



**Annual Report of the**

**CHRISTCHURCH  
EARTHQUAKE APPEAL TRUST**

**for the year ended 30 June 2022**

This annual report and the audited financial statements are also available at  
[www.christchurchappealtrust.org.nz](http://www.christchurchappealtrust.org.nz)

The Christchurch Earthquake Appeal Trust was established on 11 March 2011 to manage money raised by a public appeal to provide relief to the community of Christchurch and the Canterbury region from the adverse effects of the earthquakes of 4 September 2010 and 22 February 2011 and associated aftershocks or earthquakes.

This report is produced by the Christchurch Earthquake Appeal Trust secretariat with costs met by the New Zealand Government through the Department of Internal Affairs.

No appeal donations were used in the production of this Report.

The Christchurch Earthquake Appeal Trust is a charitable trust established under the Charities Act, registration number CC46329.

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Christchurch Earthquake Appeal Trust

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## CONTENTS

	Page
Trustees	1
Report from the Trustees	2
Funding allocation	3
Projects still to be completed	3
Financial Statements	4
Independent Auditor's Report	21

## TRUSTEES

The Trustees' role is to promote or advance the objects of the Christchurch Earthquake Appeal Trust. The Trustees are appointed by the Crown. Two of the trustees appointed by the Crown in the Trust Deed, are the holders of the positions of Secretary to the Treasury and Secretary for Internal Affairs. On 20 March 2022 the Crown removed the requirement for the holder of the Secretary to the Treasury position to be a Christchurch Earthquake Appeal Trust Trustee.

### **Dr Rod Carr** (appointed 6 April 2011)

Rod Carr has extensive experience in both public and private sector governance and leadership. He served as Chair and non-executive director of the Reserve Bank of New Zealand having previously served as Deputy Governor and for a time Acting Governor of the Bank. He was the founding Chair of the National Infrastructure Advisory Board and for over a decade was a non-executive director of the Canterbury Employers' Chamber of Commerce. He led the University of Canterbury as Vice Chancellor for ten years before retiring in February 2019 having substantially completed the recovery from the earthquakes of 2010 and 2011. Rod is currently the Chair of the Climate Change Commission, a director of ASB Bank Ltd and of Ōtākaro Ltd, as well as a Trustee of the Arts Centre of Christchurch. Rod holds a PhD in Insurance and Risk Management, an MA in Applied Economics and Managerial Science, an MBA in Money and Finance and honours degrees in law and in economics.

### **Paul James** Secretary for Internal Affairs (appointed 1 October 2018)

Paul James was appointed a Trustee on 1 October 2018 when he commenced his appointment as Chief Executive and Secretary for Internal Affairs.

Paul's previous role was the Chief Executive for Manatū Taonga Ministry for Culture and Heritage. Before joining Manatū Taonga in 2015, Paul was the Deputy Chief Executive, Policy, Regulatory and Ethnic Affairs (now Policy, Regulation and Communities) at Te Tari Taiwhenua Department of Internal Affairs from 2011. He was also responsible for negotiating Treaty settlements as the Director of Office of Treaty Settlements at the Ministry of Justice. Paul's other public sector roles have included policy roles at the Ministry of Justice, the Treasury, the Accident Compensation Corporation and Te Puni Kōkiri.

### **Dr Caralee McLiesh** Secretary to the Treasury (resigned as a Trustee of the Christchurch Earthquake Appeal Trust on 13 June 2022)

Caralee McLiesh was appointed a Trustee when she joined the Treasury as Chief Executive and Secretary to the Treasury in September 2019.

Caralee's previous role was as Managing Director at Technical and Further Education (TAFE) New South Wales (NSW), Australia, where she led the transformation of TAFE NSW to become a more modern, competitive and sustainable organisation.

Prior to this, from 2008-2018 Caralee held several Deputy Secretary roles at the NSW Treasury, spanning portfolios including fiscal and economic policy, coordination of the Budget and government accounts, taxation, balance sheet management, infrastructure policy and social sector reforms. Caralee also has worked at the World Bank, International Red Cross and the Boston Consulting Group.

## REPORT FROM THE TRUSTEES

A global public appeal after the 2010-11 Canterbury earthquakes raised around \$94 million<sup>1</sup> for the Christchurch Earthquake Appeal Trust. Since then, interest on funds held and some small donations, have lifted total funds received to over \$105.6 million. Less than \$100 thousand remains unallocated.

