

**OTAGO COMMUNITY HOSPICE TRUST**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 30 JUNE 2015**

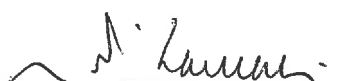
		<u>June 2015</u>	<u>June 2014</u>
<b><u>INCOME</u></b>			
<b>Contract Income</b>	HFA Contract	<u>2,818,102</u>	<u>2,814,637</u>
		2,818,102	2,814,637
<b>Donated</b>	Donations & Donor Base	580,494	355,944
	Distribution from Foundation Trust	0	100,000
	Funeral Donations	<u>24,940</u>	<u>26,147</u>
		605,434	482,091
<b>Interest &amp; Related Income</b>		8,747	4,138
<b>Grants &amp; Fee Income</b>		413,594	303,699
<b>Shop Income</b>	Gross Income	1,217,203	970,153
	Less Expenses (incl rent)	<u>565,875</u>	<u>475,584</u>
		651,328	494,569
<b>Special Events</b>	Gross Income	270,254	299,662
	Less Expenses	<u>46,647</u>	<u>54,767</u>
		223,607	244,895
<b>TOTAL INCOME</b>		<u><u>4,720,812</u></u>	<u><u>4,344,029</u></u>
<b><u>LESS EXPENSES</u></b>			
<b>Staff Costs</b>	ACC	27,878	32,321
	Education & Sundry Expenses	182,041	125,918
	Salaries, Wages & PAYE	<u>3,724,461</u>	<u>3,431,898</u>
		3,934,380	3,590,137
<b>Health Care Costs</b>	(incl Medical Supplies)	97,359	82,574
<b>Professional Costs</b>	Building	846	393
	Accounting	42,208	39,000
	Other Professional Fees	12,316	12,067
	Audit & Legal	<u>5,000</u>	<u>4,500</u>
		60,370	55,960
<b>Administration Costs</b>	Computer Expenditure	34,524	15,072
	Postage, Printing & Stationery	42,776	54,402
	Telephones	38,029	33,513
	Depreciation	146,694	114,780
	Other	<u>119,337</u>	<u>120,267</u>
		381,360	338,034
<b>Consumables</b>	Catering	31,292	33,415
	Cleaning & Laundry	16,562	17,184
	Electricity, Gas & Water	57,349	57,975
	Rates & Insurances	31,757	35,934
	Repairs & Maintenance	54,428	57,810
	Other	<u>27,437</u>	<u>33,002</u>
		218,825	235,320
<b>TOTAL EXPENSES</b>		<u><u>4,692,294</u></u>	<u><u>4,302,025</u></u>
<b>NET SURPLUS (DEFICIT) FOR PERIOD</b>		<b>28,518</b>	<b>42,004</b>

**OTAGO COMMUNITY HOSPICE TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2015**

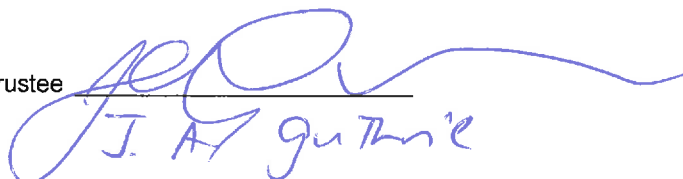
	<u>June 2015</u>	<u>June 2014</u>
<b><u>CURRENT ASSETS</u></b>		
Cash Float	1,110	1,132
Westpac Account	0	7,656
ANZ Bank Account	117,394	362,003
ANZ Bank Shops Account	4,779	40,514
ANZ Call Account	353,290	176,255
Barter Card	0	100
Accounts Receivable	294,436	279,327
Prepayments	73,235	50,872
Advanced to Otago Hospice Foundation Trust	65,124	115,654
<b>Total Current Assets</b>	<u>909,368</u>	<u>1,033,513</u>
<b><u>CURRENT LIABILITIES</u></b>		
Accounts Payable	70,274	60,793
Employee Entitlements & PAYE	327,039	385,621
GST Payable	76,709	83,031
Payments in Advance	140,000	166,240
<b>Total Current Liabilities</b>	<u>614,022</u>	<u>695,685</u>
<b>WORKING CAPITAL</b>	<b>295,346</b>	<b>337,828</b>
<b><u>NON CURRENT ASSETS</u></b>		
Land - Cost	160,000	160,000
Buildings - Cost	2,987,278	2,222,117
Less Accumulated Depreciation	<u>(765,161)</u>	<u>2,272,833</u>
Furniture, Fittings & Plant - Cost	819,645	304,419
Less Accumulated Depreciation	<u>(515,226)</u>	<u>174,633</u>
Motor Vehicles - Cost	52,537	29,768
Less Accumulated Depreciation	<u>(22,769)</u>	<u>37,838</u>
<b>Total Fixed Assets</b>	<u>2,716,304</u>	<u>2,645,304</u>
<b><u>NET ASSETS</u></b>	<u><u>3,011,650</u></u>	<u><u>2,983,132</u></u>
<b>Represented By:</b>		
<b><u>ACCUMULATED FUNDS</u></b>		
Opening Balance	2,983,132	2,941,128
Prior Years GST Adjustments	<u>0</u>	<u>0</u>
Adjusted Opening Balance	2,983,132	2,941,128
Add Surplus (Deficit) for the Year	28,518	42,004
<b><u>ACCUMULATED FUNDS</u></b>	<u><u>3,011,650</u></u>	<u><u>2,983,132</u></u>

The accompanying notes form part of these Financial Statements and should be read in conjunction with the reports contained herein.

