

Chairman's Report

Welcome to this the seventh Annual Report from the Trust to its community stakeholders. It has been a year of consolidation for the Trust – building on the tried and true protocols we have established in previous years for delivering a solid grants programme into the Trust's Area of Benefit.

It has been a year where we have consolidated and strengthened our relationships with our grant recipients, deepening our understanding of the impact the Trust's grant funding is making for their projects and the communities they serve. It has also been a year where we extended the

parameters for the range of projects and programmes which were eligible for grant funding from the Trust.

We have consolidated and strengthened our relationships with our grant recipients.

Those familiar with the history of the Trust will know that the Trustees have supported a clear focus for the grants programme – rather than opening the funding up to a variety of causes - or social, cultural and sporting activities. We explained our rationale for this approach in our first two annual reports in 2004 and again in 2005. Back then we reported that each year the Trustees would agree a theme for the annual grant round and announce that theme at the Annual Public Meeting. The first theme adopted was that of literacy, and was applied to applications funded in calendar year 2005.

International research secured by the Trust at that time indicated that some people who live in high aircraft noise areas have impaired levels of reading comprehension. We believed that supporting literacy programmes would be a good use of the Trust Fund.

That has proved to be the case. The research commissioned by the Trust in 2008 clearly showed some remarkable achievements.

Over the years however we have received feedback relating to high levels of need in other areas of our community which might also benefit from funding from the Trust. So for the grant round which opened in December 2009, the Trust invited applications for projects which supported the development of 'life skills', in addition to those projects designed to enhance literacy including family literacy.

The trust invited applications for projects which supported the development of 'life skills' as well as those enhancing literacy.

Community Grants

For the 2009/2010 funding round we received 15 applications totalling requests for \$383,400 from a possible funding pool of \$230,000. Only two of those projects could be regarded as providing 'life skills', and one was discounted due to the broad geographic spread of participants and lack of focus on delivery into the Trust's Area of Benefit. Two other projects were also disqualified from consideration because they too were delivering services outside the geographic area to which the Trust is bound by its Trust Deed.

The remaining projects were then scrutinised against the Trust's criteria. In particular, the Trustees were seeking evidence that the organisations to be supported were committed to the longevity and sustainability of their projects; that they had systems in place to monitor the impact of the interventions their projects were designed to achieve; and that the projects were either holistic in their approach or, as we have also stated, demonstrably part of a continuum which would ensure the Trust's funding was having a greater impact than just an investment of dollars.

The Trust was looking for organisations to support that were committed to the longevity and sustainability of their projects; that had systems in place to monitor their impact; and that would ensure the Trust's funding was having a greater impact than just an investment of dollars.

We believe we have achieved that in the funding decisions we made in June. Eleven projects have been supported with grants totalling \$225,214 (see page 11 for details).

The life skills project selected for funding is that offered by Counties Manukau Age Concern and involves a series of workshops in the Trust's Area of Benefit for seniors teaching cell phone basics and texting. In the view of the Trustees this project represents innovative thinking, responds to a need identified by the organisation in this community and is good value for money. The Trustees also commend Counties Manukau Age Concern for the proposed involvement of teenagers as volunteers in the project.

I would like to highlight one other project approved for funding - the continuation of the Brainwave schools' programme at De la Salle College. We report on this project in more detail on pages 9-10. It is particularly pleasing to hear from the Brainwave Trust that at

News of the success of this project has reached another trust based in the Manawatu/Wanganui region. It was so taken with the results that they have provided a three-year funding contract to replicate this programme in as many schools in the Wanganui/Rangitikei and Palmerston North regions as possible.

least one other funder is so impressed with the purpose of this project and the potential outcomes from it, that funding may be forthcoming from that trust to roll out the programme into secondary schools in the Manawatu/Wanganui region.

Hardship Grants

Previous annual reports and financial statements published by the Trust have contained information about our Hardship Grants programme. This programme provides limited financial assistance to homeowners who have received an offer for the installation of acoustic treatment measures for their homes from Auckland International Airport Limited (AIAL). This programme is managed by the airport company in accordance with previously agreed schedules relating to noise contours in the geographical area that is also the Trust's Area of Benefit.

Due to the time lag between the Trust approving a hardship grant application and the final installation and certification of the work in the applicants' homes, the financial statements of the Trust show two entries: the first on page 10 of the accounts shows that \$20,600 was paid to Auckland International Airport Limited on behalf of homeowners who had grants approved in a previous year. In the current year grants to homeowners to the value of \$22,200 have been awarded but not yet paid out.

The Trust's grantmaking schedule for Hardship Grants is determined by the programme of 'offers' for acoustic treatment to homeowners made by the airport company. The Trust has been advised that no further 'offers' for such treatments will be made until April 2012. This hiatus is due to the results of AIAL's noise monitoring programme which has confirmed no change to the noise contours.

