

Wiri Licensing Trust 2012 Annual Report

Honouring the work of the Totara Hospice

Death is a fact of life. That reality demands a focus on ensuring that people have care and support in their final days.

Totara Hospice South Auckland situated in The Gardens provides comprehensive hospice/Palliative care services. Its services are provided free to all patients and their caregivers.

Services provided by Totara Hospice South Auckland include community palliative care, an in-patient unit with 9 beds, counselling and support for patients and their family, education and training, and a day-stay unit. The hospice has embarked on a redevelopment project worth \$6.75 million, which will see its in-patient unit expanded to 21 beds over the next two years.

Recently Nautilus Foundation, a charitable trust that works in partnership with the Wiri Licensing Trust, allocated \$195,000 to the Totara Hospice. That grant has been welcomed by Wiri Licensing Trustees Ken Penney and Phil Kingsley-Jones.

"It is very gratifying to see funds being channelled into a project like the Totara Hospice. The Wiri Licensing Trust recognises that Totara Hospice as a core piece of infrastructure for a community, which gives people security and dignity in their final days," Ken Penney said.



Wiri Trust trustees Rangi Mclean (far left), Alan Johnson and Phil Kingsley-Jones (far right) with Totara Hospice South Auckland's fundraising manager Jennifer Kent, Board Chairman Stuart Britnell and Chief Executive Alan Beal (at rear) in the Hospice's new Sanctuary

New early childhood centre planned for Randwick Park



Wiri Licensing Trust trustees Daniel Newman (left) and Angela Dalton (right) looking over plans for the new Randwick Park early childhood centre with Taonga Education Trust trustee Georgina Kupa (2nd from left) and Taonga manager Erana Doolan.

A new early childhood education centre is being built in Randwick Park with opening planned for early 2014. The centre is being developed by Taonga Education Trust which already operates three early childhood centres and a teen parent unit in Manurewa. This development is being supported by the Wiri Licensing Trust which in the past has financially supported many of Taonga's other projects.

'Taonga Education Trust is one of Manurewa's success stories' says Wiri Trust chairman Alan Johnson. 'This is an organisation focused entirely on the educational needs of young children and their mothers and it is a Manurewa organisation born and bred' he says.

'Taonga's expansion into Randwick Park is to be welcomed given the critical shortage of early childhood education facilities in that neighbourhood' Mr Johnson says. 'In Manurewa we are only just starting to catch up with other communities in the availability of ECE places for you pre-schoolers and the work of Taonga has been outstanding in helping with this catch up' Mr Johnson says.

'The Wiri Licensing Trust is really proud to be involved with Taonga in its education work as we see this work with mothers and young children as being critical to local efforts in breaking the cycle of social disadvantage and educational failure' Mr Johnson says.

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WHAT IS THE WIRI LICENSING TRUST?

The Wiri Licensing Trust is a community owned business established nearly 40 years ago to operate licenced premises in South Auckland. The Trust operates under the Sale of Liquor Act and is governed by six trustees who are elected every three years at the same time as Council elections.

The Trust district's is bounded by the Southern Motorway, Puhinui Road and the Manukau Harbour so takes in most of Manurewa as well as Puhinui and parts of Conifer Grove. Within this district the Trust owns three bars and a substantial commercial property portfolio in Manukau Central.

Profits from the Trust's operations are either reinvested into the business or provided as community grants and sponsorship. Over the past decade the Trust has distributed over \$1million from its profits to local community projects and organisations.

The Trustees are:

Alan Johnson – Chairman
Angela Dalton – Deputy Chair
Phil Kingsley Jones

Rangi McLean
Daniel Newman
Ken Penny

The Trust's website address is www.wiritrust.org.nz and its postal address is P.O. Box 98833 South Auckland Mail Centre. Its management office is at Our Local tavern 254 Roscommon Road Wiri.

