



VIETNAM VETERANS AND THEIR FAMILIES TRUST

ANNUAL REPORT

FOR THE PERIOD 1 JULY 2016 - 30 JUNE 2017

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INTRODUCTION

The Viet Nam Veterans and Their Families Trust (Trust) was established on 16 August 2007 by the New Zealand Government together with veterans' organisations. The Trust provides grants to Viet Nam veterans and their families for purposes set out in the Trust Deed. These grants are additional to any existing entitlements, under the Veterans' Support Act 2014.

The Trust was established with a capital endowment of \$7 million for a 30 year period. During that time, the net income derived from the capital is available for distribution to veterans and their families under the provisions of the Trust Deed.

Administration of the Trust is provided by the Department of Internal Affairs (Department) and is separately funded by the Government at no cost to the Trust.

OBJECTIVES OF THE TRUST

The objectives of the Trust are set out in the Trust Deed. The Trust provides support to Viet Nam veterans and their families mainly for relief from poverty or hardship through one-off grants.

The Trust Deed is available from the Department of Internal Affairs email trusts@dia.govt.nz.

TRUSTEES

While the Trust is administered by the Department, it is independent of the Government. The Trustees are governed by the provisions of the Trust Deed, and have strong accountability links to the community of veterans for whom the Trust was established.

The Trustees consider all applications received by the Trust and decide, based on each application's merit, whether to make a grant and, if so, for how much.

In addition, it is the role of the Trustees to invest the \$7 million capital to ensure that it is both secure and generates optimal income for the beneficiaries of the Trust and to comply with the provisions of the Trust Deed.

There are a minimum of three and a maximum of five Trustees. The appointment of Trustees is decided by the following:

- Minister of Veterans' Affairs and Minister of Defence – one Trustee, and the Chairperson;
- New Zealand Vietnam Veterans Association (NZVVA) – two Trustees; and
- Royal New Zealand Returned and Services' Association (RNZRSA) – two Trustees.

The Trustees between 1 July 2016 and 30 June 2017 were:

- Philippa Smith Lambert (Chair to 26 June 2017)
- Lindsay Pope (Chair from 27 June 2017)
- Pamela Miley-Terry – VVA appointee
- Michael Dudman – RSA appointee
- Graham Gibson – VVA appointee
- Robert (Bukit) Hill (to 26 November 2016) – RSA appointee
- Patrick (Pat) Duggan (from 27 November 2017) – RSA appointee.

SETTLORS

The Minister of Veterans' Affairs and the Minister of Defence, acting on behalf of the Government of New Zealand, are the Settlers of the Trust. They have responsibilities relating to the establishment or disestablishment of the Trust, and maintain the appointment of the Chairperson and one Trustee, until the settlement repayment date, 2037.

ALLOCATION MEETINGS

The fund is open all year. From 1 July 2016 to 30 June 2017, the Trustees met face-to-face five times on the following dates:

- 30 August 2016 (distribution of grants)
- 26 November 2016 (distribution of grants)
- 27 November 2016 (Annual General Meeting)
- 6 March 2017 (distribution of grants)
- 12 June 2017 (distribution of grants)

In addition, Trustees considered urgent applications by teleconference seven times during the year.

AMOUNT ALLOCATED

In the 2016/17 financial year the Trustees allocated \$251,626 in one-off grants to Viet Nam veterans and their families.

A grant summary is available in the Chair's Report on pages four, five, six and seven of this report.

CHAIR'S REPORT

It is my pleasure to present the 2016/17 Report on behalf of the Trustees.

HIGHLIGHTS

Since it was established in 2007, the Trust has distributed \$2,988,779. This was made up of:

• 1 July 2016 to 30 June 2017	\$251,626
• 1 July 2015 to 30 June 2016	\$172,890
• 1 July 2014 to 30 June 2015	\$261,267
• 1 July 2013 to 30 June 2014	\$211,640
• 1 July 2012 to 30 June 2013	\$259,976
• 1 July 2011 to 30 June 2012	\$239,237
• 1 July 2010 to 30 June 2011	\$282,206
• 1 July 2009 to 30 June 2010	\$255,650
• 1 November 2008 to 30 June 2009	\$174,110
• 1 November 2007 to 31 October 2008	\$880,177

The large disbursement in the first year of the Trust's operations was due to the Government providing (in addition to the \$7 million capital) an initial sum of \$350,000 to distribute from day one. At that time, interest rates were also high, generating higher annual income for the Trust to distribute.

Apart from a small provision for Trust expenses, income is distributed to veterans and their families.

OTHER FUNDING SOURCES

From time to time we ask applicants either to approach, or for permission for us to approach, other sources of funding such as the New Zealand Viet Nam Veterans Association (Neville Wallace Memorial Children's and Grandchildren's Trust), the Lottery Individuals with Disabilities Committee or Veterans' Affairs NZ. While this can cause delays, applicants' needs can sometimes be better matched with particular grants from one of these organisations. We realise that none of these organisations have unlimited funding but of course the more we can tap other sources of funding, the further we can make the Trust money stretch, and the more members of the Viet

Nam veterans' community we can help. We will continue to grow these networks to achieve the best outcome possible for grant applicants. We continue to work with RNZRSA, NZVVA and the Department (the Trust's administrator) to provide updated and easy website access to information for potential applicants for grants from the Trust.

