

Genesis Oncology Trust

Financial Statements

For the Year Ended 30 June 2014

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Genesis Oncology Trust

Trust Directory

For the Year Ended 30 June 2014

DATE OF DEED :

17 May 2002

REGISTERED OFFICE :

Level 1
Genesis Building
P O Box 17188
660 Great South Road
Greenlane
AUCKLAND
New Zealand

TRUSTEES :

Albert George Brantley
Maureen Grant Shaddick
Elizabeth Ann Marshall
Ann Kathleen Richardson
Robert Arthur Jay
Michael Barrett Jameson

TRUSTS CHARITABLE PURPOSE :

- a) to promote research in NZ into the detection, diagnosis and treatment of all forms of cancer and to provide associated training for health professionals;
- b) to promote the provision of palliative care;
- c) to assist hospitals, and associated health care providers with the provision of facilities in relation to oncology;
- d) to promote such other charitable purposes as the trustees may decide.

BANKERS :

Westpac
627 Great South Road
MANUKAU

SOLICITORS :

Taylor Grant Tesiram
P O Box 4039
AUCKLAND

AUDITORS:

Deloitte
P O Box 17
HAMILTON

Genesis Oncology Trust

Statement of Financial Performance

For the Year Ended 30 June 2014

	NOTE	2014 \$	2013 \$
REVENUE			
Interest Received-Current Account		8,893	14,990
Interest Received-Bonds		342,596	493,388
Distribution Shares		67,255	8,208
Interest Received – Shares Rebates		1,480	3,012
Interest Received – Term Deposit		16,284	4,992
Interest Received-ANZ WRAP Account		33,777	31,179
Interest Received-NZD WRAP Account		7,604	4,675
Interest Received-AUD WRAP Account		433	1,373
Interest Received-GBP WRAP Account		-	1
	2	478,322	561,818
Sponsorship Received – Genesis Energy Limited	3	-	200,000
Trust Expenditure Reimbursed	4	9,739	64,415
Donations Received – General		1,067,775	1,122,545
Unrealised Gain-Current Account		-	876
Unrealised Gain-Investment Shares		903,703	1,039,401
TOTAL REVENUE		2,459,539	2,989,055
OPERATING EXPENSES			
Advertising		-	-
Audit Fees		7,700	7,500
Bank Transaction Charges		249	224
Fees-Premium Plus Service		67,807	63,639
Consultants		68,983	64,925
General Expenses – Honorarium		28,407	21,470
Printing		8,235	64,363
Unrealised Loss Current Account		-	947
Unrealised Loss-Investment Shares		312,608	63,587
		493,989	286,655
GRANTS			
Adjustments to Grants Allocated		-	(22,259)
Grants Allocated		1,264,571	1,445,099
TOTAL EXPENSES		1,758,560	1,709,495
RESIDUAL INCOME CURRENT YEAR		700,979	1,279,560

Genesis Oncology Trust

Statement of Movements in Equity

For the Year Ended 30 June 2014

	2014 \$	2013 \$
Opening Equity	13,242,684	11,963,124
Residual Income Current Year	700,979	1,279,560
<u>CLOSING EQUITY</u>	<u>13,943,663</u>	<u>13,242,684</u>

Genesis Oncology Trust

Statement of Financial Position

For the Year Ended 30 June 2014

	NOTE	2014 \$	2013 \$
TOTAL EQUITY		13,943,663	13,242,684
REPRESENTED BY:			
CURRENT ASSETS			
Westpac Current Account		130,728	164,205
Term Deposit		68,147	988,000
Westpac Short Term Deposit Account		2,986	1,004
Westpac Wrap Cash NZD Account		469,811	264,999
Westpac Wrap Cash AUD Account	7	20,018	21,742
ANZ Wrap Cash Account		425,488	391,712
Accounts Receivable – Invoice	6	80,940	314,859
GST Refunds Due		29,911	-
TOTAL CURRENT ASSETS		1,228,029	2,146,521
NON-CURRENT ASSETS			
Accrued Interest – Term Deposit		478	6,605
Investments-Bonds	5	7,823,686	6,805,725
Investments-Shares	5	6,708,737	6,050,130
TOTAL NON-CURRENT ASSETS		14,532,901	12,862,460
TOTAL ASSETS		15,760,930	15,008,981
CURRENT LIABILITIES			
Accounts Payable		8,403	7,500
GST Payable		-	10,036
TOTAL CURRENT LIABILITIES		8,403	17,536
TERM LIABILITIES			
Provision for Grants		1,808,864	1,748,761
TOTAL LIABILITIES		1,817,267	1,766,297
NET ASSETS		13,943,663	13,242,684