Financial Performance

In October 2009 the Trust received its annual distribution from AIAL of \$295,847. This figure is calculated from the base line of \$250,000 in 2003 and adjusted each year by the compounded value of the CPI.

Additional income of \$24,449 was generated from interest, the second year in a row that the Trust's earnings from interest declined from previous years (2009:\$35,013). The Trust continues to achieve its on-going objective of maintaining its operating expenses within the level of interest earned (actual expenses: \$14,108).

Despite the Trust's earnings from interest declining, the Trust managed to control its expenses to within this income source.

The Trust ended the year with a small surplus (\$13,200) and in accordance with previous practice, the Trustees resolved to transfer this surplus to the Endowment Fund Reserve for allocation to a major project in the future. This reserve contains funds to a total of \$66,382 at balance date.

Also in keeping with previous practice, the Trustees have retained a Hardship Grant Reserve of \$70,000 against future demands on our funds in support of this grant programme.

The balance sheet (on page 4) shows unpaid distributions of \$378,343. This is comprised of grants awarded but not yet paid out. A full listing of these grants, plus grants previously paid, can be found on page 10 of the Annual Financial Statements section of this report.

Governance

As previously reported, the publication of this Annual Report, including full disclosure of the Trust's Annual Financial Statements remains an integral part of the Trust's commitment to good governance.

During the 12 months under review the Trust has met formally nine times. Full minutes have been kept of those meetings and form part of the documents submitted to our auditors for review. Those minutes record two instances where individual Trustees stated a conflict of interest in relation to matters where decisions were required and in which they had an interest.

During the year under review, Board Trustee Raewyn Clarke tendered her resignation due to ongoing health reasons. During her short tenure on the Board she made a valuable contribution and we were sorry to lose her.

In August the Trust was informed of the decision by the Aircraft Noise Consultative Committee to replace Raewyn with Donna Richards.

In accordance with the terms of the Trust Deed, Ian McGeachie and I were reviewed in October 2009. Manukau City Council confirmed our reappointment as trustees for a further and final term – Ian McGeachie for two years and me for three years. This split in the time frame is provided for in our Trust Deed to ensure the rotation of Trustees does not leave the Trust with two vacancies at any time.

The advent of the 'super city', only days away at the time of publishing this annual report, will impact upon the appointer mechanism in our Trust Deed. Previously, Manukau City Council, along with AIAL appointed two trustees each, and the Aircraft Noise Community Consultative Group appointed one trustee. The appointer responsibility of Manukau City Council will now transfer to the new Auckland Council.

Like many community based organisations the Trust will be watching carefully how the new regional governance structure impacts on the identity of our diverse communities. In particular, we will be keen observers of the funding available from the new Auckland Council and its Local Boards for community development initiatives. If necessary we are prepared to review our funding priorities to either complement the council's initiatives, or replace any gaps which may emerge. Watch this space!

Appreciation

Once again I conclude this Annual Report by recording my thanks to the Trustees and contractors who have worked diligently over the year to ensure that the Trust continues to serve our community and stakeholders. In particular, I would like to acknowledge the significant contribution of Janis McArdle our Trust Administrator. It is with much regret that I have accepted her resignation as she has been an integral part of the Trust since its inception. We are going to miss her enormously.

As I enter my eighth year as Chair of this Trust I continue to appreciate the opportunities this role offers me to know my community more closely, and where I can, to ensure that this Trust continues to support the many people who labour long and hard to make it a better place to live and work.



Trustees

From left: Roger Baldwin (Chairman), Ian McGeachie, Martin Fryer, John McShane.

Rongomai School - mastering technology

By Margaret Peacocke, former Trustee

When I started school in the 1950s, we used slates. Today's new entrants, along with all the students at Rongomai School, use interactive electronic whiteboards and mini laptops, funded by the Auckland Airport Community Trust.

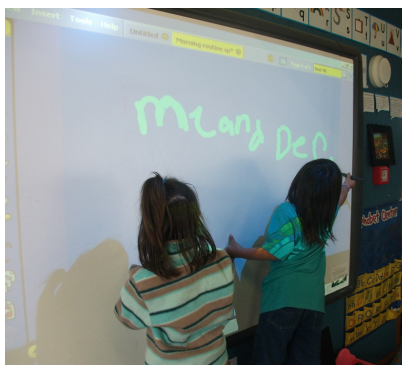
I make the point about slates to illustrate that teaching equipment and techniques are always changing and improving and that they may be unfamiliar to parents, grandparents and even, at first, to classroom teachers.

So, when Rongomai Principal, Tina Voordouw was successful in her application to the Trust for funding for interactive white boards, to use in conjunction with their mini-laptops, she had to introduce their potential as a valuable tool for learning to her Board of Trustees, staff and parents as well as the children.

