

Montfort Trimble
Foundation

2012:2013

Annual Report





CONTENTS

1. OBJECTIVES AND TRUSTEES OF TRIMBLE
2. REPORT OF THE CHAIRMAN OF TRUSTEES
3. ASSETS
4. FINANCIAL STATEMENT
5. REVIEW OF THE YEAR
6. STATEMENT OF ACHIEVEMENTS

The Montfort Trimble Foundation is a Charitable Trust set up by a New Zealand Act of Parliament. The purpose of the act is to perpetuate the wishes expressed in the will of Dr Montfort Trimble of Masterton. Dr Trimble died in 1940 and left money to the Masterton County Council to promote public afforestation in the region. The Council used the money

preamble

to buy 127 ha of land 17 km north of Masterton and planted it in *Pinus radiata*. Two crops of pines have been harvested from the land and the Trimble Foundation is charged with administering the income from the trees to further public afforestation. The Foundation has used part of the money from the sale of trees to purchase Rewanui, a property with areas of native bush that the Foundation wishes to protect and enhance.

TRIMBLE FOUNDATION

Mission Statement

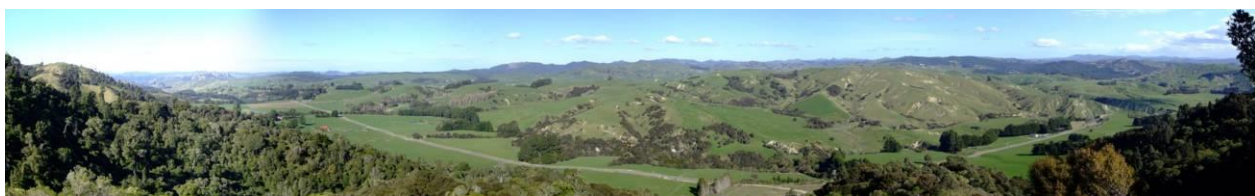
An independent organisation dedicated to the growing of trees for the educational, economic, environmental and aesthetic benefit of the public.

Objectives of the foundation

- ❖ The production and care of timber for economic purposes.
- ❖ The maintenance of forests
- ❖ Providing a supply of timber for the public wants
- ❖ Assisting the Council to establish forests
- ❖ Providing for the conservation of native and commercial forests.
- ❖ Amenity and protection planting and their maintenance.

Trustees

- | | |
|---------------------------|--------------------------|
| ❖ Ian Campbell - Chairman | Elected |
| ❖ Mike Wyeth | Elected |
| ❖ Elizabeth Waddington | Elected |
| ❖ Roddy McKenzie | Elected |
| ❖ Steve Blakemore | Council appointee |
| ❖ Judith Callaghan | Council appointee |
| ❖ Andrew Pottinger | Guardian Trust appointee |



chairman of trustees

REPORT

Annual Report 2012-13

This summer was one the driest on record and conditions at both the Trimble forest and Rewanui reflected this. The trial trees have survived very well with the exception of Silver Beech although growth rates in general are down on last year. Water supply on Rewanui became a problem with water being carted in to supplement the house supply but upgrading the intake for the toilet and stock troughs was needed to maintain a flow.

During the dry period a fire was deliberately lit on the road edge of the Trimble Forest, fortunately the fire was spotted and reported in time to avert extensive damage. An area of about half a hectare of pine forest was destroyed by the blaze that started about midnight in calm conditions. It was fortuitous that there was little wind and the fire was spotted by a milk tanker driver before it got out of control. The fire service and forestry crew did a great job of extinguishing the blaze and monitoring hot spots for the next 24 hours.

We made use of the dry conditions to create a new access track along the gully parallel to the road at Rewanui. The addition of this track makes a loop available through the exotic and indigenous trial areas and back through the redwood planting. The track is over some unstable ground so no doubt will need maintenance from time to time.

The grazing arrangement on Rewanui where Mike Hodgins uses the land not needed for trees continues to work very well. Mike is a very good farmer and keeps the paddocks in good order with much of the flat area planted in lucerne. Renting the house has not been as satisfactory with the tenant finally vacating the property during the year. We have upgraded the house to a minimum standard and have reached an agreement with a tenant who will continue to improve the property as they live in it. The house is in sound condition and the painting carried out last year together with the improvements should result in a very attractive property.

