



Report from the chair 2016/17

For this year's funding round, Trustees agreed to an increase in moneys allocated compared to previous years. A total 26 applications requesting \$922,205.79 in funds were received. Trustees were impressed with the quality of the proposed projects and given that, in the battle to protect our region's biodiversity, delays in implementation can only promote significant further species decline, agreed to allocate some of the investment fund. Funding was confirmed for 20 projects with a total investment of \$659,771.54.

It is great to be able to report the positive achievements of our many project partners whose work is advancing the Trust's objectives. Projects are diverse from riparian and wetland restoration and enhancement activities to pest control in forest, wetland and urban settings. Acknowledging that all projects contribute, so it is impossible in this brief report to mention each one, some deserve particular mention. Trustees are delighted to have been able to contribute to the successful work of the Howick Tramping Club and South Waikato Royal Forest and Bird Society, both of whom have led pest control projects in the kokako's forest environment of Pureora and Mokaihaha. Also deserving mention is the great work of Bike Taupo Advocacy Group controlling wilding pines in public areas of the upper Waikato River catchment and Greening Taupo who have engaged the willing work-force of their school children and wider community to put thousands of plants in the ground.

One of the clear lessons from our Trust's activities is that the success of projects to enhance the biodiversity of our catchment's ecosystems is highly dependent on active community participation. The resilience of our human and ecosystems communities are tightly linked, and WCEET has been pleased to support many projects that have promoted participation and development in our human communities.

The challenges of maintaining the region's economy while protecting the quality of its waterways continue to dominate public debate. At least into the near future, agriculture will likely continue to dominate land use. Impending regulations to reduce contaminant discharges for water quality improvement will require significant areas of wetland to be developed, with current science suggesting 2.5 ha per 100 ha of land farmed required to capture discharges. Projects of this nature will necessitate thinking on a bigger scale than most current activities, and will need greater community buy-in both for funding and for doing the work on the ground. While this might seem daunting, such a future will undoubtedly see some exciting opportunities emerge for work to support our Trust's objectives.

In closing, I need to thank all Trustees for their good work and support during the year, with a special acknowledgement to Larnie Chrystall for her efficiency and effectiveness. Aligned with this we owe considerable thanks to Mercury for the high level of administrative support they provide which includes Larnie's availability to attend to the Trust's day-to-day activities. Thanks are also to Alannah Johnston and Bernard Lamusse from BDO who have provided accounting services, and to Steve Laurie of Craigs Investments for his investment advice.

Chairperson

Performance Report

The Waikato Catchment Ecological Enhancement Charitable
Trust

For the year ended 30 June 2017

Prepared by BDO Waikato Limited

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Compilation Report

The Waikato Catchment Ecological Enhancement Charitable Trust For the year ended 30 June 2017

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 2017.

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

BDO Waikato Ltd

1026 Victoria Street, Hamilton

Entity Information

The Waikato Catchment Ecological Enhancement Charitable Trust For the year ended 30 June 2017

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

Website

www.wceet.org.nz

Statement of Service Performance

The Waikato Catchment Ecological Enhancement Charitable Trust For the year ended 30 June 2017

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

	2017	2016
Description and Quantification of the Entity's Outputs		
Projects Completed - Total Paid	158,087	560,156
Projects Considered at Annual Funding Round/Grants Awarded	658,564	662,410

Description and Quantification of the Entity's Outputs

Projects Completed in the 2017 Financial Year

Application Number	Applicant	Project	Total
2014/08	Sarah Milne	Native Bush Planting	\$29,981
2014/12	Mangahoi Stream Care Group	Mangahoi Stream Care	\$5,400
2014/30	Fish & Game Auckland/Waikato Region	Simon Saxton Wetland Creation	\$10,600
2014/37	Maniapoto Maori Trust Board	Waipa River & Mahaoonui Stream	\$34,500
2015/07	Fish & Game Eastern Region	Simpson's Ruatawiri Wetland Project	\$21,990
2015/09	Bike Taupo Advocacy Group	Chinamens Wetland Willow Control	\$43,731
2016/19	Waikato District Council	Kainui Mammalian Pest Control	\$11,885

