



*Taking steps to improve our ecological heritage*

To: Owen McLeod & Co  
PO Box 389  
HAMILTON

Dear Richard,

Re: LETTER OF REPRESENTATION

This representation letter is provided in connection with your audit of the performance report of The Waikato Catchment Ecological Enhancement Charitable Trust for the year ended 30 June 2018 for the purpose of expressing an opinion as to whether:

- a) The reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) The performance report of The Waikato Catchment Ecological Enhancement Charitable Trust complies with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) and gives a true and fair view of:
  - The entity information for the year then ended;
  - The service performance for the year then ended; and
  - The financial position as at 30 June 2018 and its financial performance and cash flows for the year then ended.

We confirm, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves):

## **Performance Report**

- We have identified outcomes and outputs, including quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, for the evaluation of the service performance of the entity.
- We have fulfilled our responsibilities on behalf of the entity, as set out in the terms of the audit engagement letter dated 24 July 2017, for the preparation of the performance report of The Waikato Catchment Ecological Enhancement Charitable Trust in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) and that gives a fair presentation of:
  - the entity information for the year then ended;
  - the service performance for the year then ended; and
  - the financial position as at 30 June 2018 and its financial performance and cash flows for the year then ended.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. (ISA (NZ) 540)
- Related party relationships and transactions have been appropriately accounted for and disclosed in the performance report in accordance with the requirements of the applicable financial reporting framework. (ISA (NZ) 550)
- All events subsequent to the date of the performance report which require adjustment or disclosure have been adjusted or disclosed. (ISA (NZ) 560)
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the performance report as a whole.

## **Information Provided**

- We have provided you with:
  - Access to all information of which we are aware that is relevant to the preparation of the performance report such as records, minutes, documentation and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and

- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the performance report
- We have disclosed to you the results of our assessment of the risk that the performance report may be materially misstated as a result of fraud. (ISA (NZ) 240)
- We have disclosed to you any fraud or suspected fraud that we are aware of and that affects the entity and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the performance report. (ISA (NZ) 240)
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's performance report communicated by employees, former employees, analysts, regulators or others. (ISA (NZ) 240)
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing performance report. (ISA (NZ) 250)
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware. (ISA (NZ) 550)

### Other Issues

- Internal Control Systems

We accept that we are responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting. We acknowledge our responsibility for the design and implementation of internal control to prevent and detect fraud. We have maintained effective internal control systems during the financial year and the systems have operated to generate accurate and reliable financial information and safeguard assets.

- Insurance

The organisation is adequately indemnified by the insurers against all risks which are of an insurable nature, and which having regard to the type of business, the premium payable and the risk involved should reasonably be insured.

- Contingent Liabilities

No claims or notices of litigation have been or are expected to be received, other than as disclosed in the performance report. There were no contingent liabilities at balance date other than those already disclosed in the performance report.

- Commitments

There were no commitments at balance date other than those already disclosed in the performance report.

- Going Concern

We also confirm that, to the best of our knowledge and belief, the organisation has adequate resources to continue operations at its current level for the foreseeable future.

- Assets

The organisation has satisfactory title to all assets, and there are no liens or encumbrances on the assets, except for those that are disclosed in the notes to the performance report.

All current assets are expected to realise, in the ordinary course of business, at least the value at which they are recorded in the performance report and are expected to be realised within twelve months. Adequate provision has been made for all uncollectable or doubtful amounts owing to the organisation.

The carrying amount of non-current assets measured at historical cost has been reviewed to determine whether it is in excess of the assets' recoverable amount. Where an asset's estimated recoverable amount is lower than its carrying amount, it has been written down to that lower value.

All property, plant and equipment are included in the performance report. Capital expenditure charged during the year is stated at cost and represents actual additions to property, plant and equipment. Property, plant and equipment disposed of or abandoned has been removed from the performance report. No property, plant and equipment additions or improvements of a material amount were charged to expenses.

The rate of depreciation applied to each asset is sufficient to amortise the cost or valuation of that asset over its estimated remaining useful life.

All vested assets and/or donations have been accounted for in the performance report.

