



ASB Community Trust

Te Kaitiaki Putea o Tamaki o Tai Tokerau

supported by ASB

ANNUAL REPORT

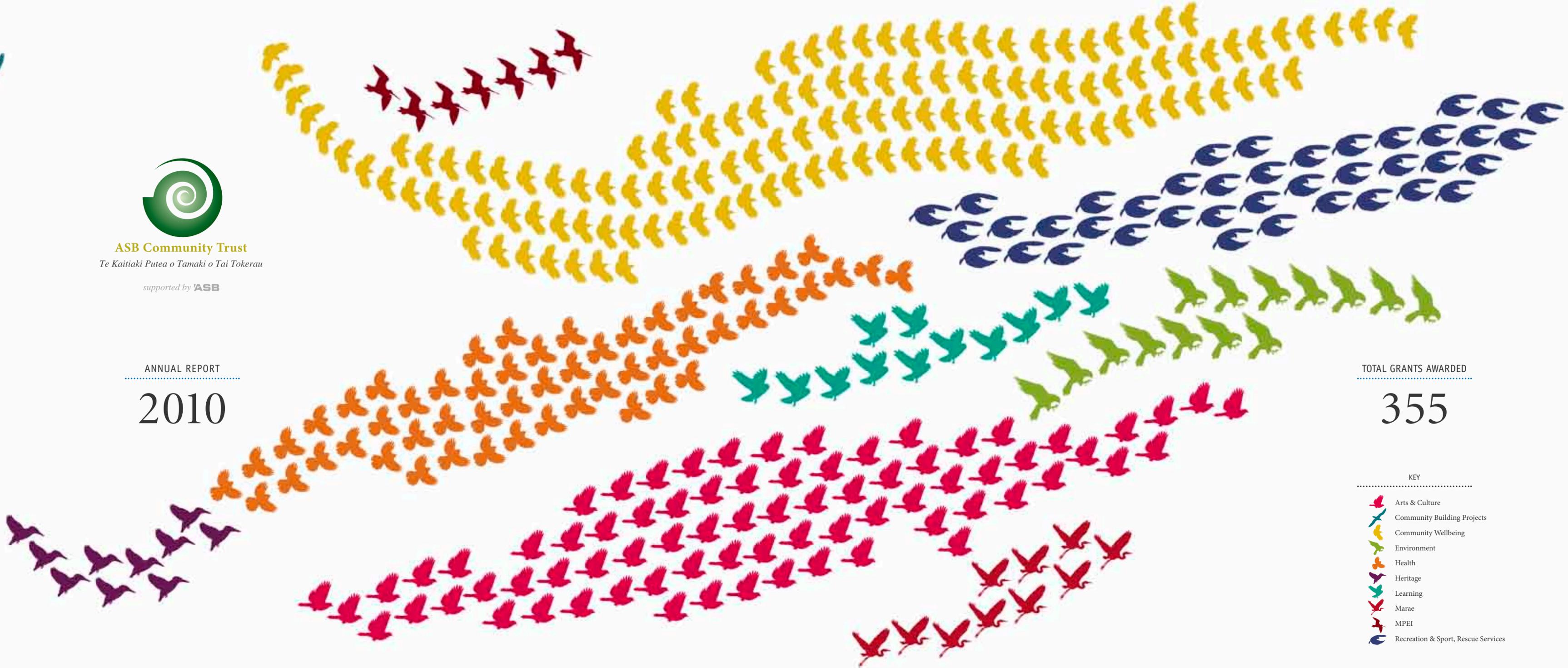
2010

TOTAL GRANTS AWARDED

355

KEY

-  Arts & Culture
-  Community Building Projects
-  Community Wellbeing
-  Environment
-  Health
-  Heritage
-  Learning
-  Marae
-  MPEI
-  Recreation & Sport, Rescue Services



WHAKATAUKI

Unuhia te rito o te harakeke,
Kei hea ke te komako e ko,
Whakatairangitia,
Rere ki uta,
Rere ki tai,
Ui mai koe ki ahau e aha te mea nui o te ao,
Maaku e ki atu,
He tangata, he tangata, he tangata,
Tihei mauri ora.

ENGLISH TRANSLATION

*If you should tear out the heart of the flax bush,
Where will the bellbird be,
Will it fly inland,
Fly out to sea,
Or fly around aimlessly,
But if you should ask me what is the greatest thing on Earth,
I will tell you,
It is people, it is people, it is people.*



2009 review

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Funding sectors

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ASB Community Trust

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ASB Community Trust receives strong support from ASB Bank Limited. ASB Bank continues to support its traditional Auckland and Northland local communities and has committed \$10 million over five years to assist the operations of its previous owner, the ASB Community Trust.

Investment advisors

Cambridge Associates Limited
19 Martin Place, Sydney, Australia
From January 31, 2010

Russell Investment Group Ltd
135 Albert Street, Auckland
Until March 31, 2010

Custodians

JP Morgan Worldwide Securities Services
259 George Street, Sydney, Australia

Solicitors

Jones Young
135 Albert Street, Auckland

Auditors and tax advisors

KPMG
18 Viaduct Harbour Avenue, Auckland

Bankers

ASB Bank Ltd
Corner Albert and Wellesley Street
Auckland

What a difference a year makes

What a rollercoaster these last two years have been. This time last year we were in the unfortunate position of having to report a negative return of 18% (\$201 million) from our investment portfolio, a Trust Fund that was below the level of the Trust's Capital, and a restriction to our granting programme. This year I'm pleased to report a positive return from our investment portfolio of 28.2% (\$236 million), a Trust Fund at \$959 million (considerably above the Trust's inflation proofed capital of \$834 million), and a return to a full granting programme. What a difference one year can make!

In the darkest days of the last three months of 2008, our investment advisors were steadfast in their advice — hold tight, don't panic and above all else, don't cash up. "The markets will swing back," they said. Trustees took this advice, held fast to the investment pool and we have this year experienced the expected up-turn. This is not to say that the road ahead will be plain sailing. Clearly it will not, but we expect that decisions taken and the strategies approved by Trustees over these past twelve months will increase the likelihood that market downturns, when they come, will be weathered with less trauma. Along with our colleagues and peers around the world we have learnt lessons from the Global Financial Crisis, and we continue to learn from each other.

For the first time this year we have published financial statements for the ASB Community Trust (the parent Trust) and the consolidated group (the Trust and its subsidiary company ASB Community Trust Charitable Purposes Limited — "the company"). Initially the company was set up to administer and fund the Trust's Māori and Pasifika Education Initiative (MPEI), however the company's role was extended during the year to include funding the Trust's 2009/10 granting

programme. Funds held in the company at year end will be used to supplement grants in future years when lower market returns from our investments could dictate a lower level of granting.

During the year, Trustees undertook their regular three yearly review of the Trust's requirements for investment advice. As a result of this review and after an extensive search and due diligence, the Trust appointed Cambridge Associates LLC ("Cambridge"), a Boston based worldwide investment consulting firm, to assist as investment advisors. Cambridge, through its Sydney office, brings an in-depth understanding and a wealth of experience in consulting to the worldwide endowment and foundation sector of which the Trust is an integral part. We look forward to working with Cambridge over the years ahead. In making this change of investment advisor, the Trust acknowledges the support and advice that it has received from Russell Investment Group ("Russell") over the past 17 years. Russell's advice and support as the financial markets unravelled during the Global Financial Crisis was particularly well received and appreciated.

Also during the year, the second phase of MPEI was completed and the Trust committed to support seven projects. Funding for these projects is now committed for up to five years. A number of policy reviews were also completed during the year. Policy outcomes from these reviews are published on the Trust's website.

At last year's public meeting we announced a grants budget of \$23.6 million for the 2009/10 year. Grants committed during the year to community organisations totalled \$16.3 million, and a further \$11.2 million was committed to projects approved under MPEI. This brought the total grant commitments for the year to \$27.5 million.

Although a number of milestones were achieved during the year, it has been difficult for both Trustees and staff. In particular I want to pay tribute to the way Trustees have worked hard to stay on course during this very difficult time, and to thank each of them for their commitment to the mission of the Trust.

During the year we farewelled four of our Trustees. Kevin Prime, Sister Mary Foy, and Yoon Boo Lee all completed their second four year terms and were not reappointed. Wilmason Jensen resigned in March this year following his appointment to a fulltime role with the Department of Internal Affairs.

Kevin Prime served just over eight years as a Trustee. For seven of these years he was Chair of the Board. His leadership during this time was outstanding and he oversaw significant changes in the way in which the Trust engaged with its communities, and in particular with the Māori community. His leadership was also recognised by the wider community trust family with his appointment as Chair of the Community Trusts Chairs Group for five years. Kevin has since been appointed as ASB Community Trust's kaumātua and continues to serve the Trust in this capacity. Sister Mary Foy served on the Trust's Grants Committee during her eight year term as a Trustee. She provided valuable insights into the sector and assisted the Trust in reaching out into the community. Yoon Boo Lee served on the Investment, Finance and Grants Committees. His interest in the investment and finance disciplines provided insights for the Trust to consider. Wilmason Jensen was Co-Chair of the MPEI Committee at the time of his resignation, as well as serving on the Trust's Finance and Investment Committee. In these roles he was able to assist the Trust in engaging with the Pacific communities of Auckland and Northland.

In October we welcomed Paula Kearns and Ken Whitney as Trustees, and in December we welcomed Bob Leveloff as our newest Board member. Paula has been elected Chair of the Trust's Audit and Risk Committee and Ken has been elected Chair of the Finance and Investment Committee. We look forward to working with Paula, Ken and Bob in the years ahead.

All Trustees join with me in thanking our CEO Jennifer Gill and her staff for the tremendous work undertaken and their accomplishments over these past twelve months. While it has not been an easy time for Trustees we, as Trustees, acknowledge that it has been doubly so for our staff. They are at the "coal face" and have had to deal with the significant issues the Trust has had to face on a day to day basis. It has been a sterling effort on the part of all staff and we thank them all for their achievements.

The Trust has survived and grown from strength to strength through what has been described as the greatest financial crisis that the world has faced since the 1930's Great Depression. The way ahead will not be easy and there will be challenges along the way. I remain confident that the Trust has the skills, expertise, confidence and commitment to survive and live on in perpetuity.

Ann Hartley
Board Chair



Investing in our community

ASB Community Trust has always prided itself on the rigour it applies to making sure its investment portfolio grows, but grantmaking is an investment too — an investment in our community.

Because of that, we apply the same rigour to our grantmaking process as we do to investing the Trust's endowment funds.

It begins with the language we chose to use. The Trust does not distribute donations, it makes grants. It's a deliberate choice of words because we consider grants to be a strategic investment in the community — and we expect a return on those investments.

This does not mean a dollar return, of course. What our Trustees look for instead is proof that making a grant will help the Trust realise its vision — to enhance the lives of all the people of our region.

When we assess applications we look for evidence of innovation and we look for proof that the project will address social issues, meet educational and community needs, improve equity and reduce poverty. We want people in our region to be actively involved, able to participate in the arts and culture, sport and recreation. We assess whether the project will improve the quality of the environment, or preserve our region's cultural or historical treasures.

Our Trustees have the ability to apply the pūtea where it will have the biggest impact, in alignment with our strategic plan. To help us make these informed decisions we rely on the research we commission, which enables us to understand what is already being done in a sector and where there is potential.

Recently we have commissioned research into the key roles of local government, the housing sector and the youth sector.

This research feeds into our policy development process and helps us clearly define the Trust's priorities. We continue to gain a better understanding of what is already being done, what needs to be done — and who should be doing it.

One result of our recent policy development has been the publication of clear advice for grant-seekers on what the Trust will, and will not fund. On our website you will now find details not only of what you can apply for, but in many cases we have spelled out the maximum amount a group can expect to be granted.

In recent years our focus has been turning more and more to innovation and a portion of our grants budget has been working as the venture capital of social change. We continue to support initiatives that are working, but we are also willing to be risk-takers, supporting organisations with innovative ideas who need help to develop and grow strong. We believe this is where our biggest pay-offs will come from.

Examples this year are the launch of the Trust's Youth Health and Development Fund and funding for community housing projects.

Under the Youth Health and Development Fund, the Trust funds community organisations which are delivering initiatives targeted at improving health and social outcomes for young people aged 12-24, by focusing on youth development, health promotion and prevention. Funding can help cover the initiative's costs and can include multi-year agreements. The fund is designed to support a few projects well and the two-stage process includes a development phase where stage-two applicants are given capacity building support.

Research commissioned by the Trust into housing has helped to define a new area of funding for the Trust — The Community Housing Projects Fund.

Housing is widely acknowledged as a fundamental quality of life component and it is a core factor in the health and wellbeing of families and the development of strong communities. The Community Housing Projects Fund provides support for community organisations that are delivering innovative pilot projects to prevent or solve homelessness, or the need for emergency housing.

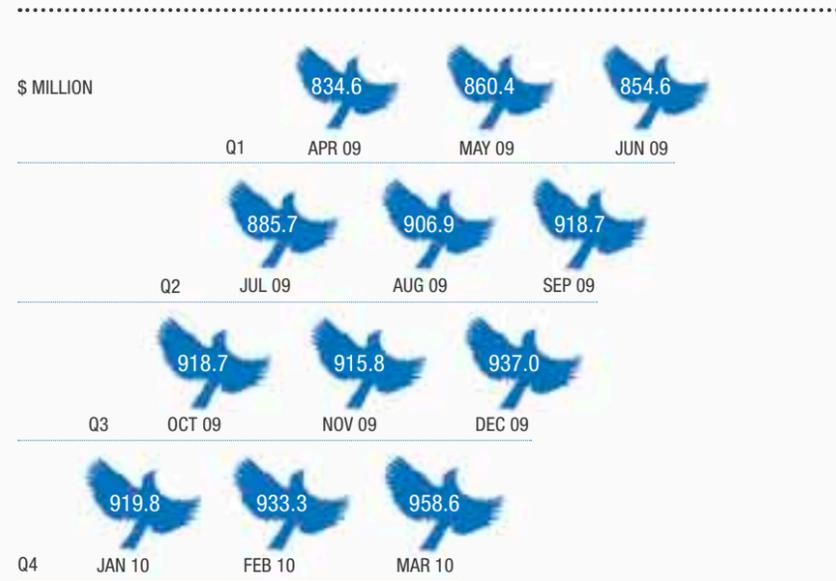
A third example is the Māori and Pasifika Education Initiative (MPEI), under which ASB Community Trust has put multi-million dollar funding into seven projects that aim to tackle the issue of educational underachievement. There is more about MPEI on page 22.

Increasingly, philanthropy is playing a strategic role in creating social change in New Zealand and ASB Community Trust wants to take a leading part in that work. We realise that we can't do everything for everyone and that if we want a strategic focus on the big issues, our attention will have to move. The challenge is to learn from what we are doing and to share that knowledge with others working for the same goals.

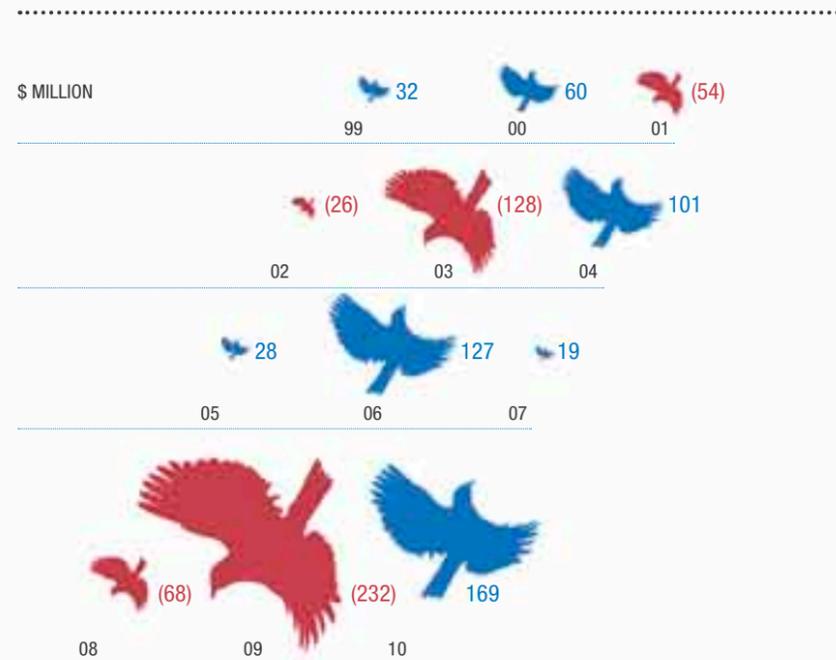
Jennifer Gill
CEO



MONTH-END TRUST FUND (EX COMPANY) VALUES, 2009-2010



INCOME SURPLUSES (DEFICITS) AFTER GRANT COMMITMENTS, 1999-2010



Research and evaluation —an essential toolkit

Research and evaluation are essential tools that help guide and inform good decision making by the Trust. By using these tools we ensure that our communities are getting the maximum benefit from funding.