THE ROLE OF THE TRUST

The Viet Nam Veterans and Their Families Trust is a unique entity. The Trust has been providing one-off grants for the relief of poverty and hardship to Viet Nam veterans and their families since it was established in 2007. In performing this role we look to maintain the confidence of those in the veterans' community who negotiated the Memorandum of Understanding with Government in 2006 and 2007.

In the last ten years the Trust has made a large number of grants to Viet Nam veterans and their families and we have attached a series of graphs and tables (in Appendix 1) to provide the veterans' community with a clear picture about the levels and types of grants made by the Trust to date. Please note that the information in Appendix 1 is based on a January to December calendar year rather than the July to June year used for the Trust's financial statements.

INVESTMENT STRATEGY

The Trustees have been concerned that the projected income from the Trust would be relatively static over the 30 year period. This works well when the demand is static over the same period. However the average age of veterans is 71 and their need for assistance is increasing. In the short to medium term it is likely that the Trust will end up with significantly more requests for assistance than funds available to allocate.

The Trustees appointed Don Lewthwaite of First New Zealand Capital, as the Trust's external investment advisor in 2015 and following his advice implemented a diversified conservative investment strategy on 1 July 2015.

Veterans should note that changes to the investment strategy affect the investment risk profile of the Trust. In general, investments in shares tend to perform better than fixed term investments over time but have more volatile short-term earnings. This means that with the implementation of a more diversified investment strategy the Trust's investment profile is likely to produce (over time) higher earnings but the amounts available for regular distribution to veterans and their families may vary quarter to quarter during any year.

In implementing the new investment strategy in 2015 the Trustees weighed these factors together with the need for long-term preservation of the \$7 million capital invested.

FUTURE GRANTS

As has been the case in prior years, the Trust will continue to endeavour to make the current investment income go as far as possible among the veterans' community. In

order to achieve this, the Trustees may have to restrict the size of individual grants. However, in coming to any decision, the Trustees will continue to take into account not only an applicant's situation, but the needs of other veterans and their families, some in very difficult circumstances, needing help, as well as the Trust's limited annual income.

As noted above, we expect the level of applications for grants from the Trust to rise in the next few years as veterans' health and associated financial circumstances deteriorate. For this reason we are endeavouring to gather data on veterans so we can raise the profile of the Trust throughout the veterans' community and more closely target the one-off grants to those most in need.

As you will note from the information in Appendix 1 a significant number of applicants need help to stay independent and in their own homes. We strive to provide a meaningful contribution to those desired outcomes.

There are fluctuations in the number of applications for grants from the Trust each year and I encourage members of the veterans' community to talk to fellow veterans and their families about the Trust and encourage those in need to either make an application or discuss their situation with an RSA or NZVVA advisor.

2016 ANNUAL GENERAL MEETING

The AGM held in Christchurch on 27 November 2016 provided a great forum for discussion and feedback on the Trust's operations during the year and the AGM was an opportunity for Viet Nam veterans and their families to meet the Trustees face to face.

During the AGM the Trustees answered a number of questions. These included a question about the time veterans have to wait for an application to be considered by the Trust where the need for assistance is very urgent. The Trustees explained the Trust can and does consider applications between meetings where the circumstances were very urgent. The Trustees also talked about the need to spread assistance across the veterans' community rather than just to the same families. The particular needs of widows of veterans who are often isolated and do not know about the assistance available was also raised. The Trustees emphasised that veterans need to support widows in their community and requested that veterans raise awareness of the Trust with those people most in need.

I am most appreciative of the contribution of my fellow Trustees for their dedication and energy in carrying out their trustee duties and the hard work of the Department's staff who administer the Trust.

Bukit Hill stepped down as a Trustee of the Trust at the Annual General Meeting and I would like to thank him on behalf of all the Trustees for his hard work and wise counsel during his term. The NZRSA appointed Pat Duggan from Christchurch to take his place as Trustee.

I have also completed my term as Chair of the Trust and I thank you all for your support and the opportunity to work with the veterans' community. I feel privileged to have been able to contribute to this community.

Lindsay Pope was appointed as the new Chairperson by the settlers of the Trust. Lindsay has considerable experience as a Trustee and an interest in promoting the wellbeing of veterans.

I acknowledge the assistance received for our families from the Lottery Individuals with Disabilities Committee and Veterans' Affairs NZ.

The Trust looks forward to the year ahead in supporting Viet Nam Veterans and their families.

A handwritten signature in black ink, appearing to read 'PSL', with a stylized flourish at the end.

Philippa Smith Lambert (Chair)
Viet Nam Veterans and Their Families Trust

Viet Nam Veterans and their Families Trust

Performance Report

For the year ended
30 June 2017

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Viet Nam Veterans and their Families Trust

Entity Information

For the year ended
30 June 2017

Legal Name	Viet Nam Veterans and their Families Trust
Type of Entity and Legal Basis	The Trust was established 16 August 2007 by deed. It is a registered charity.
Registration Number:	CC21368

BACKGROUND

The Viet Nam Veterans and their Families Trust (Trust) provides grants to Viet Nam veterans and their families to assist with relief from poverty and/or hardship. Grants are additional to any existing entitlements (under the War Pensions Act 1954 and the Veterans Support Act 2014) to which Viet Nam veterans may be entitled.

The Trust was established in 2007 by the Government with a capital endowment of \$7 million for a 30 year period. In 2037, the Trust Deed requires the original capital endowment to be repaid.