- Liabilities

All known or ascertainable material liabilities have been included in the performance report, including adequate provisions for those disputed or contested.

- Income Tax and Other Taxes

Adequate amounts have been accrued for all unpaid taxes (if applicable).

- Guarantees

The nature of any guarantee given by or on behalf of the organisation is fully disclosed in the performance report.

- Solicitors

The organisation has not been directly represented by solicitors during the year other than as advised.

- Uncorrected Misstatements

We believe the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the performance report as a whole. The uncorrected misstatements are recorded below.

Description	Amount
NIL	NIL

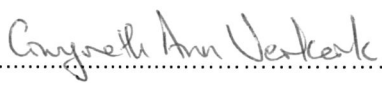
We confirm that we have not altered in any way, the original Letter of Representation emailed to us by Owen McLeod & Co.

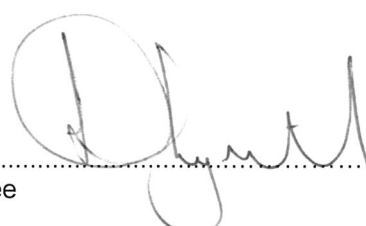
Yours faithfully

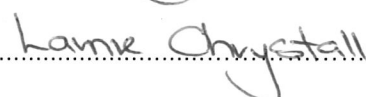
The Waikato Catchment Ecological Enhancement Charitable Trust

**Signed By:**

  
 .....  
 Chairperson

  
 .....  
 Name

  
 .....  
 Trustee

  
 .....  
 Name





# Performance Report

The Waikato Catchment Ecological Enhancement Charitable  
Trust

For the year ended 30 June 2018

Prepared by PKF Hamilton Limited

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# Compilation Report

## The Waikato Catchment Ecological Enhancement Charitable Trust For the year ended 30 June 2018

Compilation Report to the Trustees of The Waikato Catchment Ecological Enhancement Charitable Trust.

### Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Waikato Catchment Ecological Enhancement Charitable Trust for the year ended 30 June 2018.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

### Responsibilities

The Trustees are solely responsible for the information contained in this financial report and have determined that the accounting policies used are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

### Independence

We have no involvement with Waikato Catchment Ecological Enhancement Charitable Trust other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

### Disclaimer

We have compiled these financial statements based on information provided. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on this financial report.



Director

PKF Hamilton Ltd

1026 Victoria Street, Hamilton

# Entity Information

## The Waikato Catchment Ecological Enhancement Charitable Trust For the year ended 30 June 2018

### Legal Name of Entity

The Waikato Catchment Ecological Enhancement Charitable Trust

### Entity Type and Legal Basis

Charitable Trust and Registered Charity

### Registration Number

CC25746

### Purpose or Mission

The Waikato Catchment Ecological Enhancement Trust (WCEET) assists organisations, agencies and individuals with projects that foster and enhance the sustainable management of ecological resources in the Lake Taupo and Waikato River catchment. We do this by considering applications from parties wishing to undertake appropriate projects within the Waikato River catchment, providing funding grants where projects meet the Trust's criteria, and monitoring and reporting on such projects.

### Trust Structure

Our trust deed states that we must have between seven and twelve Trustees. Currently the Trust has eight Trustees that constitute our governance board which includes a Chairperson. The eight trustees nominated, two are from Department of Conservation, Fish and Game, and Mercury Limited and one each by ACRE (Advisory Committee for Regional Environment) and Royal Forest and Bird Protection Society Incorporated. Waikato Regional Council nominates an Observer without voting rights.

### Main Sources of the Entity's Cash and Resources

The entity's activities are funded by earnings from the Trust's investment portfolio and the annual payment from Mercury Limited (formerly Mighty River Power Limited), as well as any interest earned through bank accounts.

### Main Methods Used by Entity to Raise Funds

Investment Capital

### Entity's Reliance on Volunteers and Donated Goods or Services

Mercury Limited supports costs associated with the administration of the Trust's functions e.g. secretarial services, accountancy, website and all administration costs. Trustees are not paid any honorarium, and effectively donate their time for meetings and to action their responsibilities to liaise with projects undertaken. The Trustees are in paid employment and their employer effectively donates their time.