The Trust has been looking at where and to whom funding has gone in the past, helping anticipate the needs of Auckland and Northland now and in the future. The results have fed into our five-year strategic plan, which sets the goals and objectives which guide our grant decisions.

Research this financial year has included a report into social lending called *A New Funding Paradigm*, which was produced for ASB Community Trust and the Tindall Foundation. Commissioned to investigate the potential for social lending in New Zealand, the report is now guiding our Trustees as they consider whether social lending should be a part of our community support strategy.

Also in 2009 the Trust collaborated with five other agencies in the production of the *Making Links, Taking Action* report, which looks at where and how social and economic development could fit in the new Auckland Council. As the region moves closer to becoming New Zealand's first super-city, the report draws on an analysis of what already works, drawing on 10 written case studies of local projects.

As part of the Trust's research before developing its new Youth Health and Development initiative, a scoping report was commissioned to assess the health needs of young people in the region. It included analysis of best practice guidelines and an assessment of the current funding, challenges and opportunities. As a result, the Trust is now offering funding for community

organisations delivering initiatives targeted at improving health and social outcomes for young people aged 12-24, by focusing on youth development, health promotion and prevention.

Elsewhere, the Trust is working alongside Philanthropy New Zealand (PNZ) and the Lottery Grants Board on a collaborative evaluation project to share knowledge and resources on evaluation between grantmakers. It is intended to grow evaluation learning and capacity in an organic way that supports existing grantmaker practices, rather than encouraging separate research and evaluation expertise.

Its goal is to promote evaluation as a means to foster continuous improvement and development of organisations in the philanthropic and community and voluntary sectors.

The Trust is committed to sharing its research, so summaries of all these documents are available on our website, along with the results of other research commissioned in the past few years.

*You can read more at:
ASBCommunityTrust.org.nz/research-resources*

Aiming for sustainability

ASB Community Trust continues to be a signatory to the United Nation's Principles for Responsible Investment (UNPRI).

As a responsible member of the world community the Trust signed up to the UNPRI in 2007, adopting the principles as a way to demonstrate leadership by advancing universal principles and responsible corporate citizenship to make the global economy more sustainable and inclusive.

The Trust believes that environmental, social and corporate governance (ESG) issues can affect the performance of investment portfolios. The UNPRI provides a common framework to assist investors in considering and integrating ESG issues into their investment processes.

The ASB Community Trust has agreed that, over time, it will apply the following principles:

- Incorporate ESG issues into investment analysis and decision-making processes.
- Be active owners and incorporate ESG issues into its ownership policies and practices.
- Seek appropriate disclosure on ESG issues by the entities in which it is invested.
- Promote acceptance and implementation of the principles within the investment industry.
- Work together with other signatories to enhance its effectiveness in implementing the principles.
- Report on its activities and progress towards implementing the principles.

The Trust stays abreast of developing practices in responsible investment, monitors relevant literature and research and is a member of the Responsible Investment Association of Australasia.

The Trust is a signatory to the Carbon Disclosure Project, which encourages companies to take the first steps in measuring and disclosing their carbon emissions and management plans.

In 2009, as part of its commitment to environmental sustainability, the Trust gained CEMARS (Certified Emissions Measurement and Reduction Scheme) certification (covering all operational activities), as part of the aim towards achieving carboNZero certification.

In order to achieve CEMARS the Trust measured its greenhouse gas emissions and then made a commitment to manage and reduce its emissions. Independent verification was required prior to certification.

Trustees and staff are working to reduce electricity consumption, recycling food wastes with a bokashi system, using recycled paper whenever possible and talking to suppliers about their environmental commitment. When equipment needs replacing, or during any building upgrade, the Trust will take the opportunity to install more energy efficient alternatives.





The kererū's beautiful feathers were treasured for decorating cloaks. "He kükū ki te kāinga, he kākā ki te haere" (a pigeon at home, a parrot abroad) refers to someone who is quiet at home but effusive in front of an audience.

ASB Community Trust supports creative projects and organisations that aim to foster access, engagement and experience in the arts.



SECTOR

Arts & Culture

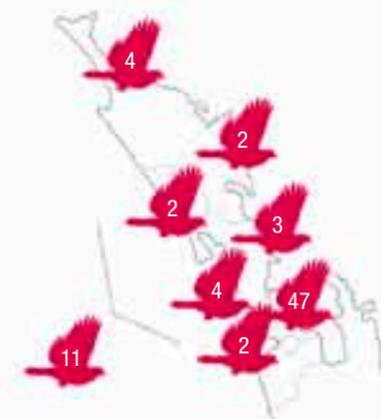
TOTAL GRANTS AWARDED

\$4,005,220

NUMBER OF RECIPIENTS



REGIONAL DISTRIBUTION OF GRANTS



GRANT RECIPIENT

APO

The Auckland Philharmonia Orchestra's commitment to community outreach means more than 20,000 school students benefit from its education programme each year.

With a strong commitment to New Zealand music and dedication to the development of music education, the APO aspires to be a leading orchestra in the Australasian region and to be the benchmark of artistic inspiration in the cultural life of Auckland.

Its comprehensive and innovative educational programme includes orchestral performances especially for school audiences and it encourages schools to develop ongoing relationships with individual APO musicians.

Community outreach programmes include an educational programme called Remix the Orchestra, which places 16 South Auckland students in a mentoring environment. The Discover the Orchestra event is an annual free concert at the TelstraClear Pacific Genesis Energy Theatre for low-decile students, and Test Drive the Arts helps encourage new audiences to attend concerts.

Supporting the APO helps ASB Community Trust meet its goal for the arts and culture sector — supporting creative projects and organisations that aim to foster access to, engagement with and experience in the arts.

apo.co.nz

GRANT RECIPIENT

Northland Craft Trust

The 'Summer Do' art school, run every year at Whangarei's Quarry Arts Centre, is a highlight in the Northland arts calendar.

The longest-running mixed media summer school in New Zealand, it is a hands-on experience run by renowned tutors in a supportive, social and encouraging environment. It includes informal evening talks by participating tutors, an open day, BBQ's and get-togethers.

The Northland Craft Trust, which runs the Quarry Arts Centre, aims to nurture the creative spirit of Northland. As well as hosting the 'Summer Do', it runs year-round classes and weekend workshops in a range of arts and crafts for both adults and children.

Working studios are available for emerging artists and craftspeople. Resident artists thrive on the ability to interact with other artists, visitors and art groups.

ASB Community Trust aims to support creative projects and organisations that aim to foster access to, engagement with and experience in the arts. The work of the Northland Craft Trust shows a clear alignment with that strategy.

With a long history of successful artist development, best practice and a focus on equity and participation, The Quarry continues to be an important centre for community art development in Northland.

quarryarts.org



The populous, rocky breeding grounds of tākapu—gannets—were prized by Māori; a rich source of food, bones for carving, and plumage for decoration. Particularly desirable were pōhōi, feather balls made from soft down worn by those of high rank.

ASB Community Trust supports capital building projects where there is strong community involvement or where the project has regional significance.



SECTOR

Community Building Projects

TOTAL GRANTS AWARDED

\$1,800,000

NUMBER OF RECIPIENTS

2

REGIONAL DISTRIBUTION OF GRANTS



GRANT RECIPIENT

Sport Northland

For more than 15 years Sport Northland has had a vision for a sports centre, bringing the administration of the region's sporting bodies under one roof.

This year construction of a sports house began in Whangarei's Kensington Park with the replacement of the roof and the addition of a second storey above the table tennis building. It will house up to 15 regional sport and recreation organisations in a centralised administration building.

It will be a base for each group's administration, a coaching resource centre and groups will share the same day-to-day professional sporting environment.

"The facility will enable Sport Northland and the RSOs to work together in an inclusive culture and environment, which will allow for better collaboration, communication and sharing of best practice," says Sport Northland Chief Executive Brent Eastwood.

The sports house concept provides a hub which encourages natural collaboration, communication and clustering. Sport Northland will be able to foster and develop smaller organisations, ensuring the word 'sustainability' becomes a prime motivator for the sport and recreation sector in Northland.

ASB Community Trust supports community building projects where there is strong community involvement, or where the project has regional significance. In the case of Sport Northland's project, a centralised administrative hub will lead to sustainability of sport in Northland and an increase in participation across a range of codes.

sportnorthland.co.nz

GRANT RECIPIENT

Starling Park

A new multi-use sporting facility is being built in Ranui, West Auckland, to cater for the area's rapidly growing population.

Starling Park Sports Club, home of the Waitakere Bears Softball Club and the Ranui-Swanson Football Club, is building a \$2.6 million clubhouse community facility at Starling Park, in Ranui.

The facility will cater for a mix of community activities and events in an area of high need.

The Ranui and Swanson area's population is projected to reach 31,865 people by the year 2021. The Starling Park Sports Club will help to increase the utilisation of the park's open public spaces and will become a key community asset and focal point for those in the area.

ASB Community Trust supports capital building projects where there is strong community involvement, so participation in community activities and social interaction improves, or where the project has regional significance.

The two-level multi-purpose building will provide clubroom facilities for the sport clubs such as changing rooms, showers and toilet facilities with a members lounge and junior clubroom/social area on the lower level of the building.

The upper level will have a large kitchen, dining room and social space. This will be available to the public to hire for functions or community activities at reasonable community rates. This facility is a good example of a 'for the community, by the community' development.



Talkative, with an uncanny talent for imitation, Tūi were sometimes tamed by Māori and taught mihi (greetings) to recite to arriving guests, as well as prayers and whakataukī. Tūi are adaptable, found not only in native forests but also in suburban areas where flowering trees abound.

ASB Community Trust supports community wellbeing organisations that respond to the needs identified by our communities, with a focus on innovative programmes that address the underlying causes of social problems.

SECTOR

Community Wellbeing

TOTAL GRANTS AWARDED

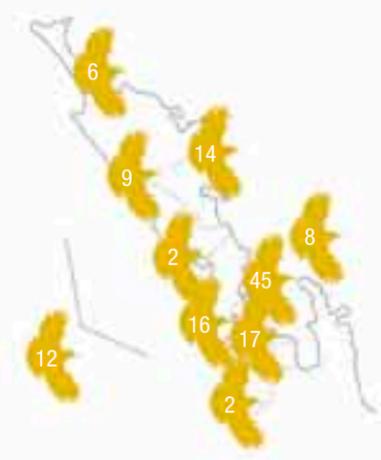
\$5,061,140

NUMBER OF RECIPIENTS



131

REGIONAL DISTRIBUTION OF GRANTS



GRANT RECIPIENT

Dress for Success

Dress for Success Northland Incorporated has proved so popular with women that men are now lining up for the winning edge it gives job hunters.

This year it opened Dress to Impress — New Zealand’s first employment grooming service for men.

It provides clothing, accessories, grooming and job-seeking advice for low-income men and women from Wellsford to Kaitaia. In the first quarter of 2010 Dress for Success Northland had already assisted more than 100 women and 23 men.

“We are truly a holistic programme,” says Manager Diana Edmonds. “We provide appropriate clothing, accessories and make-up, then work with our clients on goal setting, encouragement, empowerment and developing a curriculum vitae. We also have workshops involving expert business personnel as guest speakers.”

In the career centre, clients update their CVs, while gaining assistance with computer skills. The professional women’s programme helps women retain their jobs once they have found employment and now the Dress to Impress branch offers support to male job hunters.

ASB Community Trust supports community wellbeing organisations that respond to needs identified by our communities, with a focus on innovative programmes that address the underlying causes of social problems.

Supporting the work of Dress for Success Northland Incorporated allows it to work with more than 280 people a year, with increasing numbers of Māori and younger clients using the service as word spreads.

dressforsuccess.org/northland

GRANT RECIPIENT

NZ Somali Women Inc

NZ Somali Women Inc. aims to economically empower refugee women and solo mothers by giving them the skills to thrive in New Zealand society.

Working with women in Auckland, the organisation not only teaches English language skills to new migrants, but runs a six-month sewing course, guided by a professional sewing tutor.

Clothes are made for the women’s communities and for sale at the Wesley market, which runs every Tuesday. NZ Somali Women also provides a playgroup for children and runs social activities such as day trips for the women.

Membership is predominantly Somali and the programme aims to ensure migrant Muslim women are not socially and economically marginalised. However, a growing number of other ethnicities such as Iraqi, Ethiopian, Lebanese and Indian women have recently joined the sewing group.

This initiative is strongly aligned with ASB Community Trust’s strategy for the Community Wellbeing sector. The Trust aims to support organisations that respond to needs identified by our communities and focus on innovative ways to address the underlying causes of social problems.



To Māori, the kāhu—harrier hawk—was traditionally believed to be noble like a chief. In the legends of Maui the colour and pattern of the kāhu's plumage is a result of scorching by the fire of Mahuika, a fire deity.

ASB Community Trust supports projects and organisations that protect and enhance the environment in which we all live.

SECTOR

Environment

TOTAL GRANTS AWARDED

\$362,477

NUMBER OF RECIPIENTS



14

REGIONAL DISTRIBUTION OF GRANTS



GRANT RECIPIENT

Friends of Whatipu

Volunteer guardians at Whatipu are ensuring that New Zealand's native birds and plants have a fighting chance of survival.

Through the restoration of bush margins, predator and weed control, Friends of Whatipu aim to nurture, preserve and improve the natural heritage contained in the Whatipu Scientific Reserve, on the west coast of Auckland.

The 75 volunteers have planted thousands of trees in the past six years and they maintain a predator control zone to stop reinvasion.

This year there were three confirmed pairs of dotterel established in the Whatipu area and five chicks fledged — the best results since the project started seven years ago. Meanwhile six oystercatcher nests were monitored and five chicks were raised.

“Overall it’s been a great summer for the dotterels and a steady year for oystercatchers,” says project leader Darryl Jeffries. “The predator control in the dunes and forest behind seems to be paying off, with better success for all the birds in general each year.”

ASB Community Trust’s strategy for the environment sector is to support projects and organisations that protect and enhance the environment in which we live. Friends of Whatipu, with its regular planting days, beach clean-ups, guided walks and educational weekends, is well aligned with the Trust’s strategy.

groups.google.co.nz/group/whatipu

GRANT RECIPIENT

The Royal Forest and Bird Protection Society

Rare species of native birds are returning to the Waitakere Ranges, west of Auckland, thanks to the dedicated volunteers from Ark in the Park.

The eco-restoration project, run by the Waitakere branch of Forest and Bird in conjunction with Auckland Regional Council, last year saw six kokako released in the 1750 hectare sanctuary. The arrival of the kokako, moved from forest in the central North Island, follows the release of hihi (stitchbirds) and robins.

The reintroduction of the birds, once common in the ranges, comes after years of volunteer work to control predators and the commitment to maintain over 100km of bait lines around the protected area. This provides a sanctuary where the birds can safely breed and increase their numbers.

For ASB Community Trust, which aims to support environmental organisations and projects that protect and enhance the environment in which we live, the conservation of rare and endangered species which the Ark in the Park project undertakes is critically important.

The sanctuary is supported by over 200 volunteers and, as it is only a 45 minute drive for 80% of Auckland’s population, it is an accessible recreational and learning environment for a large population.

arkinthepark.org.nz



The challenging behaviour, and energetic jumping from side to side, of the piwakawaka—fantail—is said by some to have inspired the haka. Surprisingly bold and ever restless, the piwakawaka plays a role in many Māori legends.