Tina is very keen that her pupils leave Rongomai School confident in using and understanding the capabilities of the latest technology. Often at intermediate or secondary school, students have infrequent use of a computer suite, so pupils who already know how to make the most of these sessions are at an advantage.

Tina believes that through having the interactive whiteboards and mini-laptops (the former funded by the AACT this year, the latter two years ago) the children can build a foundation of skills and confidence upon which they can approach new technologies in the future and take advantage of the opportunities that this knowledge presents.

"Our parents want so much for their kids. They're discovering that through education their children will have opportunities in the future that weren't available to them. The funding to our school from the AACT has contributed to our ability to add value to families as well as to the children in ways that can't be measured. These parents are proud of their children for being able to use these modern technologies."



Most learning, especially by children, occurs through being interested or curious rather than by a determination to learn a particular skill – ball handling skills are learned from playing ball games. If we enjoy the activity, we'll engage in it more, learn more and become proficient.

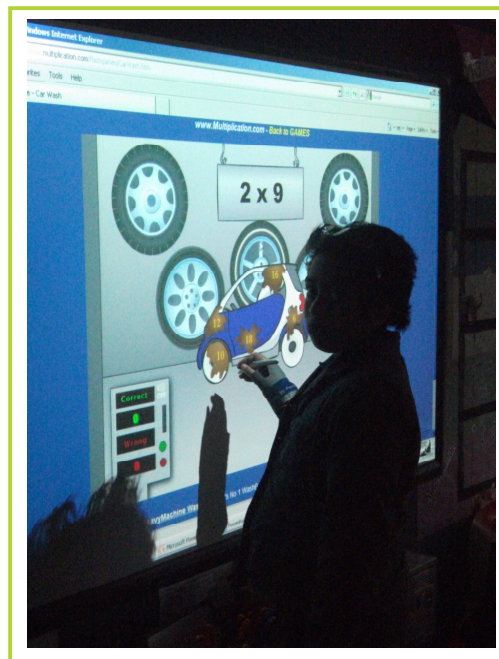
The challenge that Tina has given to her teachers this year, and the focus of most of their professional development, has been to find ways of using the interactive whiteboard technology to arouse curiosity in the children, motivating them to want to participate in ways that they will enjoy.

The teachers, in the process, have been stimulated by the opportunities that this presents to be more skillful and successful teachers, and also by the fact that pupils have been exceeding their expectations.

As Tina says, "It's great when teachers are excited and blown away by what the kids are doing."

Tina also had her staff introduce the interactive whiteboards at Board of Trustee meetings and commented that "parents are thrilled to see their children learning in a way that gives them skills beyond what the parents themselves could give them".

The electronic boards are used for virtually every lesson, every day. Tina noticed that the children were in awe of the boards to begin with, but soon realised that they don't break, they can't wipe important information and that they can save material to their computers that they want to keep.



“They’re now so relaxed and eager to use them that learning becomes self-directed.”

The teacher’s role is to arouse curiosity and provide enough background information that children can ask intelligent questions – and then pursue the answers, either through programs such as the one the school purchased on the Commonwealth Games, or through searching the internet. In the process the children are learning to read, to write and to do maths better.

This process of asking questions is not one that sits comfortably with all cultures, so one aspect of the learning for families is that it is OK for children to ask questions, and that, as adults, it is OK not to know all the answers.

The combination of curious children who are competent in literacy and numeracy, self-assured with modern technologies and confident to embrace technological advances, together with the support of families which value education, sounds like a winning formula for the future.

“Our community is so grateful and feels so privileged that our children are being nurtured by the Auckland Airport Community Trust. It increases its mana and well-being because the Trust is doing things for the community that the parents can’t.”

Tina Voordouw, Principal
Rongomai Primary School

The De La Salle Project

By Kim van Duiven, Executive Director, Brainwave Trust Aotearoa

In 2008, Brainwave Trust was fortunate to receive funding from the Auckland Airport Community Trust to deliver its presentations to schools and early childhood centres in the Area of Benefit (see page 17). From this project came a request that has influenced the way we deliver our key messages.

Brother Steve Hogan was, at that time, the Principal of De La Salle College, a school with many students from within the Trust's Area of Benefit. The school offers a catholic education to approximately 1000 boys from year 7 to year 13, predominantly from the communities of South Auckland. Brother Steve felt that the Brainwave Trust programme had a philosophical fit and was of strategic importance in supporting the school's mission to build good men.

The next step was to develop the Brainwave Trust programme content at an age appropriate level for each of the 38 classes. This provided a very exciting opportunity, to connect with older boys, those soon leaving school and future fathers. It was also made relevant to the younger students, many of whom are involved in the care and raising of their siblings. The challenge lay in delivering the programme in the right context so all students could learn and understand the value of the key messages – the importance of positive experiences and raising children in a loving and nurturing environment.