### Additional Information

The Waikato Catchment Ecological Enhancement Trust was formed with the execution of the Trust Deed on 13 June 2003. The Trust originated from the resource consent process for Mercury's continued operation of the Waikato Hydro System. Mercury, the owner and operator of the Waikato Hydro Scheme, applied under the Resource Management Act (RMA) to replace the expiring resource consents that authorise the operation of the Hydro Scheme.

The organisations that are party to the Trust worked together to develop an appropriate response, in RMA terms, to the consent applications. They recognised that a variety of ecological changes were occurring in Lake Taupo, the Waikato River and the hydro lake environments resulting from a combination of natural processes, other activities in the catchment and the operation of the Hydro Scheme.

The contributing organisations sought to develop practical means to achieve:

- an acceptable response to the ongoing ecological changes occurring throughout the Lake Taupo and Waikato River catchments;
- an acceptable response to changes associated with the operation of the Waikato Hydro System; and,
- wider ecological benefits in the Lake Taupo and Waikato River catchments.

A Memorandum of Understanding was developed between the interested parties which included establishment of a fund from Mercury, and formation of the Trust with representation allocated to all interested parties, to invest that fund in projects that meet the Trust's criteria.

A fund was established to address issues of concern due to effects of system operation on riparian areas and the ecological resources they could sustain. At its inauguration, the Trust was paid 50% of the total agreed amount which was placed into an investment fund. The balance of the agreed amount is received as an annual increment, adjusted annually for changes in the CPI.

## **Contact Details**

### **Physical Address**

17 Grantham Street, Hamilton

### **Postal Address**

PO Box 445, Waikato Mail Centre

### **Email**

[enquiries@wceet.org.nz](mailto:enquiries@wceet.org.nz)

### **Website**

[www.wceet.org.nz](http://www.wceet.org.nz)

# Statement of Service Performance

## The Waikato Catchment Ecological Enhancement Charitable Trust For the year ended 30 June 2018

### Description of Entity's Outcomes

The outcomes of The Waikato Catchment Ecological Enhancement Charitable Trust includes:

1. To foster and enhance the sustainable management of the ecological resources in the Lake Taupo and Waikato River catchments;
2. To mitigate adverse effects of the operation of the Waikato Hydro Scheme on the ecological environments in the Lake Taupo and Waikato River catchments;
3. To maintain and enhance:
  1. Indigenous biodiversity; and
  2. Sports fishery and game bird populations, in the Lake Taupo and Waikato River catchments through appropriate and sustainable species and habitat management by:
    1. Identifying important habitats and/or species;
    2. Identifying risks and threats to those identified habitats and/or species;
    3. Identifying the most practicable means to ameliorate or resolve risks and threats to habitats and species in the catchment;
    4. Identifying practical means to enhance important habitats and/or species;
    5. Establishing an enduring and beneficial working partnership between Mercury and the Trust

	2018	2017
<b>Description and Quantification of the Entity's Outputs</b>		
Projects Completed - Total Paid	304,545	158,087
Projects Considered at Annual Funding Round/Grants Awarded	528,896	658,564

### Description and Quantification of the Entity's Outputs

#### Projects Completed in the 2018 Financial Year

Application Number	Applicant	Project	Total
2007/01	Fish & Game NZ Eastern Region	Kapenga Wetland	\$52,326
2010/06	Progress to Health	Native Plants Cultivation	\$64
2013/12	Thomas & Ruth McCaughan	Whakarukia Stream Restoration	\$11,506
2014/18	Fish & Game Auckland/Waikato Region	Colin Sherrard Wetland Development	\$18,750
2014/20	Fish & Game Auckland/Waikato Region	Brian Lees Wetland Creation	\$23,085
2014/28	Fish & Game Auckland/Waikato Region	Patrick Heaghan Wetland Restoration	\$7,900
2014/29	Fish & Game Auckland/Waikato Region	Brett Parker Wetland Creation	\$8,400
2015/11	South Waikato Royal Forest & Bird	Mokaihaha Kokaka Restoration	\$93,986
2016/23	Puketapu Downs	Wetland Protection Project	\$12,558
2016/30	The Pukawa Wildlife Management Group	DOC200 Trap Network Upgrade	\$7,694
2016/31	Beebox Limited	Pukerangi	\$31,040