ASB Community Trust supports and strengthens community organisations that improve health outcomes for the people of our region, by focusing on health promotion and preventative projects.

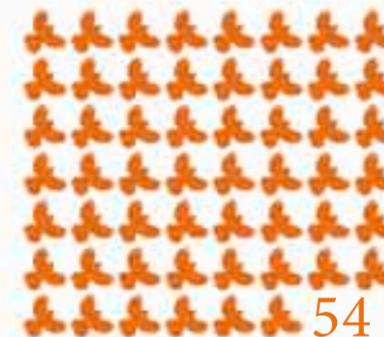
SECTOR

Health

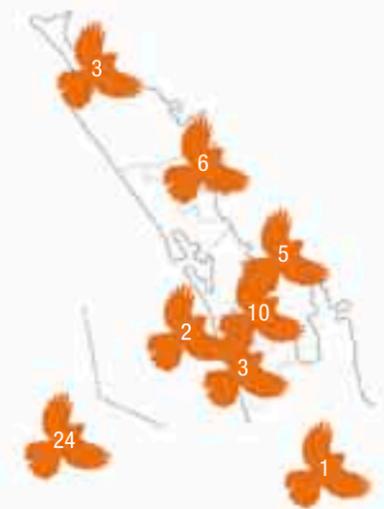
TOTAL GRANTS AWARDED

\$1,646,237

NUMBER OF RECIPIENTS



REGIONAL DISTRIBUTION OF GRANTS



GRANT RECIPIENT

Raukauri Music Therapy Centre

Using the power of music, the Raukauri Music Therapy Centre unlocks the potential of young people with a range of special needs.

The Auckland-based centre employs five music therapists who work with about 100 clients each week, including outreach programmes in several Auckland schools.

The therapists, all skilled musicians as well as having postgraduate qualifications in music therapy, use a wide range of instruments and voice to encourage young people to make music as well — to sing, move or dance in whatever way they can manage.

The therapy focuses on the client's strengths, helping reduce isolation, develop skills that can be transferred to other aspects of life and creating new possibilities for participation in the world.

Supporting those with physical, intellectual, behavioural, developmental, and emotional issues, music therapy helps with conditions such as autism, learning disabilities, communication disorders, cerebral palsy and down syndrome.

Centre Director Anne Bailey says the young people make huge gains, improving motor skills and speech, self-confidence and self-awareness, strengthening social skills, while improving memory, behaviour, and concentration.

The centre shows strong alignment with ASB Community Trust's health sector strategy — to support and strengthen community organisations that improve health outcomes by focusing on health promotion and preventative projects.

rmtc.org.nz

GRANT RECIPIENT

TOA Pacific

TOA (Treasured Older Adults) Pacific works to promote the rights, health and wellbeing of Pacific older adults. It aims to empower older people to be independent, to participate and to contribute to the community.

The group's goal is to prevent elder abuse and neglect and runs a health and disability information and education programme for older Pacific people in Counties Manukau. Its daycare programme includes games, songs, outings and exercise programmes and it conducts home visits for homebound older people, adult literacy classes and a men's health programme.

TOA Pacific shows strong alignment with ASB Community Trust's strategy for the health sector — supporting community organisations that improve health outcomes by focusing on health promotion and preventative projects.

TOA Pacific's services continue to attract people from all over Auckland, drawn by its ability to enhance health and wellbeing through support services, valuing of cultural differences and encouraging interdependence within families.

toapacific.org.nz



Māori admired the watchfulness of the kōtare—the kingfisher. The word was also sometimes used to refer to the elevated lookout platform in a pā, and a good sentry was complimented for his similarity to a kōtare.

ASB Community Trust supports projects and organisations that preserve, protect and promote the physical and cultural heritage of our region.



Image of Kakaraea Church by Matt Comeskey

SECTOR

Heritage

TOTAL GRANTS AWARDED

\$500,000

NUMBER OF RECIPIENTS



REGIONAL DISTRIBUTION OF GRANTS



GRANT RECIPIENT

Jack Morgan Museum

The pioneering history of Hukerenui, north of Whangarei, will this year be on display in New Zealand's newest museum.

Due to open in July 2010, the Jack Morgan Museum houses the stationary motors, farming and household memorabilia collected over the past 30 years by local identity Jack Morgan. Based on that collection, the museum is now telling the story of the Hukerenui district, with local people loaning images and implements, tales and memories.

Volunteers have worked hard to complete the museum to a high standard incorporating professional advice from the Northland Museum Association, Whangarei Museum, Museums Aotearoa and Te Papa Tongarewa Museum of New Zealand.

“Our aim is to have the museum self funding,” says Funding Manager Evan Smeath. “To do this we need people through the door. We need a museum that is of interest to all ages and genders who will want to return to see more.”

Jack Morgan Museum’s mission, telling the tale of its district, shows a strong alignment with ASB Community Trust’s strategy to support projects and organisations that preserve and promote the physical and cultural heritage of our region.

Museum consultant Larry Robins has produced a feasibility report which shows the museum has planned all aspects of museum and collection management. Volunteers have attended workshops run by Te Papa National Services Te Paerangi and intend to undertake further training.

jackmorganmuseum.co.nz

GRANT RECIPIENT

Kakaraea Church

A piece of New Zealand’s early history is being restored in the upper Kaipara Harbour.

Kakaraea Church, built in 1874, was the key church for the Wesleyan mission working in the major Māori settlement of Otamatea. Today the gothic timber building, which was also known as the Cathedral Church of Gittos, retains significant historical, cultural and spiritual importance to the people of Otamatea Marae, the Ngati Whatua iwi and the wider community.

Registered as category II with the New Zealand Historic Places Trust, Kakaraea Church is listed by the Kaipara District Council on its register of buildings of historic value. However, until the work is complete it is closed to the public so the restoration work is urgent.

ASB Community Trust aims to support projects and organisations that preserve and promote the physical and cultural heritage of our region. This restoration project clearly aligns with the Trust’s heritage funding strategy. By following the recommendations of a conservation plan, funded by Kaipara District Council and the Lottery Environment and Heritage Committee, it also meets the required professional standards.

The church is being restored with funding from ASB Community Trust and the Lottery Environment and Heritage Committee.



Ruru are a rich source of symbolism for Māori, linked with guardianship, forewarning and awareness: “E tia ano aku mata me te mata-a-ruru e tiwai ana, Me te mata kāhu e paro noa ra kai te tahora” (my eyes are like the eyes of the ruru, turning from side to side, like the eyes of a hawk who soars over the plain).

ASB Community Trust supports projects that improve educational outcomes by adding value to the sector, with a focus on innovative projects and lifelong learning.



SECTOR

Learning

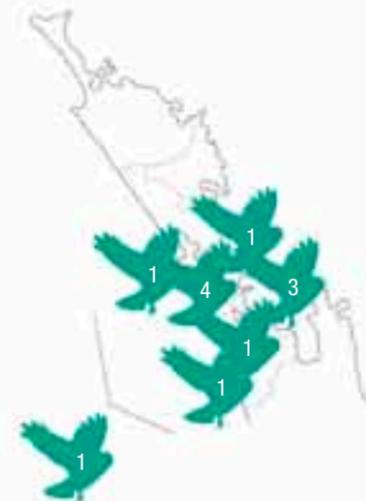
TOTAL GRANTS AWARDED

\$357,314

NUMBER OF RECIPIENTS



REGIONAL DISTRIBUTION OF GRANTS



GRANT RECIPIENT

Gifted Kids Programme

Gifted kids are children with special needs, says The Gifted Children's Advancement Charitable Trust.

It works with 450 students from more than 130 predominantly low-decile schools, giving them access to one day a week of excellence in gifted education.

“Historically, a high proportion of education funding, resources and direction has gone towards children with learning difficulties, while few opportunities have been made available for gifted children,” says Gifted Kids Programme (GKP) Principal Clive Sharpe. “But gifted kids are special needs children. We want to maximise the potential for these students to contribute to the future economic and creative productivity of society, because if these kids achieve their huge potential, then so too will New Zealand.”

GKP emphasises talent development and complex thinking, plus social and emotional awareness. Specialist tutors supplement the programme in areas such as languages, chess, maths, science and art. In addition, learning adventures and educational trips are provided.

Mr Sharpe says the programme helps academic achievement, but also increases self esteem and motivation. It assists students to feel “normal”, alleviating behaviour problems and underachievement.

ASB Community Trust supports projects that facilitate improved educational outcomes by adding value to the sector, with a focus on innovative projects and lifelong learning. The work of The Gifted Children's Advancement Charitable Trust fits that strategy.

giftedkids.co.nz

GRANT RECIPIENT

Waitakere Adult Literacy

More than 240 students are now working with Waitakere Adult Literacy to improve their reading and numeracy skills.

The organisation's 40 tutors provide a free, confidential learning environment where students develop the skills they need — whether it is filling out forms, improving their spelling, preparing for a driving test, writing assignments or putting together a CV.

Established in 1978, Waitakere Adult Literacy is recognised as being one of the first literacy schemes to offer group provision as well as one-on-one assistance. It has developed literacy and English as second language modules to meet the needs of pre-literate refugees and new migrants.

ASB Community Trust's Learning sector policy is to support projects that facilitate improved educational outcomes by adding value to the sector, with a focus on innovative projects and lifelong learning.

literacy.org.nz



To Māori the kōtuku symbolised everything that is rare and beautiful. Its appearance was so uncommon that it became proverbial—a distinguished guest who visited only rarely was sometimes referred to as “He kōtuku rerenga tahi” (the heron of a single flight).

ASB Community Trust recognises the special role of the marae to the communities in our region and will consider funding towards building upgrades and extensions.



SECTOR

Marae

TOTAL GRANTS AWARDED

\$1,545,408

NUMBER OF RECIPIENTS



REGIONAL DISTRIBUTION OF GRANTS



GRANT RECIPIENT

Mangatangi Marae

Mangatangi Marae is near the end of a six-stage upgrade project to reinforce its role as a gathering place for the hundreds of Māori families affiliated to it.

Based in Mangatangi, near Miranda south of Auckland, the marae has been upgrading its buildings since 1996, including ablutions, kitchen and now the dining area.

For the Ngati Tamaoho hapu, Mangatangi Marae is a place to gather for community events such as korowai wananga (cloak making classes) and raranga wananga (weaving classes). Whanau wananga teach family members traditional skills such as kapa haka, karanga and whaikorero (speechmaking), while the kaumātua have run te reo and tikanga wananga (language and culture classes) to pass on their knowledge to the whanau.

The marae welcomes community use of its facilities and younger family members are encouraged to return to join in sports days, discos and talent contests. They also learn about their whakapapa, hapu and iwi links and the history of their region. The marae also holds hui around the issues facing young people, such as employment, alcohol, drugs and education.

ASB Community Trust recognises the special role of the marae to the communities in our region and the Mangatangi Marae is in strong alignment with the Trust’s strategy for marae funding. This year a Trust grant helped complete the marae’s whare kai (dining room).

GRANT RECIPIENT

Piritahi Marae

Piritahi Marae, the only marae on Waiheke Island, is used by up to 5000 people a year for weddings, tangi, training, education programmes and celebrations.

The marae is the centre of Māori culture and development on the island and is known and respected for its broad multicultural emphasis, where everyone is welcome.

It provides community programmes including free health care, taiaha and waka ama training, Māori language and culture lessons and is the island’s focus for the annual Matariki and Waitangi Day celebrations.

The marae was built in 1992 and 10 years later volunteers began work to create a traditional look and design for the wharenui (meeting house) — a cultural statement of the tangata whenua history, whakapapa, philosophy and mana.

In the first two years all the tukutuku panels and pou were completed, then the timber was bought to finish the wharenui. Finally, in 2009, the ceiling kowhaiwhai pattern was finished.

ASB Community Trust recognises the special role of the marae to the communities in our region and can help fund building upgrades and extensions. In 2009 a grant helped Piritahi Marae install fire sprinklers and upgrade the kitchen to commercial food premises standards.



The *kūaka's* visits to other lands—Māori believed they returned to *Hawaiki*, the spiritual homeland—and regular return signified the importance of an abundant food supply when providing hospitality.

ASB Community Trust has fully funded seven groups, whose projects address the problem of educational underachievement among youth in Māori and Pacific communities, for up to five years.

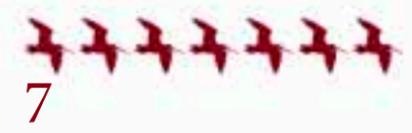
SECTOR

MPEI

TOTAL GRANTS AWARDED

\$11,190,962

NUMBER OF RECIPIENTS



REGIONAL DISTRIBUTION OF GRANTS



GRANT RECIPIENTS

Māori and Pasifika Education Initiative

Seven projects have been fully funded under the Māori and Pasifika Education Initiative for up to five years.

All seven programmes share the same dream — better educational outcomes and a brighter future for our children. Here we briefly focus on the aims of each project.

Whangarei's Leadership Academy of A Company draws on successful learning models of the past to build Northland's future Māori leaders. It takes Māori cadets, chosen for their leadership potential and academic ability, and encourages them to reach for three key goals: Be Māori; Be rangatira; Be educated.

Sylvia Park School, in the Auckland suburb of Mt Wellington, runs a programme linking the school to homes, creating a learning partnership with families which encourages parents to become more involved in the education of their children.

Rise Up Trust, launched as a response to rising gang violence in South Auckland, has built a series of unique parenting courses called Building Learning Communities. Using a whole-family approach to enquiry-based learning, it encourages parents and children to be active participants in real-life learning situations, using real-life problems.

Unitec's Graduate Diploma in Not-For-Profit Management offers intensive training for those already working as managers and board members in the community sector. The diploma course offers capacity building skills to make organisations more efficient and effective.

Ideal Success Trust's Huarahi Tika programme is a return to traditional Māori values of family involvement and whanau strength in education. It works with Manurewa schools to identify 10 year-olds who have the potential to do well, but face significant obstacles. The children then join an intensive motivational programme that asks the whole family to support the student's progress and learning.

C-Me Mentoring Trust's apprentice mentoring programme matches school-leavers with employers and provides students with the skills needed to succeed in industry. Under the branding Trades At School it promotes various trades to students, taking industry into the classrooms and offering a realistic purpose for being at school. The two year programme encourages them to complete all year-one apprenticeship unit standards for eight different trades, making them more attractive to employers.

Toku Reo Tupuna Trust works to save the Cook Island language from extinction. It's Tuatua Mai website has 1600 students and the group provides a resource kit which encourages families to use the language at home. About 60,000 Cook Islanders live in New Zealand, but only about 16% can hold an everyday conversation in that language. Toku Reo Tupuna Trust is now working with punanga reo (Cook Island language nests), primary, intermediate and high schools to encourage the language's resurgence.

“The vision of MPEI: Ma tātou ano tātou e kōrero, We speak for ourselves — resonates strongly with words often spoken by Ngati Hine: We want to speak for ourselves. Why is it so important to us that we speak for ourselves? For so many years others have been speaking for us, knowing what was good for us, making decisions for us. But we do not need others to speak for us; we can speak for ourselves. We know what is good for us and we are capable of making our own decisions.”

*Kevin Prime
Chair of ASB Community Trust
2003-09*

Mā tātou ano tātou e kōrero—We speak for ourselves

In 2006, ASB Community Trust embarked on an ambitious and unchartered philanthropic journey in search of innovative proposals to address the problem of educational underachievement among Māori and Pacific community youth.

The aim was to lift educational outcomes by a significant percentage over five years of focused intervention. Three years later, the Trust has committed in excess of \$10 million to its Māori and Pasifika Education Initiative (MPEI) and will invest substantial funds through further grant-making. The total investment is greater than any amount the Trust has ever committed to a single initiative.

Looking back, MPEI was conceived in a time ripe for change. Internationally, philanthropic organisations were moving towards a creative approach. Some trusts were working with communities to define problems, identify solutions and commit to long-term strategic resourcing to achieve measurable, sustainable outcomes. In New Zealand, the JR McKenzie Trust and the Tindall Foundation, among others, were flag bearers of philanthropic risk-taking and innovation.