We delivered a pilot programme, at an age appropriate level, to a year 7 and a year 13 class with exceptional results. Students at both age levels made thoughtful comments which demonstrated understanding, enjoyment of the programme and valuable new knowledge.

“Babies need to be secure and feel safe”

“I learned that it's bad to leave kids on their own”

“If you shake a baby, the baby's brain will bang against its skull.”



Responses from evaluations done before and after the programme were outstanding, with a clear indication that the message was hitting home, evident in the following responses to the question

After hearing the presentation the most important thing I have learnt that fathers can do when caring for babies and young children is

A sample selection includes

“spend time with them”

“always show your child love and affection”

“never let the mother drink or do anything that will harm the baby during pregnancy”

“do not shake babies”

“show the baby that I care for them and keep them safe and give them security”

“lots of love by playing, talking and looking at the baby”

“to not let them grow up in a violent childhood”

“hug the baby”

“talking to them”

“to never let them feel scared, stressed and be violent to them”

(Comments reproduced as written.)

We went on to deliver the programme to all classes at every year level, approximately 38 classes. The key ‘anti-abuse’ and ‘never shake a baby’ messages reached approximately 1000 boys. We are optimistic that this information will influence the way these young men will eventually parent, as well as being beneficial in their lives before they hit mainstream society. Best of all, it is an early and cost effective intervention.

Recently returning to deliver the programme to this year’s Year 7 boys our presenter was welcomed with “Hey, it’s the Brainwave lady - never shake your baby, eh miss”. Some students shared how they are spending more time with their siblings or nephews talking, playing and reading to them because they now know it “makes their brain really healthy.”

One senior prefect from last year is off overseas to help with a literacy programme and felt that what he had learned through the Brainwave School Programme would be very helpful in his new role.

News of the success of this project has reached another trust based in the Manawatu/ Wanganui region. This trust was so taken with the results that they have provided a three-year funding contract to get this programme delivered to as many schools in the Wanganui/ Rangitikei and Palmerston North regions as possible.

The final word goes to one of the year 10 boys

“The most interesting thing I learnt is that cuddles and love make you stronger.”

Disbursement of Funds

2010

Papatoetoe Kindergarten	\$ 10,496	Brainwave Trust	\$ 36,400
Water Safe Auckland	\$ 42,148	St Peter Chanel Preschool	\$ 3,300
Dawson Primary School	\$ 24,050	ATTITUDE	\$ 2,100
Age Concern Counties M'kau	\$ 9,720	Great Potentials Foundation	\$ 119,374
Rongomai School	\$ 23,200	TOTAL	\$ 270,788

2009		2008	
Aorere Kindergarten	\$ 6,493	Aorere Kindergarten	\$ 9,500
Books for Babes Charitable Trust	\$ 40,195	Rongomai School	\$ 48,000
Brainwave	\$ 14,250	Books for Babes Charitable Trust	\$ 20,921
COMET	\$ 6,240	Tyndale Park Christian School	
Computer Clubhouse Trust	\$ 57,833	Papatoetoe South School	\$ 2,100
De la Salle College	\$ 15,937	Counties Manukau Sports Foundation	\$ 16,200
Great Potentials Foundation	\$ 94,714	Royal NZ Foundation of the Blind	\$ 69,975
Papatoetoe Kindergarten	\$ 10,496	Great Potentials Foundation	\$ 10,500
Rongomai School	\$ 75,250		\$ 66,770
Rongomai Te Kohanga Reo	\$ 2,270		
The Gifted Kids Programme	\$ 23,200		
	\$346,878		\$243,966
2007		2006	
Aorere Kindergarten	\$ 8,339	Dawson Primary School	\$ 2,500
Murdoch Park Kindergarten	\$ 8,880	Rongomai School	\$ 20,000
Brainwave Trust	\$ 23,950	Papatoetoe South School	\$ 8,480
Great Potentials Foundation	\$ 97,938	Papatoetoe West School	\$ 60,000
Rongomai School	\$ 43,540	De La Salle College	\$ 74,973
Papatoetoe Kindergarten	\$ 10,496	City of Manukau Education Trust	\$ 40,000
Books for Babes Charitable Trust	\$ 26,360	Papatoetoe Kindergarten	\$ 6,790
Tyndale Park Christian School		Tyndale Park Christian School	
Tautua Aoga Amata Charitable Trust	\$ 2,720	Dawson Primary School	\$ 8,055
TYLA Trust Otara	\$ 27,145	Flatbush School	\$ 14,208
	\$ 23,400		\$ 28,262
	\$ 272,768		\$ 263,268
2005		2004	
De La Salle College	\$ 34,300	Chapel Downs Primary Sch.	\$ 26,300
South Auckland Adult Literacy Trust	\$ 11,300	Clover Park Middle School	\$ 39,049
Murdoch Park Kindergarten	\$ 12,300	Papatoetoe South School	\$ 38,828
Papatoetoe Kindergarten	\$ 9,000	Puhinui School	\$ 35,830
Tangaroa College	\$ 67,700	Redoubt North School	\$ 31,849
Rongomai School	\$ 30,500	South Auckland Seventh Day Adventist School	\$ 22,701
		Tyndale Park Christian Sch.	\$ 9,812
	\$ 165,100		\$ 204,369