Application Number	Applicant	Project	Total
2016/33	Ngati Tahu Ngati Whaoa	Riparian Planting Hardcastles Lagoon	\$10,684
2017/12	Fish & Game Auckland/Waikato Region	Pete Shaw & Stan Walker - Predator Control	\$3,451
2017/18	Waipa District Council	Lake Ngaroto Animal Pest Control & Monitoring	\$6,000
2017/24	Waikato Regional Council	Waipa Rerenoa River Restoration	\$17,102

#### List of Applications Approved during 2018 Funding Round

All funds approved are GST inclusive

Application Number	Project	2018	2019	2020	2021	2022	Total
2015/11	South Waikato Royal Forest & Bird	\$13,986					\$13,986
2016/16	Fish & Game NZ Eastern Region	\$4,686					\$4,686
2017/12	Fish & Game Auckland/Waikato Region	\$3,448					\$3,448
2018/02	Waikato RiverCare	\$30,000					\$30,000
2018/03	Waikato RiverCare	\$5,350	\$28,650				\$34,000
2018/04	Waikato Regional Council	\$30,084	\$30,602				\$60,686
2018/05	Fish & Game Auckland/Waikato Region		\$40,000				\$40,000
2018/06	Dave & Leann Gamble	\$15,700					\$15,700
2018/07	John Fenwick	\$20,000	\$20,000	\$20,000			\$60,000
2018/08	Farmy McFarm	\$2,500					\$2,500
2018/09	Stu Muir	\$25,000					\$25,000
2018/10	Waitahanui Marae	\$10,273	\$1,617	\$917			\$12,807
2018/11	Project Tongariro	\$4,500	\$4,500	\$4,500			\$13,500
2018/13	Brendon Webby	\$5,225	\$1,495	\$150			\$6,870
2018/14	Sandie Redpath-Baird & Alan Baird	\$3,050	\$841	\$150			\$4,040
2018/15	Sean Francis & Jeanie Barnes	\$11,086	\$3,627				\$14,713
2018/16	Lower Mangapiko Stremcare Group	\$4,140					\$4,140
2018/17	Waikato Regional Council		\$28,750				\$28,750
2018/19	Laurence Humphrey	\$1,100	\$1,100	\$1,100			\$3,300
2018/22	Ryedale Farm Partnership	\$8,508	\$8,506	\$8,506			\$25,520

Application Number	Project	2018	2019	2020	2021	2022	Total
2018/23	Ngati Haua Mahi Trust	\$62,500	\$17,750				\$80,250
2018/24	Mark Waters	\$5,000					\$5,000
2018/25	James Bailey	\$7,500	\$32,500				\$40,000
Total							\$528,896



# Statement of Financial Performance

## The Waikato Catchment Ecological Enhancement Charitable Trust

For the year ended 30 June 2018

	NOTES	2018	2017
<b>Revenue</b>			
Donations, fundraising and other similar revenue	1	210,470	207,564
Interest, dividends and other investment revenue	1	181,480	155,494
Other revenue	1	33,302	99
<b>Total Revenue</b>		<b>425,251</b>	<b>363,158</b>
<b>Expenses</b>			
Costs related to providing goods or services	2	44	84
Grants and donations made	2	451,300	608,035
Other expenses	2	4,348	4,339
<b>Total Expenses</b>		<b>455,692</b>	<b>612,458</b>
<b>Surplus/(Deficit) for the Year</b>		<b>(30,441)</b>	<b>(249,301)</b>

These financial statements should be read in conjunction with the notes to the financial statements and attached audit report.