Almost 280 funded projects are now operating for the benefit of the Canterbury community, or in the case of events or interim activities and social services support, have fulfilled the Trust's objectives to provide relief to the Canterbury communities adversely effected by the 2010-11 Canterbury earthquakes.

Of the total funding allocated to projects and activities, \$10.34 million (down from \$13.4 million last year) remains to be paid out as at the end of the 2021/22 financial year.

In 2014 the Trustees set aside \$17.25 million for 'yet to be identified projects' to bring life back to the corridor from Fitzgerald Ave through eastern Christchurch to the sea (Connecting the City to Sea). A highlight of this year was seeing the results from previous years' grants to improve public access to, and the usability of, the Ōtākaro/Avon River corridor. These were the Thomas Edmonds Band Rotunda rebuild, and construction of a riverside landing at Dallington and foot/cycle bridges at Medway, Snell Place and Aranui. In June 2022, further grants were made to the Christchurch City Council to construct a foot/cycle bridge at Dallington and towards the redevelopment of Avon Park.

The other 'Connecting the City to Sea' project is \$2.5m for the Greater New Brighton community-led development (CLD) programme. Two hundred thousand dollars is supporting the community engagement process to agree a programme of activity. Through the engagement process to date, the Community Leadership Group has identified potential projects to use the \$2.3 million set aside for this purpose, and will be consulting with the community on these.

Two other grants made during the year supported Christchurch City Council heritage projects: a contribution towards the cost of the site works at the new location for the Citizens' War Memorial and a contribution to the earthquake damage repair and strengthening of the Lancaster Park Memorial Gates. The Trustees have also made a further grant to Coastguard Canterbury to contribute to cost escalations in the rebuild of their facility in Lyttelton.

Another grant was made to the Kaiapoi Cure Boating Club to enable them to add balustrades to their new clubhouse, which CEAT had already provided funding for.

None of the projects funded would have been possible without the generous donations from the public within New Zealand and overseas to the appeal. The Trustees would like to acknowledge this generosity which has benefited so many organisations in the greater Canterbury area.

The Trustees also appreciate the contribution that volunteers, individuals and organisations have made to projects funded by the Trust.

The Trustees would like to recognise the contribution of the Secretary to the Treasury position holder Trustee, Dr Caralee McLiesh and her predecessors in the position. With few funds left to allocate, the Trustees agreed that the timing was appropriate for the Treasury to withdraw its involvement. The establishment and early years of the Trust involved a significant contribution by the Treasury. This, and the continued participation of the Secretary to the Treasury in the governance of the Trust, has supported decision making on the use of Trust funds in the interest of the Trust beneficiaries, the people of Canterbury.

Dr Rod Carr  
Paul James

Trustees

<sup>1</sup> The Trust is not registered for GST, therefore all amounts in this Annual Report are GST inclusive.

## FUNDING ALLOCATION

Since 2011 the Trust has directed funds raised across seven portfolio categories as follows. In 2019 it introduced the category, community-led development (CLD), to recognise the unique features of a community-led development programme.

Portfolio Category	No of projects	% projects	Funds \$ millions	% \$
Large Permanent and Community-led	10	4%	<b>37.2</b>	35%
Community Permanent	3	1%	<b>1.8</b>	2%
Economic Revitalisation	6	2%	<b>2.5</b>	2%
Hardship/Spiritual and Faith	92	32%	<b>13.6</b>	13%
Education/Youth	72	24%	<b>4.6</b>	4%
Sport and Recreation	78	28%	<b>22.9</b>	22%
Heritage and Culture	22	8%	<b>23.0</b>	22%
<b>Total</b>	<b>283</b>		<b>105.6</b>	

Link to the full list of projects:

<https://www.christchurchappealtrust.org.nz/Fund-Allocations>

## PROJECTS STILL TO BE COMPLETED

Recipient	Portfolio	Purpose	Payable as at 30/6/22 \$ millions
Christchurch City Council	Large Permanent	Towards the construction of a new footbridge over the Ōtākaro/Avon River at Dallington and the redevelopment of Avon Park.	<b>5.50</b>
Greater New Brighton Community	CLD	Towards a community-led development programme.	<b>2.39</b>
Coastguard Lyttelton	Sport and Recreation	Towards a replacement coastguard facility in Lyttelton.	<b>1.50</b>
Sports House	Sport and Recreation	Towards the fit-out of the Sports House administration hub in the Metro Centre to provide a home for regional sporting organisations displaced by the earthquakes.	<b>0.29</b>
Christchurch City Council	Heritage and Culture	Towards the Citizens' War Memorial new location site works.	<b>0.20</b>
	Heritage and Culture	Towards the repair of earthquake damage to the Lancaster Park Memorial Gates.	<b>0.46</b>
<b>Total</b>			<b>10.34</b>