Trustees

The Deed of Trust specifies an appointment mechanism for Trustees – two Trustees to be appointed by Auckland International Airport Limited, two Trustees by Manukau City Council and one by the Aircraft Noise Community Consultative Group. Trustees serve a term of three years and are eligible for re-appointment.

At the end of the Trust's financial year, Raewyn Clark had resigned as Trustee and her appointer, the Aircraft Noise Community Consultative Group had not made a new appointment. Since the reporting period, Donna Richards has been appointed as the new Trustee for a period of three years.



Roger Baldwin – Chairman

Roger is a Manukau City Council Appointee on the Trust. He served on the Mangere Community Board from 1989 -1992 and on the Manukau City Council from 1992 -1998, with the last three years as Chairman of the Corporate Business Committee. Amongst his many other community responsibilities he was the inaugural Chairman of the Aircraft Noise Community Consultative Group. He also plays a very active role in the One Tree Hill Rotary Club, the Mangere Bridge Residents and Ratepayers Association and the Mangere Bridge Community Trust.



Martin Fryer

Martin initially came to the Trust as a representative of the Auckland Airport Noise Community Consultative Group in November 2005. At that time he was the Environment Manager for Air New Zealand. In September 2007 Martin was appointed into his current role as Sustainability Advisor with Auckland Airport. With that appointment, he also became the company's second representative on the Trust Board.



Ian McGeachie J.P.

Ian is also a Manukau City Council Appointee having served on the Trust since 2004. As a former Manukau City Councillor and member of the Papatoetoe Community Board Ian knows the needs of this community very well. Ian has served on the Counties Manukau Sports Foundation, the Papatoetoe Licensing Trust and the St George Charitable Trust. Ian is also a Justice of the Peace and assists with JP duties at the Papatoetoe Citizens Advice Bureau. Ian is currently a trustee of the Papatoetoe Sports and Community Charitable Trust.

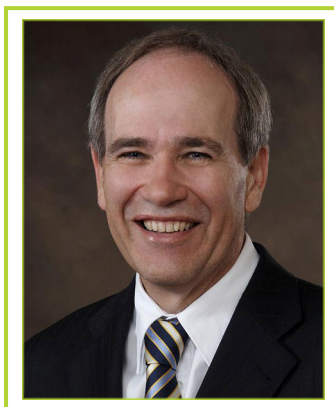


John McShane

John was a founding Trustee appointed by Auckland Airport. He is the company's Environment and Planning Manager. In this role, he has been a member of the Aircraft Noise Community Consultative Group since its inception in 1997 and represented the airport company through the Manukau District Plan process for the Northern Runway.

Appointers' Comments

**His Worship the Mayor of Manukau
Len Brown**



The Auckland Airport Community Trust has been an excellent servant of the citizens of Manukau City who live and work in its Area of Benefit. I am confident that it will continue to do so when those citizens become part of the new 'super city' – the Auckland Council.

The new council will take on the responsibilities of appointing two community trustees and receive an annual report on the performance of the Trust as required under its trust deed.

During my time as mayor and my association with the Trust I have been pleased to review the results of its grant making activities and the genuine support afforded to our people. I wish the Trust every success in the future.

Kia kaha.

**Chief Executive, Auckland International Airport Limited
Simon Moutter**



I am delighted to be able to contribute again to the Trust's annual report. The occasion gives me the opportunity to reflect on the excellent work of the Trust, its Trustees and the local community it serves.

There are many examples, from the various grant recipients, of new and innovative thinking, and methods, to raise literacy levels in the area of benefit and everyone associated with the Trust should be congratulated on a job well done.

I am also particularly pleased to see the Trust holding its Annual Public Meeting this year in our Airport Marae, Te Manukanuka o Hoturoa. It is a fitting venue to celebrate learning, community and growth.

Establishment of the Auckland Airport Community Trust

The Trust was formally established in October 2003. This was a direct result of the decision made in the Environment Court on 10 December 2001 that Auckland International Airport Limited would establish a trust fund as a condition of the company being granted approval to build a second runway. The court decision (A143/2001) specified the amount - \$250,000 per annum adjusted by the rate of the consumer price index each year. The charitable purposes embedded in the resulting Trust Deed have their origins in that court decision.