Against this backdrop, ASB Community Trust recognised that philanthropic benefits would flow from a more strategic outlook. Trustees wanted to respond proactively to challenges and sought to identify issues facing the region. Trustees set out to harness intellectual rigor in grant-making through an evidence and outcome-based approach, recognising that surmounting major social problems would require philanthropic risk-taking.

A Māori and Pasifika Educational Initiative

Community leaders, researchers and others had expressed concern about the educational underachievement of Māori and Pasifika youth. Hard facts and academic research proved that educational achievement was critical for the wellbeing and prosperity of Māori and Pacific Island communities, as well as our nation. Put simply, it was in New Zealand’s long-term social, cultural and economic interests to address this vexing problem.

Trustees agreed to ‘ring-fence’ substantial funds, ensuring the Trust’s financial commitment to MPEI would not depreciate in changing economic circumstances. This radical decision was soon tested — and upheld — by the effects of an international recession. Ring-fencing the funds assured Māori and Pacific communities that: ‘Your interests count and won’t be shaved because of difficulties elsewhere.’

A powerful vision, Mā tātou ano tātou e kōrero — We speak for ourselves, signaled the Trust’s intent to create meaningful opportunities for those most affected by the problem of educational underachievement to turn things around for themselves. Trustees retained the legal responsibility for all decisions, but the process allowed respected members of Māori and Pacific communities, with relevant expertise, to shape its decision-making.

A principle-based approach reinforced a shared commitment to making a significant difference. The following principles were to define MPEI projects: strategic relevance; project sustainability; measurable outcomes; partnership and self-help; community ownership and capacity to deliver.

MPEI sought to focus on community innovation. The idea was to create new mechanisms that could add to or challenge existing approaches without disregarding the efforts of the state education system. The Trust agreed to fund a small number of groups who might not otherwise have had an opportunity to implement their visions; community ownership of and support for their initiatives would encourage active participation and project sustainability.

The Trust agreed to fully fund projects over five years, recognizing that educational under-achievement was a consequence of generations of difficulty, which must be worked through slowly to achieve lasting change. A five year period was needed to begin to see a difference in a young person’s educational journey.

Finally, an organic community development model of engaging with communities enabled the Trust to learn by doing, with one step leading to another.

The Trust established Māori and Pacific community reference groups, which met on a bi-monthly basis throughout 2007 to establish terms of reference for MPEI as well as its vision, mission and principles. Both groups deliberated upon the depth, breadth and characteristics of the problem and how the Trust could make a difference.

In January 2008 the Trust called for expressions of interests, asking applicants to summarise their proposal in 400 words. In March, the Trust held consultation meetings throughout the region. By the mid-April deadline, over 300 expressions of interest had been submitted and eventually a short-list of 37 applicants were invited to present in-depth proposals in January 2009. In late

March 2009, MPEI selection committees recommended seven projects to the Trust for funding. They were approved, subject to capacity-building.

Lessons learned

Innovative endeavours require vision, leadership and competence. MPEI brought together skilled and committed people, inviting them to make meaningful contributions. The Trust harnessed the professional and cultural competence of its Māori and Pacific community trustees and staff. The reference group and selection committee process created space for Māori and Pacific community leaders to contribute to the Trust’s strategic direction and decision-making, enabling the Trust to pursue a new approach with confidence.

Advocating for a long view and committing major funding up-front created a sense of possibility. Such ambition invigorated the commitment of Māori and Pacific community contributors, who reached for a gold standard in decision-making.

Reference groups met for over a year, allowing time to consider matters from different perspectives and to evolve a shared approach.

Consultation meetings raised expectations the Trust couldn’t meet and created an unexpected avalanche of expressions of interest. This led to disappointments at a time when the Trust was building relationships. Also, the decision to invest significantly in a small number of projects did not allow for more modest but worthwhile community aspirations to be supported. The Trust did, however, encourage unsuccessful applicants to consider its regular programme-based funding.

Lively presentations by shortlisted applicants showed that, if given the opportunity and resources, Māori and Pacific communities can generate and lead their own solutions. Their resounding message: ‘We think we can take charge of this problem and turn things around for our people, but we need to do it our way.’

Some applicants required capacity-building, so advisors worked alongside them, helping build organisational capacity and preparing them to implement their visions.

Finally, all agreed that some things could have been done better and, perhaps, educational underachievement will not be overcome by a single silver bullet, but rather by a number of magic bullets.

What’s next?

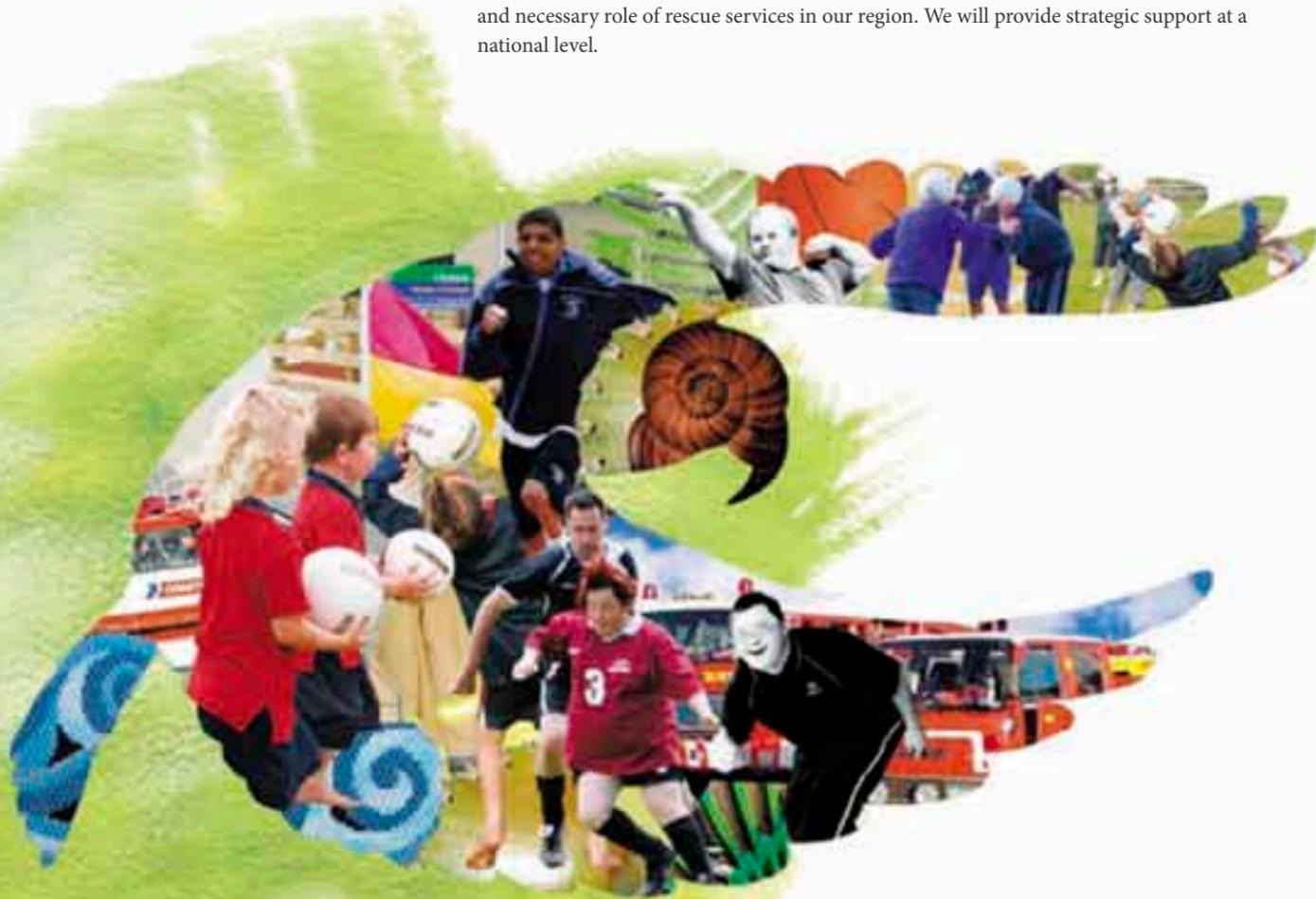
From its earliest days, MPEI sought to look to the distant horizon of the sea — Titiro atu ki nga taumata o te moana. The Trust is working with the New Zealand Council for Educational Research to establish and implement a framework that will evaluate the process and outcomes of MPEI projects. For now, the journey continues.

Read more at initiative.org.nz



Outgoing, resourceful and intelligent, kea were regarded by some Māori to be kaitiaki (guardians) of their people.

ASB Community Trust supports organisations that focus on community participation and engagement in recreation. Targeted support is provided for organisations that aim to increase participation by younger and older people. We also acknowledge the important and necessary role of rescue services in our region. We will provide strategic support at a national level.



SECTOR

Recreation & Sport, Rescue Services

TOTAL GRANTS AWARDED

\$1,026,434

NUMBER OF RECIPIENTS



REGIONAL DISTRIBUTION OF GRANTS



GRANT RECIPIENT

Counties Manukau Sport

ClubSmart, run by Counties Manukau Sport (CMS), aims to build more robust club administrations in the Counties Manukau area.

One of a number of innovative programmes run by the South Auckland sports foundation, ClubSmart aims to increase club membership by improving administration, raising coaching standards and encouraging more volunteers to get involved.

The range of programmes run by CMS also includes a ten-pin bowling league which targets inactive 11-12 year-olds, soccer development at schools and a youth impact programme for at-risk boys in the 12-14 age group.

ASB Community Trust helps CMS at a regional level because of its commitment to projects that encourage participation and its focus on younger or older people.

CMS aims to increase participation in recreation and sport throughout the Counties Manukau region. To do this, it supports the community organisations that play a key role in providing sport and physical activity. It takes sports programmes to pre-school centres, schools, sports organisations and into the community, where healthy lifestyle outcomes are a priority.

cmsport.co.nz

GRANT RECIPIENT

United Soccer 1

If grass-roots participation in our region is any indication, the All Whites may be regular participants in the football World Cup finals in years to come.

More than 25,000 primary school students take part in the Primary Schools Programme, an introduction to football run by United Soccer 1 every year and the Federation now has 16,000 club members.

Supporting 50 clubs and schools throughout Waitakere, North Shore, Rodney, Kaipara, Northland and the Far North, United Soccer 1 provides coaching and coach education, referee development and appointment, league management and administration and club administration support.

The work of United Soccer 1 is strongly aligned with ASB Community Trust's strategy for the recreation and sport sector — to support organisations that focus on community participation and engagement in recreation and support organisations that aim to increase the participation of younger and older people.

United Soccer 1 works to build strong relationships with schools and its goal is to give all primary school children in the region an opportunity to enjoy the football experience.

unitedsoccer1.org.nz

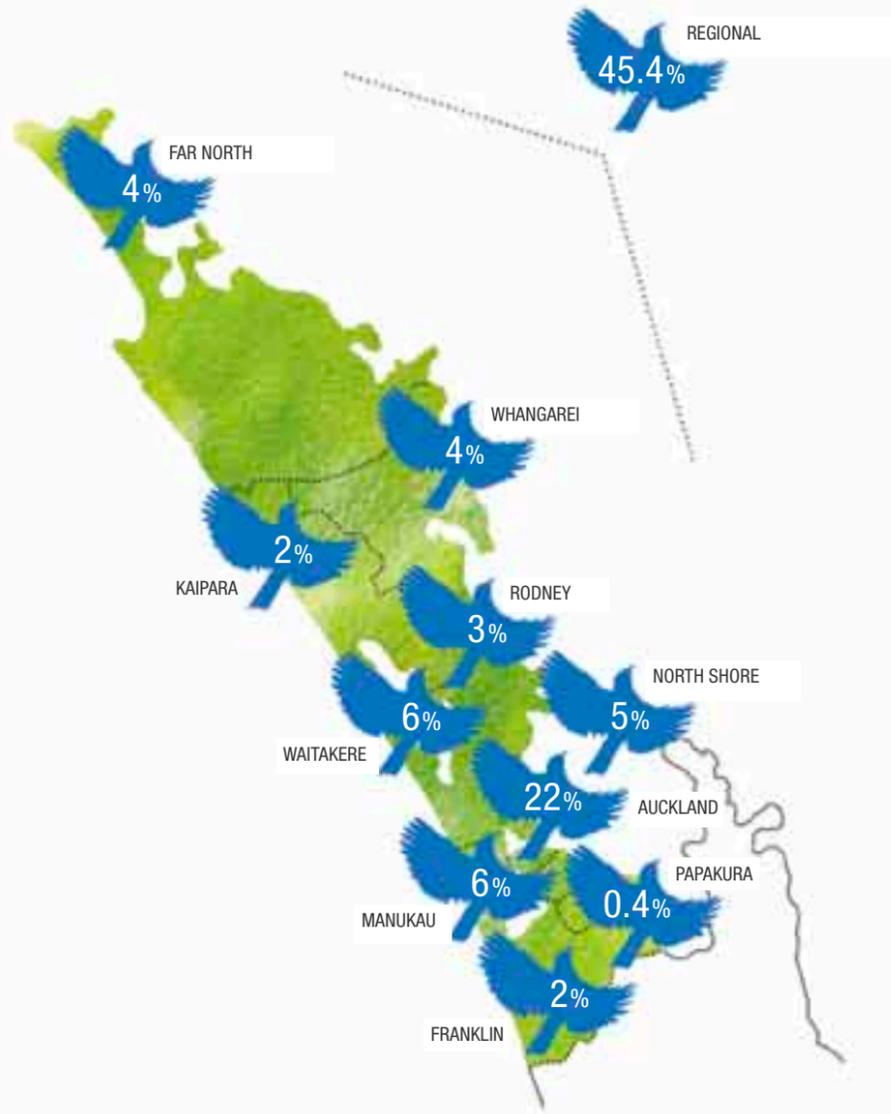
Structuring for stability

ASB Community Trust this year distributed its grants to community groups through its subsidiary company, ASB Community Trust Charitable Purposes Ltd. This company is a registered charity under the Charities Act 2005, registration number CC38999.

This structure enabled the Trust to “ring fence” funds for granting and thus ensure a more stable flow of funds given the uncertainties in the financial markets following the Global Financial Crisis.

The company distributed grants totalling \$27.5 million to 355 organisations in the region. Of this sum \$11.2 million was committed to seven groups under the Trust’s Māori and Pasifika Education Initiative and \$16.3 million to community groups in the Auckland and Northland region.