Trustee:

12 December 2014

Dated:



Trustee:

12 December 2014

Dated:

Genesis Oncology Trust

For the Year Ended 30 June 2014

1 STATEMENT OF ACCOUNTING POLICIES

These Financial Statements are presented in accordance with Generally Accepted Accounting Practice.

A GENERAL ACCOUNTING POLICIES

The general accounting policies recognised as appropriate for the measurement and reporting of results, and financial position, under the historical cost method have been followed in the preparation of these financial statements.

The Trust promotes the charitable purpose of cancer research and provides assistance to cancer health care providers.

B PARTICULAR ACCOUNTING POLICIES

The following particular accounting policies, which significantly affect the measurement of residual income and financial position, have been applied.

Differential Reporting

The Trust qualifies for differential reporting because it is not large and is not publicly accountable.

The Trust has taken advantage of all differential reporting exemptions with the exception of FRS 19 Accounting for GST.

These financial statements are not prepared under NZ equivalents to International Financial Reporting Standards (NZ IFRS) as the NZ Accounting Standards Board gave a temporary exemption from mandatory conversion for small organisations which fit the criteria for differential reporting.

Income Tax

The Trust has charitable status under the Income Tax Act and is exempt from income tax.

Accounts Receivable

Accounts receivable are stated at estimated realisable value. Amounts not considered recoverable are written off when identified as such.

Genesis Oncology Trust

For the Year Ended 30 June 2014

Investments

The Trust's investment funds have been placed in Westpac's PremiumPlus Service Portfolio in the form of investment bonds and investment shares.

Investment bonds are recorded at cost. Any premium or discount to maturity value is recognised as an interest expense/income over the remaining period to maturity.

Investment income is accounted for on an accrual basis.

Investment shares are initially recorded at cost and subsequently adjusted to fair value. Any fair value adjustments are treated as unrealised gains/losses in the statement of financial performance.

Distributions are recognised as they are received.

Grants & Distributions

Grants are included in the Statement of Financial Performance when approved by Trustees.

Donations Received

Donations are recognised on a cash receipts basis, with the exception of the monthly donations from Genesis Energy customer accounts. This is accrued at year end.

Sponsorship Received

Sponsorship funding is recognised on an accruals basis as per sponsorship agreements.

Goods and Services Tax

All revenue and expense transactions are recorded net of GST. Where applicable, all assets and liabilities have been stated net of GST with the exception of receivables and payables which are stated inclusive of GST.

Genesis Oncology Trust

For the Year Ended 30 June 2014

Foreign Currencies

Foreign currency transactions are recorded at the exchange rates in effect at the date of the transaction.

Financial Instruments

All financial instruments are recognised in the Statement of Financial Position. The Trust has not entered into any off-balance sheet instruments. The fair value of the financial instruments represents the carrying value of these items as recorded in the financial statements. The maximum exposure to credit risk is represented by the carrying value of each financial asset in the Statement of Financial Position.

C CHANGES IN ACCOUNTING POLICIES

There have been no changes to accounting policies throughout the year.

D COMPARATIVES (PRIOR PERIOD ERROR)

The results and position of the Trust for the prior year have been restated as a result of an error in the Portfolio Reports as at June 2013 for Investment Shares and Bonds. The error was detected in the current financial year. In accordance with Generally Accepted Accounting Practice the comparative figures affected by the error have been restated. The impact of the error was that Interest Received – Bonds was overstated by \$78,555 and Unrealised Gain – Investment Shares was understated by \$15,505. The corresponding statement of financial position lines were Investment – Bonds and Investment – Shares respectively.