During the 30 year period, Trustees will invest capital, with net income earned being made available to veterans and their families under the provisions of the Trust Deed.

Decisions of the Trustees are made independently of Government with strong accountability links directly to the veterans.

The Trust is administered by the Department of Internal Affairs and this administration is separately funded by the Government at no cost to the Trust.

MISSION/WHAKATAKANGA

The Trust Deed defines the Trust's purpose to be the relief from poverty or hardship of veterans and their families and other matters beneficial to the community of veterans and their families.

The Trust aims to make day-to-day life easier for Viet Nam veterans and their families who are struggling. In deciding whether or not to make a grant, the Trustees look to see the benefit a grant would make to someone's life.

STRUCTURE

Settlement Repayment Date

31 May 2037

Settlor

Her Majesty the Queen in right of New Zealand acting through the Minister of Defence and the Minister of Veterans' Affairs, acting on behalf of the Government of New Zealand, are the Settlers of the Trust. They have responsibilities on issues relating to the establishment or disestablishment of the Trust, and maintain the appointment of one Trustee and the chairperson until the settlement repayment date.



Viet Nam Veterans and their Families Trust

Entity Information

For the year ended
30 June 2017

Trustees

Trustees are subject to the Trust Deed and the Trustee Act 1956.

There are a minimum of three and a maximum of five Trustees.

The RNZRSA appoints two Trustees.

The NZVVA appoints two Trustees.

The Settlor, RNZRSA and NZVVA may appoint a replacement Trustee at any time.

If the Trust continues past repayment date (2037) the power of appointment of a further Trustee is vested in the New Zealand Viet Nam Veterans Association (NZVVA) and the Royal New Zealand Returned Services' Association (RNZRSA).

MAIN SOURCES OF CASH AND RESOURCES

An endowment of \$7,000,000 was received from the Crown when the Trust was established, to be held by the Trustees for a period of thirty years. The settlement repayment date is 31 May 2037.

MAIN METHODS USED TO RAISE FUNDS

Income is generated from the investment of the capital in accordance with the Trust Deed.

SERVICES PROVIDED TO THE TRUST BY THE GOVERNMENT UNDER THE MEMORANDUM OF UNDERSTANDING

The Department of Internal Affairs has an obligation to provide administrative and accounting support to the Trust.

Contact details

Physical Address:

Viet Nam Veterans and their Families Trust
Department of Internal Affairs
147 Lambton Quay
Wellington 6140

Postal Address:

P O Box 805
Wellington 6140

Email/Website:

<http://www.dia.govt.nz>

Viet Nam Veterans and their Families Trust

Statement of Service Performance

For the year ended

30 June 2017

Impact: Vietnam Veterans and their families are assisted with relief from poverty and/or hardship

What the Trust is seeking to achieve

The Trust aims to help:

- make day-to-day life easier for Viet Nam veterans and their families who are struggling
- make a positive difference to the lives of the recipients

What will be done to achieve this

The Trust provides grants to Viet Nam veterans and their families (i.e. to veterans, their wives/partners, children and grandchildren who live in New Zealand or overseas). Applicants must be New Zealand Viet Nam veterans, or family members of New Zealand Viet Nam veterans. Priority will be given to cases where there is an immediate or obvious need or hardship. Applicants may live outside New Zealand.

Applicants can apply to the Trust more than once, even if they have received a grant before.

The Trustees look to see the benefit a grant would make to someone's life.

Outcome

This Fund contributes to the following outcome:

The relief from poverty or hardship of veterans and their Families and other matters beneficial to the community of veterans and their Families.

Grants distributed to veterans and the veterans' community have made a positive difference to the lives of the recipients.

Measuring Progress

Applicants who receive grants from the Viet Nam Veterans and their Families Trust are expected to use Trust funding received according to their grant notification letter.

Public meeting

The Trust is required to hold a public meeting once every calendar year. The trustees present their annual report and statement of investment policy and objectives at this meeting. All veterans and their families are invited to attend to find out more about the Trust and to talk to the Trustees. Meetings are held at a different RSA each year.

Description and Quantification of the Trust's Outputs:	Actual	Actual
	2017	2016
	\$	\$
Grants approved	251,626	172,890



Viet Nam Veterans and their Families Trust

Statement of Financial Performance

For the year ended
30 June 2017

	Actual 2017 \$	Actual 2016 \$
Revenue		
Interest - bank deposits and cash	46,735	79,796
Interest - fixed term investments	153,251	138,822
Dividends	134,015	108,980
Total Revenue	334,001	327,598
Expenses		
Trustee fees	8,481	8,950
Trustee travel & accommodation expenses	13,185	7,869
Audit fee	5,344	5,220
Brokerage	6,811	36,928
Amortisation of premiums/discounts	51,648	56,764
Other expenses	132	133
Total Expenses	85,601	115,864
Net income before grants & gains and losses on investments	248,400	211,734
Grants made	251,626	172,890
Grants cancelled/refunded	(62)	-
Net Grants	251,564	172,890
Realised gain on sale of investments	2,468	966
Unrealised gain on revaluation of investment portfolio	457,365	134,159
Surplus for the Year	456,669	173,969

The accompanying notes are an integral part of this performance report.



