

# **Wellington Community Trust** **Annual Review 2017/2018**



**Active people,  
resilient communities and  
sustainable environments**



## Chair's Report

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### Fa'atalofa atu

I am pleased to present the Wellington Community Trust's Annual Report for 2017/18 to you. We began the year with an executive search for our new Chief Executive. After an extensive search we appointed Georgie Ferrari to the role. Georgie commenced with the Trust in August and quickly set about familiarising herself with the operations of the organisation and, having been working in Australia for many years previously, refamiliarising herself with the Wellington region, and all of the organisations we fund. Georgie has already brought a great deal of energy to the role and has started to make her mark in the philanthropic sector.

One of the first tasks we set our new CE was to develop a strategy to distribute special fund of \$5m that the Board had set aside due to good returns on our investments. We consulted widely on this fund and have considered many options for how these funds could be best used. Giving away money wisely is harder than it looks and it's fair to say our ambitious goal of having a strategy in place by March of this year wasn't met. The Board have made some decisions regarding this fund but will have more announcements on it in the coming months.

Sadly this is my last report as Chair of the Trust. My term ended on June 30 this year. I leave the Trust along with several other long-serving Trustees, former WCT Chair, Jan Dowland's, Dawn Sanders' and Barry Lindsay's terms also ended on June 30, 2018. Clare Needham resigned from the Trust in June 2018, due to personal reasons. Each of these Trustees served the Trust with heartfelt dedication. Their knowledge of their communities, and the Wellington region as a whole was unparalleled and they enhanced the Trust's governance and grant making processes in many, many ways. My sincere thanks to each of them for their service.

I would like to welcome the incoming Chair, Roger Palairt and Trustees, Mele Wendt, Pushpa Wood, Mary O'Regan and Ken Allen. They bring with them a huge amount of experience and a demonstrated commitment to the wider Wellington region. This



combined with Georgie's innovative ideas and approach means exciting times are ahead for the Wellington Community Trust.

Despite predictions that the investment market would be significantly slower, we continued to achieve good investment returns. The 17/18 end of year result was an increase in equity of \$2,278,191.

A final word of thanks must go to you, the community members and organisations of the Wellington, who constantly amaze and impress us with your tireless hard work in the community.

*Ia Manuia*

*Gerardine Clifford-Lidstone*



## CE's Report



On August 16th last year, before I had formally taken up the role of CE, I attended my first Annual Public Meeting of the Wellington Community Trust. I was warmly welcomed by the WCT Staff and Trustees and by all of those who had assembled on that cold winter's night to hear about the activities of the Trust over the last 12 months. It is now my pleasure to report on the last 12 months of activities at the Trust for the 17/18 financial year.

Firstly, my thanks must go to Kate Frykberg who very ably held the fort in the months between my predecessor, Mark Cassidy finishing up and me commencing in the role. Having Kate steer the ship for those months was enormously helpful for me to be able to come in and take the helm smoothly. I've also been blessed with a small, but highly competent and dedicated, team. Kate Hiatt and Marysia Collins, who many of you will know, and our accountant Anne Hilligan welcomed me warmly and were of great help in orientating me to the business of the organisation.

One of my first tasks was to refamiliarize myself with the fantastic community work that goes on in the Wellington region. I've done this in a number of ways, but mainly it's been about getting out and about and meeting the groups and individuals, on the ground who do the work. Thanks to all of you and your organisations for taking the time to talk with me and show me your work. I am very grateful. In November last year the Trust embarked on a series of consultations to help inform our strategy for our \$5m fund. These consultations took place over several weeks and involved more than 50 representatives from a wide range of organisations and sectors. They were enormously helpful to me and the Trust, to get a sense of what is happening in the not for profit sector in the Wellington region. Feedback from those meetings continue to inform my work.

I'm very grateful to my sector colleagues, in the family of Community Trusts, the wider philanthropic sector in New Zealand and the broader not for profit sector for welcoming me home so generously and for the giving of their time and knowledge so freely. Thank you very much.