WIRI LICENCING TRUST

Summary Financial Statements for the year ended 31 March 2012

Statement of Financial Position

As at 31 March 2012	2012	2011
Current Assets	167,708	179,319
Non-Current Assets	18,331,278	16,354,348
Total Assets	18,498,986	16,533,667
Current Liabilities	685,168	545,611
Non-Current Liabilities	1,686,799	774,677
Total Liabilities	2,371,967	1,320,288
Trust Equity	15,558,065	14,644,415
Asset Revaluation Reserve	568,964	568,964
Total Equity	16,127,029	15,213,379

Statement of Changes in Equity

For the year ended 31 March 2012	2012	2011
Equity at Start of Year	15,213,379	15,500,588
Total Comprehensive Income	913,650	(287,209)
Total Equity at End of Year	16,127,029	15,213,379

Statement of Comprehensive Income

For the year ended 31 March 2012	2012	2011
Bar Revenue	410,849	348,957
Other Revenue	1,339,593	1,331,981
Sponsorship	(79,681)	(162,501)
Other Expenditure excluding finance costs	(1,481,884)	(1,407,563)
Finance Costs	(74,863)	(65,348)
Operating Surplus	114,014	45,526
Revaluation Gain/(Loss)	840,000	(320,000)
Net Surplus/ (Deficit) before tax	954,014	(274,474)
Tax Expense	(40,365)	(12,735)
Net Surplus/ (Deficit) after tax	913,650	(287,209)
Other Comprehensive Income	-	-
Total Comprehensive Income	913,650	(287,209)

Notes to the Summary Financial Statements For the year ended 31 March 2012

These are the summary financial statements of Wiri Licencing Trust for the year ended 31 March 2012. The specific disclosures included in these summary financial statements have been extracted from the full annual financial statements dated 1st of July 2012. This summary financial report cannot be expected to provide as complete an understanding as provided by the full financial statements.

An unqualified audit opinion has been received on the full financial statements for the year ended 31 March 2012. A copy of the full financial statements for Wiri Licencing Trust for the year ended 31 March 2012 can be obtained by contacting Alan Johnson, Chairperson, Wiri Licencing Trust, PO Box 98833, South Auckland Mail Centre, Manukau City 2241, New Zealand.

This summary financial report has been examined by our auditor for consistency with the full financial statements. These summary financial statements were approved for issue by the Board of Trustees for Wiri Licencing Trust on 1st of July 2012.

These are the financial statements of Wiri Licencing Trust. Wiri Licencing Trust is a Licensing Trust constituted under and governed by the Sale of Liquor Act 1989 and domiciled in New Zealand.

Reporting Entity

The financial statements are of a single trust which has been designated a profit orientated entity. The objective of the Trust is to maximise profits from its tavern & property portfolio to enable it to distribute as much funds as sustainably possible to its community. The trust owns commercial property at 639 Great South Road Manukau City, a Tavern trading as 'Our Local' situated at 254 Roscommon Road Wiri and a Tavern trading as 'Trusty Fullback' situated at Station Road Manurewa.

Statement of Compliance

These financial statements comply with FRS43: Summary Financial Statements. The presentation currency is New Zealand dollars, rounded to the nearest whole dollar. The full financial statements upon which these Summary Financial Statements are based have been prepared in accordance with Generally Accepted Practice in New Zealand and to comply with the New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards.

Differential Reporting

The Trust is a qualifying entity for differential reporting purposes. The grounds on which the Trust qualifies are that it is not publicly accountable within the meaning of the Framework for Differential Reporting and it is not large. The Trust has taken advantage of all differential reporting exemptions available to it with regard to the full financial statements.

Revenue

Revenue comprises the fair value for the sale of goods and services, excluding Goods and Services Tax and discounts. Revenue is recognised as follows:

Sales of Goods

Sales of Goods are recognised when the Trust has delivered a product to the customer. Retail sales are usually in cash or by EFTPOS. The recorded revenue is the gross amount of the sale. Rental Income Rental income is recognised on a straight line basis over the lease term.

Specific Accounting Policies

All other specific accounting policies have been applied on the same basis as those used in the full financial statements.