For and on behalf of the Trustees:

Trustee 

Date 14 October 2015

Trustee   
 J. A. Guthrie



**OTAGO COMMUNITY HOSPICE TRUST**  
**Notes to the Financial Statements**  
**For the year ended 30 June 2015**

**1. Statement of Accounting Policies**

*General Accounting Policies*

The Otago Community Hospice Trust is a charitable trust incorporated under the Charitable Trusts Act 1957 and a registered charity under the Charities Act 2005. The financial statements have been prepared in accordance with generally accepted accounting practice.

The measurement base adopted is that of historical cost. Reliance is placed on the fact that the Trust is a going concern. Accrual accounting is used to match expenses and revenues except that interest income is accounted for on a cash basis.

*Particular Accounting Policies*

The following particular accounting policies have a material effect on the measurement of results and the financial position:-

- : Investments are recorded at cost.
- : Accounts Receivable are recorded at net realisable value.
- : Fixed assets donated or bequeathed to the Hospice are recognised at market value at time of receipt.
- : Fixed Assets are stated at cost less aggregate depreciation. The rates used are:-

Buildings	2%CP – 12%DV
Furniture, Fittings & Plant	8% - 67%DV
Computer Software	40% - 50%DV
Motor Vehicles	30% - 36%DV

- : Items of income and expenditure are stated exclusive of GST for the Hospice. Items of income and expenditure relating to the operation of the three shops are stated inclusive of GST.

*Changes in Accounting Policies*

There have been no changes in accounting policies. All policies have been applied on a consistent basis with those used in the previous year.

## 2. Income Tax

The Hospice is exempt from Income Tax under section CW 41 and CW 42 of the Income Tax Act 2007.

## 3. Fixed Assets

<u>2014</u>	Cost	Accumulated Depreciation	Book Value
Furniture, Fittings & Plant	629,100	454,467	174,633
Building	2,976,309	703,478	2,272,831
Motor Vehicles	52,539	14,699	37,840
Land - North Rd	160,000	0	160,000
	<u>3,817,948</u>	<u>1,172,644</u>	<u>2,645,304</u>

<u>2015</u>	Cost	Accumulated Depreciation	Book Value
Furniture, Fittings & Plant	819,645	515,226	304,419
Building	2,987,278	765,161	2,222,117
Motor Vehicles	52,537	22,769	29,768
Land - North Rd	160,000	0	160,000
	<u>4,019,460</u>	<u>1,303,156</u>	<u>2,716,304</u>

## 4. Capital Commitments

At balance date the Trust has capital expenditure commitments of \$0. (2014 \$0).

## 5. Related Parties

Messrs Stuart McLauchlan and Jenny Guthrie are on the Board of both the Otago Community Hospice Trust and the Otago Hospice Foundation Trust. The Otago Community Hospice Trust, received distributions from the Otago Hospice Foundation Trust in 2015 and 2014.

G S McLauchlan & Co is contracted to provide accounting services to the Otago Community Hospice Trust. Mr Stuart McLauchlan is a partner in the firm G S McLauchlan & Co.



## 6. Contingent Liabilities

The New Zealand Nurses Organisation contract expired on 1 April 2015. Contract negotiations with The New Zealand Nurses Organisation commences after balance date. Any back pay due to members is yet to be ascertained. (last year nil).

## 7. Operating Lease Commitments

The Trust has a lease commitment to Hugh Chin for the Hanover Street Hospice Shop. The rental payable is \$30,500 plus GST per annum. The lease is for a term of three years from October 2012.

The Trust has a lease commitment to Young Properties Mosgiel Ltd for the Mosgiel Hospice Shop. The rental payable is \$10,500 plus GST per annum. The lease is for a term of three years from September 2014.

The Trust has a lease commitment to AO Browne for the Oamaru Hospice Shop. The rental payable is \$11,960 plus GST per annum. The lease is for a term of two years from April 2014.

The Trust has a lease commitment to Crawford Street Investments Ltd for the Bond Street Hospice Shop. The rental payable is \$48,710 plus GST per annum. The lease is for a term of three years from November 2013.

The Trust has a lease commitment to Anchorage Properties Ltd for the Milton Hospice Shop. The rental payable is \$10,000 plus GST per annum. The lease is for a term of two years from February 2014.

