

OUTLOOK

MAGAZINE OF THE MARRAM COMMUNITY

SPRING 2017



Short Getaways **CLOSE TO CITY CENTRES**

ALSO INSIDE

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- Introducing New Trustees
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Short Getaways CLOSE TO CITY CENTRES

Sometimes you just want to get away without a huge drive! The thought of a long drive can put you off getting away for a weekend or few days midweek, if that is all the time you can spare.

So we've put together some options around our three biggest cities that are up to 2 hours' drive away. That means more time to enjoy your destination! Way more fun checking out the local sites, enjoying some countryside, a beach, a great little restaurant or bar with your friends or family, or just plain relaxing if that's what you're after.

It's all about enjoying just getting away!





REFURBISHMENTS

Our Property Team completed many refurbishments over the last few months.

They always try to do the refurbishments during winter to minimise disruption to your holiday plans. Ngarimu Bay, Acacia Bay, Turangi and Martinborough are all looking pretty swish now.

Next on the 'to do' list are Rotorua, then Paraparaumu and finally Dunedin.

We've got all our homes on a much shorter, 6 year cycle for refurbishments now, which we believe to be the right timeframe to keep them shipshape.

So, if you've any of the newly refurbished homes booked, we hope you enjoy what we've done...you keep booking the homes and we'll keep refurbishing them!



INTRODUCING NEW TRUSTEES

Sumati Govind



Sumati is a senior investment adviser at Gareth Morgan Investments Limited, a role she's been in for over six years.

In fact, she's been in the financial services industry for well over 35 years. Most of her career to date was at AMP Capital Investors and more latterly seven years at the Todd Corporation, advising and managing the Todd Family wealth. She's also a trustee of the Red Cross Foundation and has served on several governance committees and trust boards.

Holding a Bachelor of Science degree (Mathematics) and a Bachelor of Commerce and Administration (Financial Accounting) degree, both from Victoria University of Wellington, Sumati is also an Authorised Financial Adviser.

Her interests outside work are rugby, basketball, generally most sports, travel and hosting dinner parties.

Penny Burgess



Penny works for ANZ New Zealand as the General Manager, Specialist Distribution responsible for the Adviser and Mobile Channels.

She's more than 15 years' experience in financial services, having worked across multiple areas including credit and operational risk, operations and sales. While Auckland is home for Penny, she grew up in Wellington and graduated from Victoria University with a Bachelor in Commerce and Administration.

Penny is a busy working parent and is passionate about helping New Zealand families. In the weekends, you'll most likely find her collecting 'treasures' on the beach with her daughter, followed by a compulsory ice cream.

ARE YOU FAMILIAR WITH ALL OUR HEALTHCARE BENEFITS?

As well as the typical doctor's visit, prescriptions, specialist and x-rays etc., Marram also cares about your general wellbeing. Under the **Alternative Therapy** benefit, your family can be reimbursed **\$20 per visit up to \$200 per year.**

Here's a list of what the Alternative Therapy benefit includes:

- Osteopaths
- Chiropractors
- Naturopaths
- Dieticians and nutritionists
- Audiologists
- Homeopaths

- Psychologists
- Podiatrists
- Acupuncturists
- Iridologists
- Therapeutic massage
- Chinese medicine

Seeking alternative therapies can often help with various ailments or play a part in preventing problems. So, if for any reason you have any of the above treatments, make sure you send your receipts into us.



ANNUAL REPORT

FINANCIAL PERFORMANCE 2017

REVENUE

The level of contributions requested by the Board of Trustees remained unchanged throughout the financial year, however the number of employees contributing declined during the year as the major employers continued reducing employee numbers. As a result, contribution income declined by \$317k compared with the previous year. The high occupancy of holiday homes continued for the year and we converted a few more homes to the cleaned and serviced option. With these services and better occupancy, holiday income increased by \$139k for the year. Fortunately, there wasn't much damage to the Marram homes from the Kaikoura and Hanmer earthquake and we were back up and running shortly after the earthquake with minimal financial impact from repairs and loss of rents. The Trust's holiday home average occupancy was maintained throughout the year. Income was also received from the investment units in Wellington. The Picton investment units were sold at the beginning of the financial year and as a result, commercial rental is slightly down from the previous year. The Trust's managed funds performance wasn't good compared to the previous year as we were down on dividends, interests and the market value of bonds. The fair value adjustments (unrealised gains and losses) were poor with a \$69k loss.