A full copy of these accounts can be found on the Wiri Licencing Trust's website at <http://www.wiritrust.org.nz> and are available in hard copy at the Trust's office at 254 Roscommon Road Wiri.

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

Independent Auditor's Report

To the readers of Wiri Licencing Trust's summary financial statements for the year ended 31 March 2012

We have audited the summary financial statements as set out on pages 1 to 2, which were derived from the audited financial statements of the Wiri Licencing Trust (the Trust) for the year ended 31 March 2012 on which we expressed an unmodified audit opinion in our report dated 2 July 2012.

The summary financial statements comprise the summary statement of financial position as at 31 March 2012, and summaries of the statement of comprehensive income and statement of changes in equity for the year then ended and the notes to the summary financial statements that include accounting policies and other explanatory information.

Opinion

In our opinion, the information reported in the summary financial statements complies with FRS-43: Summary Financial Statements and is consistent in all material respects with the audited financial statements from which they have been derived.

Basis of opinion

The audit was conducted in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand).

The summary financial statements and the audited financial statements from which they were derived, do not reflect the effects of events that occurred subsequent to our report dated 2 July 2012 on the audited financial statements.

The summary financial statements do not contain all the disclosures required for audited financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Trust.

Responsibilities of the Trustees and the Auditor

The Trustees are responsible for preparing the summary financial statements in accordance with FRS-43: Summary Financial Statements. We are responsible for expressing an opinion on those statements, based on the procedures required by the Auditor-General's auditing standards which incorporate the International Standard on Auditing (New Zealand) 81 0: Engagements to Report on Summary Financial Statements.

Other than in our capacity as auditor we have no relationship with, or interest in, the Trust.

Leon Pietersé,
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand
2 July 2012

Matters relating to the electronic presentation of the summary audited financial statements

This audit report relates to the summary financial statements of Wiri Licencing Trust (the Trust) for the year ended 31 March 2012 included on the Trust's website. The Trustees are responsible for the maintenance and integrity of the Trust's website. We have not been engaged to report on the integrity of the Trust's website. We accept no responsibility for any changes that may have occurred to the summary financial statements since they were initially presented on the website.

The audit report refers only to the summary financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the summary financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited summary financial statements as well as the related audit report dated 2 July 2012 to confirm the information included in the audited summary financial statements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

New Kitchen for Methodist Church Hall

The Methodist Church complex on the corner of Alfriston Road and Great South Road has been an important venue of community meetings in Manurewa for over 50 years. The present Church complex was developed over 35 years ago and the wear and tear of community as well as the passage of time means that things need to be renovated and replaced.

The Manurewa Methodist Parish recently received a \$55,000 grant from The Trusts' Community Foundation or TTFC to renovate the hall kitchen. TTFC is one of the gaming trusts operating gaming machines at Wiri Licensing Trust owned bars.

'It is great to see this brand spanking new kitchen says Wiri Trust trustee Rangi McLean. 'Not only will all this upgraded equipment make the kitchen and hall nicer to use but it also extends the range of functions that can be catered here' he adds.

The Church's minister Rev Vai Ngahe is keen to extend the use of the hall and kitchen to provide local people with low cost community meals and further renovation work is planned including a bright new mural for the carpark on Alfriston Road.



Methodist Church minister Rev Vai'ulala Ngahe (far left) and Church elders Margaret and Robin Ziegler (front right) at the recently refurbished Methodist Church hall kitchen with Wiri Trust trustees (from left) Angela Dalton, Rangi McLean, Daniel Newman and Alan Johnson

Wiri Licensing Trust Chairman's Report 2012

The Wiri Licensing Trust is quite unique within the South Auckland community as the last remaining licensing trust and as a solid community owned business with assets of more than \$18 million. The Trust operates bars and gaming from two sites in its district and has a solid commercial property portfolio as well. The Trust's bars and gaming machines turnover nearly \$4.5 million annually and during 2011/12 \$2.2 million in community grants were made from these machines. We can proudly say that all of this money went back to the local community.