List of Applications Approved during 2017 Funding Round

All funds approved are GST inclusive

Application Number	Project	2017	2018	2019	2020	2021	Total
2017/01	Rotopiko Restoration	\$26,000	\$20,000	\$20,000			\$66,000
2017/02	Mangakotuku-tuku Stream Restoration	\$10,000					\$10,000
2017/04	Koheroa Road Project Black Farm	\$33,500	\$92,012	\$9,300	\$9,300	\$9,300	\$153,412
2017/05	Armer Farms Willow Control	\$11,483	\$11,483	\$11,483			\$34,449
2017/06	Tangirau Wetland Restoration	\$18,736	\$8,777	\$11,107	\$23,401		\$62,020
2017/07	Totara Gully Wilding Pine Control	\$23,863					\$23,863
2017/08	Andrew Ewen Wetland	\$7,500					\$7,500
2017/09	Kevin Ramsey Wetland	\$4,000					\$4,000
2017/10	Bruce Grant Wetland		\$21,500				\$21,500
2017/11	Grant Hickey Wetland		\$35,000				\$35,000
2017/13	Kelvin Babington Wetland	\$11,000					\$11,000
2017/16	Piggott Wetland Block Enhancement	\$5,000					\$5,000
2017/17	Completion of Gully 4 Whakaipo Bay Recreation Reserve	\$14,671					\$14,671
2017/18	Lake Ngaroto Animal Pest Control & Monitoring	\$6,000					\$6,000
2017/19	Limestone Block Wetland Restoration	\$16,034	\$10,277				\$26,311
2017/20	Waikere Urupa Ecological Restoration	\$10,000	\$10,000	\$10,000	\$10,000		\$40,000
2017/22	Waiwhakareke Natural Heritage Park Restoration	\$20,000	\$20,000	\$20,000	\$20,000		\$80,000
2017/24	Waipa Rerenoa River Restoration	\$17,102					\$17,102
2017/25	Pest Free Riverlea	\$9,600	\$4,000	\$4,000			\$17,600
2017/26	Hammond Wetland	\$18,537	\$2,300	\$2,300			\$23,137
Total							\$658,564

Statement of Financial Performance

The Waikato Catchment Ecological Enhancement Charitable Trust
For the year ended 30 June 2017

	NOTES	2017	2016
Revenue			
Donations, fundraising and other similar revenue	1	207,564	206,891
Interest, dividends and other investment revenue	1	155,494	207,097
Other revenue	1	99	6,220
Total Revenue		363,158	420,209
Expenses			
Costs related to providing goods or services	2	84	564
Grants and donations made	2	608,035	599,709
Other expenses	2	4,339	5,106
Total Expenses		612,458	605,379
Surplus/(Deficit) for the Year		(249,301)	(185,170)

These financial statements should be read in conjunction with the notes to the financial statements.

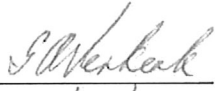
Statement of Financial Position

The Waikato Catchment Ecological Enhancement Charitable Trust

As at 30 June 2017

	NOTES	30 JUN 2017	30 JUN 2016
Assets			
Current Assets			
Bank accounts and cash	3	31,996	310,758
Debtors and prepayments	3	225,172	207,598
Total Current Assets		257,168	518,355
Non-Current Assets			
Investments	3	3,886,150	3,667,555
Total Non-Current Assets		3,886,150	3,667,555
Total Assets		4,143,318	4,185,910
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	1,873,056	1,666,347
Total Current Liabilities		1,873,056	1,666,347
Total Liabilities		1,873,056	1,666,347
Total Assets less Total Liabilities (Net Assets)		2,270,263	2,519,563
Accumulated Funds			
Accumulated surpluses or (deficits)	5	2,270,263	2,519,563
Total Accumulated Funds		2,270,263	2,519,563

For and on behalf of the Board

Chairperson: 

Date: 29/08/17

Trustee: 

Date: 28/8/17

These financial statements should be read in conjunction with the notes to the financial statements.

Statement of Cash Flows

The Waikato Catchment Ecological Enhancement Charitable Trust For the year ended 30 June 2017

	NOTES	2017	2015
Statement of Cash Flows			
Cash Flows from Operating Activities			
Cash was received from:			
Donations, fundraising and other similar receipts		207,564	206,891
Interest, dividends and other investment receipts		186,496	205,709
Net GST		-	14,734
Cash was applied to:			
Payments to suppliers & employees		4,423	5,574
Donations or grants paid		407,508	390,416
Net GST		11,294	-
Net Cash Flows from Operating Activities		(29,165)	31,344
Cash Flows from Investing and Financing Activities			
Cash was received from:			
Receipts from sale of investments		-	208,501
Cash was applied to:			
Payments to purchase investments		249,597	-
Net Cash Flows from Investing and Financing Activities		(249,597)	208,501
Net Increase/(Decrease) in Cash		(278,762)	239,845
Cash and Cash Equivalents at Beginning of Period		310,758	70,913
Cash and Cash Equivalents at End of Period		31,996	310,758
This is represented by:			
Bank Accounts and Cash	3	31,996	310,758

These financial statements should be read in conjunction with the notes to the financial statements.