The dry conditions saw some mortality of trees planted along the Kowhai creek in 2012 and these will be replaced and added to this winter. We have created a limed path along the creek and this has enhanced the area considerably.

A field day was held in November 2012 to examine the trial plantings carried out so far. It was felt that this was a good chance to view the plantings, particularly of the exotics while they were at a stage where an overall view was obtainable. About fifty people attended a very successful day.

The foundation is very interested in just what causes neighbouring trees to grow at markedly different rates so we applied to the Sustainable Farming Fund in conjunction with Scion Research for money to conduct research into the topic. The application was declined but we were encouraged to try again. We have been fortunate to have Duncan MacIntyre conduct research on the topic as part of his PhD studies. Scion is ready to commence planting a trial as part of a national program to investigate changes to the soil properties under different species of trees. This is a long term project but will result in an interesting planting of a mix of exotic and indigenous trees. The species include, Redwood, Totara, Deodar cypress and Red beech. The Eucalypt plantings established by the Dryland Trust are flourishing with the trees starting to have impact on the landscape.

In an organisation like the Trimble Foundation each member contributes as their skills and time allow. This year I make special thanks to Steve Blakemore for the work and time he has contributed to the maintenance of the homestead and the plantings along the road and Kowhai creek. Liz Waddington has put a lot into organising planting with local schools and her skills in preparing brochures and reports are much appreciated. Liz is retiring as a trustee at the upcoming election so we thank her for all she has contributed over her time as trustee. Bruce Watkins has been our Secretary /treasurer from the beginning and has indicated he will retire from the position later in the year. Thank you Bruce for your contributions and advice over the years.

Last year I reported that we are working on a long term strategy document but we have not made much progress yet, maybe the coming year and some new faces will help us further the objective.

Ian Campbell

Chairman.

Foundation Assets

The main Foundation assets at the end of June 2013 are:

1. **The Trimble Forest at Miki Miki**
Area 127 ha.
2. **Rewanui at Blairlogie**
Area 335ha



**Old Macrocarpa Tree
behind the homestead.**



an independent
organisation
dedicated to the
growing of trees
for the
educational
economic,
environmental
and aesthetic
benefit of the public.

FINANCIAL

Statements

2012:2013

Statement of accounting policies

For the year ending 30th June 2013

REPORTING ENTITY

Montfort Trimble Foundation (“the Foundation”) is a body corporate with perpetual succession, governed by the Masterton District Council (Montfort Trimble Foundation) Act 2003. The Act was given royal assent on 10th December 2003 and the Foundation was formally constituted at its initial meeting of Trustees of 29th April 2004.

At that date, the funds previously held in trust by the Masterton District Council, became the assets of the Foundation, along with the forest asset known as Trimble forest.

The financial statements have been prepared in accordance with generally accepted accounting practices as recognised by the New Zealand Institute of Chartered Accountants.

MEASUREMENT BASE

The measurement base adopted is that of historical cost, modified by the revaluation of certain fixed assets.

ACCOUNTING POLICIES

The following accounting policies which significantly affect the measurement of operating results and financial position have been applied;

3. Goods and Services Tax (GST)

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. When GST is not recoverable as an input tax then it is recognised as part of the related asset or expense.

4. Revenue recognition

Revenue is recognised as income when levied.

5. Equity

Equity is the community’s interest in the Foundation and is measured as the difference between total assets and total liabilities.

6. Accounts Receivable

Accounts receivable are stated at expected net realisable value after providing for doubtful and uncollectible debts.

7. Investments

Invested funds are shown at the initial sum invested plus accrued interest.

8. Plant, Property and Equipment and other Non current assets.

These assets consist of:

Forestry assets – These include only the value of the standing timber within Trimble Forest, as assessed by independent valuation. Any increase or decrease in value is accounted for in the Forestry Revaluation Reserve.

Buildings – Shown at cost less depreciation calculated at 4% of the diminishing value.

Other assets – Shown at cost less depreciation calculated on cost (House contents 28.8%, Woolshed contents 18.6%, Water tanks 12%, Computer 40%)

9. Forestry Valuation

The valuation has been carried out by an independent qualified forestry valuer.