For the 2011/12 year the Trust reports a before tax profit of \$954,000 although most of this profit has arisen through a \$840,000 revaluation of our commercial property portfolio. This means that the operating surplus generated by the Trust's bars and property arms provided a return of \$114,000 before tax. This operating surplus is ahead of last year's result of \$45,500 although it has been achieved on the back of a significant drop in the sponsorships which the Trust has made directly to local community groups and projects. Such sponsorship totalled nearly \$80,000 during 2011/12 which is less than half the 2010/11 figure of \$162,500.

The Trust has property assets of over \$18 million, debt of just under \$2.4 million and so a net equity of \$16 million and very low debt to equity ratios. This financial position reflects the Trust's financially conservative approach and provides us with huge opportunity for growth over the next few years as opportunities emerge.

In December 2011 the Trustees made a deliberate choice to postpone further community sponsorships in part to rebuild our working capital and in part to pay for preliminary work on the redevelopment of our commercial properties. Many of the leases on these properties end in mid 2012 and while we have arranged for short-term extensions to these leases, the properties themselves need major redevelopment. To this end the Trust is presently planning for a \$10 million redevelopment of its Ronwood Avenue site which may be finished by late 2014.

In late 2011 the Trust decided to reorganise its management structure and to appoint a general manager who would take overall control of all the Trust's operations and provide the Trustees with professional advice on the Trust's strategy and growth. We have been very fortunate in appointing Steve Wilkinson as the Trust's general manager. Steve brings to the job a great deal of commercial experience as well as a passion for community development. Steve's appointment now allows the Trustees to focus on their role as directors of the Trust rather than having to fill executive roles as has been past practice.

I personally have been an elected trustee of the Wiri Licensing Trust for 26 years. The changes and opportunities ahead of us over the next two years are unprecedented in my time as a trustee and I feel privileged to be part of these. While the next two years will involve having to make some tough choices, I believe that these opportunities will place the Trust in a very strong financial position for the next 20 years. My fellow trustees share this long-term perspective and I thank them for this commitment and their personal support for the Trust and its work.

Alan Johnson
Trust Chairman

Grants made by the Trusts' Community Foundation from Wiri Licensing Trust Venues

for the period 1st April 2011 to 31st March 2012 \$

Alfriston College	9,182.00
Auckland District Kidney Society Inc	46,000.00
CHOICE Foundation	3,000.00
Counties Manakau Softball Umpires Association	20,000.00
Counties Manukau Basketball Assn Inc	35,000.00
Counties Manukau Cricket Assn Inc	15,000.00
Counties Manukau Rowing Club Inc	20,325.00
Counties Manukau Rugby Football Union Inc	34,600.00
Counties Manukau Touch Association	27,494.00
Friendship House Trust	15,000.00
Guides New Zealand Puhinui District	3,500.00
Homai Kindergarten	2,600.00
James Cook High School	24,481.00
John Walker Find Your Field of Dreams Foundation	35,000.00
Life Education Mangere Trust	4,380.00
Manukau City Orchestral Society Inc	14,581.14
Manukau Softball Hokotehi Club Inc	2,024.00
Manukau Youth Orchestra Inc	17,310.00
Manurewa Anglican Parish	48,215.00
Manurewa Citizens Advice Bureau	12,000.00
Manurewa Community Events Trust	6,926.00
Manurewa Community Facilities Charitable Trust	52,811.00
Manurewa Croquet Club Inc	1,250.00
Manurewa High School	32,978.00
Manurewa Intermediate School	1,782.00
Manurewa Methodist Church	55,283.00
Manurewa Mets Softball Club	4,496.00
Manurewa Rugby Football Club Inc	60,649.00
Manurewa Rugby League Football & Sports Club Inc	11,000.00
Manurewa Tennis Club Inc	8,620.00
Melkite Catholic Charitable Trust of New Zealand	35,000.00
Randwick Park Residents Association Inc	2,700.00
Ronald McDonald House Auckland Trust	5,000.00
Royal NZ Foundation of the Blind - Auckland	20,000.00
South Auckland Volleyball Club Inc	5,000.00
SPCA Auckland Inc	5,590.00
Special Olympics Papakura	1,149.00
St Pauls Presbyterian Church Manurewa	150,000.00
Taonga Education Centre Charitable Trust Inc	54,449.00
Te Kamaka Matauranga Kohanga Reo	2,720.00
Te Whakaora Tangata Charitable Trust	16,000.00
The Brain Injury Assn (Auckland) Inc	10,000.00
The Children's Autism Foundation	5,000.00
The Gardens School	3,000.00
Toddlers Turf Childcare Centre Inc	4,995.00
Weymouth Cricket Club	22,269.00
Weymouth Early Discoveries Centre Inc	34,457.00
Wiri Central School	5,000.00