Viet Nam Veterans and their Families Trust

Statement of Financial Position

As at
30 June 2017

	Note	Actual 2017 \$	Actual 2016 \$
Assets			
Current Assets			
Bank accounts	1	117,281	67,463
Short term investments	2	766,641	872,409
Accrued interest and dividends		45,933	42,456
Total Current Assets		929,855	982,328
Non-Current Assets			
Shares in listed equities	2	3,407,070	2,949,970
Long term investments	2	3,388,496	3,306,268
Total Non-Current Assets		6,795,566	6,256,238
Total Assets	8	7,725,421	7,238,566
Liabilities			
Current Liabilities			
Creditors and accrued expense		9,069	4,983
PAYE on schedular payments		475	739
Grants payable		35,915	9,550
Total Current Liabilities		45,459	15,272
Non-Current Liabilities			
Settlement - repayment due 31 May 2037	4	7,000,000	7,000,000
Total Non-Current liabilities		7,000,000	7,000,000
Total Liabilities		7,045,459	7,015,272
Total Assets less Total Liabilities (Net Assets)		679,962	223,293
Accumulated Funds			
Capital		-	-
Accumulated surpluses		679,962	223,293
Reserves		-	-
Total Accumulated Funds	3	679,962	223,293

The accompanying notes are an integral part of this performance report.



Viet Nam Veterans and their Families Trust

Statement of Cash Flows

For the year ended
30 June 2017

	Note	Actual 2017 \$	Actual 2016 \$
Cash Flows from Operating Activities			
Cash was received from:			
Interest		194,688	192,554
Dividends		135,836	97,099
Grants refunded		62	-
Cash was applied to:			
Payments of expenses		30,131	57,905
Grants paid		225,262	186,400
Net Cash Flows from Operating Activities		75,193	45,348
Cash flows from Investing and Financing Activities			
Cash was received from:			
Receipts from investments maturing		1,264,212	6,555,858
Cash was applied to:			
Investments made		1,289,587	10,106,143
Net Cash Flows from Investing and Financing Activities		(25,375)	(3,550,285)
Net Increase / (Decrease) in Cash		49,818	(3,504,937)
Opening Cash		67,463	3,572,400
Closing Cash		117,281	67,463
This is represented by:			
*Bank Accounts	1	117,281	67,463

The accompanying notes are an integral part of this performance report.



Viet Nam Veterans and their Families Trust

Statement of Accounting Policies

For the year ended
30 June 2017

Basis of Preparation

The Viet Nam Veterans and their Families Trust has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared on the assumption that the entity will continue to operate in the foreseeable future.

Presentation Currency and Rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar.

Goods and Services Tax (GST)

The Viet Nam Veterans and their Families Trust is not registered for GST, therefore amounts recorded in the Performance Report are inclusive of GST (if any).

Taxation

The Viet Nam Veterans and their Families Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions. The Trust was registered as a Charitable entity under the Charities Act 2005 on 23 May 2008. The Trust holds a certificate of exemption from Resident Withholding Tax.

Measurement Base

The financial statements have been prepared on an historical basis.

Bank Accounts

Bank accounts comprise cash balances, bank balances and short term deposits with original maturities of 90 days or less.

Statement of Cash Flows

Operating activities include all activities other than investing activities. The cash inflows include all receipts of interests from investments and other sources of revenue that support the Trust's operating activities. Cash outflows include payments made for grants and suppliers.

Investing activities are those activities relating to the acquisition and disposal of current and non-current securities.

Revenue: Interest

Revenue is recognised as it accrues, using the effective interest method.

Revenue: Dividends

Dividend income is recognised on the date that the Trust's rights to receive payment are established, which in the case of quoted securities is the ex-dividend date.



Viet Nam Veterans and their Families Trust

Statement of Accounting Policies

For the year ended
30 June 2017

Financial Instruments

The Trust is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, creditors and investments. All financial instruments are recognised in the statement of financial position and all revenue and expenses in relation to financial instruments are recognised in the statement of financial performance. The carrying value of these assets approximates their fair value.

Financial Assets

Within the scope of NFP PBE IPSAS 29 Financial Instruments: The Trust's financial assets are classified as either financial assets at fair value through surplus or deficit, or loans and receivables. The Trust's financial assets include: bank accounts and investments.

All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

Financial assets at fair value through surplus or deficit.

Financial assets at fair value through surplus or deficit include items that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition. The Trust's equity investments fall into this category of financial assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Trust's bank accounts, bank fixed term deposits, receivables from non-exchange transactions and receivables from exchange transactions fall into this category of financial assets.

Investments

Investments held at fair value:

Customarily fixed term investments are held to maturity. These investments are recorded at the current market value. The discount or premium arising from the purchase of an investment is amortised over the term to maturity on a straight line basis.

Shares are generally held long term. These investments are recorded at the current market value.

Any gains and write-downs are recognised in the Statement of Financial Performance.

Investments held at cost:

Cash deposits are recorded at cost.

Short term investments are investments maturing within 12 months of the reporting date.

Financial Liabilities

The Trust's financial liabilities include trade and other creditors and Fellowship grants payable.

Trade and other creditors and Fellowship grants payable are non-interest bearing and payments are within the normal terms: therefore the carrying value approximates their fair value.

Viet Nam Veterans and their Families Trust

Statement of Accounting Policies

For the year ended
30 June 2017

Expenditure

Administration costs are costs borne by the Trust and are recognised on receipt of invoice.