DISTRIBUTION OF FUNDS BY LOCATION



Arts & Culture

A Aotea Youth Symphony \$20,000 Aotearoa Young Peoples Theatre Trust \$225,000 Art Kaipara Inc \$22,418 Artists Alliance Inc \$75,000 Arts Access Aotearoa Whakahau Katoa o Hanga \$15,000 Arts Regional Trust \$150,000 Artspace (Aotearoa) Trust \$50,000 Auckland Bach Cantata Society \$40,000 Auckland Chamber Orchestra Trust Board \$50,000 Auckland Festival of Photography Trust \$60,000 Auckland Festival Trust \$150,000 Auckland Philharmonia Orchestra Society Inc \$375,000 Auckland Theatre Company \$150,000 Auckland Writers & Readers Festival Charitable Trust \$85,000 Auckland Youth Choir (Inc) \$15,000 **B** Bay Of Islands Arts Festival Trust \$50,000 Black Grace Trust \$150,000 Blue Goose Papermill Charitable Trust \$15,000 **C** Centre City Music Theatre Society Incorporated \$15,000 Chamber Music New Zealand Trust \$50,000 Croatian Cultural Society of NZ Inc \$5,000 **D** Dance Aotearoa New Zealand Ltd (DANZ) \$120,000 Diversityworks Charitable Trust \$50,000 DOCNZ Trust Board \$80,000 **E** Estuary Arts Charitable Trust \$15,000 **F** Film Auckland Inc \$20,000 **G** Great Barrier Island Community Heritage and Arts Village Trust \$23,650 Grey Lynn Park Festival Trust \$30,000 **H** He Waka Eke Noa Charitable Trust \$61,000 Healing Through Arts Trust \$5,000 Howick Childrens & Youth Theatre Inc \$15,000 **I** Indian Ink Trust \$60,000 **J** Japanese Society of Auckland \$10,000 **K** Kumarani Productions Charitable Trust \$60,000 **L** Lopdell House Society Inc \$20,000 **M** Manukau City Orchestral Society Inc \$40,000 **N** New Zealand — Japan Society of Auckland Inc \$15,000 New Zealand Comedy Trust \$30,000 New Zealand Dance Festival Trust \$80,000 New Zealand Opera Limited \$70,000 New Zealand Opera Training School \$8,400 New Zealand String Quartet Trust \$7,500 North Shore Theatre and Arts Trust \$20,000 Northland Craft Trust \$50,000 Northland Youth Theatre Trust \$12,000 NZ Book Council Inc \$60,343 NZ Secondary Schools Students Choir \$6,000 NZ Society of Authors \$30,000 **O** Opera Factory Trust \$30,000 Opera North Inc \$6,000 Operating Theatre Trust \$60,000 **P** Panacea Arts Charitable Trust \$75,000 Play It Strange Trust \$55,500 Playmarket \$90,000 **R** Royal New Zealand Ballet \$177,603 **S** Script to Screen/Te Tari Tuhi Kupu a Whakaahua \$16,806 Silo Theatre Trust \$100,000 Splore Trust \$24,000 Stage Challenge Foundation \$10,000 Starjam Charitable Trust \$60,000 Storylines Children’s Literature Charitable Trust of NZ \$50,000 **T** Taki Rua Productions Society Inc \$20,000 Tautai Contemporary Pacific Arts Trust \$90,000 Te Runanga A Iwi O Ngāpuhi \$10,000 The Audio Foundation \$20,000 The Big Idea/Te Aria Nu Charitable Trust \$50,000 The Performing Arts School Inc \$40,000 Titirangi Festival Trust \$15,000 Toi Ora Live Art Charitable Trust \$45,000 Touch Compass Dance Trust \$50,000 **V** Viva Voce Inc \$10,000 **W** Waiheke Community Art Gallery \$64,000 Wellington Museums Trust \$20,000 West Coast Community Arts Trust \$20,000 Women In Film & Television (NZ) Inc \$30,000

GRANTS AWARDED \$4,005,220

Community Building Projects

S Sport Northland \$800,000 Starling Park Sports Club Inc \$1,000,000

GRANTS AWARDED \$1,800,000

Community Wellbeing

A Adventure Specialties Trust \$30,000 Age Concern—Counties/Manukau Inc \$50,000 Age Concern Auckland Inc \$10,000 Age Concern Kaitaia & District \$10,000 Age Concern Mid-North (Inc) \$10,000 Age Concern Rodney \$10,000 Alternatives to Violence Project Aotearoa Inc \$4,000 Aotea Family Support Group \$30,000 Auckland City Mission \$50,000 Auckland Latin American Community Inc \$10,000 Auckland Night Shelter Trust \$10,000 Auckland Refugee Council Inc \$30,000 Auckland Regional Migrant Services Charitable Trust \$30,000 Auckland Sexual Abuse HELP Foundation Charitable Trust \$50,000 Auckland Womens Centre Inc \$40,000 **B** Baptist Union of NZ Inc \$50,000 Beneficiaries Advocacy & Information Service \$6,706 Bhartiya Samaj Charitable Trust \$10,000 Big Buddy Mentoring Trust \$50,000 Brothers in Arms Charitable Trust Board \$30,000 **C** C.A.R.E. Waitakere Trust \$30,000 Camellia House Trust \$30,000 Catholic Family & Community Services \$30,000 Central Auckland Parents Centre Inc \$6,621 Changeworks Trust 2006 \$20,000 Communicare CMA Auckland Inc \$30,000 Community of Refuge Trust \$300,000 Community Waitakere Charitable Trust \$80,000 Council for Socially Responsible Investment \$1,500 Counselling Services Centre \$50,000 Crosspower Ministries Trust \$30,000 **D** Dayspring Trust \$18,000 De Paul House \$30,000 Diversity Trust \$20,000 Dress for Success Northland \$23,000 **E** East Auckland Home & Budget Service Charitable Trust \$15,000 ECPAT Child Alert Trust \$24,000 Essentially Men Education Trust \$35,000 Ethnic Voice New Zealand Inc \$5,000 **F** Far North Community Foodbank Trust \$35,700 Father and Child Trust \$24,350 Foundation for Youth Development \$50,000 Friendship House Trust \$50,000 **G** Grandparents Raising Grandchildren Trust \$50,000 **H** Habitat for Humanity NZ \$50,000 Helensville Citizens Advice Bureau Inc \$7,000 Helensville Women & Family Centre \$30,000 Hestia Rodney Women's Refuge Inc \$50,000 Hibiscus Coast Parent Aid Family Services Inc \$30,000 Home & Family Counselling Inc \$50,000 Homebuilders Community Services Maungaturoto/Paparoa Inc \$21,000 Homebuilders Family Services North Rodney Inc \$30,000 **I** Island Child Charitable Trust NZ \$10,000 **K** Kaitaia People's Centre/Nga Hoe Awhina Inc \$6,400 Kaitaia Social Services Council \$2,000 Kia Timata Ano Trust \$20,000 Kids Help Foundation Trust \$20,000 Koru Care New Zealand Inc \$10,000 **L** Living Without Violence Waiheke Network Inc \$10,000 **M** Man Alive Charitable Trust \$30,000 Manukau East Council of Social Services (MECOSS) \$10,000 Mercy Missions Trust \$30,000 Methodist Mission Northern \$50,000 Migrant Action Trust \$30,000 Migrants Support Services Incorporated \$30,000 Miriam Centre Child Abuse Treatment & Research Trust \$50,000 Monte Cecilia Housing Trust \$50,000 Monte Cecilia Housing Trust \$570,556 MPHS—McLaren Park & Henderson South Community Initiative \$25,000 New Zealand Sikh Womens Association \$10,000 **N** Nga Tupuranga Ma Whanauwhanui O Te Tai Tokerau \$10,000 North Harbour Living Without Violence Collective Inc \$30,000 North Shore Community & Social Service Council Inc \$15,000 North Shore Womens Centre \$30,000 Northland Urban Rural Mission \$17,350 NZ Federation of Family Budgeting Services Inc \$25,000 NZ Federation of Voluntary Welfare Organisations (NZFWO) \$38,941 NZ Somali Women Inc \$17,000 **O** One Double Five Whare Roopu Community House \$30,000 Onewa Parents Centre Inc \$3,600 Otara Budgeting Service \$13,000 OUTLine New Zealand \$40,000 **P** Pa O Te Ora Charitable Trust \$8,300 Parent Aid Waitakere Inc \$15,000 Parent Port Inc \$10,000 Parent Port North Inc \$11,000 Parent to Parent New Zealand \$45,000 Parent Trust Auckland Inc \$30,000 Pillars Inc \$40,000 Presbyterian Support (Northern) \$50,000 Prisoners Aid & Rehabilitation \$50,000 **R** Ranui Baptist Community Trust \$10,000 Rape Prevention Education \$50,000 Relationship Services \$50,000 Rodney Stopping Violence Services Inc \$30,000 **S** Sisters of St Joseph—House of Bethany \$10,000 South Auckland Family Refuge \$50,000 South Kaipara Mens Trust \$30,000 St Columba Anglican Community Church \$7,675 Stop Demand Foundation \$15,000 Support of the Sexually Abused \$30,000 **T** Tai Tokerau Emergency Housing Charitable Trust \$50,000 Tamaki Community Development Trust \$30,000 Tangata Whenua Community & Voluntary Sector Research Centre \$27,000 Te Aho Tapu Trust \$30,000 Te Hana Community Development Charitable Trust \$50,000 Te Puna O Te Aroha Maori Women's Refuge \$18,432 Te Ukaipo Mercy Initiatives for Rangatahi \$40,000 Te Waipuna Puawai Mercy Oasis \$30,000 Te Waipuna Puawai Mercy Oasis \$20,000 The Friendship Centre Trust \$690,000 The Friendship Centre Trust \$30,000 Tika Maranga Womens Refuge Inc \$30,000 Tornado Youth Community Trust \$9,600 Tornado Youth Community Trust \$20,000 Tryphina House Whangarei Women's Refuge Inc \$30,000 **V** Violence Free Waitakere Inc \$25,000 Volunteering Auckland Trust \$50,000 **W** Waiheke Budgeting Services Trust \$19,000 Waitakere Abuse & Trauma Counselling Service Inc \$30,000 Waiuku Family Support Network Community Trust \$23,109 Waves Trust \$30,000 Western Refuge Society Inc \$39,000 Whangarei Anglican Care Trust \$19,000 Whangarei Rape Crisis Group Inc \$30,000 Whare Mauri Ora Trust \$16,000 Whare Timatanga Hou Ora Inc \$30,000 WINGS Inc \$10,000 Women's Centre—Rodney Inc \$20,000 **Y** Youthlink Family Trust \$30,000 YWCA Auckland \$32,300 🌱

GRANTS AWARDED \$5,061,140

Environment

A Awhitu Peninsula Landcare \$15,060 **E** Ecomatters Environment Trust \$35,000 Environmental Defence Society Inc \$30,000 **F** Friends of Whatipu Inc \$21,000 **G** Great Barrier Island Charitable Trust \$20,000 **H** Herekino Landcare Group \$14,668 Hua Rakau Trust Ki Omamari \$10,000 **N** NZ Association for Environmental Education Auckland Branch \$30,000 NZ Mountain Safety Council Inc \$38,871 **R** Royal Forest & Bird Protection Society—Waitakere \$60,600 **S** Sir Peter Blake Trust \$30,000 **T** Te Pokapu Tiaki Taiao O Te Tai Tokerau Trust \$19,998 Te Rere I Tiria Charitable Trust \$24,700 **W** Whangarei Native Bird Recovery Centre \$12,580 🌿

GRANTS AWARDED \$362,477

Health

A A.D.H.D Association Inc \$5,000 Allergy New Zealand Inc \$30,000 Alzheimers Auckland Inc \$50,000 Alzheimers Society Counties Manukau Inc \$50,000 Arthritis New Zealand Northern Region \$20,000 Asthma Society (Northland) Inc \$25,000 Auckland Huntingtons Disease Association Inc \$20,000 Auckland Maternity Services Consumer Council \$8,850 **B** Bo Ai She \$3,000 Body Positive Inc \$50,000 Brain Injury Association Auckland Inc \$50,000 Brain Injury Association Northland Inc \$40,000 **C** Children's Autism Foundation \$10,000 Cystic Fibrosis Assn of NZ Inc \$40,000 **D** Diabetes NZ Auckland Inc \$25,000 **E** Eating Difficulties Education Network (Auckland) Inc \$50,000 Epilepsy Assn of NZ Inc—North Shore \$21,882 Epilepsy Assn of NZ Inc—Northland \$11,395 **G** GROW NZ Inc \$8,800 **H** Hearing Dogs for Deaf People New Zealand \$20,000 **I** Integrated Neurological Rehabilitation Foundation \$20,000 Interacting Trust \$5,000 Justice Action Group Inc \$15,000 Kaitaia Group of Riding For Disabled Association Inc \$5,000 **L** Leukaemia & Blood Foundation NZ \$35,000 Linking Hands Inc \$10,000 **M** Mental Health Foundation of New Zealand \$25,000 Midway in Northland Day Services Trust \$14,000 Miscarriage Support Auckland Inc \$10,000 Mobility Assistance Dogs Trust \$30,000 Motor Neurone Disease Association of NZ Inc \$10,000 Multiple Sclerosis Society of Auckland and the North Shore Inc \$20,000 Muscular Dystrophy Northern Incorporated \$20,000 New Dawn Partnership Inc \$25,000 **N** New Zealand Epilepsy Assist Dog Trust \$5,000 North Shore Community Health Network Inc \$30,000 Northland Disabled Charitable Trust \$30,000 Northland Multiple Sclerosis Society Inc \$10,050 **P** Parkinsonism Society Auckland Inc \$20,000 PHAB Assn (Auckland) Inc \$30,000 Phobic Trust of New Zealand \$20,000 Poly-Emp Employment & Advisory Service \$25,000 Post Natal Distress Support Network Trust \$15,300 **R** Raukatauri Music Therapy Trust \$30,000 Recreate Auckland Trust \$45,000 Refugees as Survivors New Zealand \$370,000 Ripple Trust \$30,000 Ronald McDonald House Auckland Trust \$50,000 **T** Te Oranga Kaumatua Kuia Disability Support Services Trust \$50,000 TOA Pacific Incorporated \$20,000 **W** Waiheke Island Supported Homes Trust \$15,000 Well Women's Nursing Trust \$19,660 Whau Valley Whaiora Support Trust \$30,000 Women's Health Action Trust \$18,300 🌸

GRANTS AWARDED \$1,646,237

Heritage

C Charlotte Museum Trust \$10,000 **H** Howick & Districts Historical Society Inc \$30,000 **J** Jack Morgan Museum \$49,100 **K** Kaikohe & District Historical & Mechanical Society \$38,589 Kaitaia Dalmation Cultural Club Inc \$20,300 **M** Mangere East Selwyn Anglican Church \$100,000 Otamatea Marae \$118,818 **S** Silverdale & Districts Historical Society \$8,000 **T** Toroa Preservation Society Inc \$100,000 **W** Warkworth Catholic Parish \$25,193 🕊

GRANTS AWARDED \$500,000

Learning

A Adult Literacy Franklin Inc \$20,000 **F** First Foundation \$60,000 **K** Kauri Trust \$20,000 **L** Leadership New Zealand Trust \$30,000 Literacy North Shore \$28,000 **P** Pt England Primary School \$40,000 **S** Seniornet Dargaville Inc \$4,314 Sisters Of Mercy Wiri \$45,000 **T** The Gifted Children's Advancement Charitable Trust \$30,000 **W** Waiheke Adult Literacy Inc \$20,000 Waitakere Adult Literacy Inc \$30,000 Waitakere City Improving School Attendance Programme Trust \$30,000 

GRANTS AWARDED \$357,314

Marae

K Kenana Te Ranginui Marae Trust \$41,156 **M** Mangaiti Marae Trustees \$159,524 Mangatangi Marae \$342,388 **P** Pirihahi Marae \$52,553 **R** Reweti Marae Trust \$218,160 **T** Te Ara Rangatu o te Iwi o Ngati Te Ata Waiohua \$143,322 Te Aroha Marae Trustees \$37,071 Te Aroha Otangaroa Marae \$305,703 Te Whetu Te Marama Marae Takou Bay 439 Reservation Trust \$52,438 **W** Waimanoni Marae Trustees \$193,093 

GRANTS AWARDED \$1,545,408

MPEI

C C-Me Mentoring Foundation \$1,317,210 **H** He Puna Marama Charitable Trust \$5,762,944 **I** Ideal Success Trust \$1,644,341 **R** Rise Up Trust \$1,506,289 **S** Sylvia Park School \$726,700 **T** Toku Reo Tupuna Trust \$10,000 **U** Unitec Institute of Technology \$223,478 

GRANTS AWARDED \$11,190,962

Recreation & Sport, Rescue Services

30 Squadron Air Training Corps \$7,828 **A** Air Training Corps No. 6 (North Shore) Squadron \$10,000 Ardmore Marist Rugby Sports Club Inc \$10,000 Auckland Confederation of Billiard Sports Inc \$6,540 Auckland Ice Hockey Association Inc \$20,000 Auckland Swimming Association Inc \$42,075 **B** Basketball Auckland Inc \$80,000 Bream Bay Swimming Club \$10,000 **C** Coast Amateur Swimming Club Inc \$10,000 Counties Manukau Gymnastics Inc \$40,000 Counties Manukau Sports Foundation \$156,500 **E** Eventing Auckland Inc \$20,796 **H** Howick Pakuranga Cricket Club Inc \$4,000 Hunua Rural Volunteer Fire Service \$8,375 **K** Kaukapakapa Pony Club \$5,063 Kerikeri Indoor Rowing Club Inc \$7,524 **M** Marist Auckland Water Polo Club Inc \$10,000 Mt Eden Swimming Club \$6,075 **N** No 1 District Federation of NZ Soccer Inc \$88,705 North Harbour Basketball Association Inc \$50,000 North Harbour Table Tennis Assn Inc \$26,210 Northcote Birkenhead Rugby Union & Sports Club Inc \$9,000 Northern Wairoa Soccer Club \$1,647 NZ Tamil Society \$10,000 **O** Otahuhu United Assn Football & Sports Club \$10,000 **S** Southern Districts Hockey Club \$5,000 Special Olympics New Zealand—Upper North Island Regional Council \$65,033 Sport Waitakere Trust \$137,198 Squash Auckland Inc \$24,801 Suburbs New Lynn Cricket Club Inc \$8,000 **T** Te Paerangi Waka Ama Inc \$8,792 Tennis New Zealand Inc \$16,820 Three Kings United Soccer Club Inc \$10,000 Tri Star Gymnastic Club Inc \$10,000 TS Bellona Sea Cadet Corps \$7,200 **W** Waitakere City Swimming Club Inc \$8,550 Waitemata Seagulls Rugby League Football and Sports Club Inc \$10,000 Watersafe Auckland Inc \$50,000 West City Baseball Club \$4,702 Wynns NZ Trust \$10,000 

GRANTS AWARDED \$1,026,434



Audit report

To the Trustees of ASB Community Trust

We have audited the financial statements of ASB Community Trust (“the Trust”) and its subsidiaries (“the Group”) on pages 34 to 49. The financial statements provide information about the past financial performance of the Trust and Group and their financial positions as at 31 March 2010. This information is stated in accordance with the accounting policies set out on pages 38 to 39.