DISTRIBUTIONS AND EXPENSES

The amount distributed in financial assistance for healthcare was \$96k more than in the previous year despite this year's reduced contribution income. Maintenance of selected homes was completed to schedule. We purchased two sections in a new subdivision in Dunedin and anticipate building a three bedroom home on one of the sections very soon. Holiday home operating costs were higher than the previous year by \$75k as some extra cleaning costs were incurred but on-charged to holiday makers for the fully serviced and cleaned homes. We continued to save on material damage insurance costs as several years ago the Trust set up its own prudential fund to pay for any damage. This year we paid for some damage to the Kaikoura and Hanmer homes that required painting after the earthquake. Operating expenses increased only slightly on the previous year. The net result of the Trust's income and expenditure was a surplus after tax of \$270k.

FINANCIAL POSITION AS AT 31 MARCH 2017

Last year, the Trust adopted new financial reporting standards – the PBE standards and the Trust reports under Tier 2 Not-For-Profit PBE IPSAS RDR. Due to these new standards, there has been a further adjustment in the 2016 accounts due to reinstatement of income in advance as revenue from non-exchange transactions. This has resulted in an increase in contribution income of \$28k for the 2016 year. The Trust's equity increased slightly, by approximately 0.3%, to \$59.9m. The Trust remains in a sound financial position with a slightly increased asset base compared to the previous year.

Glenn Clark
CEO

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL REPORT TO THE TRUSTEES OF MARRAM COMMUNITY TRUST

OPINION

The summary financial statements, which comprise the summary balance sheet as at March 31, 2017, the summary statement of comprehensive revenue and expenses, summary statement of changes in net assets, summary statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of Marram Community Trust (the 'Trust') for the year ended March 31, 2017.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with FRS-43: *Summary Financial Statements* issued by the New Zealand Accounting Standards Board.

SUMMARY FINANCIAL STATEMENTS

The summary financial statements do not contain all the disclosures required by Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") Tier 2 reduced disclosure regime. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

THE AUDITED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited financial statements in our report dated July 26, 2017.


DIRECTORS' RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS

Directors are responsible on behalf of the entity for the preparation of the summary financial statements in accordance with FRS-43: *Summary Financial Statements*.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 (Revised), Engagements to Report on Summary Financial Statements.

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


BDO WELLINGTON
26 July 2017
Wellington
New Zealand



Marram Community Trust Consolidated Statement of Comprehensive Revenue and Expenses For the Year Ended 31st March 2017

