

# **THE RANFURLY TRUST**

Financial Report for the year ended 30 September 2010

## **CONTENTS**

Page 1	Audit report
2	Trust directory
3	Income statement
4	Statement of movements in equity
5	Balance sheet
6 - 8	Notes to the financial statements

## INDEPENDENT AUDITOR'S REPORT

To the Trustees of The Ranfurly Trust

We have audited the financial report, on pages 3 to 8, of The Ranfurly Trust, which comprise the balance sheet as at 30 September 2010, and the income statement and statement of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial report has been prepared by the Trustees based on the financial reporting provisions of the Deed of Trust dated 16 July 1999.

### Trustees' Responsibility for the Financial Report

The Trustees are responsible for the preparation of the financial report in accordance with the financial reporting provisions of the Deed of Trust dated 16 July 1999 and that gives a true and fair view of the matters to which they relate, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that give a true and fair view of the matters to which they relate in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial report.

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

Other than in our capacity as auditor we have no relationship with, or interests in, The Ranfurly Trust.

### Opinion

In our opinion, the financial report gives a true and fair view of the financial position of The Ranfurly Trust as at 30 September 2010 and of its financial performance for the year then ended and have been prepared in accordance with the financial reporting provisions of the Deed of Trust dated 16 July 1999.

### Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report which describes the basis of accounting. The financial report is prepared to assist the Trustees meet the requirements of the Deed of Trust dated 16 July 1999. As a result, the financial report may not be suitable for another purpose.

  
Carlton-DFK

24 March 2011

Auckland

## **The Ranfurly Trust**

**Directory as at 30 September 2010**

Page 2

**Purpose of the Trust:** To ensure the continued existence of Ranfurly Veterans Home and Hospital to serve the needs of at risk veterans.

**Nature of activities:** To develop strategy and to raise funds to support the purposes of the Trust and to ensure that the special needs of veterans can be met in the future.

**Members of the Trust:** D McGregor  
G McKay  
G Moyle  
D Turner  
J McGuire

**Chief Executive:** M Martin

**Address:** 539 Mount Albert Road  
Mount Roskill  
Auckland 1042

**Auditors:** Carlton-DFK  
Chartered Accountants  
Level 3, 135 Broadway  
Newmarket  
Auckland 1023

**Bankers:** BNZ  
Mount Roskill

**The Ranfurly Trust****Income Statement****For The Year Ended 30 September 2010**

Page 3

	<b>Note</b>	<b>This Year \$</b>	<b>Last Year \$</b>
<b>Income</b>			
Donations & grants	7	58,503	229,831
Interest		50,291	61,268
Other		56,681	45,726
		<u>165,475</u>	<u>336,825</u>
<b>Expenses:</b>			
<b>Premises Costs</b>			
Depreciation		67,589	68,092
Insurance		39,813	33,317
Repairs & maintenance		-	15,051
Other property costs		3,611	3,508
		<u>111,013</u>	<u>119,968</u>
<b>Administration Costs</b>			
Salaries & wages		135,000	114,494
Audit fees		3,700	2,600
Development costs		43,284	240,701
Other administration costs		9,376	30,529
		<u>191,360</u>	<u>388,324</u>
<b>Total expenses</b>		<u>302,373</u>	<u>508,292</u>
<b>Net surplus/(deficit)</b>		<u><b>(136,898)</b></u>	<u><b>(171,467)</b></u>

*The accompanying notes form an integral part of these financial statements.*

**The Ranfurly Trust**

**Statement of Movements in Equity  
For The Year Ended 30 September 2010**

Page 4

	<b>This Year</b> \$	<b>Last Year</b> \$
<b>Trust equity at the beginning of the year</b>	5,544,671	5,716,138
Net surplus/(deficit) for the year	(136,898)	(171,467)
Total recognised revenues and expenses for the year	(136,898)	(171,467)
<b>Trust equity at the end of the year</b>	<b>5,407,773</b>	<b>5,544,671</b>

*The accompanying notes form an integral part of these financial statements.*

**The Ranfurly Trust**

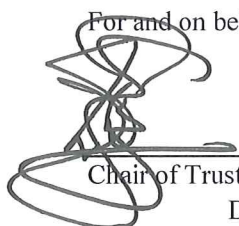
**Balance Sheet**


**As At 30 September 2010**

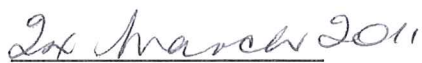
Page 5

	Note	This Year \$	Last Year \$
<b>Trust Equity</b>	2	<b>5,407,773</b>	<b>5,544,671</b>
<b>Current assets</b>			
Accounts receivable		7,830	206,324
BNZ		199,619	59,345
Westpac Deposits		985,068	940,313
GST receivable		2,645	12,093
Prepayments		6,836	5,624
Ranfurly Veteran Care Limited Current Account	6	214,194	346,630
Total current assets		1,416,192	1,570,329
<b>Non-current assets</b>			
Shares in Ranfurly Veteran Care Limited	6	10,000	10,000
Fixed Assets	5	4,009,572	4,077,161
Total non-current assets		4,019,572	4,087,161
<b>Total assets</b>		<b>5,435,764</b>	<b>5,657,490</b>
<b>Current liabilities</b>			
Creditors & accruals		27,991	112,819
		27,991	112,819
<b>Net Assets</b>		<b>5,407,773</b>	<b>5,544,671</b>

For and on behalf of the Trust

  
Chair of Trust:  
D McGregor

  
Deputy chair of Trust:  
G. McKay

  
Date

The accompanying notes form an integral part of these financial statements.