10. Taxation

The Foundation has been granted charitable status. Income tax has not been accounted for in these financial statements.

CHANGES IN ACCOUNTING POLICIES

There has been no change in the accounting policies adopted to prepare these financial statements from 2012.

Statement of financial performance

For the period ending 30th June 2013

INCOME

	REFERENCE	2013	2012
Note 1	Sundry Revenue	49,020.53	125,358.59
Total Income		49,020.53	125,358.59

EXPENDITURE

Note 2	Conservation Afforestation	30,919.64	45,054.44
Note 3	Productive Afforestation	95,035.05	51,040.20
Note 4	Farming Expenses	24,572.98	0.00
Note 5	Administration	32,276.82	44,907.23
Note 6	Depreciation	12,222.67	13,289.11
	Total Expenses	195,027.16	154,290.98

OPERATING SURPLUS/(DEFICIT)	-146,006.63	-28,932.39
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These financial statements must be read in conjunction with the accompanying notes.



Field Day 2012

Statement of financial position

As at 30 June 2013

	Field Day 2012		
CURRENT ASSETS	REFERENCE	2013	2012
Bank Accounts	Note 7	713,438	838,652
Other Current Assets	Note 8	21,845	39,130
Total Current Assets		735,283	877,782
CURRENT LIABILITIES			
Accounts Payable	Note 9	8,861	34,705
Total Current Liabilities		8,861	34,705
WORKING CAPITAL		726,422	843,076
NON CURRENT ASSETS			
Forestry at Valuation	Note 10	407,078	407,078
Fixed Assets	Note 6	1,672,408	1,684,630
Farmlands Trading Society Shares		915	556
Emissions Trading Scheme Units	Note 11	20,938	38,427
		2,101,337	2,130,691
EQUITY		2,827,760	2,973,767



**Kanuka
Kowhai Creek**

Statement of movements in equity

For the period ending 30 June 2013

	2013	2012
Opening Equity	2,973,767	3,002,700
Adjusted Opening Equity	2,973,767	3,002,700
Operating Surplus/(Deficit)	-146,007	-28,932
Total Recognised Revenue & Expenses for Period	-146,007	-28,932
Closing Equity	2,827,760	2,973,767

Ian Campbell, Chairman

Date:

Liz Waddington, Trustee

Date:

These financial statements must be read in conjunction with the accompanying notes.



**Trustees Ian and Mike
Planting with
Whareama School**

Statement of Cash Flows

For the period ending 30 June 2013

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash was provided from:		
Proceeds from harvesting	0	0
Interest earned	62,614	53,114
Rentals	24,100	29,946
Sustainable Farming Fund	0	45,234
Sundry Income	6,204	3,917
GST (Net)	0	2,657
	92,918	134,868
Cash was applied to:		
Payment to suppliers	203,606	135,173
GST (Net)	<u>14,526</u>	
	218,132	135,173
Net cash inflow from Operating Activities	-125,214	-305
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash outflow from Investing Activities	0	0
Net Increase/Decrease in Cash	-125,214	-305
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash inflow from financing activities		0
Cash Held at Beginning of Year	838,652	838,957
Cash held (per Note 7)	713,438	838,652
RECONCILIATION OF SURPLUS/(DEFICIT) TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Surplus/(Deficit)	-146,007	-28,932
Non-cash Items		
Farmland Shares	-359	
ETS Units	17,489	
Depreciation	<u>12,223</u>	<u>13,289</u>
	-116,654	-15,643
Acquisition Of Assets		
Computer		
ETS Units		15,327
		-15,327
Movement in Working Capital		
(Inc)/Dec in Other Current Assets	17,285	21,538
Inc/(Dec) in Accounts Payable	<u>-25,845</u>	<u>9,127</u>
	-8,560	30,665
Net Cash From Operating Activities	-125,214	-305

These financial statements must be read in conjunction with the accompanying notes.