Charitable Purposes

The charitable purposes of the Trust are set out in its Trust Deed and are listed below. The Trust Deed also defines the Area of Benefit for the Trust. The Area of Benefit is defined by the HANA (High Aircraft Noise Area), MANA (Moderate Aircraft Noise Area) and ANNA (Aircraft Noise Notification Area) as those areas appear in the Manukau District Plan. Those areas are the most impacted by current and projected aircraft movements to and from Auckland Airport. In general terms this area covers part of the suburbs of Wiri, Mangere, Papatoetoe, Otara, East Tamaki, Flatbush and Whitford. A full map of the Area of Benefit is included on page 25.

5. CHARITABLE PURPOSES

5.1 Purposes: The Trustees shall hold and apply the Trust Fund upon trust for the following charitable purposes within Manukau City for the benefit of those living and working in the Area of Benefit and affected by noise from Aircraft Operations;

- (a) for the mitigation of the adverse effects associated with noise from Aircraft Operations which are not provided for under Condition 10 of the Designation (**“the other adverse effects”**);
- (b) to ensure positive effects on the external environment to offset the other adverse effects, including but not limited to the provision of opportunities and facilities as contemplated by clause 8.4(b);
- (c) in cases of significant financial hardship, to assist property owners in the Area of Benefit to meet their share of any costs of acoustic treatment measures or enhancements where such a contribution by an owner is required by Condition 10 of the Designation.

8. MANAGEMENT OF THE TRUST

8.4 Payment/application of Trust Fund: For the avoidance of doubt:

- (a) in determining whether and how to pay or apply the Trust Fund under clause 5.1, the Trustees shall, to the greatest extent possible, give primacy to the purposes listed in clauses 5.1(a) and 5.1(b);
- (b) while the Designation provides various physical measures to address adverse effects arising from Aircraft Operations (in the form of the acoustic treatment and related ventilation measures provided in Condition 10), the purposes set out at clauses 5.1(a) and 5.1(b) are intended to ensure that adverse effects of noise from Aircraft Operations on the external environment, which cannot be mitigated by such physical means, can at least be partially offset by providing positive effects in the form of enhanced cultural, recreational and other opportunities and facilities to those living and working in the Area of Benefit, provided that (for the avoidance of doubt) such opportunities and facilities must be provided for or to achieve the charitable purposes set out in clause 5.1. Such opportunities and facilities may be provided outside the Area of Benefit, but should be readily available to residents in those areas affected by noise from Aircraft Operations;
- (c) nothing in clause 5.1 shall allow the Trustees to pay or apply income or capital of the Trust Fund for the purposes of opposing or challenging Aircraft Operations in any way or for the funding of acoustic treatment in developments where the developer has the responsibility to provide acoustic treatment under rule 5.21.4 of the Operative Manukau District Plan 2002.

As stated in the Deed of Trust establishing the Auckland Airport Community Trust dated 11 December 2003.



AUCKLAND AIRPORT
COMMUNITY
TRUST

Annual Report

For the year ended 30 June 2010

Auckland Airport Community Trust Contents

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**Auckland Airport Community Trust
Trust Directory
As at 30 June 2010**

Settlor	Auckland International Airport Limited
Type of Trust:	Charitable Trust
Trustees:	John McShane Roger Baldwin Martin Fryer Ian McGeachie Raewyn Clarke – Resigned 12 April 2010
Bankers:	ASB Bank, Mangere Bridge
Solicitors:	Martelli McKegg Wells & Cormack, Auckland
Auditors:	CST Nexia Audit, Manukau City
Accountants:	CST Nexia Limited, Manukau City

**Auckland Airport Community Trust
Statement of Responsibility
For the year ended 30 June 2010**

The Board is responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The independent external auditors, CST Nexia Audit, have audited the financial statements and their report appears on page 13.

The Board is also responsible for the systems of internal control. These are designed to provide reasonable but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements. Appropriate systems of internal control have been employed to ensure that all transactions are executed in accordance with authority and are correctly processed and accounted for in the financial records. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Board to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.


The financial statements are prepared on a going concern basis. Nothing has come to the attention of the Board to indicate that the Trust will not remain a going concern in the foreseeable future.

In the opinion of the Board:

- The statement of financial performance is drawn up so as to give a true and fair view of the surplus of the Trust for the financial year ended 30 June 2010.
- The statement of financial position is drawn up so as to give a true and fair view or the state of affairs of the Trust as at 30 June 2010.

There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they fall due.