## **The Ranfurly Trust**

### **Notes to the Financial Statements For The Year Ended 30 September 2010**

Page 6

#### **1. Statement of accounting policies**

##### **Reporting entity**

The financial statements presented here are for the reporting entity The Ranfurly Trust. The Ranfurly Trust is incorporated as a trust under the Charitable Trust Act 1957. The Trust is not a reporting entity in terms of the Financial Reporting Act 1993. These financial statements have been prepared in accordance with the trust deed dated 16 July 1999.

##### **Measurement base**

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical basis are followed by the Trust, with the exception that certain fixed assets have been revalued.

The financial statements are a special purpose report prepared for members of the Trust Board. They may not be fully in accordance with all applicable financial reporting standards.

The information is presented in New Zealand dollars.

##### **Specific accounting policies**

The following specific accounting policies which materially affect the measurement of financial performance and the financial position have been applied:

**a) Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

Fair value is the actual amount received or receivable.

**b) Investments**

The shares in Ranfurly Veteran Care Limited are stated at cost.

**c) Property, plant, and equipment**

Property, plant, and equipment are stated at cost less accumulated depreciation. Land and buildings were revalued on 30/09/2000. Surpluses arising on revaluation are transferred to the asset revaluation reserve.

**d) Depreciation**

Depreciation has been calculated to allocate the cost or valuation of assets over their estimated useful life as follows:

Buildings	80 years
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**e) Receivables**

Receivables are stated at their estimated realisable value.

**f) Income tax**

The Trust has charitable status and is exempt from income tax.

**The Ranfurly Trust**

**Notes to the Financial Statements  
For The Year Ended 30 September 2010**

Page 7

**Specific accounting policies (continued)**

**g) Goods and services tax**

The financial statements have been prepared on a GST exclusive basis with the exception of creditors.

**Changes in accounting policies.**

There have been no changes to accounting policies. All policies have been applied on bases consistent with those used in the prior year

**2. Trust Equity**

	<b>This Year</b>	<b>Last Year</b>
Accumulated Funds	2,566,970	2,703,868
Asset Revaluation Reserve	2,840,803	2,840,803
	<u>5,407,773</u>	<u>5,544,671</u>

**3. Accumulated Funds**

	<b>This Year</b>	<b>Last Year</b>
Balance at the beginning of the year	2,703,868	2,875,335
Net surplus/(deficit) for the year	(136,898)	(171,467)
Balance at the end of the year	<u>2,566,970</u>	<u>2,703,868</u>

**4. Asset Revaluation Reserve**

	<b>This Year</b>	<b>Last Year</b>
Balance at the beginning of the year	2,840,803	2,840,803
Revaluation during the year	-	-
Balance at the end of the year	<u>2,840,803</u>	<u>2,840,803</u>

## **The Ranfurly Trust**

### **Notes to the Financial Statements For The Year Ended 30 September 2010**

Page 8

#### **5. Property, plant and equipment**

	<b>Cost/Val'n</b>	<b>Accum Dep'n</b>	<b>This Year Book Value</b>	<b>Last Year Book Value</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Land	1,167,020	-	1,167,020	1,167,020
Buildings	3,460,352	617,800	2,842,552	2,910,141
	<u>4,627,372</u>	<u>617,800</u>	<u>4,009,572</u>	<u>4,077,161</u>

Land & buildings were last revalued on 30/09/2000 to \$4,500,000 based on the independent valuation by registered valuers, Rolle Hillier Parker Limited.

#### **6. Ranfurly Veteran Care Limited**

Ranfurly Veteran Care Limited is a company 100% owned by the Trust. It has share capital of \$10,000 (10,000 shares). The Trust continues to hold the land & buildings of the Ranfurly Home and Hospital operations. The Trust funded the initial setup of the company including providing the operational fixed assets and working capital. In return the company provides the trust with administration support. At year end the company owed the Trust \$214,194 (2009: \$346,630).

#### **7. Donations & Grants**

	<b>This Year</b>	<b>Last Year</b>
Donations	58,503	29,831
Government Grant	-	200,000
	<u>58,503</u>	<u>229,831</u>

#### **8. Redevelopment Project**

The trustees of The Ranfurly Trust have been negotiating with developers, Retirement Assets Limited, to build a new retirement home & hospital facility on its Mt Albert Road land. It is anticipated the facility will be completed approximately 1 year after construction commences. The operational assets of the Ranfurly Veteran Care Limited will be sold to the developers at either assessed market value or book value upon completion of the new facility. The land will continued to be owned by the trust. An estimate of the financial effect on the carrying values of the assets cannot be made at this time.