6. Statement of assets & depreciation as at 30 June 2013

Item	Acquisition Date	Acquisition Price	Opening Book Value	Additions	% Rate	Depreciation Method	Sum	Accumulated Depreciation	Closing Book Value
Land - Mt Bruce	21.04.05	440,839.00	440,839.00						440,839.00
Land - Rewanui	25.08.04	967,559.00	967,559.00						967,559.00
Rewanui Homestead	25.08.04	280,000.00	214,409.83		4.0%	DV	8,576.39	74,166.57	205,833.43
Rewanui Woolshed	25.08.04	69,000.00	52,181.33		4.0%	DV	2,087.25	18,905.92	50,094.08
Rewanui Whare	25.08.04	2,800.00	2,117.51		4.0%	DV	84.70	767.20	2,032.80
Rewanui House Contents	25.08.04	8,400.00	0.00			SL		8,400.00	0.00
Rewanui Woolshed Contents	25.08.04	21,000.00	0.00		18.6%	SL		21,000.00	0.00
Water Tanks	18.11.04	5,088.00	1,049.94		12.0%	SL	610.56	4,648.62	439.38
Toilet Block	30.06.08	19,450.06	17,400.45		4%	DV	696.02	2,745.63	16,704.43
Weather Station	21.10.08	2,500.00	1,925.00		30.0%	SL	437.49	2,500.00	0.00
MCA CL 900 Tablet Comp	26.05.11	1,991.74		1,991.74	40.00%	SL	796.70	863.44	1,128.30
		1,818,627.80	1,697,919.55				13,289.11	133,997.36	1,684,630.44

Statement of assets & depreciation as at 30 June 2013

Item	Acquisition Date	Acquisition Price	Opening Book Value	Additions	% Rate	Depreciation Method	Sum	Accumulated Depreciation	Closing Book Value
Land - Mt Bruce	21.04.05	440,839.00	440,839.00						440,839.00
Land - Rewanui	25.08.04	967,559.00	967,559.00						967,559.00
Rewanui Homestead	25.08.04	280,000.00	205,833.43		4.0%	DV	8,233.34	82,399.91	197,600.09
Rewanui Woolshed	25.08.04	69,000.00	50,094.08		4.0%	DV	2,003.76	20,909.68	48,090.32
Rewanui Whare	25.08.04	2,800.00	2,032.80		4.0%	DV	81.31	848.51	1,951.49
Rewanui House Contents	25.08.04	8,400.00	0.00			SL		8,400.00	0.00
Rewanui Woolshed Contents	25.08.04	21,000.00	0.00		18.6%	SL		21,000.00	0.00
Water Tanks	18.11.04	5,088.00	439.38		12.0%	SL	439.38	5,088.00	0.00
Toilet Block	30.06.08	19,450.06	16,704.43		4%	DV	668.18	3,413.80	16,036.26
Weather Station	21.10.08	2,500.00	0.00		30.0%	SL		2,500.00	0.00
MCA CL 900 Tablet Computer	26.05.11	1,991.74	1,128.30		40.00%	SL	796.70	1,660.13	331.61
		1,818,627.80	1,684,630.44				12,222.67	146,220.03	1,672,407.77

Notes to the financial statements

REFERENCE

1 Sundry Income

	2013	2012
Interest	32,501.26	40,930.98
Rewanui Farm Rental	24,099.96	24,099.96
Rewanui House Rental	0.00	5,850.00
Sundry Income	4,849.37	571.73
Emission Trading Scheme	-17,489.20	15,326.80
Donations	5,059.14	3,823.53
SFF Project (net)	0.00	34,755.59
	49,020.53	125,358.59

2 Conservation Afforestation

Amenities	12.81	777.39
Fencing	0.00	33.14
Membership	0.00	39.13
Milling	0.00	462.80
Pest Control	2,199.14	0.00
Plant & Tree Purchase	4,880.80	5,059.14
Printing and Stationery	0.00	0.00
Scion Project	2,636.25	1,304.35
Signage	611.69	207.90
Sustainable Farming Fund Project	262.50	30,281.96
Timber Storage	120.00	
Totara Trial	560.00	0.00
Tracking	14,178.06	4,432.67
Weather Station	586.96	600.00
Weed Control	4,338.93	1,855.96
Wetlands Development	532.50	
	30,919.64	45,054.44