# Statement of Financial Position

## The Waikato Catchment Ecological Enhancement Charitable Trust


As at 30 June 2018

	NOTES	30 JUN 2018	30 JUN 2017
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash	3	228,247	31,996
Debtors and prepayments	3	243,602	225,172
<b>Total Current Assets</b>		<b>471,849</b>	<b>257,168</b>
<b>Non-Current Assets</b>			
Investments	3	3,581,880	3,886,150
<b>Total Non-Current Assets</b>		<b>3,581,880</b>	<b>3,886,150</b>
<b>Total Assets</b>		<b>4,053,729</b>	<b>4,143,318</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	4	1,813,907	1,873,056
<b>Total Current Liabilities</b>		<b>1,813,907</b>	<b>1,873,056</b>
<b>Total Liabilities</b>		<b>1,813,907</b>	<b>1,873,056</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>2,239,822</b>	<b>2,270,263</b>
<b>Accumulated Funds</b>			
Accumulated surpluses or (deficits)	5	2,239,822	2,270,263
<b>Total Accumulated Funds</b>		<b>2,239,822</b>	<b>2,270,263</b>

For and on behalf of the Board

Chairperson:

Date:

  
30 Aug 2018

Trustee:

Date:

  
30/08/18

These financial statements should be read in conjunction with the notes to the financial statements and attached audit report.

# Statement of Cash Flows

## The Waikato Catchment Ecological Enhancement Charitable Trust For the year ended 30 June 2018

	NOTES	2018	2015
<b>Statement of Cash Flows</b>			
<b>Cash Flows from Operating Activities</b>			
<b>Cash was received from:</b>			
Donations, fundraising and other similar receipts		210,470	207,564
Interest, dividends and other investment receipts		187,905	186,496
<b>Cash was applied to:</b>			
Payments to suppliers & employees		4,392	4,423
Donations or grants paid		489,447	407,508
Net GST		6,129	11,294
<b>Net Cash Flows from Operating Activities</b>		<b>(101,593)</b>	<b>(29,165)</b>
<b>Cash Flows from Investing and Financing Activities</b>			
<b>Cash was received from:</b>			
Receipts from sale of investments		297,845	-
<b>Cash was applied to:</b>			
Payments to purchase investments		-	249,597
<b>Net Cash Flows from Investing and Financing Activities</b>		<b>297,845</b>	<b>(249,597)</b>
Net Increase/(Decrease) in Cash		196,252	(278,762)
Cash and Cash Equivalents at Beginning of Period		31,996	310,758
Cash and Cash Equivalents at End of Period		228,247	31,996
<b>This is represented by:</b>			
Bank Accounts and Cash	3	228,247	31,996

These financial statements should be read in conjunction with the notes to the financial statements and attached audit report.

# Statement of Accounting Policies

## The Waikato Catchment Ecological Enhancement Charitable Trust For the year ended 30 June 2018

### Basis of Preparation

The Waikato Catchment Ecological Enhancement Charitable Trust has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

### Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for debtors and creditors which are stated inclusive of GST.

### Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to The Waikato Catchment Ecological Enhancement Charitable Trust and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

### Donations, Fundraising and Other Similar Revenue

Donations are recognised as revenue upon receipt.

Grant revenue includes grants given by other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant has been compiled with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to income as the conditions are fulfilled.

### Interest Income

Interest income is recognised on an accruals basis.

### Other Income

All other income is accounted for on an accruals basis and accounted for in accordance with the substance of the transaction.

### Grants Made

Grants expenses consists of grants approved during the year.

### Income Tax

The Waikato Catchment Ecological Enhancement Charitable Trust is registered as a charitable entity under the Charities Act 2005 and is exempt from income tax under the income tax legislation

### Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturity dates of 90 days or less.

### **Investments**

Investments are valued at market value.

### **Creditors and Accrued Expenses**

Creditors represent liabilities for grants approved but unpaid at balance date. Creditors are recorded at the amount of cash required to settle the liability.

### **Debtors**

Debtors are recorded at expected realisable value.

### **Tier 2 PBE Accounting Standards Applied**

The entity has not adopted any Tier 2 PBE Accounting Standards in the preparation of these accounts.

### **Changes in Accounting Policies**

There have been no changes in accounting policies.

