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# **Northland Regional Council**

## **Tabled Item**

**Finance Committee Meeting**

**Tuesday, 18 August 2015  
at 10:00am**

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**ITEM: 3.0A**

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**ISSUE: Tabled Item for the Finance Committee Meeting –  
18 August 2015**

**ID:** A771838

**To:** Finance Committee Meeting, 18 August 2015

**From:** Simon Crabb, Finance Manager

**Date:** 17 August 2015

<b>Report Type:</b>	<input type="checkbox"/> Normal operations	<input type="checkbox"/> Information	<input checked="" type="checkbox"/> Decision
<b>Purpose:</b>	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Public service	<input type="checkbox"/> Regulatory function
	<input checked="" type="checkbox"/> Legislative function	<input checked="" type="checkbox"/> Annual\Long Term Plan	<input type="checkbox"/> Other
<b>Significance:</b>	<input type="checkbox"/> Triggered	<input type="checkbox"/> Not Triggered	

**Report:**

Item 3.6: Northland Emergency Services Trust (NEST) Approval to Make the Final 2014-2015 Payment.

The purpose of this report is to place before the committee the tabled item for inclusion in the meeting agenda, item 3.6. The report concludes with the recommendation that the item be received.

The financial statements for this agenda item were not available before the collation deadline of the Finance Committee meeting agenda. Therefore it is recommended that this tabled agenda item be received.

**Recommendation:**

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1. That as permitted under section 46A(7) of the Local Government Official Information and Meetings Act 1987, the tabled item "Northland Emergency Services Trust (NEST) Approval to Make the Final 2014-2015 Payment" be received.
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17 August 2015

The Chairman  
Northland Regional Council  
Private Bag 9021  
**WHANGAREI**

Dear Bill,

Subject : **Northland Emergency Services Trust**

Please find enclosed a copy of NEST's financial statements for the financial year ended 31 March 2015.

As the current funding arrangement expires, we would like to take this opportunity to thank Council for its financial support over the last six years. Without your support, we would simply not have been able to keep this valuable service in the air. As you know, we have experienced a phenomenal increase in the demand for our services, and we now fly approximately double the number of rescue missions we did when we first approached Council for funding back in 2009. Your assistance at the time was both timely and very gratefully received.

We are aware that exactly how and who should fund the cost of providing air ambulances services in NZ communities remains a talking point. However, what is never argued is the impact that this service has on the lives of those people in need. NEST has been extremely proud of the role we have played in saving lives and providing better outcomes for thousands of Northlanders and their families. Once again, we thank you for your assistance in making this possible.

We look forward to engaging with Council in the process for applications to the new Emergency Services Fund, and remain hopeful that we can secure your continued support for Northland's rescue helicopter service.

Yours faithfully,

Paul Ahlers  
Chairman

# **NORTHLAND EMERGENCY SERVICES TRUST**

## **FINANCIAL STATEMENTS**

**FOR THE TWELVE MONTH PERIOD ENDING 31 MARCH 2015**

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- 1 Statement of Financial Performance
- 2 Statement of Movements in Equity
- 3 Statement of Financial Position

**NORTHLAND EMERGENCY SERVICES TRUST**  
**STATEMENT OF FINANCIAL PERFORMANCE**

For the Year Ended 31 March 2015

<u>2014</u>		<u>2015</u>
12 Months		12 Months
\$		\$
	<b>Operating Revenue</b>	
4,200,658	Helicopter Hire	4,445,225
600,000	Northland Regional Council	600,000
240,000	Operating Grants	240,000
155,000	Sponsorship (incl. Northpower/Top Energy sponsorship)	156,043
<u>5,195,658</u>		<u>5,441,268</u>
429,409	Other Income	469,285
<u>5,625,067</u>	Total Operating Revenue	<u>5,910,553</u>
	<b>Less Expenses</b>	
4,398,806	Operations	4,656,788
609,827	Administration	678,412
459,779	Depreciation	491,225
<u>5,468,412</u>		<u>5,826,425</u>
156,655	<b>Net Surplus prior to Capital Grants</b>	84,128
55,500	<b>Add Capital Grants</b>	50,000
<u><u>212,155</u></u>	<b>Net Surplus</b>	<u><u>134,128</u></u>

This Statement is to be read in conjunction with the Notes to the Financial Statements

**NORTHLAND EMERGENCY SERVICES TRUST**  
**STATEMENT OF MOVEMENTS IN EQUITY**  
*For the Year Ended 31 March 2015*

<u>2014</u>		<u>2015</u>
\$		\$
6,490,392	Equity at Start of Year	6,654,705
	<b>Plus</b>	
<u>164,313</u>	Net Surplus / (Deficit) for the Six Month Period	<u>134,128</u>
<u>164,313</u>	Total Recognised Revenue and Expenses	<u>134,128</u>
<u><u>6,654,705</u></u>	<b>EQUITY AT END OF THE PERIOD</b>	<u><u>6,788,833</u></u>

This Statement is to be read in conjunction with the Notes to the Financial Statements

**NORTHLAND EMERGENCY SERVICES TRUST**  
**STATEMENT OF FINANCIAL POSITION**

As at 31 March 2015

\$		\$
<u>6,654,705</u>	<b>EQUITY</b>	<u>6,788,833</u>
	<b>Represented by:</b>	
	<b>Current Assets</b>	
1,017,533	Bank Current Accounts	1,234,057
22,096	Prepayments	4,885
155	Income Accrued	63
4,575	Funds held in Trust - Appeal Monies	29,146
647,449	Accounts Receivable	798,404
19,985	Stock - Fuel	15,804
<u>1,711,793</u>		<u>2,082,359</u>
	<b>Non Current Assets</b>	
7,373,848	Fixed Assets	6,993,199
238,880	ASB Helicopter Replacement Fund	545,299
<u>7,612,728</u>		<u>7,538,498</u>
<u>9,324,521</u>	<b>Total Assets</b>	<u>9,620,857</u>
	<b>Less</b>	
	<b>Current Liabilities</b>	
33,552	Goods & Services Tax	29,716
451,758	Accounts Payable	267,381
602,249	Provision for Maintenance	455,551
157,887	Employee Entitlements	144,695
99,572	Provision for Bad Debts	117,099
242,857	Current Portion Term Loan	242,857
<u>1,587,875</u>		<u>1,257,299</u>
	<b>Term Liabilities</b>	
248,608	Provision for Maintenance	984,249
833,333	ASB Bank Term Loan	590,476
<u>1,081,941</u>		<u>1,574,725</u>
<u>2,669,816</u>	<b>Total Liabilities</b>	<u>2,832,024</u>
<u>6,654,705</u>	<b>NET ASSETS/(LIABILITIES)</b>	<u>6,788,833</u>

**Notes to the Financial Statements**

These are special purpose management financial statements and as such should not be relied upon for any other purpose. These financial statements have not been prepared in accordance with generally accepted accounting principles. These financial statements have not been audited.

These statements have been prepared exclusive of GST. All assets and liabilities have been stated exclusive of GST with the exception of accounts receivable, accounts payable and provision for maintenance which are stated inclusive of GST.

These special purpose financial statements are for the twelve month period 1 April 2014 to 31 March 2015. The comparatives are for the 12 month period 1 April 2013 to 31 March 2014. The comparatives have been audited.

This Statement is to be read in conjunction with the Notes to the Financial Statements