**Christchurch Earthquake Appeal Trust**  
**Financial Statements**  
**For the year ended**  
**30 June 2022**

**Contents**

	Page
<b>Non-Financial Information:</b>	
Entity Information	5
Statement of Purpose	6
Statement of Responsibility	8
Statement of Service Performance	9
<b>Financial Information:</b>	
Statement of Financial Position	10
Statement of Comprehensive Revenue and Expense	11
Statement of Changes in Equity	12
Statement of Cash Flows	13
Statement of Accounting Policies	14
Notes to the Financial Statements	15
<b>Independent Auditor's Report</b>	<b>21</b>

**Christchurch Earthquake Appeal Trust**  
**Entity Information**  
**For the year ended**  
**30 June 2022**

**Legal Name and Entity:**

Christchurch Earthquake Appeal Trust.

The Trust was established by Deed dated 11 March 2011.

It is a registered charity [Registration Number: CC46329].

**Administrative Entity:**

The Department of Internal Affairs provides secretariat, advisory and financial services to the Trustees.

**Economic Entity:**

The reporting entity is the Christchurch Earthquake Appeal Trust, a registered charity under the Charities Act 2005. The Christchurch Earthquake Appeal Trust is domiciled and operates in New Zealand and is primarily involved in the provision of relief to the community of Christchurch and Canterbury region from the adverse effects of the earthquakes on 22 February 2011 and 4 September 2010. The Trust is a public benefit entity.



# Christchurch Earthquake Appeal Trust

## Statement of Purpose

For the year ended

30 June 2022

### Background

The Christchurch Earthquake Appeal Trust (Trust) was established on 11 March 2011 by deed of trust to provide relief to the community of Christchurch and the Canterbury region from the adverse effects of the earthquakes on 22 February 2011 and 4 September 2010 (and associated events, including any aftershocks and earthquakes).

### Purpose of the trust fund

When the 2010 and 2011 earthquakes struck Canterbury, community facilities which took decades of fundraising to put in place, such as sports fields, parks, community buildings and historic buildings, were ruined within hours. Communities were destroyed and people were distraught.

The Trust was set up to complement emergency support provided by other charitable agencies, and core government responsibilities.

### Objectives of the trust

- the relief of poverty;
- the advancement of education;
- the advancement of religion;
- the advancement of any other purposes beneficial to the community; and
- the advancement of any other purposes that are charitable under the law of New Zealand.

The Trust Deed anticipates that the Trust's legal life-time would be at least ten years. The Trust has allocated available funds to portfolios and is no longer receiving requests for funding.

### Structure

#### Trustees

The Trustees are subject to the Trust Deed and the Trusts Act 2019. The Trustees are responsible for the allocation of Appeal funds to support earthquake recovery initiatives. There are two Trustees; the Secretary for Internal Affairs, a position appointed as an original Trustee by the Trust Deed and an independent Trustee, who acts as the Chair, appointed by the Ministers of Finance and Internal Affairs.

#### Advisory Board

The Trustees appointed an Advisory Board of community representatives to provide the Trustees with additional local perspective and advice on specific proposals. The Advisory Board had its last meeting on 12 March 2014.

#### Support services

The New Zealand Government lends support by covering the administration costs of the Trust. All money received by the Appeal has been put towards the earthquake recovery effort and is audited by the Office of the Auditor-General New Zealand for transparency.

# **Christchurch Earthquake Appeal Trust**

## **Statement of Purpose continued**

**For the year ended**

**30 June 2022**

### **Main sources of cash and resources**

The Christchurch Earthquake Appeal was launched by the Government on 27 February 2011. The Appeal was a global fundraiser for the recovery effort for Christchurch and the Canterbury region. The Trust is responsible for the allocation of the money raised by the Christchurch Earthquake Appeal to support earthquake recovery initiatives. Income is earned on the investment of funds in accordance with the Trust Deed.