VALUE OF ALL GRANTS MADE 1,007,816.14

Keeping it local with gambling profits

Class 4 gaming machines or 'Pokies' as they are commonly called are a like it or loath it sort of thing. Many people in our community gamble on them and some of these people loose more than they can afford to - perhaps because of a gambling addiction. Many community groups and sports clubs receive funding from the profits from these machines and the Government benefits to the tune of \$300 million each year in taxes from them.



Perhaps one of the biggest criticisms levelled at pokies is that they are concentrated in low income communities and that the profits are ripped off these communities and given as grants or payouts to other communities. A classic example of this was the syphoning off of profits from a Manurewa gaming venue to the Otago Rugby Union.

Such questionable practices motivated Maori Party MP Te Ururoa Flavell to promote a private members bill in Parliament which aims to ensure that proceeds from gaming machines are distributed back to the community they came from. This bill which is known as the Gambling (Gambling Harm Reduction) Amendment Bill was introduced into Parliament in early 2011 and has since been through a submission process with Parliament's Commerce Committee.

As well as introducing local allocation of gaming profits, Mr Flavell's bill also promotes the idea that local councils such as Auckland Council should allocate these profits rather than the gaming trusts which operate the gaming machines. These councils would also be granted greater powers to close down gaming venues under the bill.

The Wiri Licensing Trust supports the local allocation requirement of the Flavell bill but opposes ideas such a decision making by local Councils given the obvious conflicts of interest which such an approach poses. The Wiri Licensing Trust's submission to this Bill is available on the Trust's website at <http://www.wiritrust.org.nz>.

The Wiri Licensing Trust not only supports local allocations of gaming profits but works hard to ensure that the gaming profits from the bars it controls are distributed almost entirely into the Manurewa – Manukau communities. Furthermore the Trust has worked with gaming machine trusts which operate in its bars to maximise the profits available for community grants. By law at least 37% of gaming machine profits need to be allocated for community grants. Community grants from Wiri Licensing Trust sites exceeded 52% of profits during 2011/12. The remainder of these profits have gone to pay for taxes as well as administration and operating costs.

Community grants from Wiri Licensing Trust sites exceeded \$2.1 million during 2011/12. Schedules of which groups received these grants is provided on pages 3 and 4.

Grants and Sponsorships made by the Wiri Licensing Trust

for the period 1st April 2011 to 31st March 2012	\$
Auckland Tourism, Events and Economic Development Ltd	10,800
Clendon United AFC	5,000
Manurewa Association Football Club	10,000
Manurewa Community Events Trust	13,375
Netball Manurewa	10,000
Manurewa Rugby Football Club	11,660
Manurewa Rugby League Football Club	10,000
Randwick Park Residents Association	174
Wattle Downs Residents and Ratepayers Association	434
Weymouth Rugby Club	6,000
Weymouth Primary School	486
Rotary Club Alfriston	870
Our Local Darts Club	882
Total Donations, Grants and sponsorship	79,681

Grants made by Nautilus Foundation from Wiri Licensing Trust venues for the period 1st April 2011 to 31st March 2012