3 Productive Afforestation

Fire Protection/Fighting	9,161.02	
Insurance	1,414.81	
Management	19,927.27	14,484.00
Planting - blanking	0.00	2,200.00
Pruning	56,308.77	14,023.60
Thinning	2,800.00	8,893.53
Weed Control	1,071.01	4,812.42
Trial	4,352.17	6,626.65
	95,035.05	51,040.20

4 Farming Expenses

Electricity	170.55	0.00
Homestead R & M	24,402.43	0.00
	24,572.98	0.00

	2013	2012
5 Administration		
Administration	56.32	93.72
Administrator	5,643.06	5,436.20
Advertising	0.00	2,349.06
Audit	2,700.00	2,600.00
Bank Fees	135.00	60.00
Charities Commission	47.92	44.44
Communications	1,104.01	419.27
Election Costs	0.00	0.00
Emissions Trading Scheme	268.89	950.00
Grants	869.57	6,000.00
Interest	5.27	0.00
Insurance	1,990.13	4,282.55
Legal Fees	354.50	
Long Term Planning	1,248.75	
Permits	-110.00	
Public Relations	1,273.30	994.57
Rates	5,072.68	5,358.26
Rentals	134.78	126.09
Security	0.00	504.26
Signage	0.00	34.38
Trustee Meeting Expenses*	6,694.00	7,350.62
Trustee Non Meeting Expenses	3,825.30	5,258.13
Trustee Travel Expenses	788.84	2,045.68
Website	174.50	1,000.00
	<u>32,276.82</u>	<u>44,907.23</u>
*Trustee Meeting Expenses		
	Meetings Attended	Meetings Attended
I Campbell	9 1,305.00	9 1,485.00
R McKenzie	8 916.50	9 1,209.78
M Wyeth	9 1,026.48	7 989.83
L Waddington	9 1,026.48	6 879.84
J Callaghan	6 659.88	7 989.83
S Blakemore	9 1,026.48	7 953.16
A Pottinger	7 733.20	6 843.18
	<u>6,694.02</u>	<u>7,350.62</u>
7 Bank Accounts		
National Bank ' 00 A/c	10,664.14	2,844.56
National Bank ' 01 A/c	886.25	43,495.25
National Bank ' 02 A/c	6,586.71	32,126.07
National Bank Term Deposits	695,301.39	375,384.69
Wairarapa Building Society	0.00	384,801.20
	<u>713,438.49</u>	<u>838,651.77</u>
8 Other Current Assets		
Accounts Receivable	21,844.85	36,342.88
GST Control A/c	0.00	2,787.01
	<u>21,844.85</u>	<u>39,129.89</u>
9 Current Liabilities		
Accounts Payable	8,431.97	34,705.46
GST Control A/c	428.92	
	<u>8,860.89</u>	<u>34,705.46</u>

10 Forestry Valuation & Policy

Forestry assets were valued as at 30 June 2009 by Stuart Orme, a NZIF registered Forestry Consultant of Woodnet Ltd, Masterton.

Future valuations will occur on a three to five year cycle.

The 2009 valuation has been done on the following basis:

Mature trees: Net market realisation.

Immature trees: Cost compound method using a compound rate of 6%.

Land: \$310.ha for Trimble forest; nil for Rewanui.

Changes in value are accounted for through the revaluation reserve. No forestry tree crops are included in other asset valuations.

Sales of forestry assets are accounted at net realised value in the Statement of Financial Performance. All forestry expenditure is expensed as incurred.

2013				2012			
Mt Bruce Stand	Age	Area	Value	Mt Bruce Stand	Age	Area	Value
1.1A	4	25	18,995	1.1A	3	25	\$18,995
1.1	10	18.1	93,922	1.1	9	18.1	\$93,922
1.2	9	35.2	140,000	1.2	8	35.2	\$140,000
1.3	9	6.8	27,046	1.3	8	6.8	\$27,046
1.5	5	17	36,052	1.5	4	17	\$36,052
1.6	4	7	13,304	1.6	3	7	\$13,304
1.8	3	2.9	4,009	1.8	2	2.9	\$4,009
Rewanui				Rewanui			
06P	6	9	14,808	06P	5	9	14,808
07P	5	14	17,258	07P	4	14	17,258
07RW	5	6	15,839	07RW	4	6	15,839
09P	3	7.5	10,015	09P	2	7.5	10,015
09RW	3	3.5	9,228	09RW	2	3.5	9,228
09Co	3	0.9	2,373	09Co	2	0.9	2,373
09Cd	3	0.6	1,570	09Cd	2	0.6	1,570
09DF	3	1.4	2,659	09DF	2	1.4	2,659
Totals		155	407,078			155	407,078