Statement of Accounting Policies

The Waikato Catchment Ecological Enhancement Charitable Trust For the year ended 30 June 2017

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 2017

	2017	2016
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Mercury Limited	207,564	206,891
Total Donations, fundraising and other similar revenue	207,564	206,891
Interest, dividends and other investment revenue		
Interest Received	187,016	192,887
Realised Gain/(Loss) on Sale of Investments	(285)	-
Unrealised Gain/(Loss) on Investments	(31,237)	14,210
Total Interest, dividends and other investment revenue	155,494	207,097
Other revenue		
Grants Written Back	99	6,220
Total Other revenue	99	6,220
	2017	2016

2. Analysis of Expenses

Costs related to providing goods or services		
Administrative Fees	84	564
Total Costs related to providing goods or services	84	564
Grants and donations made		
2014/31 Kurt Water & Katharina Bucher	-	1,304
2014/36 Maniapoto Maori Trust Board	-	1,304
2014/37 Maniapoto Maori Trust Board	-	3,913
2014/38 Waikato Rivercare	-	2,609
2014/39 Te Awa River Ride	-	9,783
2016/01 Whaingaroa Harbour Care	-	52,174
2016/03 Ngati Haua Mahi Trust	-	26,087
2016/06 Waikato River Trails	-	52,174
2016/09 Howick Tramping Club	-	29,006
2016/10 Waikato RiverCare	-	79,856
2016/11 Waikato RiverCare	-	29,264
2016/12 Waikato Regional Council	-	14,752
2016/14 Coulter Family Trust	-	11,550
2016/16 Fish & Game, Eastern Region	-	5,925
2016/17 Waituhi Kuratau Trust	8,197	59,896
2016/19 Waikato District Council	-	10,335
2016/20 Mercury	-	36,959
2016/21 Kurt & Katharina Bucher	-	18,274
2016/22 Greening Taupo	-	30,535
2016/23 Puketapu Downs	-	10,920
2016/25 Waikato Regional Council	-	10,870

	BDO WAIKATO	
2016/27 Waikato Regional Council	-	38,870
2016/28 Waikato Regional Council	-	8,860
2016/29 Waikato Regional Council	-	9,280
2016/30 The Pukawa Wildlife Management Group	-	7,693
2016/31 Beebox Limited	-	27,026
2016/33 Ngati Tahu Ngati Whaoa	-	9,290
2016/34 Fish & Game Auckland/Waikato Region	-	1,200
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	-
2017/13 Fish & Game, Eastern Region	9,565	-
2017/16 Fish & Game, Eastern 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	80,000	-
2017/24 Waikato Regional Council	14,871	-
2017/25 Riverlea Environment Society Inc	15,304	-
2017/26 NZ Landcare Trust	20,119	-
Total Grants and donations made	608,035	599,709
Other expenses		
Interest - IRD	-	96
Management Fee - Craigs	4,339	5,010
Total Other expenses	4,339	5,106
	2017	2016

3. Analysis of Assets

Bank accounts and cash

Craigs Cash Management Account	19,805	269,469
SBS Bank	12,191	41,289
Total Bank accounts and cash	31,996	310,758

Debtors and prepayments

G S T	225,172	207,598
Total Debtors and prepayments	225,172	207,598

Investments

Craigs Investments	3,886,150	3,667,555
Total Investments	3,886,150	3,667,555

4. Analysis of Liabilities

Creditors and accrued expenses

Grants Approved & Unpaid	1,873,056	1,666,347
Total Creditors and accrued expenses	1,873,056	1,666,347

Grants Approved and Unpaid

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

2017 2016

5. Accumulated Funds

Accumulated Funds

Opening Balance	2,519,563	2,704,734
Accumulated surpluses or (deficits)	(249,301)	(185,170)
Total Accumulated Funds	2,270,263	2,519,563
Total Accumulated Funds	2,270,263	2,519,563

6. Commitments

The Waikato Catchment Ecological Enhancement Charitable Trust has no commitments at 30 June 2017 (2016 - nil).

7. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2017 (2016 - 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 (2016 - nil).