	\$
Affirming Works Ltd	2,000.00
Age Concern Counties Manukau	2,000.00
All Seasons Community Sports Trust	2,407.00
All Seasons Community Sports Trust	2,442.88
Auckland Kindergarten Assn Aorere	3,245.00
Auckland Wheelchair Rugby Assn.	1,360.00
Clendon Residents Group	4,400.00
Counselling Services Centre	1,064.80
Counties Manukau Basketball Assn	10,000.00
Counties Manukau Cricket Assn Inc	30,000.00
Counties Manukau Hockey Assn	970.00
Counties Manukau Kindergarten Assn Homai	2,100.00
Counties Manukau Kindergarten-Roscommon	2,000.00
Counties Manukau Kirikiti Assn	5,000.00
Counties Manukau Rugby Football	56,610.00
Counties Manukau Rugby Football	4,000.00
Counties Manukau Rugby Football	25,000.00
Counties Manukau Sports Foundation	4,000.00
Counties Manukau Swimming	527.62
Counties Manukau Swimming	1,000.00
Counties Manukau Touch Assoc	9,000.00
Counties Manukau Touch Assoc	15,000.00
Deaf Aotearoa NZ Inc	2,340.00
Finlayson Park School	4,518.62
Habitat for Humanity Greated Auckland Ltd	926.09
Habitat for Humanity Greater Auckland Ltd	1,500.00
Harvest Group Trust	5,750.00
Hillpark Primary School	5,000.00
Hip Hop Dance Academy Inc	8,000.00
Homai Primary School	2,616.99
Homai Primary School	16,160.00
IOSIS Ltd	999.58
J C Spartans Inc	2,905.00
James Cook High School	20,000.00
John Walker Find Your Field of Dreams Foundation	33,300.00
KIDS Foundation Auckland Wish List	5,000.00
KIDS Foundation Wishlist North	5,000.00
Kohiwi Road Playcentre	6,200.00
Kohiwi Road Playcentre	30,000.00
Manukau South Volleyball Club	4,000.00
Manurewa Assn Football Club	7,275.00
Manurewa Assn Football Club	10,913.00
Manurewa Business Assn Inc	11,973.52
Manurewa Community Events Trust	10,279.00
Manurewa Community Events Trust	20,944.72
Manurewa Community Facilities Charitable Trust	12,000.00
Manurewa Croquet Club Inc	7,977.55
Manurewa East School	4,650.00
Manurewa Marae	21,000.00
Manurewa Parenting Hub Inc	7,500.00
Manurewa Parenting Hub Inc	8,298.57
Manurewa Playcentre	7,109.00
Manurewa Rugby Football Club Inc	11,933.00
Manurewa Rugby Football Club Inc	19,265.75
Manurewa Rugby Football Club Inc	30,000.00
Manurewa Rugby Football Club Inc	30,000.00
Manurewa Rugby Football Club Inc	33,359.00
Manurewa Rugby League Football and Sports Club Inc	16,000.00
Manurewa Squash Rackets Club Inc	54,680.00
Melkite Catholic Charitable Trust	35,000.00
Netball Counties Manukau Entity	3,000.00
Netball Manurewa Incorporated	60,750.00
Netball Manurewa Incorporated	65,000.00
New Zealand Medical Students Assn	3,000.00
NZ Council of Victim Support Groups Inc	3,640.00
Pacific Micronesian Foundation	3,500.00
Pacific Rim Netball Inc	4,847.00
Papatoetoe Playcentre Inc	3,500.00
Presbyterian Support Services (Nort	4,366.00
Randwick Park Residents Assn Inc	40,000.00
Reremoana School	5,460.00
Sonshine Ranch Charitable Trust	5,000.00
South Auckland Hospice Charitable	4,328.00
South Auckland Hospice Charitable	195,000.00
SPCA Auckland Operations	6,026.00
Special Olympics NZ - Papakura	2,400.00
The Friendship House Trust	10,000.00
The Friendship House Trust	15,000.00
The Gardens Netball Club	3,687.00
The Gardens School	3,000.00
The South Auckland Health Foundation	11,600.00
Wiri Central School	5,000.00
Youthline Auckland Charitable Trust	23,224.00
TOTAL	1,179,829.69