Trustees’ responsibilities

The Trustees are responsible for the preparation of financial statements which give a true and fair view of the financial positions of the Trust and Group as at 31 March 2010 and the results of their operations and cash flows for the year ended on that date.

Auditors’ responsibilities

It is our responsibility to express an independent opinion on the financial statements presented by the Trustees and report our opinion to you.

Basis of opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Trustees in the preparation of the financial statements;
- whether the accounting policies are appropriate to the Trust and Group’s circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Our firm has also provided other services to the Trust in relation to taxation services. Partners and employees of our firm may also deal with the Trust and its subsidiaries on normal terms within the ordinary course of trading activities of the Trust and Group. These matters have not impaired our independence as auditors of the Trust and or the Group. The firm has no other relationship with, or interest in, the Trust and its subsidiaries.

Unqualified opinion

We have obtained all the information and explanations we have required.

In our opinion the financial statements on pages 34 to 49:

- comply with New Zealand generally accepted accounting practice;
- give a true and fair view of the financial positions of the Trust and Group as at 31 March 2010 and the results of their operations and cash flows for the year ended on that date.

Our audit was completed on 10 June 2010 and our unqualified opinion is expressed as at that date.

Auckland

Consolidated financial statements for the year ended 31 March 2010

Consolidated statement of comprehensive income for the year ended 31 March 2010

		Consolidated	Parent	Parent
	NOTE	2010	2010	2009
		\$000	\$000	\$000
Revenue from investments	2	236,248	236,248	(201,314)
Less:				
Fund management, custodian and advisory fees		(1,343)	(1,343)	(1,792)
Investment margin		234,905	234,905	(203,106)
Other income		2,353	2,353	2,862
Administration expenses	7	(3,544)	(3,501)	(4,240)
Grants committed during year to community groups	5.1	(16,304)	-	(33,643)
Grants committed during year to ASB Community Trust Charitable Purposes Limited for the Māori and Pasifika Education Initiative		-	(7,910)	-
Grants committed during year to ASB Community Trust Charitable Purposes Limited for granting to community groups in current and future years		-	(60,690)	-
Grants written back during the year		3,860	3,843	5,775
SURPLUS (DEFICIT) FOR THE YEAR		221,270	169,000	(232,352)
Other comprehensive income				
Revaluation of land and buildings		-	-	892
Total comprehensive income for the year		221,270	169,000	(231,460)

The notes on pages 38 to 49 are an integral part of these consolidated financial statements.

Consolidated statement of changes in Trust Funds for the year ended 31 March 2010

	Original Capital	Capital Maintenance Reserve	Trust Real Capital	Asset Revaluation Reserve	Reserve for Grants	Retained (Deficit) Surplus	Total Trust Funds
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Opening balance 1 April	579,106	238,392	817,498	892	-	(28,855)	789,535
Total comprehensive income:							
Surplus for the year	-	-	-	-	-	221,270	221,270
Total comprehensive income for year	-	-	-	-	-	221,270	221,270
Transfer to Capital Maintenance	-	16,350	16,350	-	-	(16,350)	-
Transfer to Reserve for grants	-	-	-	-	52,270	(52,270)	-
Closing balance 31 March	579,106	254,742	833,848	892	52,270	123,795	1,010,805

Statement of changes in Parent Funds for the year ended 31 March 2010

	Original Capital	Capital Maintenance Reserve	Trust Real Capital	Asset Revaluation Reserve	Retained (Deficit) Surplus	Total Trust Funds
	\$000	\$000	\$000	\$000	\$000	\$000
Opening balance 1 April	579,106	238,392	817,498	892	(28,855)	789,535
Total comprehensive income:						
Surplus for the year	-	-	-	-	169,000	169,000
Total comprehensive income for the year	-	-	-	-	169,000	169,000
Transfer to Capital Maintenance	-	16,350	16,350	-	(16,350)	-
Closing balance 31 March	579,106	254,742	833,848	892	123,795	958,535

Statement of changes in Parent Funds for the year ended 31 March 2009

	Original Capital	Capital Maintenance Reserve	Trust Real Capital	Asset Revaluation Reserve	General Reserve	Retained (Deficit) Surplus	Total Trust Funds
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Opening balance 1 April	579,106	214,581	793,687	-	225,000	2,308	1,020,995
Total comprehensive income:							
Deficit for the year	-	-	-	-	-	(232,352)	(232,352)
Revaluation of land and buildings	-	-	-	892	-	-	892
Total comprehensive income for year	-	-	-	892	-	(232,352)	(231,460)
Transfer to Capital Maintenance	-	23,811	23,811	-	-	(23,811)	-
Transfer to Retained (Deficit) Surplus	-	-	-	-	(225,000)	225,000	-
Closing balance 31 March	579,106	238,392	817,498	892	-	(28,855)	789,535

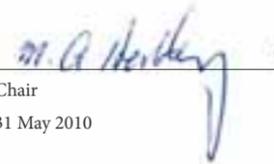
The notes on pages 38 to 49 are an integral part of these consolidated financial statements.

Consolidated statement of financial position at 31 March 2010

	NOTE	Consolidated 2010 \$000	Parent 2010 \$000	Parent 2009 \$000
ASSETS				
Cash at bank		7,459	7,459	29,145
Sundry accounts receivable		1,557	1,557	670
Investments	4	1,042,368	1,042,368	823,094
Fixed assets	3	2,877	2,877	2,915
TOTAL ASSETS		1,054,261	1,054,261	855,824
LIABILITIES				
Sundry accounts payable		829	829	938
Loans from community trusts		529	529	-
Outstanding grants payable	5.2	42,098	20,923	65,351
Subsidiary company current account		-	73,445	-
TOTAL LIABILITIES		43,456	95,726	66,289
NET ASSETS AT 31 MARCH		1,010,805	958,535	789,535
Represented by:				
FUNDS				
Original Capital		579,106	579,106	579,106
Capital Maintenance Reserve		254,742	254,742	238,392
Reserve for Grants		52,270	-	-
Asset Revaluation Reserve		892	892	892
Retained (Deficit) Surplus		123,795	123,795	(28,855)
FUNDS AT 31 MARCH		1,010,805	958,535	789,535

The notes on pages 38 to 49 are an integral part of these consolidated financial statements.

Approved on behalf of the Board:


Chair
31 May 2010


Finance and Investment Committee Chair
31 May 2010

Consolidated statement of cash flows for the year ended 31 March 2010

	NOTE	Consolidated 2010 \$000	Parent 2010 \$000	Parent 2009 \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was provided from:				
Interest received		342	342	827
Revenue received from other activities		1,267	1,267	1,765
Revenue received from donations		5	5	-
Cash was disbursed on:				
Payment to suppliers, Trustees and staff		(3,547)	(3,547)	(4,079)
Fund management and advisory fees		(1,452)	(1,452)	(1,797)
Grants to community organisations		(35,775)	(28,562)	(43,197)
Grants paid to community organisations on behalf of subsidiary		-	(7,213)	-
		(40,774)	(40,774)	(49,073)
Net cash outflow from operating activities	10	(39,160)	(39,160)	(46,481)
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was provided from:				
Receipts from fund managers		140,920	140,920	200,908
Proceeds of sale of fixed assets	3	1	1	2
Loans from community trusts		529	529	-
Cash was disbursed on:				
Transfers to fund managers		(123,946)	(123,946)	(126,637)
Purchase of fixed assets	3	(30)	(30)	(113)
Net cash inflow from investing activities		17,474	17,474	74,160
Net cash inflow (outflow) from activities		(21,686)	(21,686)	27,679
Add: Cash at bank at 1 April		29,145	29,145	1,466
CASH AT BANK AT 31 MARCH		7,459	7,459	29,145
Cash at bank at 31 March comprises:				
Cash at bank		7,459	7,459	29,145

The notes on pages 38 to 49 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements for the year ended 31 March 2010

1. Statement of accounting policies

The ASB Community Trust (“the Trust”), formerly known as ASB Bank Community Trust, was formed on 30 May 1988 through the creation of a trust deed in compliance with the Trustee Banks Restructuring Act 1988. Under the terms of the trust deed the Trust was settled with 60 million \$1 fully paid ordinary shares in ASB Bank Limited representing 100% of the issued capital. As at 31 March 1988 the net tangible asset backing of those 60 million shares was \$147,655,000. In 1989 45 million shares were sold to the Commonwealth Bank of Australia for \$252,000,000 which was then donated to the ASB Charitable Trust. In October 2000, the remaining 15 million shares were sold to the Commonwealth Bank of Australia for \$545,000,000. On 27 February 2006 the Trustees of the ASB Charitable Trust resolved to distribute, on or before 31 March 2006, the capital of that Trust (including all accumulations of income and capital to that date less accrued liabilities) in specie to the ASB Bank Community Trust. Subsequent to this distribution the ASB Charitable Trust was wound up. The ASB Bank Community Trust formally changed its name to the ASB Community Trust by way of a Deed dated 17 July 2006.

This is the first year that consolidated financial statements have been presented given that both subsidiary companies were dormant until 1 April 2009. ASB Community Trust Charitable Purposes Limited commenced operations during this financial year. As a result no comparative Group figures are presented.

The Trust is a Public Benefit Entity which makes grants to qualifying entities in the Auckland and Northland region, and is domiciled in Auckland, New Zealand. The Trust’s registered office is Allendale House, 50 Ponsonby Road, Auckland. The consolidated financial statements of the Trust as at and for the year ended 31 March 2010 comprise the Trust and its subsidiaries, ASB Community Trust Charitable Purposes Limited and ASB Trusts Amateur Public Sports Promotion Limited, collectively referred to as the Group. The Group is the reporting entity.

Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Principles (NZ GAAP). The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 1993 and in accordance with, and in compliance with the requirements of New Zealand Equivalents to the International Financial Reporting Standards (NZ IFRS), and other applicable financial reporting standards as appropriate for public benefit entities.

Functional and presentation currency

These financial statements are prepared in New Zealand dollars which is the presentation and functional currency.

Basis of measurement

The measurement basis adopted is that of historical cost except for financial assets and liabilities which are designated at fair value through profit or loss, and land and buildings which are revalued at five yearly intervals.

Estimates and judgements

The preparation of financial statements in conformity with NZ IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expense. The estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the

circumstances. The estimates and assumptions form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements are made by management in the application of NZ IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 5: Grants and Note 9: Financial assets and liabilities.

ACCOUNTING POLICIES

Consolidated financial statements

Subsidiaries are entities controlled by the Trust. The financial statements of the subsidiaries are included in the consolidated financial statements from the date of control to the date that control ceases. The financial statements have been prepared using uniform accounting policies for like transactions. Intra-group balances and income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements. The Trust’s subsidiary company, ASB Trusts Amateur Public Sports Promotion Limited has not operated since incorporation.

Statement of cash flows

Cash comprises cash at bank but does not include cash or deposits held by the Fund Managers. Therefore the consolidated statement of cash flows does not reflect the cash flows within the fund managers’ portfolios.

Income from dividends, pooled funds and interest

Dividends are recognised as income on declaration date, and are recorded net of any imputation tax credits. Income from pooled funds comprises distributions, recognised on declaration date, and unrealised gains and losses. Interest is recognised on an accrual basis.

Grants

Grants are accounted for as they are committed to be distributed to eligible organisations approved either by the Trustees of the Trust or Directors of the subsidiary company. Committed grants are payable on the satisfaction of any conditions placed on the recipients. Grants no longer required or not fully utilised by grant recipients are shown separately in the consolidated statement of comprehensive income as grants written back.

From time to time the Trust may distribute grants to its subsidiary company ASB Community Trust Charitable Purposes Limited to provide grants for special initiatives approved by Trustees or for grants to community organisations in future years. At year end uncommitted funds held by the subsidiary company are disclosed as Reserve for Grants in the consolidated statement of financial position.

FIXED AND INTANGIBLE ASSETS

Fixed assets

Fixed assets with exception of land and buildings are measured at cost, less accumulated depreciation and accumulated impairment losses. Commencing from 1 April 2008 land and buildings are revalued to market value five yearly. The gain on revaluation is recognised as a revaluation reserve in other comprehensive income in the consolidated statement of comprehensive income.

In accordance with the provisions of New Zealand Institute of Chartered Accountants “Not for Profit Accounting Guide” buildings with a New Zealand Historic Places Trust classification are not depreciated as they are likely to increase in value. As from 1 April 2008 the Trust’s building is no longer depreciated as it has a New Zealand Historic Places Trust classification and the useful life of the asset is considered indefinite.

Fixed assets are reviewed annually to determine any impairment losses. Impairment losses are recognised in the consolidated statement of comprehensive income.

Depreciation, amortisation and impairment losses

Depreciation is provided over the useful life of the assets on the diminishing value basis.

The rates used are those approved by Trustees as follows:

	2010	2009
Land and buildings	Nil	Nil
Office equipment and furniture	9.5%-60.0%	9.5%-60%

Foreign currency transactions and balances

Foreign currency transactions are recorded in New Zealand dollars at the spot exchange rate applying at the date of the transaction.

All amounts denominated in foreign currencies at balance date are translated to New Zealand dollars at the balance date closing exchange rate.

All realised and unrealised gains and losses on foreign currency transactions are recognised in the consolidated statement of comprehensive income.

Financial assets

All assets that are financial instruments are recognised in the consolidated statement of financial position.

All investments are initially recognised at fair value, being the fair value of consideration paid. After initial recognition, financial assets are designated at fair value through profit or loss as the Group manages the investments, based on their fair value. Investments are revalued to fair value at each reporting date.

For investments that are actively traded in organised financial markets, fair value is determined by reference to exchange quoted market bid prices at the close of business on the consolidated statement of financial position date. As these are quoted prices (unadjusted) in active markets for identical assets, they fall within Level 1 of the fair value hierarchy, within NZ IFRS 7 Financial Instruments: Disclosures, that reflects the significance of the inputs used in making measurements.

All realised and unrealised gains or losses on investments are recognised in the consolidated statement of comprehensive income.

Investments in pooled funds are valued at the unit exit price determined by the fund manager at the close of business on the consolidated statement of financial position date. This is based on quoted prices (unadjusted) in active markets for the underlying fund assets, and fall within Level 1 of the NZ IFRS 7, fair value hierarchy.

Investment transactions are recorded by fund managers on a transaction date basis.

Financial assets are managed and have their performance evaluated on a fair value basis in accordance with risk management and investment strategies of the Group, as disclosed in Note 9.

The Group uses derivative financial instruments and forward exchange contracts to reduce exposure to fluctuations in foreign currency denominated

assets and liabilities. Forward exchange contracts are entered into to hedge foreign currency denominated assets. Derivatives are not held or issued for trading purposes. However derivatives not qualifying for hedge accounting purposes are accounted for as trading instruments. Derivative financial instruments are recognised initially at fair value and transactional costs are expensed immediately. Subsequent to initial recognition derivative financial instruments are stated at fair value. The gain or loss on re-measurement to fair value is recognised immediately in the consolidated statement of comprehensive income.