Grants Approved

Grants approved by the Trustees in the financial period are recognised as an expense in the Statement of Financial Performance. The grants are discretionary and not subject to any substantive conditions. Grants are recognised as expenditure when they have been both approved by the Trustees and the recipient has accepted

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. There are no interest rate options or interest rate swap options in place as at 30 June 2017 (2016 - nil). The Trustees do not consider that there is any significant interest exposure on the Trust's investments.

Foreign Currency Risk

All grants are paid in New Zealand currency. All expenditures are made in New Zealand dollars. Any currency movement would have no effect on the Trust.

The Trust has an exposure to foreign currency risk as it holds a number of Australian shares. The dividends on those shares are paid in foreign currency.

Loan Payable

The Trust was endowed with \$7,000,000 by the NZ Government for a defined period for the purpose of generating income. The loan is repayable on 31 May 2037 without any income or excess capital amount. The loan is recognised as a non-current liability in the Statement of Financial Position.

Tier 2 PBE Accounting Standards Applied

PBE IPSAS29

The carrying cost of investment assets is at fair value. The fair value of equity investments and held to maturity investments is based on the market valuation quoted at the reporting date. Surpluses and deficits are shown in the Statement of Financial Performance. Fixed term investments are generally held until maturity and are recorded at amortised cost. Shares are generally held with a long term perspective and are held at fair value.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year (2016 - nil).



Viet Nam Veterans and their Families Trust

Notes to the Performance Report

For the year ended
30 June 2017

Note 1: Analysis of Bank Accounts

	2017	2016
	\$	\$
*Bank Accounts		
BNZ Bank - cheque account	41,644	10,777
BNZ Bank - call account	75,637	56,686
Total Bank Accounts	117,281	67,463

Note 2: Analysis of Investments

	2017	2016
	\$	\$
Short Term Investments		
Bank fixed term deposits maturing < 12 months	150,000	400,000
Bonds and Debentures maturing <12 months	616,641	472,409
Total Short Term Investments	766,641	872,409

	2017	2016
	\$	\$
Shares in Listed Equities	3,407,070	2,949,970

	2017	2016
	\$	\$
Long Term Investments		
Bank fixed term deposits maturing > 12 months	1,365,000	600,000
Bonds and Debentures maturing > 12 months	2,023,496	2,706,268
Total Long Term Investments	3,388,496	3,306,268

	2017	2016
	\$	\$
TOTAL INVESTMENTS	7,562,207	7,128,647



Viet Nam Veterans and their Families Trust

Notes to the Performance Report

For the year ended
30 June 2017

Note 3: Accumulated Funds

2017				
Description	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	-	223,293	-	223,293
Surplus		456,669		456,669
Closing Balance	-	679,962	-	679,962

2016				
Description	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	-	49,324	-	49,324
Surplus		173,969		173,969
Closing Balance	-	223,293	-	223,293

Note 4: Settlement of Endowment

An endowment of \$7,000,000 was received from the Crown when the Trust was established, to be held by the Trustees for a period of thirty years. The settlement repayment date is 31 May 2037. The Trustees may invest all or any of the \$7 million Trust Fund in accordance with the Trust Deed and the Statement of Investment Policies and Objectives. On settlement repayment date the settlement amount is to be repaid to the Settlor without any interest.



Viet Nam Veterans and their Families Trust

Notes to the Performance Report

For the year ended

30 June 2017

Note 5: Commitments and Contingencies

Commitments

There are no commitments as at balance date (2016 - nil).

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (2016 - nil).

Note 6: Related Party Transactions

Related Party Disclosures:

Related Parties are persons who are related to the Trust or to Trustees or they may be entities who are controlled by a Trustee, or are substantially controlled or owned by a Trustee.

There were no transactions involving related parties during the financial year (2016 - nil).

Note 7: Events After Balance Date

Events After the Balance Date:

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (2016 - nil).



Viet Nam Veterans and their Families Trust

Notes to the Performance Report

For the year ended
30 June 2017

Note 8: Categories of financial assets and liabilities

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

	2017	2016
	\$	\$
Financial assets		
<i>Financial assets at fair value through surplus or deficit</i>		
Shares in listed equities	3,407,070	2,949,970
Bonds and debentures	2,640,137	3,178,677
<i>Loans and receivables</i>		
Cash and cash equivalents	117,281	67,463
Receivables from exchange transactions	45,933	42,456
Fixed term deposits	1,515,000	1,000,000
Total Financial Assets	7,725,421	7,238,566
	2017	2016
	\$	\$
Financial liabilities		
<i>At amortised cost</i>		
Trade and other creditors	44,984	14,533
Loans and borrowings	7,000,000	7,000,000
Total Financial Liabilities	7,044,984	7,014,533



Viet Nam Veterans and their Families Trust

Statement of Responsibility

For the year ended
30 June 2017

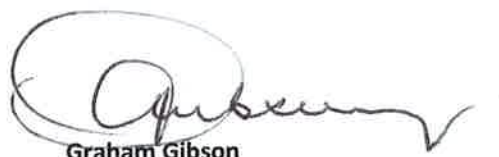
The Trustees are responsible for the preparation of the Viet Nam Veterans & their Families Trust financial statements and the judgements made in them.

In the Trustees' opinion, these financial statements fairly reflect the financial position and operations of the Viet Nam Veterans & their Families Trust for the year ended 30 June 2017.