Movement during the period	2013	2012
Opening Balance	407,078	407,078
Plus Revaluation of Forest	<u>0</u>	<u>0</u>
Closing Value	<u>407,078</u>	<u>407,078</u>

11 Emissions Trading Scheme 2013

As at June 2013 the following units had been credited to the Foundation's account

		Approved	Issued	Pending
Pre 1989 plantings:	FAP 4438	180	69	111
	FAP 3237	7,308	2,802	4,506
Post 1989	2008/11		1,540	
	2012		1,240	
			<u>5,651</u>	

As at 30 June 2012 the market value of issued units is \$38,426.80 (\$6.80 per unit).

2013

As at 30 June 2013 the following units had been credited to the Foundation's account.

		Approved	Issued	Pending
Pre 1989 plantings:	Issued '12	7,488	2,871	4,617
	Issued '13		4,617	
Post 1989	2008/11		1,540	
	2012		1,240	
	2013		1,364	
Total NZU's held			<u>11,632</u>	

As at 30 June 2013 the market value of issued units is \$20,937.60 (\$1.80 per unit).

12 Contingencies and Commitments

The Board is unaware of any Contingencies at balance date and has not entered into any material Commitments. (2012 Nil Commitments)

13 Post Balance Date Events

The Board is unaware of any post balance date events which would materially affect the entities operations.

14 Impact of New Zealand Equivalents to international Financial Reporting Standards

In November 2004 the Accounting Standards Review Board (ASRB) approved the adoption of New Zealand equivalents to the International Financial Reporting Standards (NZ IFRS). At that time the ASRB announced the adoption of NZ IFRS would be mandatory for reporting entities with accounting periods beginning on or after 1 January 2007.

In September 2007 the ASRB announced that for certain small to medium sized entities the mandatory adoption of NZ IFRS had been delayed. These entities can continue to apply New Zealand Generally Accepted Accounting Principles (NZ GAAP) as prescribed by New Zealand Financial Reporting Standards and Statements of Standard Accounting Practice.

Montfort Trimble Foundation meets the criteria for deferral of NZ IFRS due to its size. The financial statements have been prepared in accordance with NZ GAPP consistent with previous periods. Montfort Trimble Foundation does not intend to adopt NZ IFRS for the year ended 30 June 2012.

15. Related Party Transactions

2012 The following related party transactions occurred.

EM Waddington (Preparation of annual report and brochure)	\$449.00
Mas des Saules Partnership (S Blakemore Spraying planting site)	\$1,563.99

2013 The following related party transactions occurred:

EM Waddington (Preparation of annual report and brochure)	\$387.00
Mas des Saules P/ship (Track preparation; Spraying planting sites, Acquisition of trees)	\$2,787.31

Keyman personnel costs:

Key personnel are the Trustees. All payments to Trustees have been disclosed in Note 5.

Audit Report

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

**TO THE READERS OF MONTFORT TRIMBLE FOUNDATION'S
FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION
FOR THE YEAR ENDED 30 JUNE 2013**

The Auditor-General is the auditor of the Montfort Trimble Foundation (the Foundation). The Auditor-General has appointed me, John O'Connell, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and statement of achievements of the Foundation on her behalf.

We have audited:

- the financial statements of the Foundation on pages 6 to 16, that comprise the statement of financial position as at 30 June 2011, the statement of financial performance, statement of movements in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of achievements of the Foundation on pages 21 to 24.

Opinion

In our opinion:

- the financial statements of the Foundation on pages 6 to 16:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect the Foundation's:
 - financial position as at 30 June 2013; and
 - financial performance and cash flows for the year ended on that date; and
- the statement of achievements of the Foundation on pages 21 to 24:

- complies with generally accepted accounting practice in New Zealand; and
- fairly reflects the Foundation's service performance achievements measured against the performance targets adopted for the year ended 30 June 2013.