The Group derecognises a financial asset when and only when the contractual rights to cash flows from the financial asset expire.

Financial liabilities

All liabilities that are financial instruments are recognised in the consolidated statement of financial position.

Financial liabilities comprising sundry accounts payable, loans from community trusts, and subsidiary company current account are stated at cost.

Reserves

Transfers to the Capital Maintenance Reserve are based on the annual movement in the Consumer Price Index as described in Note 6.

Transfers to all other Reserves from the retained Surplus are made at the discretion of the Trustees of the Group.

Taxation

The Income Tax Act 1994 provides exemption from income tax for Community Trusts established under the Trustee Banks Restructuring Act 1988. The amendment applied from the 2005 income year, and consequently no taxation has been provided for in these financial statements.

Adoption of new accounting standards

The Group has applied NZ IAS 1: Presentation of Financial Statements (2007) which became effective as of 1 January 2009. The Group presents all transfers between retained earnings and reserves in the statements of changes in Trust funds, and all non—reserve changes in the consolidated statement of comprehensive income. Comparative information has been presented in conformity with the revised standard. Since the accounting standard change only impacts presentation, there is no impact on recognition and measurement.

The Group has applied Improving Disclosures about Financial Instruments (Amendments to NZ IFRS 7) issued in March 2009. The amendments require that fair value measurement disclosures use a three level hierarchy that reflects the significance of the inputs used in the measuring of fair values of the financial instruments. Specific disclosures are required when fair value measurements are categorised as level 3 (significant unobservable inputs) in the fair value hierarchy. The amendments require that any significant transfers between level 1 and level 2 of the fair value hierarchy be disclosed separately, distinguishing between transfer into and out of each level. Furthermore, changes in valuation techniques from one period to another, including reasons, are required to be disclosed for each class of financial instruments.

Changes in accounting policies

There were no changes in accounting policies during the financial year.

International Financial Reporting Standards issued but not yet effective

International Financial Reporting Standards that have been issued but which are not yet in effect and that may have an impact on the Group’s future accounting policies and disclosures are set out in Note 14.

2. Revenue from investments

	Consolidated	Parent	Parent
	2010	2010	2009
	\$000	\$000	\$000
Investments			
Net unrealised (losses) gains and distributions earned from pooled funds	129,947	129,947	(108,746)
Net realised (losses) gains from pooled funds	(32,305)	(32,305)	-
Dividends	3,799	3,799	4,537
Interest	8,037	8,037	16,592
Net realised (losses) gains from segregated accounts	(2,993)	(2,993)	(4,505)
Net unrealised (losses) gains from segregated accounts	25,309	25,309	(10,479)
Net realised foreign exchange (losses) gains	102,403	102,403	(132,423)
Net unrealised foreign exchange (losses) gains	2,051	2,051	33,710
	236,248	236,248	(201,314)

This revenue relates to financial assets at fair value through profit or loss.

3. Fixed assets: Consolidated and Parent

	Land and buildings	Office equipment and furniture	Total
	\$000	\$000	\$000
Cost			
Opening balance 1 April 2008	2,079	926	3,005
Additions	-	113	113
Revaluation	571	-	571
Disposals	-	(17)	(17)
Closing balance 31 March 2009	2,650	1,022	3,672
Opening balance at 1 April 2009	2,650	1,022	3,672
Additions	-	30	30
Revaluation	-	-	-
Disposals	-	(42)	(42)
Closing balance 31 March 2010	2,650	1,010	3,660
Depreciation and impairment losses			
Opening Balance 1 April 2008	321	693	1,014
Depreciation for year	-	79	79
Impairment losses	-	-	-
Disposals	-	(15)	(15)
Depreciation recovered on revaluation	(321)	-	(321)
Closing balance 31 March 2009	-	757	757
Opening balance at 1 April 2009	-	757	757
Depreciation for year	-	67	67
Impairment losses	-	-	-
Disposals	-	(41)	(41)
Closing balance 31 March 2010	-	783	783
Carrying amounts			
Balance at 1 April 2008	1,758	233	1,991
Balance at 31 March 2009	2,650	265	2,915
Balance at 31 March 2010	2,650	227	2,877

The first revaluation of the Trust's property at 50 Ponsonby Road Ponsonby Auckland (Allendale House) took place in August 2008. The valuation was undertaken by Colliers International NZ Limited, a qualified and independent, registered valuer. The valuation was based on the then current market value using an estimated market rental and capitalisation rates. The valuation took account of observable prices in an active market, and where estimates were used, on the basis of appropriate valuation techniques, with one of the key assumptions being occupancy rates. Land and buildings were revalued to \$2.65 million at 31 March 2009, being the fair market value as determined by the valuation. The surplus on revaluation was \$892,000.

There are no indications of impairment as at 31 March 2010.

4. Investments

	Consolidated	Parent	Parent
	2010	2010	2009
	\$000	\$000	\$000
Managed by external managers			
Balance as at 1 April	823,094	823,094	1,098,679
Movement in market value and investment income	236,248	236,248	(201,314)
Net withdrawals	(16,974)	(16,974)	(74,271)
	1,042,368	1,042,368	823,094

	2010	2010	2009
	\$000	\$000	\$000
Investments managed by external managers comprise			
Cash	45,615	45,615	9,948
Forward exchange contracts	5,977	5,977	33,333
Global bond funds	313,077	313,077	261,598
Global equity funds	397,958	397,958	268,635
Collateralised commodity futures fund	52,152	52,152	23,763
Global property fund	18,056	18,056	10,563
New Zealand equities	106,858	106,858	84,416
New Zealand bonds	102,675	102,675	130,838
Portfolio total	1,042,368	1,042,368	823,094

These are long term investments.

5. Grants

5.1 Committed during this year

	Consolidated	Parent	Parent
	2010	2010	2009
	\$000	\$000	\$000
Committed and disbursed	7,213	68,600	13,707
Committed but unpaid	9,091	-	19,936
Total grants approved and committed this year	16,304	68,600	33,643

5.2 Outstanding grants payable

	2010	2010	2009
	\$000	\$000	\$000
Outstanding grants payable			
Committed in previous years	33,007	20,923	45,415
Committed but unpaid this year	9,091	-	19,936
Total grants outstanding as at 31 March	42,098	20,923	65,351

	2010	2010	2009
	\$000	\$000	\$000
Reconciliation of outstanding grants			
Opening balance at 1 April	65,351	65,351	80,680
Less: Transfer to ASB Community Trust			
Charitable Purposes Limited current account	-	(80,684)	-
Plus: Grants committed during year	16,304	68,600	33,643
Less: Grants paid to community organisations	(35,775)	(28,562)	(43,197)
Grants written back	(3,782)	(3,782)	(5,775)
Closing balance 31 March	42,098	20,923	65,351

Committed but unpaid grants are recognised as liabilities pending the satisfaction of conditions under which the grant was made. At balance date committed but unpaid grants totalled \$42.1 million for the consolidated Group and \$20.9 million (2009 \$65.3 million) for the Parent Trust. The timing of the payment of these grants is uncertain.

Committed but unpaid grants at 31 March 2010 had the following profile:

Financial year approved	Number of Group grants outstanding	Value of Group grants outstanding	Number of Parent grants outstanding	Value of Parent grants outstanding
		\$000		\$000
2007	8	\$7,739	8	\$7,739
2008	7	\$2,943	7	\$2,943
2009	22	\$10,241	22	\$10,241
2010	280	\$21,175	-	-
Total	317	\$42,098	37	\$20,923

Committed but unpaid grants at 31 March 2009 had the following profile:

Financial year approved	Number of Parent grants outstanding	Value of Parent grants outstanding
		\$000
2005	1	\$56
2006	5	\$9,297
2007	25	\$12,177
2008	102	\$23,885
2009	245	\$19,936
Total	378	\$65,351

6. Trust funds and reserves

6.1 Original capital and capital maintenance reserve

Trust Real Capital

The Original Capital of the Trust arose from the sale of shares in the ASB Bank Limited. The Original Capital and the Capital Maintenance Reserve form the Trust Real Capital. Trustees are required to preserve the Trust Capital for the benefit of present and future generations. This is achieved by setting aside each year sufficient sums from reserves to increase the Trust Capital by the annual rate of inflation as measured by the Consumer Price Index.

6.2 General Reserve

The General Reserve formed part of the Trust Fund for the purpose of providing a stable flow of grants to the community during times of adverse investment earnings. As a result of the extraordinary global economic events of the 2008/09 financial year, which led to a significant decline in the value of the Trust's investment portfolio, Trustees resolved to transfer the balance of funds held in General Reserve to Retained Surplus, to partially offset the recorded deficit for the year.

6.3 Asset Revaluation Reserve

As disclosed in the accounting policies, land and buildings are revalued at five yearly intervals. Land and buildings were revalued for the first time during the year ended 31 March 2009. This gave rise to an asset revaluation adjustment of \$892,000. The next revaluation is not due until the year ending 31 March 2014.

6.4 Reserve for Grants

The Reserve for Grants forms a part of the Group's Trust Funds for the purpose of providing a stable flow of grants to the community during times of adverse investment earnings. The Trust has irrevocably committed these funds via its subsidiary company. The amounts are therefore transferred from the Group's Retained Surplus to the Reserve for Grants.

6.5 Retained Surplus (Deficit)

The Retained Deficit at 31 March 2009 represented the extent to which the Trust fund was below the Trust's real (inflation proofed) capital. When in surplus the balance forms part of the Trust fund which is used to provide a stable flow of grants to the community.

The Trust real (inflation proofed) capital and reserves form the Trust fund and maintain the capital base of the Trust.

7. Administration expenses

	Consolidated	Parent	Parent
	2010	2010	2009
	\$000	\$000	\$000
Audit fees	55	55	42
Depreciation—office equipment and furniture	67	67	79
Legal fees	54	49	62
Occupancy costs	77	77	106
Other operating costs	639	601	1,311
Public and statutory reporting	115	115	165
Staff expenses	2,128	2,128	2,062
Trustees' fees	251	251	277
Trustees' expenses	146	146	127
Tax advice (paid to KPMG—Auditors)	12	12	9
	3,544	3,501	4,240

8. Related party information

The following companies have been established by the Trust:

Name	Interest held	Balance date	Principal purpose
ASB Trusts Amateur Public Sports Promotion Limited	100%	31 March	Grants to amateur sport bodies
ASB Community Trust Charitable Purposes Limited	100%	31 March	Grants for specific charitable purposes

These subsidiaries were incorporated on 29 March 2001. ASB Trusts Amateur Public Sports Promotion Limited has not operated since incorporation.

ASB Community Trust Charitable Purposes Limited is a registered charity under the Charities Act 2005. Its registration number is CC38999. During the 2009/10 financial year the Trust distributed grants to its subsidiary company of \$7.9 million to be committed to grants awarded to organisations in terms of the Trust's Māori and Pasifika Education Initiative. During the financial year under review the Trust also committed grants to its subsidiary company of \$60.7 million for granting to community groups in the 2009/10 and future financial years. At balance date the current account between the Trust and ASB Community Trust Charitable Purposes Limited totalled \$73.4 million. The company's constitution prohibits distributions to the Trust.

The Trustees are the key management personnel of the Trust as defined by NZ IAS 24: Related Party Disclosures. As the Trustees are not employees of the Trust, they do not receive short term employee benefits, post employment benefits, other long term benefits, or termination benefits. Trustees are appointed by the New Zealand Government and remunerated at rates set by the Government. These rates were last set in June 2002.

During the year Trustees received honoraria and meeting fees as follows:

Parent and Group	2010	2009
	\$	\$
C Craven	19,834	16,204
M Foy	11,285	24,301
A Green	15,546	15,546
P Greenbank	17,542	17,041
A Hartley	23,911	14,005
W Jensen	14,615	22,458
P Kearns	6,548	-
J Kirk	16,491	19,745
K Kohere-Soutar	18,889	26,629
Yoon Boo Lee	5,498	12,536
B Leveloff	4,027	-
B Lythe	20,634	21,028
S Pamaka	12,781	14,181
W Petera	8,791	11,031
K Prime	15,250	30,200
P Rowe	14,944	13,114
P Snedden	-	1,662
K Whitney	6,898	-
L Wilson	17,732	17,576
	\$251,216	\$277,257

There are no monies owing to or due from Trustees at 31 March 2010 (31 March 2009: Nil).

9. Financial assets and liabilities

The Trust has the following financial assets and liabilities:

Financial assets

	Consolidated	Parent	Parent
	2010	2010	2009
	\$000	\$000	\$000
Cash at bank	7,459	7,459	29,145
Sundry accounts receivable	1,557	1,557	670
Managed funds consisting of:			
Global Equities	397,958	397,958	268,635
Global Bonds	313,077	313,077	261,598
Collateralised Commodities Futures Fund (CCF)	52,152	52,152	23,763
Global Property Fund	18,056	18,056	10,563
New Zealand Equities	106,858	106,858	84,416
New Zealand Bonds	102,675	102,675	130,838
Cash	45,615	45,615	9,948
Forward Exchange Contracts	5,977	5,977	33,333
	1,042,368	1,042,368	823,094

These financial assets are valued at fair value on the basis of Level 1 (quoted prices, unadjusted, in active markets for identical assets).

Financial liabilities

	Consolidated	Parent	Parent
	2010	2010	2009
	\$000	\$000	\$000
Sundry accounts payable	829	829	938
Loans from community trusts	529	529	-

Risks arising from the Group's financial assets and liabilities are inherent in the nature of the Group's activities, and are managed through an ongoing process of identification, measurement and monitoring. The Group is exposed to credit risk, liquidity risk, and market risk (including currency, interest rate and pricing risks).

The Group's income is generated from its financial assets. Liabilities which arise from its operations are met from cash flows provided by these assets.

Information regarding the fair value of assets and liabilities exposed to risk is regularly reported to the Trust's management, the Trust's Finance and Investment Committee and ultimately to the Board of Trustees. Under normal circumstances the investment portfolio is regularly rebalanced to ensure that asset classes remain within the strategic asset allocation set out in the Trust's Statement of Investment Policy and Objectives (SIPO).

The SIPO sets out the Trust's investment objectives. These can be summarised as to:

- maintain the real value of the Trust's capital with regard to inflation
- maintain equity between present and future generations in terms of the amounts available for grants
- ensure a stable level of grants over time by maximising the total return that can be provided by the investments of the Trust, subject to a prudent level of portfolio risk.

As a responsible member of the world community, the Group aims to demonstrate leadership by advancing universal principles and responsible corporate citizenship to make the global economy more sustainable and inclusive. The Group supports the United Nations Global Compact and is a signatory to the United Nations Principles for Responsible Investment.

The investment portfolio

The Trust manages its investment portfolio in terms of its SIPO. The SIPO is monitored on a regular basis by the Board of Trustees and, as required, amended to reflect international best investment practice. The portfolio's strategic asset allocation is reviewed at three yearly intervals. The strategic asset allocation was last reviewed in 2008, and was under review at year end. During the year Russell Investment Group Limited assisted both management and Trustees with international strategic and best practice investment advice and portfolio monitoring. On 1 January 2010 the Trust engaged Cambridge Associates Limited LLC as its investment advisor. The Trust's contract with Russell Investment Group Limited terminated on 31 March 2010. The pricing of financial assets is undertaken by JP Morgan Chase Bank NA, the Trust's Custodian.

Portfolio characteristics

The Group is not directly involved with the analysis, sale or purchase of individual asset securities. Investments are made into either pooled funds or segregated accounts with fund managers. The performance of each asset class is measured against an appropriate internationally accepted standard benchmark or index for each asset class.

Global Equities:

The Global Equities portfolio is made up of three pooled funds with nine underlying product fund managers. This spread of fund managers enables the Group to access a wide range of segments within the global equity markets. This portfolio is measured against the MSCI World Index, and is fully hedged back to New Zealand dollars.

Global Bonds:

The Global Bonds portfolio is managed by one fund of fund manager, with four underlying product managers. This spread of fund managers enables the Group to access a wide range of segments within the global bond markets. The portfolio is measured against the Barclays Capital Global Aggregate Index, and is fully hedged back to New Zealand dollars.