# Notes to the Performance Report

## The Waikato Catchment Ecological Enhancement Charitable Trust For the year ended 30 June 2018

	2018	2017
<b>1. Analysis of Revenue</b>		
<b>Donations, fundraising and other similar revenue</b>		
Mercury Limited	210,470	207,564
<b>Total Donations, fundraising and other similar revenue</b>	<b>210,470</b>	<b>207,564</b>
<b>Interest, dividends and other investment revenue</b>		
Interest Received	185,002	187,016
Realised Gain/(Loss) on Sale of Investments	2,623	(285)
Unrealised Gain/(Loss) on Investments	(6,145)	(31,237)
<b>Total Interest, dividends and other investment revenue</b>	<b>181,480</b>	<b>155,494</b>
<b>Other revenue</b>		
Grants Written Back	33,302	99
<b>Total Other revenue</b>	<b>33,302</b>	<b>99</b>
	<b>2018</b>	<b>2017</b>

## 2. Analysis of Expenses

<b>Costs related to providing goods or services</b>		
Administrative Fees	44	84
<b>Total Costs related to providing goods or services</b>	<b>44</b>	<b>84</b>
<b>Grants and donations made</b>		
2015/11 South Waikato Royal Forest & Bird	13,986	-
2016/16 Fish & Game, Eastern Region	4,075	-
2016/17 Waituhi Kuratau Trust	-	8,197
2017/01 National Wetland Trust	-	57,391
2017/02 Mangakotukutuku Stream Care Group	-	8,696
2017/04 Waikato Rivercare	-	133,401
2017/05 Armer Farms (NI) Ltd	-	29,955
2017/06 Tangirau Restoration	-	62,020
2017/07 Bike Taupo Advocacy Group	-	20,750
2017/08 Fish & Game, Eastern Region	-	6,522
2017/09 Fish & Game, Eastern Region	-	3,478
2017/10 Fish & Game, Eastern Region	-	18,696
2017/11 Fish & Game, Eastern Region	-	30,435
2017/12 Fish & Game, Auckland/Waikato Region	2,998	-
2017/13 Fish & Game, Eastern Region	-	9,565
2017/16 Fish & Game, Auckland/Waikato Region	-	4,348
2017/17 Greening Taupo	-	12,757
2017/18 Waipa District Council	-	5,217
2017/19 Doug McCauley	-	26,311
2017/20 Waikare Marae Urupa Trustees	-	40,000
2017/22 Tui 2000 Incorporated	(10,435)	80,000

2017/24 Waikato Regional Council	-	14,871
2017/25 Riverlea Environment Society Inc	-	15,304
2017/26 NZ Landcare Trust	-	20,119
2018/02 Waikato RiverCare	26,087	-
2018/03 Waikato RiverCare	29,565	-
2018/04 Waikato Regional Council	52,770	-
2018/05 Fish & Game, Auckland/Waikato Region	34,783	-
2018/06 Dave & Leann Gamble	13,652	-
2018/07 John Fenwick	52,174	-
2018/08 Farny McFarm	2,174	-
2018/09 Stu Muir	21,739	-
2018/10 Waitahanui Marae	11,137	-
2018/11 Project Tongariro	11,739	-
2018/13 Brendon Webby	5,974	-
2018/14 Sandie Redpath-Baird & Allan Baird	3,513	-
2018/15 Sean Francis & Janie Barnes	12,794	-
2018/16 Lower Mangapiko Streamcare Group	3,600	-
2018/17 Waikato Regional Council	25,000	-
2018/19 Laurence Humphrey	2,870	-
2018/22 Ryedale Farm Partnership	22,191	-
2018/23 Ngati Haua Mahi Trust	70,652	-
2018/24 Mark Waters	4,348	-
2018/25 James Bailey	34,783	-
<b>Total Grants and donations made</b>	<b>452,169</b>	<b>608,035</b>

**Other expenses**

Management Fee - Craigs	4,348	4,339
<b>Total Other expenses</b>	<b>4,348</b>	<b>4,339</b>