Genesis Oncology Trust

For the Year Ended 30 June 2014

	2014	2013
	\$	\$
2 INTEREST RECEIVED		
Westpac Current Account	8,893	14,990
WRAP Cash Accounts	41,814	37,228
Westpac Investment Accounts	16,284	4,992
Investment Portfolio	411,331	504,608
	<u>478,322</u>	<u>561,818</u>

The Westpac current account interest rate has ranged between 2.07% – 2.75% (2013: 2.07% – 2.11%). Investment portfolio coupon interest rates ranged from 3.7% - 7.75% (2013: 3.3% - 8.5%).

3 SPONSORSHIP REVENUE

As per the Genesis Energy Limited sponsorship agreement with the Trust the annual amount of sponsorship for the year ended 30 June 2014 was \$0.00 (2013: \$200,000).

4 RELATED PARTIES

In addition to the sponsorship transaction above, Genesis Energy Limited facilitates its customers making donations via their monthly energy accounts. The receivable from Genesis Energy Limited is disclosed in Note 6.

Genesis Energy Limited paid expenses incurred by the Trust for the year ended 30 June 2014 of \$9,739 (2013: \$64,415).

Genesis Energy Limited provides the Trust with accounting and administrative support free of charge.

Albert Brantley is the Chief Executive of Genesis Energy Limited and the Chairman of the Trust. Maureen Shaddick is the General Counsel and Company Secretary of Genesis Energy Limited and is the Deputy Chair of the Trust.

As part of the investment portfolio, the Trust holds \$0.00 (2013: \$308,910) of Genesis Energy Limited Capital Bonds. The loss on the Genesis Energy Limited Capital Bonds recorded in the Statement of Financial Performance for the year ended 30 June 2014 was \$10,140 (2013: \$19,730 loss).

Genesis Oncology Trust

For the Year Ended 30 June 2014

5 INVESTMENTS

All of the investments held by the Trust are publicly traded bonds and shares. The total carrying value is \$14,532,421 (2013: \$12,918,905), with a face value of \$14,532,423 (2013: \$12,855,855). The maturity date of the bonds extends to December 2036 (2013: May 2041). The coupon rates range from 3.7% to 7.75% (2013: 3.3% to 8.5%).

	\$	\$
6 ACCOUNTS RECEIVABLE		
Related Party Receivables		
Donations Receivable from Genesis Energy Ltd Customers	80,940	84,859
Genesis Energy Limited Sponsorship	-	230,000
	<u>80,940</u>	<u>314,529</u>

7 FOREIGN CURRENCIES

As at 30 June 2014 the Trust had AUD \$18,655 (NZD equivalent \$20,018) in its Westpac Wrap AUD Cash Account (2013: AUD \$18,265, NZD equivalent \$21,742).

8 EVENTS OCCURRING AFTER BALANCE DATE

There have been no significant events subsequent to balance date.



**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF
GENESIS ONCOLOGY TRUST**

Report on the Financial Statements

We have audited the financial statements of Genesis Oncology Trust on pages 2 to 9, which comprise the statement of financial position as at 30 June 2014, and the statement of financial performance, and statement of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Trustee's Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of financial statements; in accordance with generally accepted accounting practice in New Zealand, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates, as well as the overall presentation of the financial statements.

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

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

Opinion

In our opinion, the financial statements on pages 2 to 9 present fairly, in all material respects, the financial position of and group as at 30 June 2014, and its financial performance for the year ended on that date in accordance with generally accepted accounting practice in New Zealand.

Chartered Accountants
12 December 2014
New Zealand

This audit report relates to the financial statements of Genesis Oncology Trust for the year ended 30 June 2014 included on Genesis Oncology Trust's website. The Trustees is responsible for the maintenance and integrity of Genesis Oncology Trust's website. We have not been engaged to report on the integrity of the Genesis Oncology Trust's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 12 December 2014 to confirm the information included in the audited financial statements presented on this website. Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.