The Trust has a lease commitment to 2 The Mall Cromwell LP for the Cromwell Hospice Shop. The rental payable is \$28,500 plus GST per annum. The lease is for a term of three years from March 2015.

The Trust has a lease commitment to Young Properties Mosgiel Ltd for the 178 Gordon Road Hospice Shop. The rental payable is \$7,000 plus GST per annum. The lease is for a term of two years from June 2015.

The Trust has a lease commitment to Arrowstone Investments Trustee Co Ltd for 22 McNulty Road Cromwell. The rental payable is \$6,500 plus GST per annum. The lease is for a term of five years from September 2014.

The Trust has a lease commitment to Waitaki District Community House at 100 Thames Street Oamaru. The rental payable is \$2,080 plus GST per annum. The lease is for an ongoing term with an annual renewal in April each year.

The Trust has a lease commitment to Linzco at 38 Clyde Street, Balclutha. The rental payable, including share of outgoings is \$2,500 plus GST per annum. The lease is for a term of one month with an annual renewal in April each year.

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The Trust has lease commitments to Cooke Howlison Toyota for eight motor vehicles. The leases payable total \$28,255 per annum (including GST). Each lease is for a term of thirty six months.

### 8. Nature of Business

The Hospice is in the business of providing care for the terminally ill.

### 9. Payments in Advance

As at balance date the Trust has received funding of \$140,000 for future projects.

### 10. Otago Hospice Foundation Trust

The Otago Hospice Foundation Trust was formed on 1 April 1995. The purpose of the Trust was not to fund day to day operations of the Hospice but to build up reserves for the future to a point where there were sufficient resources to cover one full year of operation, or top up shortfalls if required. The Trust consists of six trustees of which no less than three are appointed by the Otago Community Hospice Trust Board. The remaining Trust members are to be appointed by the appointed trustees.

A summary of the financial performance of the Otago Hospice Foundation Trust for the year ended 30 June is as follows:

	<b>2015</b>	<b>2014</b>
Revenue	781,688	732,355
Less Expenses	<u>16,713</u>	<u>13,866</u>
Net Surplus Before Depreciation	<u>764,975</u>	<u>718,489</u>
Depreciation	<u>3,567</u>	<u>4,457</u>
Operating Surplus	761,408	714,032
Distribution to Otago Community Hospice Trust	<u>0</u>	<u>100,000</u>
<b>Net Surplus</b>	<b><u><u>761,408</u></u></b>	<b><u><u>614,032</u></u></b>

	2015	2014
A summary of their balance sheet as at 30 June is as follows:		
Current Assets	373,945	538,209
Fixed Assets	402,000	405,567
Investments (market value)	<u>6,216,834</u>	<u>5,105,871</u>
<b>Total Assets</b>	<u>6,992,779</u>	<u>6,049,647</u>
Current Liabilities	0	1,728
Advance from Otago Community Hospice Trust	<u>65,124</u>	<u>115,654</u>
<b>Net Assets</b>	<u><u>6,927,655</u></u>	<u><u>5,932,265</u></u>

A summary of the movements in equity for the year ended 30 June is as follows:

Opening Equity	5,932,265	5,247,671
Net Surplus After Distribution	761,408	614,032
Capital Gain/(Loss) on Shares & Bonds	(15,256)	(12,991)
Unrealised Capital Gain/(Loss) on Shares & Bonds	<u>249,238</u>	<u>83,553</u>
<b>Closing Equity</b>	<u><u>6,927,655</u></u>	<u><u>5,932,265</u></u>



L. J. W.

**OTAGO COMMUNITY HOSPICE TRUST  
AUDIT REPORT**

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***To the readers of the financial report of the Otago Community  
Hospice Trust***

We have audited the accompanying financial statements of the Otago Community Hospice Trust on pages 6 to 12 which comprise the Statement of Financial Position as at 30 June 2015, and the Statement of Financial Performance, and the Notes to the Financial Statements.

***Trustees' Responsibilities for the Financial Statements***

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand, and for such internal control as the board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with international Standards on auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

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

***Independence:***

Other than our capacity as auditors we have no relationship or interests in the Trust.

***Qualified Opinion***

In common with other organisations of similar nature, control over donations, shop income and special event income received in cash prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control.



In this respect alone we have not obtained all the information and explanations that we have required.

In our opinion, except for the adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning donations, shop income and special event income, the financial reports on pages 6 to 12 fairly reflects the results of its operations for the year ended 30 June 2015.

In our opinion the financial reports on pages 6 to 12 fairly reflects the financial position of the Trust as at 30 June 2015.

Our audit report was completed on 12 October, 2015 and our qualified opinion is expressed at that date.

A handwritten signature in blue ink that reads "J W Smeaton & Co." The signature is written in a cursive, flowing style.

**J W Smeaton & Co.**  
**Dunedin**