Collateralised Commodity Futures Fund (CCF):

The CCF portfolio is actively managed by one fund manager and is measured against the DJ UBS Commodity Index. The portfolio is fully hedged back to New Zealand dollars.

Global Property:

The Global Property fund portfolio is managed by one fund of fund manager, with four underlying product fund managers. This spread of fund managers enables the Group to access a wide range of segments with the global property markets. The portfolio is measured against the FTSE EPRA/NAREIT index, and is fully hedged back to New Zealand dollars.

New Zealand Equities:

The New Zealand Equities portfolio is a segregated account with one fund manager. The investment mandate allows the fund manager to invest up to twenty percent of the portfolio in companies listed on the Australian Stock Exchange. This portfolio is measured against the NZX 50 Index.

New Zealand Bonds:

The New Zealand Bonds portfolio is managed by one fund manager. The investment guidelines provide strict limits on the underlying investment

categories, along with credit and duration restrictions. The portfolio is measured against the NZX Government Stock Index.

Cash:

The Cash portfolio is managed by one fund manager. The mandate places limits on the underlying investment categories, along with credit and duration restrictions. The portfolio is measured against the NZX 90 Day Bank Bill Index.

Credit risk

Credit risk represents the risk that a counterparty to a financial asset fails to discharge an obligation which will cause the Group to incur a financial loss.

The Group's credit risk arises from any default by a counterparty. The current exposure at balance date is the fair value of these assets as disclosed in the statement of financial position.

Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty or where a number of counterparties are engaged in similar business activities, geographic regions, or similar economic features that would influence their ability to meet their contractual obligations by reason of changes in economic, political or other conditions.

The Group manages credit concentration risks through:

- a diversified and non-correlated basket of investments across traditional and alternative classes
- through the use of a multi-fund manager approach to investments in its portfolio
- and by ensuring compliance with the individual mandate requirements of each investment.

The Trust's custodian reviews the portfolio for compliance against each investment mandate on a regular basis and reports findings to the Group's management and Board of Trustees. Fund of fund managers ensure that underlying product fund managers comply with fund mandates.

The credit quality of the Group's bond portfolio is managed by the Group using Standard & Poor's rating categories with the credit rating being as follows:

Consolidated and Parent this year	2010				
	AAA to AA	A+ to A-	BBB+ to B	CCC, NR Other	
					\$000
New Zealand bonds	90.4%	3.6%	6.0%	-	102,675
Global bonds	61.8%	9.5%	21.4%	7.3%	313,077
Cash	85.7%	8.3%	6.0%	-	45,615

Parent Trust last year	2009				
	AAA to AA	A+ to A-	BBB+ to B	CCC, NR Other	
					\$000
New Zealand bonds	82.7%	12.8%	4.5%	-	130,838
Global bonds	61.5%	16.3%	21.3%	0.9%	261,598
Cash	98.8%	1.2%	-	-	9,948

Forward exchange contracts:

Hedging is undertaken by J P Morgan Chase Bank NA. At 31 March 2010 J P Morgan had an S & P credit rating of rating AA-.

Consolidated and Parent Outstanding Contracts	2010		2009	
	\$000		\$000	
Market value	5,977		33,333	

Currency risk

Currency risk is the risk that the fair value of, or future cash flows from financial assets and amounts owing under financial liabilities will fluctuate due to changes in foreign currency exchange rates. All investments denominated in foreign currencies are fully hedged back to the New Zealand dollar on a monthly basis for 30 day periods. Liabilities denominated in foreign currencies are fully hedged back to New Zealand dollars at the time that the obligation is entered into. This effectively removes the exposure to currency risk.

Implementation of hedging contracts for the investment portfolio follows the month end valuation of the portfolio. Any movements in markets during this period may result in the portfolio being under or over hedged. These are not considered material, and will have minimal impact on the fair value of or future cash flows from the Group's financial assets.

At balance date the Group's exposure to currency risk was as follows:

	Consolidated		Parent	
	2010		2010	2009
	\$000		\$000	\$000
Foreign currency denominated financial assets	781,242		781,242	564,559
Less foreign currency contracts	(763,351)		(763,351)	(566,660)
(Overhedged) unhedged currency exposure at 31 March	17,891		17,891	(2,101)
USA and Canada	10,463		10,463	(1,141)
United Kingdom and Europe	5,508		5,508	(618)
Japan and Far East	1,920		1,920	(342)
(Overhedged) unhedged currency exposure at 31 March	17,891		17,891	(2,101)

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities. This risk is managed through the Group's investment in a diversified portfolio of financial assets.

The Group's investment portfolio during the year under review consisted of only listed securities which under normal market conditions are readily convertible to cash. In addition the Trust maintains sufficient cash and cash equivalents to meet normal operating requirements. The Trust also has an established credit line with ASB Bank Limited.

The Group's financial liabilities comprise trade and other payables. At balance date, all trade and other payables were current, and are normally settled on the 20th of the month following invoice date.

Market risk

Market risk is the risk that the fair value of future cash flows from financial assets and liabilities will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and market prices. Market risk is managed and monitored using sensitivity analysis and minimised by ensuring that all investment activities are undertaken in accordance with established mandate limits and the investment strategies set out in the Group's SIPO.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial assets. The Group's investment in global bonds is held in a pooled fund. As such movements in interest rates will be reflected in each pooled fund's fair value asset pricing. NZ Bonds are held in a segregated account. The exposure to movement in the fair value of the Group's bond portfolios is discussed in the commentary on price risk.

The Group's cheque and call accounts are interest bearing. Any movement in interest rates on these accounts is minimal and is not considered to be material.

Pricing risk

Pricing risk is the risk that the fair value of financial assets will increase or decrease as a result of changes in market prices, whether these changes are caused by factors specific to individual stocks or factors affecting all financial assets in the market. Pricing risks arise from the Group's investment portfolio.

The Group's financial assets are priced at fair value by the Trust's custodian. The effect on the Group's statement of comprehensive income and statement of financial position at 31 March 2010, due to a reasonably possible change in market factors is represented in the following table:

	Sensitivity range	Sensitivity impact
	(-1 to +1 standard deviation from the expected annual return)	(from the expected annual return)
		\$000
NZ Equities	-9.5% to +28.5%	-10,152 to +30,455
Global Equities	-6.0% to +26.0%	-23,877 to +103,468
NZ Bonds	-1.0% to +13.0%	-1,026 to +13,348
Global Bonds	-1.0% to +13.0%	-3,131 to +40,700
NZ Cash	+2.0% to +6.0%	+912 to +2,737
CCF's	-11.0% to +27.0%	-5,737 to +14,081
Global Property	-5.0% to +23.0%	-903 to +4,153
Total Portfolio	-0.7% to +16.5%	-7,297 to +171,991

There is a 68% probability that the return in any one year will be within the range of -0.7% to 16.5%.

The effect on the Group's statement of comprehensive income and statement of financial position as at 31 March 2009, due to a possible change in market factors is represented in the following table:

	Sensitivity range	Sensitivity impact
	(-1 to +1 standard deviation from the expected annual return)	(from the expected annual return)
		\$000
NZ Equities	-7.8% to +26.3%	-6,584 to +22,117
Global Equities	-6.6% to +23.8%	-17,730 to +63,935
NZ Bonds	+3.0% to +9.6%	+3,925 to +12,560
Global Bonds	+3.0% to +9.6%	+7,848 to +25,113
NZ Cash	+4.2% to +7.2%	+1,818 to +3,116
CCF's	-10.2% to +25.8%	-2,424 to +6,131
Global Property	-3.9% to +20.1%	-412 to +2,123
Total Portfolio	+0.8% to +14.1%	+6,585 to +116,056

There is a 68% probability that the return in any one year will be within the range of 0.8% to 14.1%.

These sensitivity analyses are based on the volatility of each asset class and the portfolio as a whole, as measured by plus or minus one standard deviation. The overall effect of the Group's diversified portfolio of uncorrelated financial assets is to reduce volatility and stabilise investment returns over time.

10. Reconciliation of reported surplus to net cash flow from operating activities

	Consolidated	Parent	Parent
	2010	2010	2009
	\$000	\$000	\$000
Reported surplus (deficit)	221,270	169,000	(232,352)
Add: Non-cash items			
Depreciation	67	67	79
Unrealised loss on foreign exchange contract	19	19	-
Movements in working capital items:			
Increase (decrease) in accounts payable	(128)	(128)	97
Decrease (increase) in accounts receivable	(887)	(887)	(290)
Increase (decrease) in outstanding grants payable	(23,253)	29,017	(15,329)
	(24,268)	28,002	(15,522)
Investment income reinvested	(236,248)	(236,248)	201,314
Net cash outflow from operating activities	(39,160)	(39,160)	(46,481)

11. Commitments and contingent liabilities

Other than committed grants for the group totalling \$41,205,000, and capital commitments to the Combined Community Trusts database project, the Trust has no other material capital commitments or contingent liabilities.

12. Conflicts of interest

During the year Trustees and staff were required to declare either a direct or indirect conflict of interest in a matter being considered by the Trust. A register of interests is maintained by the Trust.

At the commencement of a meeting, Trustees are asked to disclose any interest in the upcoming business. A Trustee who has an interest in any matter before the meeting must not be counted in the quorum present at the meeting, not vote in respect of the matter, and absent him/herself from discussion or consideration of the matter. If, because of the number of Trustees who have an interest in the matter the meeting would fail for want of a quorum and it is a meeting of a Committee of Trustees, the matter is referred to a meeting of the Board of Trustees. If a meeting of the Board of Trustees would fail for want of a quorum because of the number of Trustees with an interest in the matter under consideration, then those Trustees who have the interest must sign a certificate for entry in the minutes certifying that the matter is in the best interest of the Trust and cause details of the matter and the nature of the Trustee's interest to be included in the next financial statements of the Trust.

At their meeting on 30 November 2009 the Trustees resolved to effect Trustee Liability Insurance for the sum of \$2 million at a premium cost of \$10,600. The sum insured was subsequently increased on 1 March 2010 to \$10 million at a premium cost of \$17,402.

All of the Trustees signed the resolution approving the purchase of the Trustee Liability Insurance along with a certificate certifying that the transaction was in the best interests of the Trust as the terms of the insurance and the cost were recommended by the Trust's brokers as being appropriate and reasonable.

13. Events after balance date

There were no material events after balance date which required adjustment to the financial statements for the year ended 31 March 2010.

14. Financial reporting standards issued but not yet effective

The following table outlines details of International Financial Reporting Standards that have been issued but are not yet in effect. It is not expected that these standards, once in effect, will have a material effect on the Group's accounting policies, presentation of the financial statements or disclosures thereto.

Standard reference	Standard title	Effect date (accounting periods beginning on or after) 2009
NZ IFRS 9	Financial Instruments: Classification and Measurement	1 Jan 2013
NZ IAS 24	Related Party Disclosures (revised 2009)	1 Jul 2011

NZ IFRS 9 Financial Instruments. The requirements of this standard represent a significant change from the existing requirements of NZ IAS 39 in respect of financial assets. The standard contains two primary measurement categories for financial assets: amortised cost and fair value, and eliminates the existing NZ IAS 39 categories of held to maturity, available for sale, and loans and receivables. A financial asset will be measured at amortised cost if it is held to collect contractual cash flows and interest on specified dates. All other financial assets will be measured at fair value. This standard is not expected to substantially change the way in which the Group currently measures and presents financial instruments.

NZ IAS 24 Related Party Disclosures simplifies the definition of a related party. However this is unlikely to result in any substantial change in the recognition or disclosure of the Group's related party transactions.

The Group does not plan to early adopt any of the above noted Financial Reporting Standards.



Board of Trustees, 2010 (l-r): Paula Kearns, Peter Rowe, Ann Green, Phil Greenbank, Bob Leveloff, Soana Pamaka, Ann Hartley, Brian Lythe, Candis Craven, Waitai Petera, Jenny Kirk, Wilmason Jensen, Ken Whitney, Lorraine Wilson, Kristen Kohere-Soutar.

Trust governance

ASB Community Trust operates under its Trust Deed and the Community Trusts Act 1999.

Board membership

The Board of Trustees comprises 15 trustees appointed by the Minister of Finance for a four-year term.

Conflicts of interest

It is recognised that Trustees will have a wide range of involvement with the community and the potential for conflict of interest will arise from time to time.

To cover this eventuality, any Trustee who has an interest in any matter before the Trust must record that interest in the Trust's Register of Interests.

That Trustee is not counted in the quorum present at the meeting. They may not vote in respect of the matter they have an interest in and must absent themselves from any discussion or consideration of it.

Before the conduct of business, the Chair of any meeting of the Trustees asks for the disclosure of any interest in the upcoming business. The minutes of the meeting record any disclosure of interest made,

the entry in the Register of Interests of that disclosure and the absence of the Trustee from the meeting while the matter is dealt with.

Board committees 2009/10 financial year

The Board has formally established sub-committees to assist with the operation of the Trust:

Grants panels

These panels review all applications which have been assessed by the grants team and make recommendations to the full Board of the Trust. They also consider policy and strategy development.

Finance and investment

a. Finance — This committee is principally responsible for:

- Reviewing monthly and annual financial statements and information prior to submission to the full Board for approval.
- Reviewing annual budgets prior to submission to the full Board for approval.
- Reviewing any taxation issues in relation to the Trust.

- Consideration of any major expenditure items prior to these being discussed and approved by the full Board.

b. Investment — This committee considers the investment policy, objectives, strategies and asset allocations of the Trust and makes recommendations to the full Board and reviews fund manager appointments and performance.

Audit and risk

This committee is responsible for:

- Identifying, assessing and managing business and organisational risk and assisting the Board in the discharge of financial reporting responsibilities.
- Reviewing the effectiveness of internal control systems.
- Providing a formal forum for the Board, auditors and staff.
- Agreeing with the external auditors on the nature, scope and cost of the audit.
- Ensuring the Board meets financial reporting requirements and that external reporting of information is of high quality.

Trustee attendance

	Board meetings		Sub-committee meetings	
	Held	Attended	Held	Attended
Candis Craven	12	12	22	20
Mary Foy (Retired 30/09/09)	5	5	19	19
Ann Green	12	12	22	21
Phil Greenbank	12	12	25	25
Ann Hartley	12	12	29	29
Wilmason Jensen (Resigned 10/02/10)	9	8	20	16
Paula Kearns (Appointed 01/10/09)	7	5	11	8
Jenny Kirk	12	12	23	20
Kristen Kohere-Soutar	12	11	24	22
Yoon Boo Lee (Retired 30/09/09)	5	3	13	4
Bob Leveloff (Appointed 20/12/09)	3	2	5	5
Brian Lythe	12	12	25	25
Soana Pamaka	12	11	17	9
Waitai Petera	12	9	20	4
Kevin Prime (Retired 30/09/09)	5	5	19	19
Peter Rowe	12	12	18	17
Ken Whitney (Appointed 01/10/09)	7	7	6	6
Lorraine Wilson	12	12	28	27

Trustee fees

	Honorarium	Meeting fees
Candis Craven	\$5,004	\$14,830
Mary Foy (Retired 30/09/09)	\$2,250	\$9,035
Ann Green	\$3,996	\$11,550
Phil Greenbank	\$4,752	\$12,790
Ann Hartley	\$7,331	\$16,580
Wilmason Jensen (Resigned 10/02/10)	\$4,170	\$10,445
Paula Kearns (Appointed 01/10/09)	\$1,998	\$4,550
Jenny Kirk	\$3,996	\$12,495
Kristen Kohere-Soutar	\$5,004	\$13,885
Yoon Boo Lee (Retired 30/09/09)	\$1,998	\$3,500
Bob Leveloff (Appointed 20/12/09)	\$1,332	\$2,695
Brian Lythe	\$6,699	\$13,935
Soana Pamaka	\$3,996	\$8,785
Waitai Petera	\$3,996	\$4,795
Kevin Prime (Retired 30/09/09)	\$6,000	\$9,250
Peter Rowe	\$5,004	\$9,940
Ken Whitney (Appointed 01/10/09)	\$1,998	\$4,900
Lorraine Wilson	\$4,752	\$12,980

ASB Community Trust

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