	2017	2016
	\$	\$
Income		
Contributions	4,792,549	5,109,704
Holiday Home Rentals	2,530,754	2,391,542
Commercial Rental Income	84,675	99,437
Investment Income	519,132	594,655
Unrealised Gain On Investments	(68,671)	(27,281)
Total Revenue	7,858,440	8,168,057
Less Benefits		
Financial Benefits	3,756,223	3,659,945
	3,756,223	3,659,945
Less Holiday Home Expenses		
Power & Water	222,351	217,904
Maintenance – Furnishings	122,892	173,470
Maintenance – Land & Buildings	491,105	441,388
Property Software Service Contract	4,560	4,560
Rates & Land Lease	282,605	268,970
Property Consultants	52,832	-
Property Inspection & Travel	13,757	12,772
House Person Expenses	75,749	83,423
Depreciation	587,122	575,167
	1,852,972	1,777,653
Gross Surplus from Trading	2,249,244	2,730,459
Less Expenses		
Accident Compensation Levy	6,900	7,709
Amortisation	52,923	86,530
Bank Charges	61,219	55,347
Board Expenses	4,701	2,993
Computer Expenses	314,404	339,691
Depreciation – Other	95,787	52,968
Depreciation – Other Buildings	13,476	13,476
Depreciation – Building Investments	25,735	20,211
Entertainment	436	100
Donations	210	-
Insurance	22,398	23,663
Interest Deductible	-	141
Investment Fee	37,308	36,172
Loss on Disposal of Assets	16,994	561
Marketing Expenses	25,944	18,636
Office Administration Expenses	11,720	9,658
Other Commercial Expenses	60,131	44,291
Postage	19,723	16,514
Premise Maintenance	21,761	20,223
Printing, Stamps & Stationery	64,707	86,118
Professional Fee	83,424	80,556
Publicity & Promotion	19,655	9,365
Staff Expenses	86,390	69,189
Staff Training	7,940	8,861
Telephone, Tolls & Internet	20,483	16,563
Travel and Accommodation	2,388	1,996
Wages & Salaries	961,107	944,006
Total Expenses	2,037,865	1,965,539
Operating Surplus Before Tax	211,378	764,920
Taxation	(58,737)	5,684
Net Surplus After tax	270,116	759,236
Total Comprehensive Revenue and Expenses	270,116	759,236
Total Surplus attributable to the Group	270,116	759,236

Marram Community Trust Consolidated Statement of Changes In Net Assets For the Year Ended 31st March 2017

	2017	2016
	\$	\$
Accumulated comprehensive revenue and expenses		
Opening Balance	54,541,935	53,782,699
Comprehensive Revenue and Expenses		
Surplus for the Year	270,116	759,236
	270,116	759,236
Total Comprehensive revenue and expense		
Total Accumulated comprehensive revenue and expense	54,812,051	54,541,935

Marram Community Trust Consolidated Statement of Financial Position For the Year Ended 31st March 2017

	2017	2016
	\$	\$
Current Assets	3,253,720	2,720,281
Non-Current Assets	56,637,312	56,982,576
Total Assets	59,891,032	59,702,857
Current Liabilities	5,078,980	5,160,922
Equity	54,812,051	54,541,935
Total Liabilities & Equity	59,891,032	59,702,857

Marram Community Trust Consolidated Statement of Cash Flows For the Year Ended 31st March 2017

	2017	2016
	\$	\$
Net Operating Cash flow	1,058,472	1,138,685
Net Investing Cash flow	(1,360,372)	(762,848)
Net Cash flow	(301,900)	375,837

These financial statements were approved for issue and on behalf of the Board of Trustees.



Joe McCollum – Chairperson

26/07/17



NOTES TO THE SUMMARY FINANCIAL REPORT

The Summary Financial Report for Marram Community Trust (The Trust) and its controlled entity Sevenaway Trustaide Ltd, together (the "Group") are presented for 2017. These have been extracted from the full Financial reports. These are presented in NZD and are rounded to the nearest dollar. The full financial reports were authorised on 26 July 2017 and given an unmodified opinion. The summary financial report cannot be expected to provide as complete an understanding as provided by the full financial report. A copy of the full financial report can be obtained from the e-mail address below. The auditor has examined the summary financial report for consistency with the audited financial report and has issued an unmodified opinion. For further information please e-mail enquiries@marram.co.nz

The summary financial statements have been prepared in accordance with FRS-43: Summary Financial Statements.

1. STATEMENT OF COMPLIANCE

The Group financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand. ("NZ GAAP"). They comply with Public Benefit Entity International Public sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not For Profit entities. For the purposes of complying with NZ GAAP, the Group is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

The board has elected to report in accordance with Tier 2 Not For Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

2. EXPLANATION OF RECLASSIFICATION OF INCOME IN ADVANCE TO REVENUE

For the year ended 31 March 2015, the Group prepared its consolidated financial statements using the New Zealand Financial Reporting Standards ("NZ FRS"). These have been restated to Not For Profit PBE IPSAS-RDR. There has been some further reinstatement of 2016 accounts due to the reclassification of income in advance as revenue from non-exchange transactions. The adjustments are as follows:

For the year 31 March 2016, this has increased total surplus attributable to the group by \$28,348 to \$759,236.