Granting well is not easy. I'm still not sure if it's an art or a science, or perhaps a mixture of both. I've relished learning more about the art and

science of good grant making over the last 12 months and look forward to learning in the coming year.

A final work of personal thanks for the Trust's outgoing Chairperson, Gerardine Clifford-Lidstone. I have worked with many chairs over my 20+ years of leading not for profit organisations. It is rare to find a chair with the perfect combination of grace, determination, smarts, clear vision and process, and manaakitanga needed to guide a CE in her first year in a new organisation. I am very grateful to have had that, and more, in Gerardine for the last 11 months.

In July of this year the Trust gained five new Board members, each with a depth of knowledge and expertise in not for profit organisations in the Wellington region. I am very much looking forward to working with these new Trustees over the next 12 months.

*Thank you*  
*Georgie Ferrari*



## Annual Investment Report

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### The year in review

The 2017/18 financial year in investments saw a renewed bout of volatility within both the shares and bond markets but that was not enough to de-rail the overall investment result for the year. Fears of inflation and the possibility of a trade war precipitated by the Trump Administration imposing tariffs on China and several other of its trading partners unsettled the markets during the last quarter of the financial year. The market movements were enough to cause a negative overall result for the March quarter but the three previous quarters had seen further solid investment returns.

The background for the majority of the last financial year was one of rising share prices due to improving global economic conditions and generally well-behaved bond markets.

The passage of the US tax reforms towards the latter part of 2017 saw the US corporate tax rate slashed from 35% to 21% which delivered a significant boost to corporate profits. The reforms also assisted consumers so investor confidence especially in the US continued to grow.

President Trump bathed in the glory of the US sharemarket regularly piercing record heights. He ascribed its strength to the support his policies were receiving.

However during the March quarter the tariffs imposed on aluminum and steel imports from China and several other countries rattled investors. Investors were not so concerned by their magnitude but they feared that this development could escalate into a full-blown trade war. Since the end of the financial year, tariffs have been imposed on a wider range of goods from China in particular and China has retaliated by imposing tariffs on US imports into China.

The easy monetary conditions, which have been key to the impressive recovery of the global economy since the GFC of 2007/09, were further reduced during the year in review. The US Federal Reserve Board (‘the Fed’) had withdrawn its enormous bond buying programme in 2014 but, until September 2017, it had rolled over its maturing bonds. The Fed is now reducing its US\$4.5 trillion bond portfolio by not reinvesting its maturities while at the same time it is raising official interest rates to temper any inflationary threats. The Fed funds rate was raised three times during the latest financial year with further rate increases forecast as the process of ‘normalising’ interest rates continues.



Easy monetary conditions have fuelled both the bond and equity markets. The changes now occurring are being clearly flagged to investors by the monetary authorities but these developments are making it much harder to obtain solid returns from bonds in particular. Higher interest rates means lower bond prices and, hence, constrained investment returns.

Shares, however, tend to be influenced more by corporate earnings rather than their pricing relative to interest rates. Shares will, however, be challenged if interest rates rise sharply and to a greater extent than anticipated. So far, the higher interest rates seen have been measured and the Trust's strategic emphasis towards growth assets, namely shares, has continued to serve it very well.

The Trust adopts a longer term investment approach and does not attempt to anticipate changes in returns from the asset classes. The funds management process is outsourced to professional investment managers and a sub-committee of the Board meets regularly to review performance as well as consider recommendations, as required, from the investment adviser, Mercer Consulting, to rebalance the overall portfolio back to the benchmark neutral asset mix.

## Investment results

The Trust achieved an investment return for the 2017/18 financial year of 8.3% (before management fees and administration expenses). As was the case the previous year, the strongest performing investment sector over the latest financial year was Global Shares with a return of 14.3%. Trans-Tasman Shares were the next best performing asset class posting an 11.3% return. The bond sectors were far less impressive with NZ bonds returning 5.0%, Global Bonds 3.9% and Cash 3.3%.

Important measures are the ability of the Trust to fund its donations, grow its reserves and achieve returns well in excess of inflation. It delivered on all these fronts over the 2017/18 financial year.