### **Main methods used to raise funds**

The Trust has discontinued fund raising activity. The occasional small unsolicited donation is received.

### **Winding up the trust**

The Trustees expect to decide a date to wind up the Trust in the next financial year. Clause 20.1 of the Trust Deed enables the Trustees to wind up the Trust if all the Trust's assets have been applied in furthering the Trust objects, in other words, the Trust has no assets and all grants have been paid. As at 30 June 2022 equity is less than \$100,000, and most grants are forecast to be paid in the next financial year.

**Christchurch Earthquake Appeal Trust**  
**Statement of Responsibility**  
**For the year ended**  
**30 June 2022**

The Trustees are responsible for the preparation and presentation of the Christchurch Earthquake Appeal Trust's financial statements and the judgements made in them.

The Trustees have the responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the Trust's opinion, these financial statements fairly reflect the financial position and operations of the Christchurch Earthquake Appeal Trust for the year ended 30 June 2022.

Signed on behalf of the Trust:



**Dr Rod Carr**  
Trustee



**Paul James**  
Trustee

Date: 30 November 2022

# Christchurch Earthquake Appeal Trust

## Statement of Service Performance

### For the year ended 30 June 2022

The Christchurch Earthquake Appeal Trust was established 11 March 2011 to provide relief to the community of Christchurch and the Canterbury region from the adverse effects of the earthquakes on 22 February 2011 and 4 September 2010. Projects funded complement the efforts of other charitable agencies, and core government responsibilities already working in the community to address the adverse effects of these earthquakes in Canterbury.

The Christchurch Earthquake Appeal Trust is no longer fundraising. All the funds raised by the Trust have been allocated to projects and the trust is no longer receiving requests for funding. Additional revenue from interest and donations is distributed to projects when available. The focus of the Christchurch Earthquake Appeal has evolved from the allocation of available funds to monitoring the completion of funded projects and the draw-down of Trust funds.

#### Objectives

The Trust objective is to distribute the funds collected in a public appeal to provide relief to the community of Christchurch and the Canterbury region from the adverse effects of the earthquakes on 4 September 2010 and 22 February 2011 and associated events, including any aftershocks or earthquakes.

#### How does the Christchurch Earthquake Appeal Trust achieve its objectives?

Proposals for funding were assessed against general funding principles developed to ensure all funding decisions aligned to achieving the Trust objectives. Grant recipients report to the Trust on what the funding achieved.

#### What did the Christchurch Earthquake Appeal Trust do during the year?

The Trust granted trust funds to projects that would contribute to the continuing earthquake recovery efforts.

In preparing the service performance information for the Christchurch Earthquake Appeal Trust, the Trust has made a judgement as to the information that is most appropriate and meaningful to users when assessing performance against its objectives. Consequently, the Trust has based its service performance measures around the disbursement of the Appeal funds raised, around \$94 million, and interest earned.

Total grants distributed by category Portfolio Category	Actual 2021-2022				Actual 2020-2021			
	Total projects	% projects	Funds \$millions	% \$	Total projects	% projects	Funds \$millions	% \$
Large Permanent and Community-led	10	4%	37.2	35%	9	3%	37.2	36%
Community Permanent	3	1%	1.8	2%	3	1%	1.8	2%
Economic Revitalisation	6	2%	2.5	2%	6	2%	2.5	2%
Hardship/Spiritual and Faith	92	32%	13.6	13%	92	33%	13.6	13%
Education/Youth	72	24%	4.6	4%	69	25%	4.6	4%
Sport and Recreation	78	28%	22.9	22%	78	28%	22.3	21%
Heritage and Culture	22	8%	23.0	22%	20	7%	22.3	21%
<b>Total grants distributed from inception</b>	<b>283</b>		<b>105.6</b>		<b>277</b>		<b>104.3</b>	

## Christchurch Earthquake Appeal Trust

### Statement of Financial Position

As at  
30 June 2022

	Note	Actual 2022 \$	Actual 2021 \$
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and call deposits		3,334,530	732,596
Short-term bank term deposits	6	7,000,000	13,600,000
Accrued interest		60,656	50,838
<b>Total Current Assets</b>		<b>10,395,186</b>	<b>14,383,434</b>
<b>Non-Current Assets</b>			
		-	-
<b>Total Assets</b>		<b>10,395,186</b>	<b>14,383,434</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Grants payable	7	9,834,875	8,980,000
<b>Total Current Liabilities</b>		<b>9,834,875</b>	<b>8,980,000</b>
<b>Non-Current Liabilities</b>			
Grants payable (over 12 months)	7	500,000	4,427,175
<b>Non-Current Liabilities</b>		<b>500,000</b>	<b>4,427,175</b>
<b>Total Liabilities</b>		<b>10,334,875</b>	<b>13,407,175</b>
<b>Total Assets less Total Liabilities (Net Equity)</b>		<b>60,311</b>	<b>976,259</b>
<b>Equity</b>			
Contributed capital		1	1
Accumulated comprehensive revenue and expense - unrestricted funds		60,310	976,258
<b>Total Equity</b>		<b>60,311</b>	<b>976,259</b>

*The notes form an integral part of, and should be read in conjunction with, these financial statements.*

**Christchurch Earthquake Appeal Trust**  
**Statement of Comprehensive Revenue and Expense**  
For the year ended  
**30 June 2022**

	Note	Actual 2022 \$	Actual 2021 \$
<b>Revenue</b>			
Donations		1,612	111
Interest	4	166,465	318,445
<b>Total Revenue</b>		<b>168,077</b>	<b>318,556</b>
<b>Expenses</b>			
Bank fees		25	50
Grants approved during the period		1,084,000	-
<b>Total Expenses</b>		<b>1,084,025</b>	<b>50</b>
<b>(Deficit)/Surplus for the Period</b>		<b>(915,948)</b>	<b>318,506</b>
<b>Other Comprehensive Revenue and Expense</b>			
<i>Donated Goods and Services</i>			
Administration costs funded by the Government		68,755	40,749
<b>Total Donated Goods and Services</b>	5	<b>68,755</b>	<b>40,749</b>
<i>Administration Costs of the Trust</i>			
Administration costs provided by the Department of Internal Affairs		(68,755)	(40,749)
<b>Total Administration Costs</b>		<b>(68,755)</b>	<b>(40,749)</b>
<b>Deficit from the Administration of the Trust</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Revenue and Expense for the Period</b>		<b>(915,948)</b>	<b>318,506</b>

*The notes form an integral part of, and should be read in conjunction with, these financial statements.*

**Christchurch Earthquake Appeal Trust**  
**Statement of Changes in Equity**  
For the year ended  
**30 June 2022**

	<b>Actual 2022 \$</b>	<b>Actual 2021 \$</b>
Opening equity	976,259	657,753
Net comprehensive revenue and expense for the period	(915,948)	318,506
<b>Closing Equity</b>	<b>60,311</b>	<b>976,259</b>
<b>Comprising:</b>		
Capital fund	1	1
Accumulated funds - unrestricted funds	60,310	976,258
<b>Total Equity per Statement of Financial Position</b>	<b>60,311</b>	<b>976,259</b>
	<b>Actual 2022 \$</b>	<b>Actual 2021 \$</b>
<b>Movements in Equity</b>		
<b>Closing Equity</b>	<b>60,311</b>	<b>976,259</b>
Represented by:		
<b>Capital</b>		
Opening balance	1	1
Closing balance	1	1
<b>Accumulated Funds</b>		
Opening balance	976,258	657,752
Net comprehensive revenue and expense for the period	(915,948)	318,506
Closing balance	<b>60,310</b>	<b>976,258</b>
<b>Total Equity at 30 June</b>	<b>60,311</b>	<b>976,259</b>

*The notes form an integral part of, and should be read in conjunction with, these financial statements.*

**Christchurch Earthquake Appeal Trust**  
**Statement of Cash Flows**  
For the year ended  
**30 June 2022**

	Note	Actual 2022 \$	Actual 2021 \$
<b>Cash Flows from Operating Activities</b>			
<b>Cash was Provided from:</b>			
Interest received		156,647	507,930
Donations received		1,612	111
<b>Cash was Disbursed to:</b>			
Grants paid		4,156,300	6,027,825
Bank fees and bank audit confirmation report		25	50
<b>Net Cash Flows from Operating Activities</b>	<b>8</b>	<b>(3,998,066)</b>	<b>(5,519,835)</b>
<b>Cash Flows from Investing and Financing Activities</b>			
<b>Cash was Provided from:</b>			
Proceeds from maturity of investments		13,600,000	22,850,000
Receipts from Restart the Heart Trust		-	-
<b>Cash was Disbursed to:</b>			
Purchase of investments		7,000,000	16,800,000
<b>Net Cash Flows from Investing and Financing Activities</b>		<b>6,600,000</b>	<b>6,050,000</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>2,601,934</b>	<b>530,165</b>
<b>Opening Cash and Cash Equivalents</b>		<b>732,596</b>	<b>202,431</b>
<b>Closing Cash and Cash Equivalents</b>		<b>3,334,530</b>	<b>732,596</b>
<b>Comprising of:</b>			
Bank accounts and call deposits		3,334,530	732,596
<b>Total Cash and Cash Equivalents</b>		<b>3,334,530</b>	<b>732,596</b>

*The notes form an integral part of, and should be read in conjunction with, these financial statements.*



# Christchurch Earthquake Appeal Trust

## Statement of Accounting Policies

For the year ended  
30 June 2022

### Note 1: Statement of Accounting Policies

#### Reporting entity

The reporting entity is the Christchurch Earthquake Appeal Trust, a registered charity under the Charities Act 2005. The Trust is domiciled and operates in New Zealand and is primarily involved in the provision of relief to the community of Christchurch and Canterbury region from the adverse effects of the earthquakes on 22 February 2011 and 4 September 2010. The Trust is a Public Benefit Entity (PBE).

#### Reporting Period

The financial statements for the year ended 30 June 2022 were approved and authorised for issue by the Trustees on 30 November 2022.

### Note 2: Basis of Preparation

#### Statement of Compliance

The Trust is a public benefit entity (PBE). The Trust has elected to apply Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$30 million. The financial statements comply with New Zealand generally accepted accounting practice and are prepared in accordance with, and comply with, Tier 2 Public Benefit Entity (PBE) accounting standards. All transactions in the Financial Statements are reported using the accrual basis of accounting. The Financial Statements are prepared on the assumption that the entity will continue to operate in the foreseeable future.

#### Measurement Base

The financial statements have been prepared on an historical cost basis.

#### Functional and Presentation Currency

These financial statements are presented in New Zealand dollars (\$). The functional currency is New Zealand dollars. All financial information presented has been rounded to the nearest dollar.

#### Changes in Accounting Policies

There have been no changes in accounting policies during the financial year (2021: nil).

#### Critical Accounting Judgements and Estimates

The preparation of financial statements in conformity with Tier 2 PBE accounting standards requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an on-going 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 revision affects both current and future periods.

## **Comparatives**

When presentation or classification of items in the financial statements is amended or accounting policies are changed voluntarily, comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

## **Note 3: Significant Accounting Policies**

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

### **Revenue**

The Trust derives income from public donations and interest on bank balances and short-term investments. Interest income is recognised when earned and is reported in the period to which it relates. Interest income is recognised in the surplus/(deficit) as it accrues, using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period, to the next carrying amount of the financial asset.

Revenue from public donations and pledges is deemed to be non-exchange revenue as per the definition in the PBE standard IPSAS 23. Donations are recognised as revenue upon receipt and include donations from the public, donations received for specific programmes or services and donated goods in-kind. Donations in-kind include donations received for professional services and are recognised as both revenue and an expense when the goods are received. Donations in-kind are measured at their fair value as at the date of acquisition, ascertained by reference to the expected cost that would otherwise be incurred by the charity.

Revenue from direct investment of funds with banks is deemed to be exchange revenue as per the definition in the PBE standard IPSAS 9.

### **Expenditure**

Grants are recognised as expenditure when approved by the Trustees. The Crown funds the Department of Internal Affairs to provide administrative services to the Trust. Any reimbursement of costs incurred by the Trust are treated as donation of goods and services and reported as such in the Statement of Comprehensive Revenue and Expense.

### **Taxation**

The Trust is exempt from income tax under section CW 42(1) (a) of the Income Tax Act 2007. The Trust has been granted tax exempt status and is registered as a Charity under the Charities Act 2005. The Trust holds a certificate of exemption from Resident Withholding Tax.

### **Goods and Services Tax (GST)**

The Trust is not registered for GST, therefore amounts recorded in the financial statements are inclusive of GST (if any).

### **Receivables**

Receivables are recorded at the amount due, less an allowance for credit losses. Receivables are written off when there is no reasonable expectation of recovery.

### **Financial Instruments**

Non-derivative financial instruments comprise investments in cash and cash equivalents, trade receivables, trade and other payables and other liabilities.

Financial assets and financial liabilities are measured at fair value plus transaction costs. Any profits or losses from these financial transactions are recognised in the Statement of Comprehensive Revenue and Expense.

### **Cash and Cash Equivalents**

The Trust treats cash and cash equivalents based on the term of the term deposit, not term to maturity from balance date. Cash and cash equivalents include cash on hand, cash in transit, deposits held on call with banks and other short-term, highly liquid investments, with original maturities of three months or less. The carrying value of these assets approximates their fair value.

### **Impairment of Financial Assets**

Financial assets are assessed for indicators of impairment at the end of each reporting period. They are impaired where there is objective evidence that the estimated future cash flows have been impacted. Objective evidence could include:

- Significant financial difficulty of the counterparty;
- Default or late payments; or
- It is becoming probable that the counterparty will enter bankruptcy or financial re-organisation.

The recoverable amount of the Trust's receivables carried at amortised cost is calculated at the present value of estimated future cash flows, discounted at the original effective interest rate. Impairment, being the difference between carrying amount and recoverable amount, is recognised in the Statement of Comprehensive Revenue and Expense.

Impairment losses on an individual basis are determined by an evaluation of the exposures on an instrument-by-instrument basis. All individual instruments that are considered significant are subject to this approach.

### **Grants Payable**

Grants approved by the Trustees in the financial period are recognised as an expense in the Statement of Comprehensive Revenue and Expenses when approved by the Trustees.

# Christchurch Earthquake Appeal Trust

## Notes to the Financial Statements

For the year ended

30 June 2022

### Note 4: Analysis of Revenue

		Actual 2022	Actual 2021
<b>Revenue Item</b>		<b>\$</b>	<b>\$</b>
Interest revenue	Call and cheque accounts	50,959	20,848
	Short-term investments	115,505	297,597
	<b>Total Interest Revenue</b>	<b>166,464</b>	<b>318,445</b>

### Note 5: Donated Goods and Services

		Actual 2022	Actual 2021
<b>Expense Item</b>		<b>\$</b>	<b>\$</b>
The administrative costs comprise of donated goods and services	Department of Internal Affairs (by appropriation):		
	- administrative costs	59,698	32,124
	- audit fees	9,057	8,625
	<b>Total Administrative Costs</b>	<b>68,755</b>	<b>40,749</b>

### Note 6: Bank Term Deposits

		Actual 2022	Actual 2021
<b>Asset Item</b>	<b>Analysis</b>	<b>\$</b>	<b>\$</b>
Term = original maturity date over 90 days	BNZ	4,000,000	7,700,000
	Kiwibank	3,000,000	1,900,000
	ANZ	-	4,000,000
	<b>Total Term Deposits - greater than 90 days</b>	<b>7,000,000</b>	<b>13,600,000</b>

## Note 7: Grants Payable

	<b>Actual 2022</b>	<b>Actual 2021</b>
	<b>\$</b>	<b>\$</b>
Connecting the City to the Sea	-	1,484,500
Christchurch City Council - Avon/Ōtākaro river corridor	-	8,265,500
Greater New Brighton Community-led Development	2,389,560	1,965,860
Dallington bridge	3,500,000	-
Avon Park redevelopment	2,000,000	-
Other Grants	2,445,315	1,691,315
<b>Total Grants Payable</b>	<b>10,334,875</b>	<b>13,407,175</b>

  

	<b>Actual 2022</b>	<b>Actual 2021</b>
	<b>\$</b>	<b>\$</b>
Short-term (12 months or less)	9,834,875	8,980,000
Long-term (over 12 months)	500,000	4,427,175
<b>Total Grants Payable</b>	<b>10,334,875</b>	<b>13,407,175</b>

All grants payable that have due dates more than 12 months after the end of the financial year are classified as non-current, or long-term, grants payable.

## Note 8: Reconciliation of Net Cash Flows from Operating Activities to Total Comprehensive Revenue and Expense

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Reported comprehensive revenue and expense	(915,948)	318,506
Adjustments for movements in working capital items:		
Decrease/(Increase) in accrued interest	(9,818)	189,484
Increase/(Decrease) in grants payable	(3,072,300)	(6,027,826)
<b>Net Cash Flows from Operating Activities</b>	<b>(3,998,066)</b>	<b>(5,519,835)</b>

## **Note 9: Financial Risk Management**

All assets of the Trust are classified as loans and receivable and the carrying values are equal to the fair values. All liabilities are classified as financial liabilities at amortised cost and the carrying values are equal to their fair values.