2017 2016

10. Related Parties

Contributions

Mercury Annual Contribution - Administration	207,564	206,891
Total Contributions	207,564	206,891

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	2017 Value of Transactions Approved during the year	2017 Amount Outstanding	2016 Value of Transactions Approved during the year	2016 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-diverity at the Waikato Regional Council	The Trust provided funding for the below Waikato Regional Council projects:				
	2017/24 Waipa Rerenoa River Restoration	\$17,102	\$17,102		
	2016/29 Karapiro Stream Riparian and Wetland Restoration		\$10,672	\$10,672	\$10,672
	2016/28 Lake Hotoanaga Planting Project – Chris Jew's Wetland		\$5,674	\$10,188	\$10,188
	2016/27 Lake Maratoto Manuka Wetland Enhancement Project		\$44,700	\$44,700	\$44,700
	2016/25 Mangaotama Wetland Restoration and Stream Enhancement Project		\$12,500	\$12,500	\$12,500

Description of Related Party Relationship	Description of the Transaction	2017 Value of Transactions Approved during the year	2017 Amount Outstanding	2016 Value of Transactions Approved during the year	2016 Amount Outstanding
	2016/12 Continuation of Lake Waahi Planting Project – Shaw Wetland		\$16,965	\$16,965	\$16,965
	2015/13 Mangaotama Wetland Restoration and Stream Enhancement Project		\$62,724		\$114,013
	2014/03 Continuation of Restoration of the Lake Mangahia Wetland		\$5,302		\$11,153
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:				
	2017/16 Piggott Wetland Block Enhancement	\$5,000	\$5,000		
	2017/13 Kelvin Babington Wetland	\$11,000	\$11,000		
	2017/11 Colin Hickey Wetland	\$35,000	\$35,000		
	2017/10 Bruce Grant Wetland	\$21,500	\$21,500		
	2017/09 Kevin Ramsey Wetland	\$4,000	\$4,000		
	2017/08 Andrew Ewan Wetland	\$7,500	\$7,500		
	2016/16 Hardcastle's & Mihi Bridge Wetlands		\$6,814	\$6,814	\$6,814
	2015/07 Simpson's Ruatawiri Wetland Project				\$12,609
	2007/01 Kapenga Wetland		\$11,268		\$22,278
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:				
	2016/34 Predator Trapping Waikare West		\$1,380	\$1,380	\$1,380
	2014/30 Simon Saxton Wetland Creation				\$2,334
	2014/29 Brett Parker Wetland Creation		\$670		\$670
	2014/28 Patrick Heaghan Wetland Restoration		\$7,050		\$7,900

	2014/26 David Saxton Wetland Restoration		\$18,450		BDO WAIKATO \$19,950
	2014/23 Brad Marsh Wetland Restoration		\$587		\$587
	2014/21 Jeff Tucker Wetland Restoration		\$1,118		\$7,899
	2014/20 Brian Lees Wetland Creation		\$6,943		\$7,792
	2014/18 Colin Sherrard Wetland Development		\$8,868		\$9,503
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		\$39,546	\$42,503	\$42,503
Larnie Chrystall is a trustee and also the deputy chair at Waikato RiverCare	The Trust provided funding for the below Waikato RiverCare projects:				
	2017/04 Koheroa Road Project Black Farm	\$153,412	\$153,412		
	2016/10 Lake Ohinewai Project		\$91,835	\$91,835	\$91,835
	2016/11 Mangawara Catchment		\$9,645	\$33,654	\$33,654
	2015/01 Taupiri Ki Weanganui		\$14,999		\$48,297
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	\$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 2017



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 2017 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 2017 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 2017 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 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

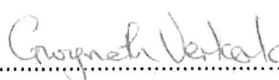
We confirm that we have not altered in any way, the original Letter of Representation emailed to us by Owen McLeod & Co.

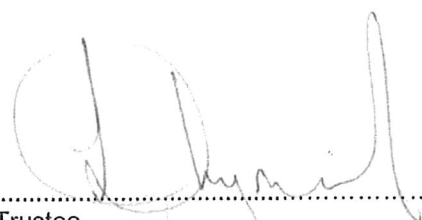
Yours faithfully

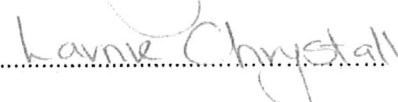
The Waikato Catchment Ecological Enhancement Charitable Trust

Signed By:


.....
Chairperson


.....
Name


.....
Trustee


.....
Name