds Reserves are funds left to build up and be used for major community projects at some future date. Hardship Grants Reserves are funds set aside for future approved hardship grant distributions.

Changes in Accounting Policies

There have been no changes in accounting policies and they have been applied on a consistent basis with those of the previous period.

**Auckland Airport Community Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2010**

2 Trustee Funds

	2010 \$	2009 \$
<i>Accumulated Trustees Funds</i>		
Balance at the beginning of the year	-	-
Surplus/(deficit) for the year	13,200	16,596
Transfer to Hardship Grants Reserve	-	-
Transfer to Endowment Funds Reserve	(13,200)	(16,596)
Accumulated Trustee Funds at year end	<u>-</u>	<u>-</u>
<i>Endowment Funds</i>		
Endowment Funds Reserves at beginning of the year	53,182	36,586
Transfer from Accumulated Funds	<u>13,200</u>	<u>16,596</u>
Endowment Funds Reserves at end of the year	66,382	53,182
<i>Hardship Grant Reserves</i>		
Hardship Grant Reserves at the beginning of the year	70,000	70,000
Transfer from Accumulated Funds	<u>-</u>	<u>-</u>
Hardship Grant Reserves at the end of the year	70,000	70,000
Total Trustee Funds	<u><u>136,382</u></u>	<u><u>123,182</u></u>

Auckland Airport Community Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2010

3 Distributions

Unpaid and Approved Distributions and Grants	2010	2009
Literacy Grants	354,944	392,774
Hardship Grants	23,400	21,800
	<u>378,344</u>	<u>414,574</u>

Hardship Grants	2010	2009
Unpaid Hardship Grants at the beginning of the year	21,800	34,000
Hardship Grants paid during the year	20,600	4,400
Hardship Grants cancelled during the year	-	13,000
Hardship Grants granted during the year	<u>22,200</u>	<u>5,200</u>
Unpaid Hardship Grants at the end of the year	<u>23,400</u>	<u>21,800</u>

Literacy Grants 2010

	Unpaid Grants as at 30 June 2009	Grants Approved During the Year	Distributions Paid During the Year	Grants Cancelled	Unpaid Grants as at 30 June 2010
Aorere Kindergarten	6,493	-	6,493	-	-
Books for Babes Charitable Trust	51,116	-	30,921	-	20,195
Countries Manukau Sports Foundation	34,975	-	34,975	-	-
Rongomai School	75,250	23,200	75,250	-	23,200
Great Potentials Foundation	94,714	119,374	38,023	-	176,065
Papatoetoe Kindergarten	10,496	10,496	5,496	-	15,496
Computer Clubhouse Trust	57,833	-	57,833	-	-
The Gifted Kids Programme	23,200	-	23,200	-	-
Rongomai Te Kohanga Reo	2,270	-	-	-	2,270
Brainwave Trust	14,250	36,400	14,250	-	36,400
De La Salle College	15,937	-	15,937	-	-
City of Manukau Education Trust	6,240	-	6,240	-	-
Water Safe Auckland	-	42,148	-	-	42,148
St Peter Chanel Preschool	-	3,300	-	-	3,300
Dawson Primary School	-	24,050	-	-	24,050
ATTITUDE	-	2,100	-	-	2,100
Age Concern Counties Manukau	-	9,720	-	-	9,720
	<u>392,774</u>	<u>270,788</u>	<u>308,618</u>	<u>-</u>	<u>354,944</u>

Auckland Airport Community Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2010

3 Distributions (continued)

Literacy Grants 2009	Unpaid Grants as at 30 June 2008	Grants Approved During the Year	Distributions Paid During the Year	Grants Cancelled	Unpaid Grants as at 30 June 2009
Aoreere Kindergarten	9,500	6,493	9,500	-	6,493
Papatoetoe South School	16,200	-	16,200	-	-
Books for Babes Charitable Trust	20,921	40,195	10,000	-	51,116
Countries Manukau Sports Foundation	69,975	-	35,000	-	34,975
RNZ Foundation of the Blind	10,500	-	10,500	-	-
Rongomai School	48,000	75,250	48,000	-	75,250
Tyndale Park	2,100	-	2,100	-	-
Great Potentials Foundation	128,249	94,714	66,770	61,479	94,714
Papatoetoe Kindergarten	-	10,496	-	-	10,496
Computer Clubhouse Trust	-	57,833	-	-	57,833
The Gifted Kids Programme	-	23,200	-	-	23,200
Rongomai Te Kohanga Reo	-	2,270	-	-	2,270
Brainwave Trust	-	14,250	-	-	14,250
De La Salle College	-	15,937	-	-	15,937
City of Manukau Education Trust	-	6,240	-	-	6,240
	305,445	346,878	198,070	61,479	392,774

4 Events Occurring After Balance Date

There are no material post balance date events (30 June 2009: \$Nil).

5 Contingent Liabilities

There are no contingent liabilities at year end (30 June 2009: \$Nil).

6 Commitments

There are no commitments as at 30 June 2010. In 2009, the Trust was committed to making grants to the Great Potentials Foundation in 2011 totaling \$119,374 for the delivery of the Hippy programme at Rongomai School in Otara. The grant was not formally approved as at 30 June 2009.

There are no capital commitments at year end (30 June 2009: \$Nil).

7 Related Parties

There are no related party transactions at year end (30 June 2009: \$Nil).

Auckland Airport Community Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2010

8 Trustees Remuneration

Trustees did not receive remuneration during the year (30 June 2009: \$Nil)

9 Grants Cancelled

No grants were cancelled during the year. In 2009, a grant of \$61,479 to Great Potentials Foundation was cancelled and further payments had been scheduled in place. Also in 2009, Hardship Grants totaling \$13,000 had been cancelled, following advice from Auckland International Airport Limited that the homeowners awarded these grants had elected not to accept the offer of acoustic treatment measures for their homes. In total, \$74,479 of Literacy and Hardship Grants were cancelled in 2009.