2018 2017

**3. Analysis of Assets****Bank accounts and cash**

Craigs Cash Management Account	220,101	19,805
SBS Bank	8,146	12,191
<b>Total Bank accounts and cash</b>	<b>228,247</b>	<b>31,996</b>

**Debtors and prepayments**

G S T	243,602	225,172
<b>Total Debtors and prepayments</b>	<b>243,602</b>	<b>225,172</b>

**Investments**

Craigs Investments	3,581,880	3,886,150
<b>Total Investments</b>	<b>3,581,880</b>	<b>3,886,150</b>

	2018	2017
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#### 4. Analysis of Liabilities

<b>Creditors and accrued expenses</b>		
Grants Approved & Unpaid	1,813,907	1,873,056
<b>Total Creditors and accrued expenses</b>	<b>1,813,907</b>	<b>1,873,056</b>

#### Grants Approved and Unpaid

Grants for future years are all classified as current liabilities as the payment dates may change.

	2018	2017
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#### 5. Accumulated Funds

<b>Accumulated Funds</b>		
Opening Balance	2,270,263	2,519,563
Accumulated surpluses or (deficits)	(30,441)	(249,301)
<b>Total Accumulated Funds</b>	<b>2,239,822</b>	<b>2,270,263</b>
<b>Total Accumulated Funds</b>	<b>2,239,822</b>	<b>2,270,263</b>

#### 6. Commitments

The Waikato Catchment Ecological Enhancement Charitable Trust has no commitments at 30 June 2018 (2017 - nil).

#### 7. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2018 (2017 - nil).

#### 8. Goods or Services Provided to the Entity in Kind

Secretarial Services are provided by Mercury Limited at no cost.

#### 9. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (2017 - nil).

	2018	2017
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#### 10. Related Parties

<b>Contributions</b>		
Mercury Annual Contribution - Administration	210,470	207,564
<b>Total Contributions</b>	<b>210,470</b>	<b>207,564</b>

#### Interpretation of Related Parties

For the purposes of this report, the Trust has, under advice, interpreted the term Related Parties in its broadest sense. Inherent in the Trust's establishment (refer to Page 5), was the recognition that the organisations that are party to the Trust are engaged in projects and activities that align with Trust objectives.

The Trust has a clear policy to manage any conflict of interest which may arise due to these organisational alignments (e.g. when a funding application is received from an organisation that a Trustee represents). Conflicts are required to be declared and recorded, and any conflicted Trustee must stand down from voting. If the application is approved, then a Trustee other than those that are conflicted are appointed to oversee the project and any subsequent approvals for payments.



These organisational alignments have been laid out in the table below, which describes grants made to the organisations that are party to the Trust.

Description of Related Party Relationship	Description of the Transaction	2018 Value of Transactions Approved during the year	2018 Amount Outstanding	2017 Value of Transactions Approved during the year	2017 Amount Outstanding
Trustees	Trustees regularly provide their time and skills to the oversight and operation of the trust at no charge				
Judith Van Rossem is a trustee and also the project manager for bio-diversity at the Waikato Regional Council	The Trust provided funding for the below Waikato Regional Council projects:				
	2018/17 Fish Passage Research & Development Project	\$28,750	\$28,750		
	2018/04 Waipa Rerenoa River Restoration Project	\$60,686	\$60,686		
	2017/24 Waipa Rerenoa River Restoration			\$17,102	\$17,102
	2016/29 Karapiro Stream Riparian and Wetland Restoration		\$10,672		\$10,672
	2016/28 Lake Hotoanaga Planting Project – Chris Jew’s Wetland		\$5,674		\$5,674
	2016/27 Lake Maratoto Manuka Wetland Enhancement Project		\$29,284		\$44,700
	2016/25 Mangaotama Wetland Restoration and Stream Enhancement Project		\$12,500		\$12,500
	2016/12 Continuation of Lake Waahi Planting Project – Shaw Wetland		\$8,133		\$16,965