Signed on behalf of the Trust:



Lindsay Pope
Chair



Graham Gibson
Trustee

27 September 2017

Independent Auditor's Report

Audit**Grant Thornton New Zealand Audit Partnership**

L15, Grant Thornton House
215 Lambton Quay
PO Box 10712
Wellington

T +64 (0)4 474 8500

F +64 (0)4 474 8509

www.grantthornton.co.nz

To the Trustees of the Viet Nam and their Families Trust**Report on the Performance Report****Opinion**

We have audited the performance report of the Viet Nam Veterans and their Families Trust on pages 1 to 13, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 30 June 2017, the statement of financial position as at 30 June 2017, and notes to the performance report, including statement of accounting policies and other explanatory information.

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the accompanying performance report presents fairly, in all material respects:
 - the entity information for the year then ended;
 - the service performance for the year then ended; and
 - the financial position of Viet Nam Veterans and their Families Trust as at 30 June 2017 and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand)

(ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of Viet Nam Veterans and their Families Trust in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* 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.

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

Responsibilities of the Trustees for the Performance Report

The Trustees are responsible for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) the preparation and fair presentation of the performance report on behalf of the trust which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and

- (c) for such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible on behalf of Viet Nam Veterans and their Families Trust for assessing the trusts 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 Viet Nam Veterans and their Families Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report is 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) and ISAE (NZ) 3000 (Revised) 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 economic decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction on use of our report

This report is made solely to the Trustees and beneficiaries of the Viet Nam Veterans and their Families Trust as a collective body. Our audit work has been undertaken so that we might state to the Trustees and beneficiaries as a collective body those matters which we are required to state to them in our audit 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 Viet Nam Veterans and their Families Trust and Trustees as a collective body, for our audit work, for this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Partnership



B Kennerley

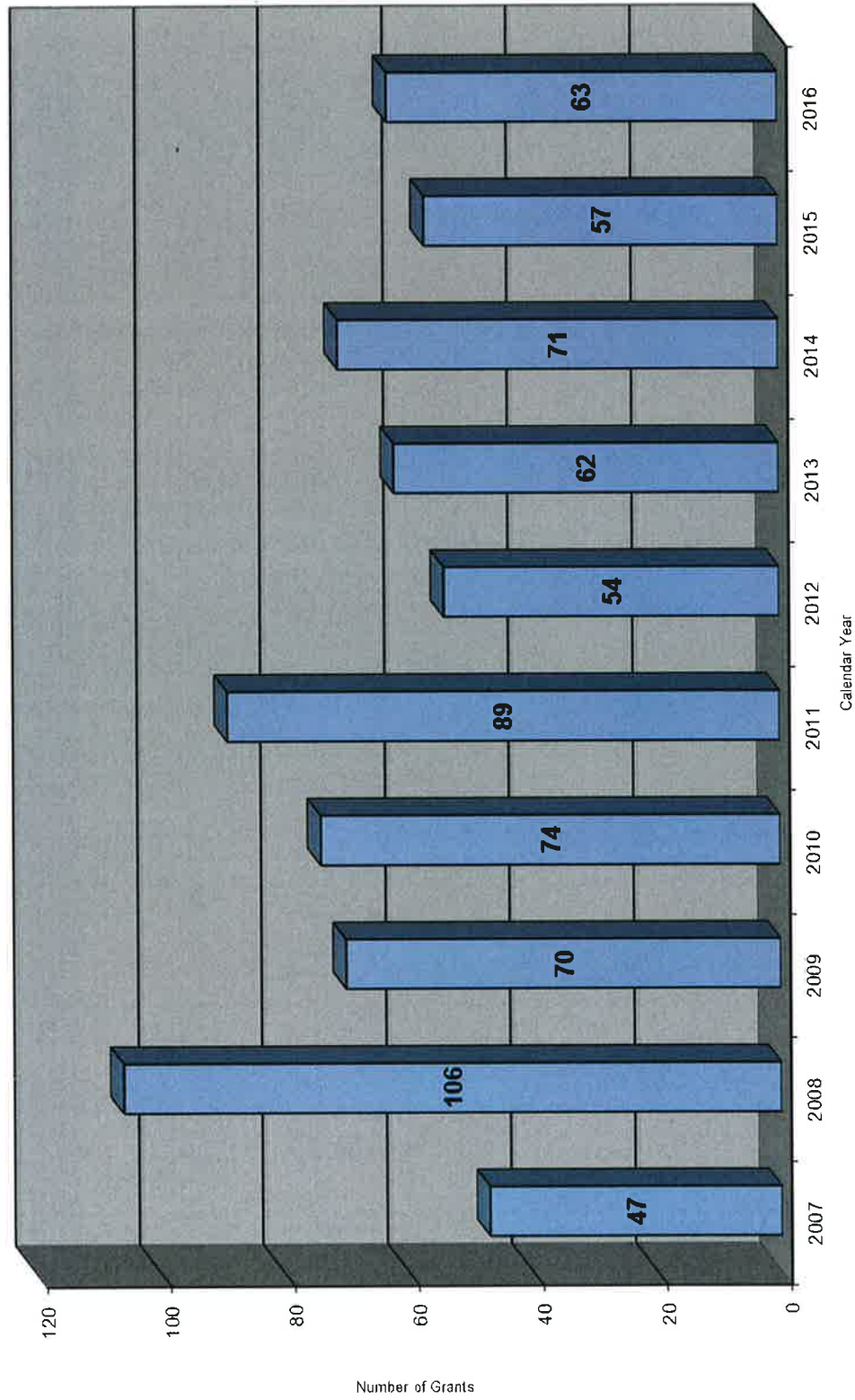
Partner

Wellington

27 September 2017

Appendix 1

Viet Nam Veterans and Their Families Trust
Number of Grants per Calendar Year 2007-2016