There were no changes to the Trust's investment managers over the 2018 financial year. Collectively the managers made a positive contribution to investment results with the Trust outperforming its overall benchmark return by 1.0% over the year and only 2 of the 11 investment sectors under-performing their sector benchmarks.

*Barry Lindsay*

*Convenor, Finance Committee*

*A summary of our financial position for the 17/18 financial year can be found on page 19 of this report.*





In late 2016, Wellington Community Trust trustees agreed on a new strategy to guide 2017/18 funding. This is summarised below.

## Vision:

**Active people, resilient communities  
and sustainable environments**

### Key target groups:

- Children 0 - 5
- Young people 4 - 14
- Youth at risk 15 - 24
- Isolated elderly
- Māori
- Pacific
- High deprivation communities

### Grant programme:

#### Community Awards

Partnership with local government authorities and Wellington Airport held annually

#### Quick Response Grants

Grants up to \$5,000  
5 application rounds each year

#### Community Grants

Grants between \$6,000 - \$100,000  
3 application rounds each year

#### Multi-year Targeted Grants

Funding over 5 years for a small group of organisations aligned to key priority areas

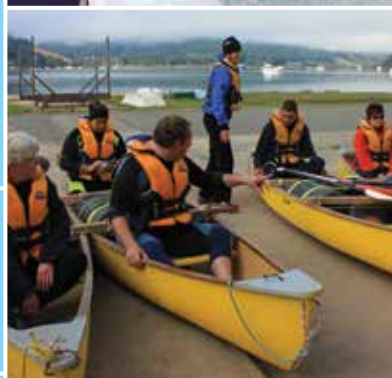
## People

Developing our people



## Participation

Engaging in our community



## Places

Protecting our environment



# Wellington Community Trust

## Facts & Figures 2017/2018

Applications we've received:

### Community Grants

**129**  
27% Declined

### Quick Response Grants

**105**  
28% Declined

Where we've been:

**124**  
Community Outreach Meetings

Allocation of grants across our 3Ps:



**People**  
\$ 816,482



**Places**  
\$ 93,878



**Participation**  
\$ 793,372

48%

5.5%

46.5%

Percentage of applications per region:

31.79%

Whole Region

5.2%

Wellington-Hutt Valley

16.76%

Wellington

2.31%

Wellington-Porirua-Kapiti

7.51%

Hutt Valley

6.36%

Kapiti

0.58%

Hutt Valley-Kapiti

1.16%

Wellington-Kapiti

15.03%

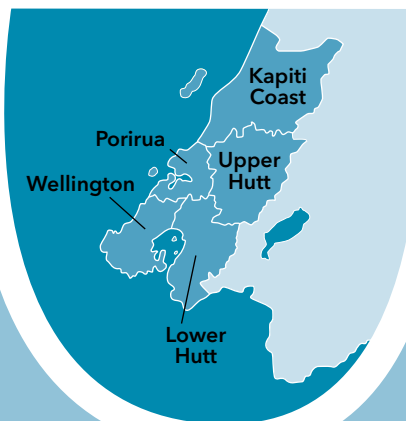
Wellington-Hutt Valley-Porirua

10.40%

Porirua

2.89%

Wellington-Hutt Valley-Kapiti



### Social Media Uptake

followers  
up 627%

organic reach  
up 438%

Auckland	1	
Bay of Plenty	1	
Ōtaki	3	1 Maidstone Upper Hutt
Paraparaumu	11	6 Upper Hutt
Mana Porirua	1	2 Wallaceville
Porirua Central	14	2 Silverstream
Eastern Porirua	4	6 Hutt
North Wellington	6	1 Wingate Hutt Valley
Wellington	47	6 Pomare/Epuni Hutt
Southern Wellington	3	5 Hutt central
Baring Heads	1	1 Alicetown Hutt
	2	2 Petone



*Dawn Sanders ONZM, QSM*

Attending the Wellington Community Trust and Wellington Airport Community Awards, in each region and the final night, has provided many wonderful times, seeing the plethora of projects and enterprises and their resulting effects in all facets of the community has been fantastic and awe-inspiring.