Description of Related Party Relationship	Description of the Transaction	2018 Value of Transactions Approved during the year	2018 Amount Outstanding	2017 Value of Transactions Approved during the year	2017 Amount Outstanding
	2015/13 Mangaotama Wetland Restoration and Stream Enhancement Project		\$62,724		\$62,724
	2014/03 Continuation of Restoration of the Lake Mangahia Wetland		\$5,302		\$5,302
Matthew McDougall is a trustee and also a senior officer at Fish and Game NZ - Eastern Region	The Trust provided funding for the below Fish and Game NZ Eastern - Region projects:				
	2016/16 Hardcastle's & Mihi Bridge Wetlands	\$4,686	\$11,500		\$6,814
	2007/01 Kapenga Wetland				\$11,268
Douglas Emmett is a trustee and also an advisor at Fish and Game Auckland/Waikato	The Trust provided funding for the below Fish and Game Auckland/Waikato projects:				
	2018/05 Frontier Farms Wetland Enhancement Project	\$40,000	\$40,000		
	2017/16 Piggott Wetland Block Enhancement		\$5,000	\$5,000	\$5,000
	2017/13 Kelvin Babington Wetland		\$11,000	\$11,000	\$11,000
	2017/12 Pete Shaw & Stan Walker Predator Control	\$3,448			
	2017/11 Colin Hickey Wetland		\$35,000	\$35,000	\$35,000
	2017/10 Bruce Grant Wetland		\$21,500	\$21,500	\$21,500
	2017/09 Kevin Ramsey Wetland		\$4,000	\$4,000	\$4,000
	2017/08 Andrew Ewan Wetland		\$7,500	\$7,500	\$7,500
	2016/34 Predator Trapping Waikare West		\$1,380		\$1,380
	2014/29 Brett Parker Wetland Creation				\$670
	2014/28 Patrick Heaghan Wetland Restoration				\$7,050

Description of Related Party Relationship	Description of the Transaction	2018 Value of Transactions Approved during the year	2018 Amount Outstanding	2017 Value of Transactions Approved during the year	2017 Amount Outstanding
	2014/26 David Saxton Wetland Restoration		\$2,139		\$18,450
	2014/23 Brad Marsh Wetland Restoration		\$587		\$587
	2014/21 Jeff Tucker Wetland Restoration		\$1,118		\$1,118
	2014/20 Brian Lees Wetland Creation				\$6,943
	2014/18 Colin Sherrard Wetland Development				\$8,868
Donald Scarlet is a trustee and also a key relationships manager at Mercury Limited. Larnie Chrystall is a trustee and also a commercial advisor at Mercury Limited	The Trust provided funding for the below Mercury Limited projects:				
	2016/20 Mangakowhiriwhiri Stream Wetland Restoration		\$36,606		\$39,546
Larnie Chrystall is a trustee and also an Executive Committee Member at Waikato RiverCare	The Trust provided funding for the below Waikato RiverCare projects:				
	2018/03 Butler Farm Project	\$34,000	\$34,000		
	2018/02 Hickey Farm Project	\$30,000	\$30,000		
	2017/04 Koheroa Road Project Black Farm		\$119,912	\$153,412	\$153,412
	2016/10 Lake Ohinewai Project		\$10,420		\$91,835
	2016/11 Mangawara Catchment		\$5,082		\$9,645
	2015/01 Taupiri Ki Weanganui		\$4,100		\$14,999
Gwyneth Verkerk is a trustee of Predator Free Hamilton	The Trust provided funding for the below Predator Free Hamilton projects:				
	2017/25 Pest Free Riverlea		\$12,867	\$17,600	\$17,600

**Terms and conditions of transactions with related parties:**

Funding for operations to date has been received from Mercury Limited (formerly Mighty River Power Limited) under the terms provided for in the Memorandum of Understanding (MoU) of 15 October 2002 between Mercury Limited and The Waikato Catchment Ecological Enhancement Charitable Trust. As part of the MoU, Mercury Limited has agreed to provide administrative support including the payment of administrative and audit expenses. Some grants are paid to organisations represented by current trustees. Transactions with related parties are recorded on normal commercial terms.

# Independent Auditor's Report

The Waikato Catchment Ecological Enhancement Charitable Trust  
For the year ended 30 June 2018