Viet Nam Veterans and Their Families Trust

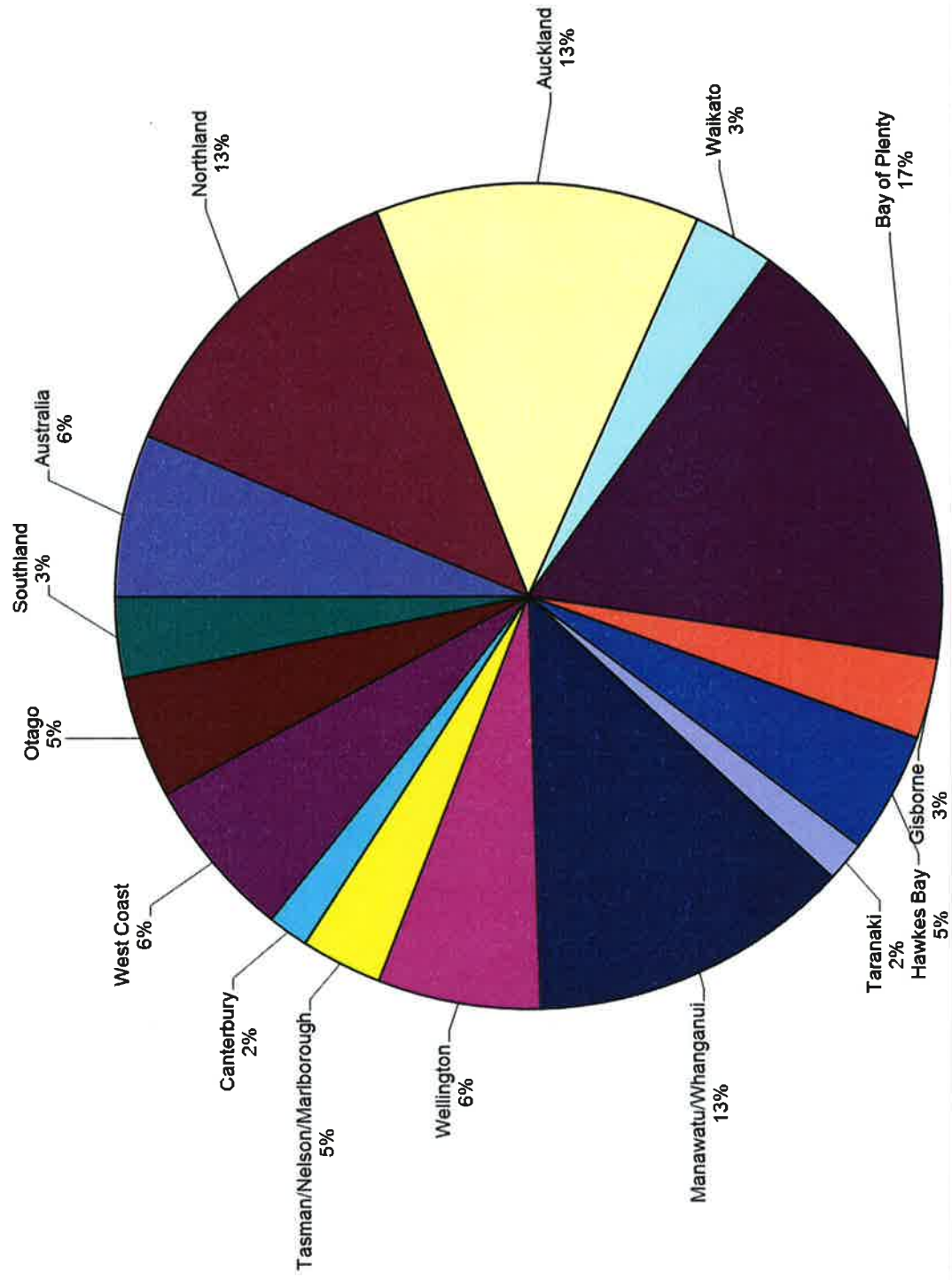
Value of an average grant 2007-2016

Calendar Year	Number of Grants	Total Amount Granted \$	Value of Average Grant \$
2007	47	414,213	8,813
2008	106	570,757	5,385
2009	70	212,530	3,036
2010	74	210,450	2,844
2011	89	261,660	2,940
2012	54	240,960	4,462
2013	62	239,331	3,860
2014	71	232,857	3,280
2015	57	179,224	3,144
2016	63	251,626	3,994
TOTAL	693	2,813,608	4,060