In a world where negative publicity is all too common, giving prominence to the people who make these happen, largely on a voluntary basis, and certainly with commitment, and witnessing their reactions on being given awards, is a thrill in itself. I will miss the opportunity to continue to do this. It has been such a privilege to be on the Wellington Community Trust board.



Wellington Community Awards 2017.  
Photograph by Mark Coote



*Jan Dowland*

The annual Community Awards were always a highlight and served as a reminder of the great work volunteers do, day in and day out, to ensure everyone can participate in the economic, cultural, social and recreational life of their community.

## Community Awards

Total spent community awards	44,000
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### Community Award winners

Category	Upper Hutt	Hutt City	Kapiti	Porirua	Wellington
Health & Wellbeing	Upper Hutt Community Patrol	★ Foster Hope Charitable Trust	Ōtaki Woman’s Community Club	Bodysweat	Victim Support Wellington
Heritage & Environment	Treaty Times Thirty	★ Rimutaka Forest Park Trust	Guardians of the Kapiti Marine Reserve	Friends of Mana Island	Polhill Restoration
Sports & Leisure	NTrailZ	★ Sport Wainuiomata Inc.	Kapiti Basketball Association	Te Ara Moana	WORD – Wellington Off-Road Riding Dept
Arts & Culture	Happy Wanderers	Te Ra o te Raukura Trust	Kapiti Women’s Choir	Virtuoso Strings	Barbarian Productions
Education & Child/Youth Development	Plateau School	Hutt Science	Paraparaumu College’s Societal Environment & Animal Rights Action Group	Porirua Schools Garden	★ Youthline
Rising Star	4 A Better City	JAM After School	★ Coastella Music Festival	Titahi Bay Beach Festival	Hygiene for Homeless
Supreme winners	NTrailZ	Te Ra o te Raukura Trust	Guardians of the Kapiti Marine Reserve	★ Virtuoso Strings	Polhill Restoration
Honourable Mention one-off award	Treaty Times Thirty		Overall winner	Virtuoso Strings	
★ Regional Supreme winners					





## Participation

Initiatives that grow community engagement through participation in artistic, cultural, recreational and sporting activities.



## People

Initiatives that develop our people and their communities, particularly our most vulnerable.



## Places

Initiatives that protect and preserve our natural and physical environments.

## Community Grants

<b>Total 96 community grants</b>	<b>1,310,678</b>
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### Participation

Arcade NZ Live Art Trust	5,000
Arohanui Strings – Sistema Hutt Valley	5,000
Arts Access Aotearoa Whakahaupau Katoa o Hanga	10,000
Asian Events Trust	5,000
Chamber Music New Zealand Trust	10,000
Choirs Aotearoa New Zealand Trust	8,000
Circa Theatre Inc.	15,000
Coastguard Northern Region Incorporated	5,000
College Sport Wellington Inc.	20,000
Creative Capital Arts Trust	40,000
Expressions Arts & Entertainment Trust	50,000
Footnote Dance Trust Board	10,000
Goodtime Foundation	10,000
Ignite Sport Trust	10,000
Kapiti Basketball Association	4,000
Netball Wellington Centre Inc.	10,000
New Zealand Comedy Trust	5,000
New Zealand Festival	200,000
New Zealand Film Festival Trust	8,000
New Zealand Portrait Gallery	5,000
New Zealand Symphony Orchestra	15,000
Orchestra Wellington	20,000
Outward Bound	5,000
Parafed Wellington	10,000
Porirua Whānau Centre Trust – Creekfest	15,000
Project Litefoot Trust	5,000
Royal New Zealand Ballet	9,000
Royal Port Nicholson Yacht Club	10,000
Scouts New Zealand	8,000
Sport Wellington	65,000
Swimming New Zealand Inc.	15,000
Taki Rua Productions Society	10,000
Te Ara Moana Trust Inc.	10,000
The Community Performing Arts Trust	15,000
The Documentary New Zealand Trust	5,000
The Girl Guides Association New Zealand Incorporated	8,000