Our audit was completed on 17 November 2012. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities, and we explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and statement of achievements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and statement of achievements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and statement of achievements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and statement of achievements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Foundation's preparation of the financial statements and statement of achievements that fairly reflect the matters to which they relate. We consider internal control 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 Foundation's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board,
- the adequacy of all disclosures in the financial statements and statement of achievements; and
- the overall presentation of the financial statements and statement of achievements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of achievements. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Board

The Board is responsible for preparing financial statements and a statement of achievements that:

- comply with generally accepted accounting practice in New Zealand;
- fairly reflect the Foundation's financial position, financial performance and cash flows; and
- fairly reflect its service performance achievements.

The Foundation is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements and a statement of achievements that are free from material misstatement, whether due to fraud or error.

The Foundation's responsibilities arise from the Masterton District Council (Montfort Trimble Foundation) Act, 2003.

Responsibilities of the Auditor

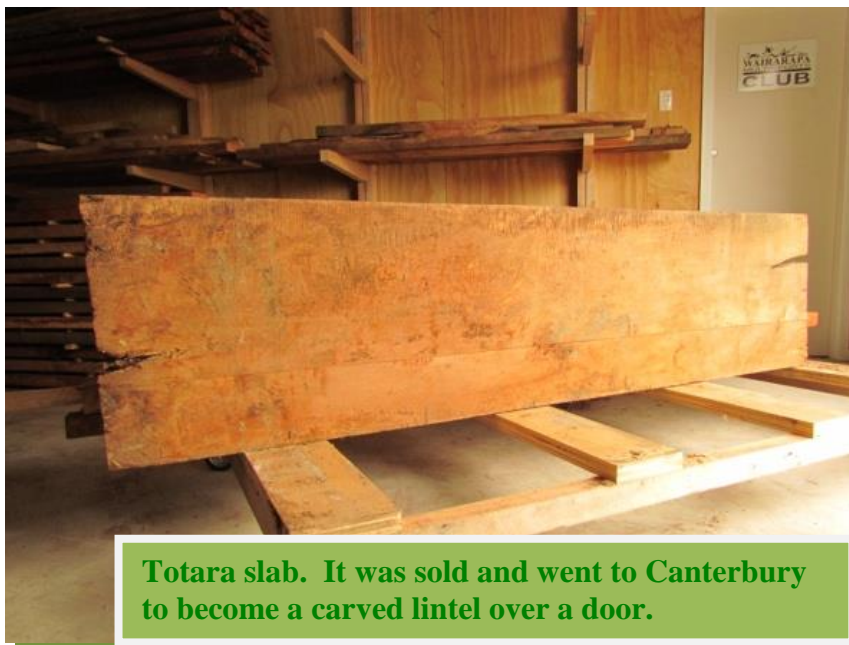
We are responsible for expressing an independent opinion on the financial statements and statement of achievements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 26 of the Masterton District Council (Montfort Trimble Foundation) Act, 2003.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit, we have no relationship with or interests in the Foundation.

John O'Connell
Audit New Zealand
On behalf of the Auditor-General



Statement of Achievements

promoting public
afforestation in
our region

preamble

The 2012/13 plan laid out the plans for the Foundation in tabular format in the context of each of the Foundation objectives. This document reports on the outcome in each area.

1. Production and care of timber for economic purposes

Policy

To continue growing and harvesting Radiata on the Trimble Forest land while protecting the native areas in accordance with the forest operations plan. To use Rewanui to produce a range of timbers including many natives for short, medium and long term production.

Action: Decide which trees to harvest and market to the best advantage.

Outcome: Trees harvested.

Action: Plant suitable trees in fenced off areas on Rewanui.

Outcome: Planting of Kowhai Creek. Commenced last year, was progressed and completed in September 2013.

Action: Measure growth on the trial trees.

Outcome: Carry out this year's measurement. Record and analyse results. Measurements completed, and enhanced report produced.

2. Maintenance of forests

Policy

To protect, all trees from animal and plant pests and enhance native forests where practicable. To thin and prune timber plantations to give the best returns.