For and on behalf of the Board:


Trustee
20 September 2010

20/09/2010

Trustee
20 September 2010

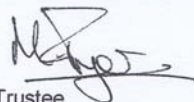

Auckland Airport Community Trust
Statement of Financial Position
As at 30 June 2010

	Note	2010 \$	2009 \$
Trustee Funds			
Trustee Funds	2	<u>136,382</u>	<u>123,182</u>
		136,382	123,182
Current Liabilities			
Accounts Payable		4,902	4,866
Unpaid and Approved Distributions and Grants	3	<u>378,343</u>	<u>414,573</u>
		383,245	419,439
Total Funds Employed		<u>519,627</u>	<u>542,621</u>
Current Assets			
Current Account		3,668	16,616
Term Deposits		512,479	521,462
Accrued Interest		3,479	3,505
Other Receivables		<u>-</u>	<u>1,038</u>
		519,627	542,621
Total Assets		<u>519,627</u>	<u>542,621</u>

Signed on behalf of the Board of Trustees:



Trustee
20 September 2010



Trustee
20 September 2010

The notes and accounting policies on pages 7 to 12 form a part of and are to be read in conjunction with these financial statements.

**Auckland Airport Community Trust
Statement of Financial Performance
For the year ended 30 June 2010**

	Note	2010	2009
		\$	\$
Income			
Grant - Auckland International Airport Limited		295,847	290,374
Interest Received		<u>24,449</u>	<u>35,013</u>
		320,296	325,387
Operating Expenses			
Administration Fees		4,996	6,828
Advertising		482	928
Annual Public Meeting		1,598	913
Bad Debts Expenses		-	-
Bank Charges		35	16
Computer Expenses		40	233
Consultancy Fees		-	12,190
General Expenses		683	515
Legal Fees		-	309
Printing and Stationery		1,548	4,535
Remuneration to CST Nexia - Audit		2,250	2,250
Remuneration to CST Nexia - Other Services		<u>2,475</u>	<u>2,475</u>
		14,108	31,192
Surplus Before Distributions and Grants		<u>306,188</u>	<u>294,195</u>
Distributions and Grants			
Less: Approved Distributions	3	270,788	346,878
Less: Hardship Grants	3	22,200	5,200
Plus: Grants Cancelled	9	-	74,479
		<u>(292,988)</u>	<u>(277,599)</u>
Net Surplus/(Deficit) Transferred to Trustee Funds		<u>13,200</u>	<u>16,596</u>

The notes and accounting policies on pages 7 to 12 form a part of and are to be read in conjunction with these financial statements.

**Auckland Airport Community Trust
Statement of Movements In Trustee Funds
For the year ended 30 June 2010**

	Note	2010 \$	2009 \$
Trustee Funds at beginning of the year		123,182	106,586
Net Surplus/(Deficit) for the year		13,200	16,596
Transfer to Reserved Funds		(13,200)	(16,596)
Increase in Endowment Funds		13,200	16,596
Increase in Hardship Grant Reserves		-	-
Total Recognised Revenues and Expenses		13,200	16,596
Trustee Funds at the end of the year	2	<u>136,382</u>	<u>123,182</u>

The notes and accounting policies on pages 7 to 12 form a part of and are to be read in conjunction with these financial statements.

Auckland Airport Community Trust
Notes to the Financial Statements
For the year ended 30 June 2010

1 Statement of Accounting Policies

A Reporting Entity

The financial statements presented here are for the reporting entity Auckland Airport Community Trust (the Trust). The Trust is a charitable trust under the Charitable Trusts Act 1957. The Trust is reporting pursuant to the requirements of its trust deed.

B Statutory Base

The financial statements are prepared in accordance with the reporting requirements of the Financial Reporting Act 1993. The Trust is a charitable trust incorporated under the Charitable Trusts Act 1957.

C Financial Reporting Framework

These financial statements have been prepared under the existing New Zealand Financial Reporting Standards framework, which is one of the two frameworks for generally accepted accounting practice currently available to be applied in New Zealand for qualifying small entities. The other framework for generally accepted accounting practice is the New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS). The time line and criteria applicable to small entities and incorporated societies for mandatory conversion to NZ IFRS is yet to be announced by the Accounting Standards Review Board.

D Differential Reporting

The Trust is a qualifying entity within the New Zealand Institute of Chartered Accountants' differential reporting framework. The entity qualifies for differential reporting exemptions in the absence of public accountability and the entity is not large in terms of the size criteria. The entity has taken advantage of all differential reporting concessions available to it, with the exception of FRS 19 Accounting for Goods & Services Tax, with which it has complied fully.

E Measurement Base

The measurement base adopted is that of historical cost. Reliance is placed on the Trust being a going concern.

F Charities Status

The Charities Act 2005 was passed in April 2005, establishing the Charities Commission which came into being on 1 July 2005. Changes to the Income Tax Act 2007 and Estate and Gift Duties Act 1968 mean that only charities registered with the Charities Commission will be eligible for tax exemptions.