This has also increased the net assets attributable to the owners of the controlling entity by \$132,617 to \$54,541,935.

Opening accumulated revenue and expense (as at 31 March 2015)	53,651,430
Restatement of Contribution Received in Advance as revenue	131,269
Closing accumulated revenue and expense (as at 31 March 2015)	53,782,699
Opening accumulated revenue and expense (as at 31 March 2016)	54,382,318
Prior restatement of Contribution Received in Advanced as revenue	131,269
Increase in Contributions income due to reclassification	28,348
Closing accumulated revenue and expense (as at 31 March 2016)	54,541,935
Surplus as per Statement of Comprehensive Revenue and Expense PBE IPSAS RDR as at 31 March 2016	730,888
Increase in Contributions income due to reclassification	28,348
Surplus as per Statement of Comprehensive Revenue and Expense PBE IPSAS RDR as at 31 March 2016	759,236

CONTRIBUTOR NOTICES



EMAILING HEALTHCARE REQUESTS

We've had a wonderful response to making this option available for your healthcare requests to be emailed.

A couple of things:

- If we've asked you for any **follow-up information** about a Healthcare Request, please send your reply to Enquiries@marram.co.nz



- If you've emailed a request already and receive treatment resulting in additional receipts, these need to be sent as a **new request**. Please don't send them to be attached to a previous receipt you've already sent because it may have already started the payment process.

CHRISTMAS BALLOT CLOSING DATES

The Christmas ballot closes at 5pm on 25 September.

If you want to enter the Christmas ballot for a Marram home between 23 December 2017 – 27 January 2018, please make sure you've entered your ballot requests in time.

To enter the ballot, login to www.marram.co.nz click on **BOOK** and select **The Ballot**, to enter your requests. Any problems, give us a call on 04 801 2920.

Important Note: Entering the ballot can only be done on your desktop computer. Yep, what a pain but we're working on future website changes to allow you to enter the ballot on your mobile device.

Tips to make your ballot chances even better:

- The more locations you add with variations of dates, the greater your chance of winning in the ballot

- The first and last weeks of the ballot give you the best chance of winning
- Select some of the less obvious holiday destinations if you really want to win...e.g. we rarely have Palmerston North fully allocated.

If you don't win what you want, don't despair, as not everyone who wins a home in the ballot confirms their holiday by the due date.

At midnight on the confirmation due date, all of the unconfirmed homes become available to book through Marram's website at www.marram.co.nz.

We'll email the confirmation due date to the people who were unsuccessful so they can check the website.

FUEL UP YOUR TANK and YOUR TUMMY!

Have a look around your office. Who looks like they need a holiday? Probably everyone huh? Well here's your chance to do a good deed and in return we'll fuel up your tummy and your tank.

ON OFFER, WE'VE GOT:



\$40 Z Gift Card – which can be used for anything at Z, from fuel to mince pies for the whole family.

OR



\$40 New World Gift Card – which you could be putting towards your grocery shop.

OR



\$50 Marram voucher – which you can use to make your next Marram holiday even more affordable.

BOTH WIN A GIFT VOUCHER!!!

It's simple – just tell your workmates to go to www.marram.co.nz and sign-up (making sure they enter your details as their referrer) and you'll **both** win a gift voucher of your choice.

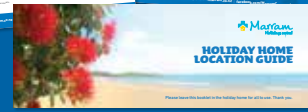
The boring stuff: Make sure you tell your workmates to choose "Referred by Marram Contributor" when the application asks how they heard about Marram.

- The Promotion only runs from 1-15 September 2017, so get recruiting now!
- The promotion is only available to current Contributors.
- Marram T&C's apply.

Want to get more of your team sharing in the benefits of Marram, while jazzing up your tea room or office at the same time?

We've got all sorts of new promotional material (shown right) which we'd love to send to you! Just let us know what you'd like sent out by emailing marketing@marram.co.nz and your tea room could be looking brighter and happier before you know it.

Posters



Brochure

Holiday Homes Location Guide