The Shift Foundation	10,000
Wellington Circus Trust	12,000
Wellington Treasure Trust	7,000
<b>39 community grants – participation</b>	<b>689,000</b>

### People

Age Concern New Zealand	10,000
Age Concern Wellington Inc.	7,000
Alzheimers Wellington Inc.	10,000
Bellyful New Zealand Trust	10,000
Cannons Creek Youth Charitable Trust	10,000
Code Club Charitable Trust	5,000
Common Unity Project Aotearoa	15,000
Community Law Wellington & Hutt Valley	15,000
English Language Partners Porirua	8,000
Father & Child Trust	8,000
Garden To Table	10,000
Holocaust Centre of New Zealand	5,500
Hutt City Women's Refuge	10,000
Incredible Families Charitable Trust	10,000
Kaibosh Food Rescue	15,000
Kapiti Living Without Violence	10,000
Kapiti Youth Support	10,000
Kidz Need Dadz Wellington	12,000
Life Flight Trust	11,800
Māoriland Charitable Trust	25,000
Naenae Youth Charitable Trust	15,000
New Zealand Centre for Gifted Education Ltd	5,000
New Zealand Federation of Multicultural Councils Inc.	10,000
Parent Help Wellington Inc.	10,000
Parents Centres New Zealand Incorporated	20,000
Pregnancy Help Inc. Greater Wellington Branch	20,000
SADD Aotearoa	12,000
Samaritans of Wellington	10,000
Sexual Abuse Prevention Network	10,000
Shakti Ethnic Womens Support Group (WGN) Incorporated	10,000
Te Mana O Kupe	20,000
Te Newhanga Kapiti Community	10,000
The House of Grace Trust Inc.	12,000

The Order of St John Central Region Trust Board	10,000
Upper Hutt Community Youth Trust	10,000
Virtuoso Strings Charitable Trust	10,000
Volunteer Kapiti Incorporated	10,000
WELLfed NZ Trust	10,000
Wellington Boys' and Girls' Institute	10,000
Wellington Hospitals & Health Foundation	5,000
Wellington Night Shelter	10,000
Wellington Rape Crisis	10,000
Wellington Sexual Abuse HELP Foundation	10,000
Wellington SPCA	5,000
Wellington Volunteer Centre	10,000
Wellington Womens Refuge	12,500
Whitireia Community Law Centre	10,000
Women of Worth (WoW)	10,000
Youth Development Trust Wellington	10,000
Zeal Education Trust	10,000
<b>50 community grants – people</b>	<b>543,800</b>

### Places

Conservation Volunteers New Zealand	10,000
EERST	10,878
Karori Sanctuary Trust	10,000
Mountains to Sea Wellington Trust	20,000
Philanthropy New Zealand – Funding for the Environment Study	5,000
Sustainable Coastlines Charitable Trust	7,000
Wellington Marine Conservation Trust	15,000
<b>7 community grants – places</b>	<b>77,878</b>

## Quick Response Grants

<b>Total 50 quick response grants</b>	<b>198,054</b>
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Participation	
African Communities Council of Wellington	2,500
Communities Action Trust NZ (CATNZ)	2,500
Enjoy Trust	5,000
Indian Ink Trust	5,000
Kapiti Chamber Choir Inc.	1,600
Multicultural Council of Wellington	5,000
Nature through Arts Collective Trust	2,000
New Zealand Choral Federation - National	4,500
Nota Bene Incorporated	2,000
Pomegranate Kitchen	5,000
Porirua Grand Traverse Trust	5,000
Sailability Wellington Trust Inc.	5,000
Show Me Shorts Film Festival Trust	5,000
Sir Edmund Hillary Outdoor Pursuits Centre	5,000
Spirit of Rangatahi Charitable Trust	3,000
StarJam Charitable Trust	5,000
Supertonic Inc.	2,500
The Orpheus Choir of Wellington	5,000
The Zimbelstern Foundation	1,000
TS Taupo Sea Cadets Mana	2,647
Upper Hutt City of Song Charitable Trust	3,000
Wainuiomata Little Theatre	2,500
Wellington Chamber Orchestra	2,000
Wellington Group Riding for the Disabled	4,500
Wellington Heritage Week	1,000
Wellington Jazz & Music Festival Trust	5,000
Wellington Photographic Society Inc.	2,125
Wellington Senior Citizens Health & Happiness Association	5,000
Young and Hungry Arts Trust	5,000
<b>39 quick response grants - people</b>	<b>104,372</b>

