

Agenda for a meeting of the Waikato District Community Wellbeing Trust to be held in the Te Piringa Boardroom, District Office, 15 Galileo Street, Ngaruawahia on **MONDAY 3 DECEMBER 2018** commencing at **9.00am**.

- 1. **APOLOGIES AND LEAVE OF ABSENCE**
- 2. **CONFLICT OF INTEREST AND DISCLOSURES**
- 3. **CONFIRMATION OF AGENDA**
- 4. **CONFIRMATION OF MINUTES** 2
Meeting held on 19 December 2017
- 5. **ADOPTION OF ANNUAL REPORT FOR 2017/18**
To be tabled at meeting
- 6. **RECEIVE AUDITORS REPORT** 5
- 7. **APPOINT AUDITOR FOR 2018/19**
- 8. **GENERAL BUSINESS**

MINUTES of a meeting of the Community Wellbeing Trust held in the Te Piringa Boardroom, District Office, 15 Galileo Street, Ngaruawahia on **TUESDAY 19 DECEMBER 2017** commencing at **1.20pm**.

Present:

Cr J Church (Chairperson)

Cr R McGuire

Ms J Muru

Ms E Bateup

Attending:

Ms A Diaz (Finance Manager)

Ms M Davis (Financial Accountant)

Ms L Van den Bemd (Community Development Advisor)

Ms E Wilson (Minute Secretary)

APOLOGIES AND LEAVE OF ABSENCE

THAT an apology be received from His Worship the Mayor, Mr AM Sanson.

DISCLOSURES OF INTEREST

There were no disclosures of interest.

CARRIED on the voices

WBT1712/1

CONFIRMATION OF MINUTES

Still require advice from PWC in relation to comparison of Fund Managers.

Resolved: (Ms Muru / Ms Bateup)

THAT the minutes of a meeting of the Community Wellbeing Trust held on 05 December 2016 be confirmed as a true and correct record of that meeting.

CARRIED on the voices

WBT1712/2

Adoption of the Annual Report

Agenda item 3

The Annual Report was circulated in September and there has been no changes. Discussion held around 2% cap and equity, it was explained the 2% is transferred from profits to maintain the initial equity fund.

Clarification that the fund manager is an advisory role.

Audit NZ recommendations – success letter terms need to be specifically noted.

3.2 Non-compliance with Trust deed has been adjusted throughout the year to be compliant. Non-compliance re Deputy Mayor Council uses Long Term Plan projects to determine the Wellbeing Trust process fits all applications.

Council reappoints Trustees every 3 years.

A Deed compliance report will be added to each meeting Agenda.

ACTION:

- Update the Charities register in relation to the Annual Report process change.
- Amend Clause 5.4 in the Trust Deed to reflect previous changes made.
- Alison to find the Resolution for Council meeting minutes re appointing Trustees every three years.

Resolved: (Ms Bateup / Ms Muru)

THAT the report from the Finance Manager be received;

AND THAT the Trust adopt the Annual Report for 2016/17

AND FURTHER THAT the Audit New Zealand Management Report be received.

CARRIED on the voices

WBT1712/3

General Business

Agenda item 4

Appointment of Auditors

A recommendation was made that Pursuant to Section 70 of the Local Government Act 2002 the Auditor General is confirmed as the auditor of the Waikato District Community Wellbeing Trust.

Resolved: (Ms Bateup / Ms Muru)

CARRIED on the voices

WBT1712/4

There being no further business the meeting was declared closed at 1.45pm.

Minutes approved and confirmed this _____ day of _____ 2018.

**Cr J Church
CHAIRPERSON**

Independent Auditor's Report

To the readers of Waikato District Community Wellbeing Trust's financial statements and performance information for the year ended 30 June 2018

The Auditor-General is the auditor of Waikato District Community Wellbeing Trust (the Trust). The Auditor-General has appointed me, Leon Pieterse, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the Trust on his behalf.

Opinion

We have audited:

- the financial statements of the Trust on pages 8 to 18, that comprise the statement of financial position as at 30 June 2018, the statement of financial performance, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Trust on pages 5 to 6.

In our opinion:

- the financial statements of the Trust on pages 8 to 18:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2018; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) Standard; and
- the performance information of the Trust on pages 5 to 6 presents fairly, in all material respects, the Trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Trust's objectives for the year ended 30 June 2018.

Our audit was completed on 3 December 2018. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements and the performance information

The Board is responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board is also responsible for preparing the performance information for the Trust.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Board's responsibilities arise from the Local Government Act 2002 and the Trust Deed.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and performance information, our procedures were limited to checking that the information agreed to the Trust's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within the Trust's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board is responsible for the other information. The other information comprises the information included on pages 3 to 4, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1(Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Trust.

Leon Pieterse
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand