

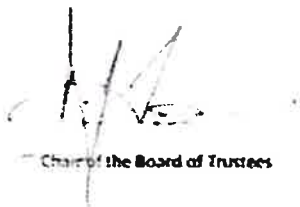
# Sir Edmund Hillary Outdoors Education Trust

## Financial Statements

### For the Year Ended 31 March 2022

The trustees have approved the financial statements of the Sir Edmund Hillary Outdoors Education Trust for the year ended 31 March 2022.

Approved for and on behalf of the Board of Trustees this 22 December 2022.



Chair of the Board of Trustees



Trustee

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## **Sir Edmund Hillary Outdoors Education Trust**

### **Trust Directory**

**As at 31 March 2022**

<b>Charities Commission Registration</b>	CC26731
<b>Date of Formation</b>	6 August 1972
<b>Nature of Trust</b>	To provide education in all its forms in outdoor pursuits
<b>Registered Office</b>	Hydro Access RD 3 State Highway 47 Turangi 3334
<b>Physical Address</b>	Momentum Hub Auckland Vector Whitewater Park 770 Great South Road Manukau 2104
<b>Patron</b>	Sir Graeme Dingle
<b>Trustees</b>	Mark Copeland - Chair Tony Gault Bonny Lawrence Paul Walsh Simon Bendall Jarrod Walker Will Mckay John Ham David Christopher Tommas Kylie Leonard
<b>Independent Auditor</b>	RSM Hayes Audit Level 1, 1 Broadway Newmarket Auckland 1023
<b>Accountant</b>	Knobloch & Associates Ltd 15 Accent Drive East Tamaki Auckland 2013
<b>Bankers</b>	Bank of New Zealand Limited – Taupo Branch
<b>Solicitors</b>	Chapman Tripp



## Independent Auditor's Report

### To the Trustees of Sir Edmund Hillary Outdoors Education Trust

#### RSM Hayes Audit

PO Box 9588  
Newmarket, Auckland 1149  
Level 1, 1 Broadway  
Newmarket, Auckland 1023

T +64 (9) 367 1656  
www.rsmnz.co.nz

### Opinion

We have audited the financial statements of Sir Edmund Hillary Outdoors Education Trust (the Trust), which comprise:

- the statement of financial position as at 31 March 2022;
- the statement of comprehensive revenue and expense for the year ended 31 March 2022;
- the statement of changes in net assets for the year ended 31 March 2022;
- the statement of cash flows for the year ended 31 March 2022; and
- the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements on pages 5 to 17 present fairly, in all material respects, the financial position of Sir Edmund Hillary Outdoors Education Trust as at 31 March 2022, and its financial performance and its cash flows for the year ended then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Trust in accordance with Professional and Ethical Standard 1 (Revised) *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We have also performed a reasonable assurance engagement for New Zealand Qualifications Authority (NZQA), in respect of the Trust's compliance with the Trust Deed and NZQA Student Fee Protection Rules 2021. Other than this, and in our capacity as auditor we have no relationship with, or interests in, Sir Edmund Hillary Outdoors Education Trust.

### Other information

The trustees are responsible for the other information on pages 1 to 2 (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 identified above and, in doing so, 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.

**THE POWER OF BEING UNDERSTOOD**  
AUDIT | TAX | CONSULTING

RSM Hayes Audit is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

### **Responsibilities of the trustees for the financial statements**

The trustees are responsible, on behalf of Sir Edmund Hillary Outdoors Education Trust, for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as those charged with governance 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, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities 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 conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements. A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at:

[https://xrb.govt.nz/Site/Auditing\\_Assurance\\_Standards/Current\\_Standards/Page8.aspx](https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx).

### **Who we report to**

This report is made solely to the Trustees as a body. Our audit has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trust and the trustees as a body, for our work, for this report, or for the opinions we have formed.

A handwritten signature in blue ink that reads 'RSM'.

**Sir Edmund Hillary Outdoors Education Trust**  
**Statement of Comprehensive Revenue and Expense**  
**For the year ended 31 March 2022**

	Note	Mar 2022 \$	Mar 2021 \$
<b>Revenue</b>			
<u>Revenue from exchange transactions</u>			
Course fee income		2,621,878	2,924,270
Interest, dividends, and other income		78,423	138,657
<u>Revenue from non-exchange transactions</u>			
Grants and donations	2	1,170,046	883,027
<b>Total revenue</b>		<b>3,870,347</b>	<b>3,945,954</b>
<b>Expenses</b>			
Course disbursements and related costs		582,532	649,423
Employee costs		2,107,320	2,004,822
Rent and rates		21,306	35,625
Interest expenses		23,082	16,286
Other expenses		748,698	585,693
<b>Total expenses</b>		<b>3,482,938</b>	<b>3,291,849</b>
Surplus for the year before Depreciation and Impairment		<b>387,409</b>	<b>654,105</b>
<b>Depreciation and impairment</b>			
Depreciation		227,745	256,456
Impairment	14	4,130	224,055
<b>Total depreciation and impairment</b>		<b>231,875</b>	<b>480,511</b>
<b>Total comprehensive revenue and expense for the year</b>		<b>155,534</b>	<b>173,594</b>

The above statement should be read in conjunction with the notes to and forming part of the financial statements.

**Sir Edmund Hillary Outdoors Education Trust**  
**Statement of Changes in Net Assets**  
**For the year ended 31 March 2022**

	<b>Mar 2022 \$</b>	<b>Mar 2021 \$</b>
<b>Opening net assets at the beginning of the year</b>	1,982,886	1,809,292
Total comprehensive revenue and expense for the year	155,534	173,594
<b>Closing net assets at the end of the year</b>	<b>2,138,420</b>	<b>1,982,886</b>

The above statement should be read in conjunction with the notes to and forming part of the financial statements.

# Sir Edmund Hillary Outdoors Education Trust

## Statement of Financial Position

As at 31 March 2022

	Note	Mar 2022 \$	Mar 2021 \$
<b>CURRENT ASSETS</b>			
Bank accounts and cash	3	1,329,620	972,428
Accounts receivable		123,165	43,087
Prepayments		21,127	2,292
Inventories		13,205	15,262
<b>Total current assets</b>		<b>1,487,117</b>	<b>1,033,069</b>
<b>CURRENT LIABILITIES</b>			
Accounts payable	4	124,745	71,454
Employee-related accruals	5	215,074	235,905
Other creditors and accruals	6	267,579	291,935
Finance lease – current portion	8	-	46,725
Grants received in advance	7	239,636	245,978
Course prepayments		493,189	297,506
Term loan - current	9	137,108	145,012
<b>Total current liabilities</b>		<b>1,477,331</b>	<b>1,334,515</b>
<b>NON – CURRENT ASSETS</b>			
Property plant and equipment	10	2,418,646	2,629,120
<b>Total non-current assets</b>		<b>2,418,646</b>	<b>2,629,120</b>
<b>NON – CURRENT LIABILITIES</b>			
Term loan – non-current portion	9	290,012	344,788
<b>Total non-current liabilities</b>		<b>290,012</b>	<b>344,788</b>
<b>NET ASSETS</b>			
		<b>2,138,420</b>	<b>1,982,886</b>
<b>REPRESENTED BY:</b>			
<b>EQUITY</b>			
Accumulated Surplus		<b>2,138,420</b>	<b>1,982,886</b>

The above statement should be read in conjunction with the notes to and forming part of the financial statements

# Sir Edmund Hillary Outdoors Education Trust

## Statement of Cash Flows

For the year ended 31 March 2022

	Note	Mar 2022 \$	Mar 2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Proceeds from:-</b>			
Course fees		2,672,230	2,700,105
Grants, donations and bequests		1,176,388	834,755
Rental income from staff village		49,120	49,635
Insurance claims received		-	5,304
Dividend received		-	563
Payments to suppliers and employees		(3,474,271)	(3,342,853)
Net GST received		101,424	62,321
<b>Net cash inflow from operating activities</b>		<b>524,891</b>	<b>309,830</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		503	269
Proceeds from disposal of property plant and equipment		-	-
Payments for purchase of property plant and equipment		(49,305)	(106,665)
Other Items		-	(372)
<b>Net cash outflow from investing activities</b>		<b>(48,802)</b>	<b>(106,768)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest paid		(22,109)	(15,929)
Payments for finance lease principal		(46,725)	(45,066)
Proceeds / (Repayments) of Loan		(50,063)	519,856
<b>Net cash outflow from financing activities</b>		<b>(118,897)</b>	<b>458,862</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>357,192</b>	<b>661,925</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>972,428</b>	<b>310,504</b>
<b>Cash and cash equivalents at the end of the period</b>	3	<b>1,329,620</b>	<b>972,428</b>

The above statement should be read in conjunction with the notes to and forming part of the financial statements



# **Sir Edmund Hillary Outdoors Education Trust**

## **Notes to and forming part of the Financial Statements**

### **For the year ended 31 March 2022**

#### **1. STATEMENT OF ACCOUNTING POLICIES**

##### **Reporting entity**

These are the financial statements of the Sir Edmund Hillary Outdoors Education Trust ('the Trust'). The Trust is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013). The Trust is a charitable trust registered in New Zealand with DIA Charities Services. The Trust is engaged in the business of providing all aspects of outdoor education.

##### **Basis of Reporting**

These financial statements of the Trust have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities, and all disclosure concessions have been applied.

The financial statements of the Trust have been prepared on an historical cost basis. The information is presented in New Zealand dollars, rounded to the nearest dollar.

##### **Use of judgements and estimates**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate are revised and in any future periods affected.

Items of property, plant and equipment are depreciated over their estimated useful lives. These lives are reviewed annually to ensure they still represent management's best estimates. An impairment charge is recorded when the recoverable amount of an asset falls below its carrying value.

##### **Changes in Accounting Policies**

There have been no changes to accounting policies.

##### **Significant Accounting Policies**

In the preparation of these financial statements, the specific accounting policies are as follows:

###### **a) Property Plant and Equipment**

Items of property, plant and equipment are initially measured at cost, except those acquired through non exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

Heritage assets with no future economic benefit or service potential other than their heritage value are not recognised in the statement of financial position.

**Sir Edmund Hillary Outdoors Education Trust**  
**Notes to and forming part of the Financial Statements (Cont'd)**  
**For the year ended 31 March 2022**

Items of property, plant and equipment are subsequently measured at cost (or fair value for items acquired through non-exchange transactions) less accumulated depreciation and impairment.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- The cost of materials and direct labour
- Costs directly attributed to bringing the assets to a working condition for their intended use
- When the Trust has an obligation to remove the asset or restore the site, the costs of dismantling and removing the items and restoring the site on which they are located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the surplus or deficit.

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Trust. Ongoing repairs and maintenance are expensed as incurred.

**b) Property Plant and Equipment - Depreciation**

The Trust has the following classes of Property, Plant & Equipment and depreciation has been calculated to allocate the cost or valuation of the assets over their estimated useful lives, at the following rates:

Motor vehicles	26-33%	Diminishing Value
Office equipment	33%	Straight-line
Buildings	2-26%	Straight-line
Centre equipment	10-33%	Diminishing Value
Support craft	26%	Diminishing Value
Plant and equipment	4-50%	Diminishing Value

**c) Goods & Services Tax**

These financial statements have been prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable, which are shown inclusive of GST.

**d) Taxation**

No provision for income tax been made, as the Trust is exempt from Income Tax under the provisions of the Income Tax Act 2007.

**Sir Edmund Hillary Outdoors Education Trust**  
**Notes to and forming part of the Financial Statements (Cont'd)**  
**For the year ended 31 March 2022**

**e) Revenue**

**Course Fees**

Course Fees are primarily recognised in the month of attendance at one of the Trust's outdoor education centres.

**Grants and Donations**

Grants and donations are recognised in revenue, unless specific conditions are attached and repayment of the amount is required where these conditions are not met. In these cases, the grant or donation is treated as a liability until such conditions are met.

**Interest Income**

Interest income is recognised using the effective interest method.

**f) Leases**

Leases where the Trust assumes substantially all the risks and rewards of ownership are classified as finance leases. The Trust has acquired motor vehicles by way of finance lease and they are stated at the lower of fair value and present value of the future minimum lease payments, and are depreciated using the same rates as for its other vehicles. Minimum lease payments are apportioned between interest expense and reduction of the outstanding liability. The interest expense component of the finance lease payments is recognised in the Statement of Comprehensive Revenue and Expense using the effective interest rate method.

Other leases are classified as operating leases. Payments made under the operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight-line basis over the term of the lease.

**2. GRANTS, DONATIONS, AND SIMILAR INCOME**

	<b>Mar 2022</b>	<b>Mar 2021</b>
	<b>\$</b>	<b>\$</b>
Donations for course revenue/costs support	393,471	292,728
Funding and grants for assets	292,105	143,802
Government grant – wage subsidy	339,600	446,497
Resurgence Support Payment	144,870	-
	<b>1,170,046</b>	<b>883,027</b>

**Sir Edmund Hillary Outdoors Education Trust**  
**Notes to and forming part of the Financial Statements (Cont'd)**  
**For the year ended 31 March 2022**

The Sir Edmund Hillary Outdoors Education Trust gratefully acknowledges the donations, grants and sponsorship from the following entities:

- Ara Taiohi
- Bay Trust
- Blue Sky Community Trust
- Companion Animal Veterinarians
- Dare2Sweat Events Ltd
- Douglas Charitable Trust
- Foundation North
- Four Winds Foundation
- Aotearoa Gaming Trust
- Givealittle
- Grassroots Trust
- Holdsworth Charitable Trust
- Icebreaker
- Macpac New Zealand Ltd
- New Zealand Lottery
- NZ Community Trust
- Pub Charity
- R & G M Griffiths
- Renault
- Recreation Aotearoa
- Share My Super
- B Smith & B Parke
- Stuff Limited
- Super Cheap Auto
- Thomas George Macarthy Trust
- Torpedo7
- Trust Waikato
- Wellington Community Trust

## Sir Edmund Hillary Outdoors Education Trust

### Notes to and forming part of the Financial Statements (Cont'd)

For the year ended 31 March 2022

#### 3. CASH AT BANK

	Mar 2022	Mar 2021
	\$	\$
BNZ Cheque Account	205,605	302,312
BNZ Autocall Account	653,036	253,228
BNZ Events Account	12	19,303
BNZ Term Account	470,225	397,007
Office Float	742	580
	<b>1,329,620</b>	<b>972,428</b>

#### 4. ACCOUNTS PAYABLE

Accounts payable	111,950	66,813
BNZ VISA credit card	12,795	4,641
	<b>124,745</b>	<b>71,454</b>

#### 5. EMPLOYEE-RELATED ACCRUALS

PAYE due	43,068	43,926
Holiday pay accrual	113,420	111,723
Accrued wages	58,586	80,256
	<b>215,074</b>	<b>235,905</b>

#### 6. OTHER CREDITORS AND ACCRUALS

Sundry creditors and other accruals	53,567	178,578
Staff association funds	1,461	1,461
GST payable	212,551	111,896
	<b>267,579</b>	<b>291,935</b>

## Sir Edmund Hillary Outdoors Education Trust

### Notes to and forming part of the Financial Statements (Cont'd)

For the year ended 31 March 2022

#### 7. GRANTS RECEIVED IN ADVANCE

	Mar 2022	Mar 2021
	\$	\$
<b>To be used within one year</b>		
Douglas Charitable Trust	13,429	-
Bay Trust	3,700	-
The Trusts Community Foundation	35,000	4,209
Pub Charity	-	194,478
Genesis Education Fund	4,707	6,219
Wellington Community Trust	2,800	9,800
Lottery Community Facilities	-	3,461
MSD Wage Subsidy	-	2,811
Icebreaker Ltd	-	10,000
Four Winds Foundation	-	15,000
Foundation North	180,000	-
	<b>239,636</b>	<b>245,978</b>

#### 8. FINANCE LEASE

	Mar 2022	Mar 2021
	\$	\$
Current portion	-	46,725
Non –current portion	-	-
	<b>-</b>	<b>46,725</b>

Finance leases were held over two vehicles.

#### 9. TERM LOANS

The BNZ business finance scheme loan has a repayment term of 5 years on a fixed interest rate at 2.3% pa. The repayment amount was based on 7 years, any amount outstanding will be due at the maturity date.

	Mar 2022	Mar 2021
	\$	\$
<b>Current portion</b>		
BNZ Business Finance Scheme Loan	54,108	52,212
IRD Cash Flow Loan	83,000	92,800
	<b>137,108</b>	<b>145,012</b>
<b>Non - Current portion</b>		
BNZ Business Finance Scheme	290,012	344,788
	<b>290,012</b>	<b>489,800</b>

Sir Edmund Hillary Outdoors Education Trust

Notes to and forming part of the Financial Statements (Cont'd)

For the year ended 31 March 2022

10. PROPERTY, PLANT AND EQUIPMENT

Mar 2022	Opening Cost	Additions	Disposals /Impairment	Closing Cost	Opening Accumulated Depreciation	Current Year Depreciation	Disposal /Impairment	Closing Accumulated Depreciation	Net Closing Book Value
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land	30,000	-	-	30,000	-	-	-	-	30,000
Buildings	5,287,068	3,433	(10,695)	5,279,806	3,025,432	138,054	-	3,163,486	2,116,320
Motor Vehicles	424,569	-	(62,306)	362,263	356,494	12,152	(40,968)	327,678	34,585
Support Craft	101,046	-	-	101,046	87,310	3,571	-	90,881	10,165
Plant and Equipment	539,796	17,423	-	557,219	356,471	43,720	-	400,191	157,028
Centre Equipment	643,774	28,449	-	672,223	592,759	18,267	-	611,026	61,197
Office Equipment	92,726	-	-	92,726	71,394	11,981	-	83,375	9,351
<b>Total</b>	<b>7,118,979</b>	<b>49,305</b>	<b>(73,001)</b>	<b>7,095,283</b>	<b>4,489,861</b>	<b>227,745</b>	<b>(40,968)</b>	<b>4,676,637</b>	<b>2,418,646</b>
Mar 2021	Opening Cost	Additions	Disposals /Impairment	Closing Cost	Opening Accumulated Depreciation	Current Year Depreciation	Disposal /Impairment	Closing Accumulated Depreciation	Net Closing Book Value
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land	30,000	-	-	30,000	-	-	-	-	30,000
Buildings	5,531,189	83,834	(327,955)	5,287,068	2,982,644	140,001	(97,213)	3,025,432	2,261,635
Motor Vehicles	522,691	-	(98,122)	424,569	426,737	24,110	(94,353)	356,494	68,075
Support Craft	100,524	522	-	101,046	76,104	11,206	-	87,310	13,736
Plant and Equipment	548,434	16,552	(25,190)	539,796	332,820	47,679	(24,028)	356,471	183,325
Centre Equipment	648,185	10,326	(14,737)	643,774	589,685	14,468	(11,394)	592,759	51,015
Office Equipment	86,741	9,817	(3,832)	92,726	55,450	18,991	(3,047)	71,394	21,332
<b>Total</b>	<b>7,467,764</b>	<b>121,051</b>	<b>(469,836)</b>	<b>7,118,979</b>	<b>4,463,440</b>	<b>256,456</b>	<b>(230,035)</b>	<b>4,489,861</b>	<b>2,629,119</b>

## Sir Edmund Hillary Outdoors Education Trust

### Notes to and forming part of the Financial Statements (Cont'd)

#### For the year ended 31 March 2022

#### 11. CONTINGENT LIABILITIES

At balance date there are no known contingent liabilities. The Trust has not granted any securities in respect of liabilities payable by any other party whatsoever (2021: \$Nil)

#### 12. COMMITMENTS

As at 31 March 2022, an operating lease with Fuji Xerox was renegotiated and amended from two copier printers at Auckland and Tongariro to one printer copier at Tongariro for a term of four years ending in August 2024. In addition, an operating motor vehicle lease variation schedule with Yoogo has been re-signed for less than five years.

	Mar 2022	Mar 2021
	\$	\$
No longer than one year	100,835	64,438
Between one and five years	220,565	176,943
	<u>321,400</u>	<u>241,381</u>

#### 13. KEY MANAGEMENT PERSONNEL REMUNERATION

	Mar 2022	Mar 2021
	\$	\$
Full Time Equivalent (FTE) – 5 staff in 2022, 4.23 staff in 2021 across two Centres	432,700	355,889

#### 14. IMPAIRMENT

There was no further development on Kinloch project for more than three years, the Trust doubted the viability of this project going ahead with limited funding. The decision was made in the 2021 financial year to impair the asset and look for a reasonable additional education centre that will serve the organisation's requirements.

#### 15. RELATED PARTY TRANSACTIONS

There were no related party transactions (2021: \$Nil).



## **Sir Edmund Hillary Outdoors Education Trust**

### **Notes to and forming part of the Financial Statements (Cont'd)**

#### **For the year ended 31 March 2022**

#### **16. GOING CONCERN**

The financial statements show a surplus after depreciation and asset impairment of \$155,534 compared to a surplus of \$173,594 for the year ending 31 March 2021. The Trust has Trust Capital of \$2,138,420.

The working capital has strengthened over the financial year. The financial statements have been prepared on a going concern basis, which assumes that the Trust will continue in operational existence for the foreseeable future. The Trustees, who continually review the funding needs of the business, consider that in preparing the financial statements, they have taken into account all information that could reasonably be expected to be available, including the budget forecasts for the 2023 financial year. The key assumptions are:

- While Covid-19 caused a closure and disruption of our centres from mid-August 2021 to balance date, management have taken steps to manage cashflow and overheads by temporarily suspending the Great Barrier Island centre operations to 28 August 2022. Despite these disruptions the ongoing booking calendar has bookings and occupancy for the Tongariro centre at capacity and Great Barrier Island above historical norms.
- Management continues to analyse the cost of the delivery of courses with a view of ensuring these costs are adequately recovered with appropriate margins when pricing courses. The management is currently revising pricing effective for courses from 1 January 2023 taking into consideration the inflationary environment.
- The trust no longer has a working capital deficit and can pay its debts as they fall due. The board are closely monitoring this metric to ensure that deficits are avoided in the future.
- The covid regulative framework has been reduced significantly since 13 September 2022 which has minimised the impact on delivering courses to schools.
- The Trust continues to receive strong support from donors and funders. A Pub Charity grant of \$300,000 that was received on 3 May 2022 is a positive indicator of this support. \$30,000 of funding was received from The Douglas Foundation on 19 July 2022, \$27,000 from Trust Waikato on 28 April 2022 and \$20,000 from Recreation Aotearoa on 27 June 2022. Other funding sources have provided \$22,256 of funds through May and June 2022.
- To maintain the operational capacity of the Trust, capex and safety related capex is included in the budget and is covered by the booking fees, as well as matching grants with Capex and capital grants where possible to assist with off-setting costs.

On the basis of the above, the Trustees consider that at the time of approving these financial statements, there is no material uncertainty in respect of going concern. Hence, the use of the going concern assumption in preparing the Financial Statements continues to be appropriate.

#### **17. EVENTS AFTER REPORTING PERIOD**

There were no other events after the reporting period that require adjustment to or disclosure in the financial statements. (2021:Nil).