People	
Big Buddy Mentoring Trust	5,000.00
Birthright Kapiti Inc.	5,000.00
Challenge 2000	5,000.00
Citizens Advice Bureau New Zealand Inc.	4,757.00
Community Research	5,000.00
Disability Information & Equipment Centre	4,482.00
Dress for Success - Wellington	4,360.00
House of Science Wellington Charitable Trust	5,000.00
Inspiring Communities Trust	5,000.00
Karori Youth Centre	3,000.00
Moera Community House Inc.	5,000.00
Ngahuru Charitable Trust	5,000.00
NZ Council of Victim Support Groups	5,000.00
Parent to Parent Wellington Region	5,000.00
SPACE NZ Trust	4,800.00
Te Whare Tiaki Wahine Refuge Charitable Trust	4,703.00
Transition Towns Lower Hutt	4,000.00
Wellington Women's Health Collective	2,580.00
<b>18 quick response grants - people</b>	<b>82,682</b>

Places	
CMT and National Service	5,000
Paekakariki Station Precinct Trust	2,000
Rimutaka Incline Railway Heritage Trust	4,000
<b>3 quick response grants - places</b>	<b>11,000</b>

## MY Children Grants

<b>Total 4 MY Children grants</b>	<b>190,000</b>
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Cohort 1 Y2	
Wesley Community Action	40,000
Women of Worth	40,000
Sustainability Trust	40,000
	<b>120,000</b>

Cohort 2 Y1	
Orongomai Marae	70,000

## Financial Information

Our financial performance	2018	2017
During the year we received income from:		
Investments	4,992,538	5,578,188
Other Income	189,351	176,837
	5,181,889	5,755,025
We used this income for:		
Administration	-544,724	-595,396
Investment Management	-400,270	-365,582
Grants to the Community	-1,958,704	-2,027,740
<b>Leaving a balance to be added to Trust Capital</b>	<b>2,278,191</b>	<b>2,766,307</b>

Our financial position	2018	2017
We began the year with:		
Total Equity	65,396,445	62,630,138
added the surplus for the year	2,278,191	2,766,307
finished with total equity of	67,674,636	65,396,445
This amount is represented by:		
Current Assets	5,099,125	4,500,294
New Zealand Fixed Interest	6,132,211	5,661,462
International Fixed Interest	14,689,957	14,010,769
International Shares	23,861,647	24,081,989
Trans Tasman Shares	8,617,589	7,799,707
Global Property	4,616,028	4,551,224
Infrastructure Fund	5,130,620	5,084,658
Karori Sanctuary Trust	0	99,880
Property, plant, equipment and intangibles	21,324	26,769
Database Project - Loan Advance	0	5,000
	68,168,501	65,821,751
Less Current Liabilities	-44,565	-65,306
Less Non-current Liabilities	-449,300	-360,000
	67,674,636	65,396,445

Please see our website for more information and a copy of the full financial statements for 2017/2018.



# Contact

## Wellington Community Trust

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### Our Trustees

Gerardine Clifford-Lidstone, Chair,  
Jan Dowland, Dawn Sanders QSM, ONZM,  
Liz Kelly, Nick Thomas, Norrey Simmons,  
Clare Needham, Ross Graham (until May 2017),  
Barry Lindsay

### Our Staff

Georgie Ferrari, Chief Executive, Kate Hiatt,  
Community Engagement & Funding Manager,  
Marysia Collins, Communications  
Coordinator & Funding Support