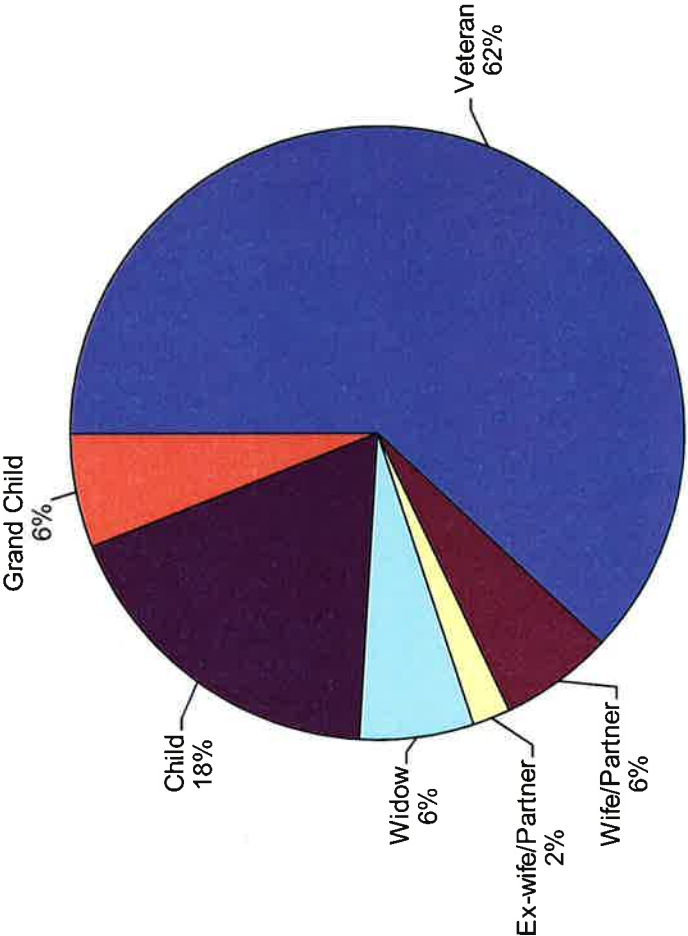
Vietnam Veterans and Their Families Trust
Number of Applications by Location 2016

Location	2016
Australia	5
Northland	10
Auckland	10
Waikato	2
Bay of Plenty	14
Gisborne	2
Hawkes Bay	5
Taranaki	1
Manawatu/Whanganui	9
Wellington	4
Tasman/Nelson/Marlborough	2
Canterbury	5
West Coast	1
Otago	3
Southland	2
Total Applications	75

Viet Nam Veterans and Their Families Trust Applications by Location 2016

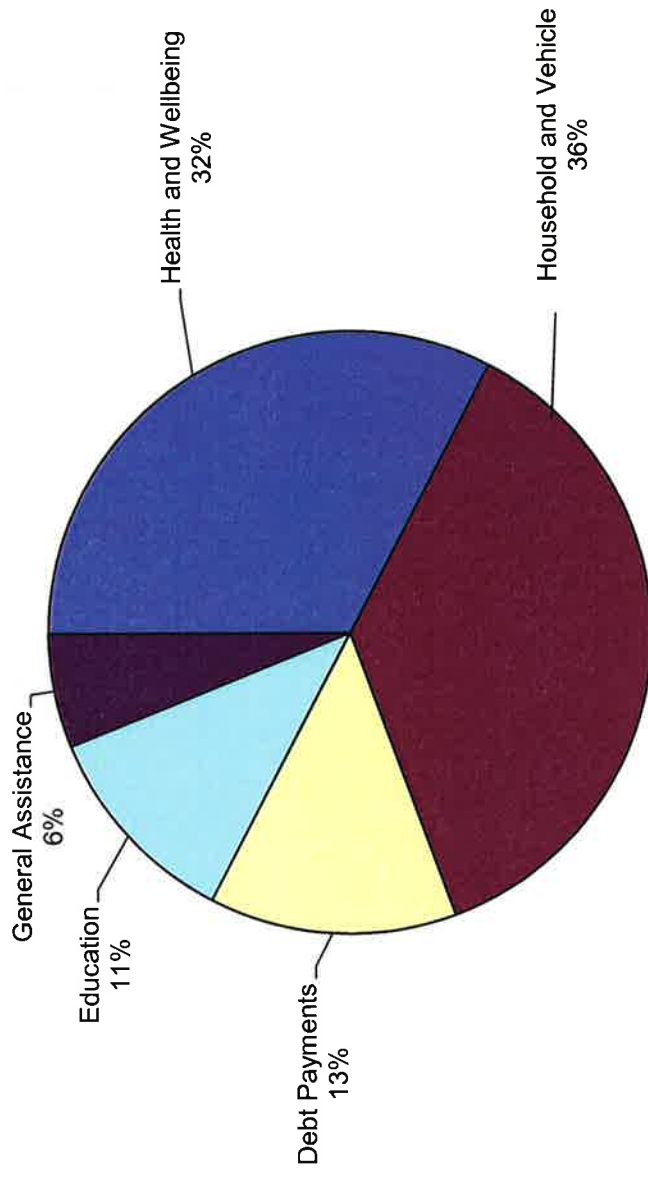


**Viet Nam Veterans and Their Families Trust
Grants made by Relationship to the Veteran 2016**



Veteran	39
Wife/Partner	4
Ex-wife/Partner	1
Widow	4
Child	11
Grandchild	4
TOTAL	63

Viet Nam Veterans and Their Families Trust **Grants made by Different Categories 2016**



Health & Wellbeing	20
Household & Vehicle	23
Debt Payments	8
Education	7
General Assistance	5
TOTAL	63