Action: Exclude livestock from native bush areas. Fence remaining portion of gully to East of the homestead.

Outcome: Fence deferred until August.

- Action:** Control animal pests.
Outcome: Program continued. Traps and bait stations laid and patrolled. Regional Council has continued their control programme.
- Action:** Control weeds. Treat scattered broom and briar on Rewanui.
Outcome: Weeds sprayed or removed. Tracks have been kept clear, broom and blackberry sprayed.
- Action:** Prune and thin plantation trees.
Outcome: Trees thinned and/or pruned.
- Action:** Release seedling trees from competitive growth.
Outcome: Release trial trees if needed, and young Radiata. Area cleared around each tree. Indigenous blocks have been sprayed.

3. Provide a supply of timber for the public wants

Policy

Watch for any dead or windblown native timber trees and arrange for them to be milled. To ensure that a variety of timber is available from local merchants and to sell directly any timber milled.

- Action:** Advertise any timber held in stock.
Outcome: Put selected timber for sale on Trade me. A totara slab has been sold.
- Action:** Extract and mill any suitable dead or windfall trees.
Outcome: No suitable trees found.
- Action:** Store sawn timber in suitable shed handy to town.
Outcome: Store selected timber at Henley Men's Shed, balance at Gleesons Waingawa Yard.



4. Assist the Council to establish forests

Policy

To establish forestry rights to suitable areas of council land & plant commercial forests on it.

- Action:** Negotiate with MDC about management of Forest 500 block at Pakaraka for forestry rights and plant trees.
Outcome: Management of block transferred. Negotiations failed..

5. Provide for the conservation of native and commercial forests

Policy

To acquire further areas of native bush and give money to those wishing to protect and enhance their own bush. To foster the idea of a corridor of native bush from the Tararuas to the coast. To take any action to prevent damage to our forests.

Action: Purchase suitable bush areas.

Outcome: No action taken.

Action: Consider applications and make distributions accordingly.

Outcome: Contribution of \$1,000 made to the Murray King Forestry Scholarship.

Action: Prevent river erosion in the Trimble Forest.

Outcome: Continue to monitor and maintain existing groynes. Monitoring done, no action needed.

6. Amenity and protection planting and their maintenance

Policy

To implement the landscape plan for Rewanui and plant other areas for the use and enjoyment of the public. To develop the Rewanui Forest Park concept for the enjoyment of everyone. To involve local schools in the planting and protection of specific areas.

Action: Plant and protect a variety of plants for their aesthetic value.

Outcome: Build another four protective triangles along the road frontage and plant them. Deferred until August.

Action: Maintain existing tracks.

Outcome: Employ people to patrol tracks at intervals remove debris and spray Onga Onga. Surface track up Kowhai creek with lime. Bush tracks maintained.

Action: Establish new public tracks.

Outcome: Create a track from bottom carpark through the forgotten gully.

Action: Make new signs advertising Rewanui.

Outcome: Signs in place. (Carpark sign pictured.)



7. Additional items not falling into established categories.

Policy

To maintain all buildings in their existing condition. To research and record information about land and environment.

Action: Maintain existing buildings.

Outcome: Paint and bird proof woolshed. Not considered necessary yet, so no action taken.

Action: Monitor the Rewanui ecosystem.

Outcome: Continue existing programme.

Action: Establish rolling maintenance plan.

Outcome: Initiate development of plan and develop a long term house policy. House policy created and implemented.

Action: Seek appropriate funding for projects.

Outcome: Find ongoing sponsorship for trial tree measurement. Application to SFF unsuccessful this year.

Action: Work with local schools, Whareama and Tinui.

Outcome: Whareama school involved in planting Kowhai Creek.

Action: Increase publicity for Rewanui.

Outcome: A field day was held on November 2012 in conjunction with the Farm Forestry Association. Approximately 50 people attended.

Action: Renovate the Rewanui house surroundings.

Outcome: Garden has been improved and interior of house upgraded.



Kowhai Creek – limed track.



New track from bottom carpark up through the forgotten gully.



**Whareama School Children
planting Kowhai Creek at
Rewanui 2013.**



Contacts

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