### **Off Balance Sheet Exposure**

The Trust had no off-balance sheet exposure at 30 June 2022 (2021: \$nil).

### **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The cash flow risk is managed by maintaining the majority of the interest-bearing instruments at fixed rates. The term deposits are made for varying periods depending on the cash requirements of the Trust and earn interest at the respective short term deposit rates. The Board does not consider that there is significant interest rate risk exposure on the Trust's investments.

### **Foreign Currency Risk**

All grants are paid in New Zealand currency. Any donations received in a foreign currency are translated to New Zealand dollars on the date of receipt. Any currency movement would have no effect on the Trust.

### **Fair Value**

All current financial instruments recognised in the statement of financial position are stated at carrying amounts that are also a reasonable approximation of their fair values.

### **Credit Risk**

Credit risk is the risk that a third party will default on its obligation causing a loss.

Credit risk is reduced by investing only in New Zealand registered banks under the Reserve Bank of New Zealand Act 1989.

### **Liquidity Risk**

In meeting its liquidity requirements, Trust maintains a target level of investments that must mature within specified timeframes to meet projected grant expenditures.

## **Note 10: Related Party Transactions and Key Management Personnel**

All transactions were carried out on an arm's length basis. There were no related party transactions entered into during the year to 30 June 2022 (2021: \$nil).

The key management personnel are the two Trustees. No fees have been paid to these members during the year.

## **Note 11: Commitments**

There were no commitments as at 30 June 2022 (2021: \$nil).

#### **Note 12: Contingent Assets - Pledged Donations**

There were no contingent assets for pledged donations at 30 June 2022 (2021: \$nil).

#### **Note 13: Contingent Liabilities and Guarantees**

There were no contingent liabilities or guarantees as at 30 June 2022 (2021: \$nil).

#### **Note 14: Significant Events**

On 11 March 2020 the World Health Organisation declared a global pandemic in response to the COVID-19 virus outbreak. In response, the Government implemented a range of public health and social measures to prevent and contain the transmission of COVID-19 and have provided financial stimulus and welfare support to mitigate the economic impacts.

The impact of the virus has meant that work on some Trust grant funded construction projects has been later than scheduled. Market interest rates have been impacted by COVID-19 which has the potential to continue to affect future interest revenue of the Trust.

Russia's invasion of Ukraine has caused volatility in financial markets around the world. The Trust has a conservative investment framework that gives it the ability to withstand market volatility pressures from COVID-19 and the invasion of Ukraine. The Trustees will continue to monitor and assess the financial and non-financial implications of the virus and situation in Ukraine.

#### **Note 15: Events After the Balance Date**

There were no events that have occurred after the balance date that would have a material impact on the Financial Statements (2021: \$nil).



**INDEPENDENT AUDITOR'S REPORT  
TO THE READERS OF  
CHRISTCHURCH EARTHQUAKE APPEAL TRUST'S FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

The Auditor-General is the auditor of Christchurch Earthquake Appeal Trust (the Trust). The Auditor-General has appointed me, Ed Loudon, using the staff and resources of KPMG, to carry out the audit of the financial statements of the Trust on his behalf.

**Opinion**

We have audited the financial statements of the Trust on pages 10 to 20, that comprise the statement of financial position as at 30 June 2022, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion, the financial statements of the Trust:

- present fairly, in all material respects:
  - its financial position as at 30 June 2022; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards with disclosure concessions

Our audit was completed on 30 November 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

**Basis for our opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

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

**Responsibilities of the Trustees for the financial statements**

The Trustees are responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Trustees are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.





In preparing the financial statements, the Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Trustees are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Trustees intend to wind-up the Trust or to cease operations, or have no realistic alternative but to do so.

### **Responsibilities of the auditor for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.



### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included on pages 1 to 9, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Independence**

We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

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

A handwritten signature in black ink, appearing to read 'Ed Loudon', with a long, sweeping flourish extending to the right.

Ed Loudon  
KPMG  
On behalf of the Auditor-General  
Wellington, New Zealand