The Trust applied for and received registration as a charity from the Charities Commission. The Trust has taken advantage of the following:

- exemption from income tax for non business income
- exemption for business income derived by or in support of charities
- exemption from gift duty for persons who make gifts to the Trust

Auckland Airport Community Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2010

G Particular Accounting Policies

The following particular accounting policies which materially affect the measurement of financial performance and financial position of the Trust have been applied:

Grants

Grants and donations are recorded as revenue at the point their receipts are formally acknowledged by the Trust. The Trust is funded primarily by Auckland International Airport Limited.

Accounts Receivable

Accounts Receivable is stated at their estimated realisable value after providing for doubtful debts.

Goods and Services Tax

The financial statements have been prepared on a GST inclusive basis.

Trustee Funds

Trustee funds comprise of accumulated surplus over the years, Endowment Fund Reserves and Hardship Grant Reserves. Endowment Funds Reserves are funds left to build up and be used for major community projects at some future date. Hardship Grants Reserves are funds set aside for future approved hardship grant distributions.

Changes in Accounting Policies

There have been no changes in accounting policies and they have been applied on a consistent basis with those of the previous period.

Auckland Airport Community Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2010

2 Trustee Funds

	2010 \$	2009 \$
<i>Accumulated Trustees Funds</i>		
Balance at the beginning of the year	-	-
Surplus/(deficit) for the year	13,200	16,596
Transfer to Hardship Grants Reserve	-	-
Transfer to Endowment Funds Reserve	(13,200)	(16,596)
Accumulated Trustee Funds at year end	<u>-</u>	<u>-</u>
<i>Endowment Funds</i>		
Endowment Funds Reserves at beginning of the year	53,182	36,586
Transfer from Accumulated Funds	13,200	16,596
Endowment Funds Reserves at end of the year	<u>66,382</u>	<u>53,182</u>
<i>Hardship Grant Reserves</i>		
Hardship Grant Reserves at the beginning of the year	70,000	70,000
Transfer from Accumulated Funds	-	-
Hardship Grant Reserves at the end of the year	<u>70,000</u>	<u>70,000</u>
Total Trustee Funds	<u>136,382</u>	<u>123,182</u>

Auckland Airport Community Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2010

3 Distributions

Unpaid and Approved Distributions and Grants	2010	2009
Literacy Grants	354,944	392,774
Hardship Grants	23,400	21,800
	<u>378,344</u>	<u>414,574</u>

Hardship Grants	2010	2009
Unpaid Hardship Grants at the beginning of the year	21,800	34,000
Hardship Grants paid during the year	20,600	4,400
Hardship Grants cancelled during the year	-	13,000
Hardship Grants granted during the year	22,200	5,200
Unpaid Hardship Grants at the end of the year	<u>23,400</u>	<u>21,800</u>

Literacy Grants 2010

	Unpaid Grants as at 30 June 2009	Grants Approved During the Year	Distributions Paid During the Year	Grants Cancelled	Unpaid Grants as at 30 June 2010
Aorere Kindergarten	6,493	-	6,493	-	-
Books for Babes Charitable Trust	51,116	-	30,921	-	20,195
Countries Manukau Sports Foundation	34,975	-	34,975	-	-
Rongomai School	75,250	23,200	75,250	-	23,200
Great Potentials Foundation	94,714	119,374	38,023	-	176,065
Papatoetoe Kindergarten	10,496	10,496	5,496	-	15,496
Computer Clubhouse Trust	57,833	-	57,833	-	-
The Gifted Kids Programme	23,200	-	23,200	-	-
Rongomai Te Kohanga Reo	2,270	-	-	-	2,270
Brainwave Trust	14,250	36,400	14,250	-	36,400
De La Salle College	15,937	-	15,937	-	-
City of Manukau Education Trust	6,240	-	6,240	-	-
Water Safe Auckland	-	42,148	-	-	42,148
St Peter Chanel Preschool	-	3,300	-	-	3,300
Dawson Primary School	-	24,050	-	-	24,050
ATTITUDE	-	2,100	-	-	2,100
Age Concern Counties Manukau	-	9,720	-	-	9,720
	<u>392,774</u>	<u>270,788</u>	<u>308,618</u>	<u>-</u>	<u>354,944</u>

Auckland Airport Community Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2010

3 Distributions (continued)

Literacy Grants 2009	Unpaid Grants as at 30 June 2008	Grants Approved During the Year	Distributions Paid During the Year	Grants Cancelled	Unpaid Grants as at 30 June 2009
Aorere Kindergarten	9,500	6,493	9,500	-	6,493
Papatoetoe South School	16,200	-	16,200	-	-
Books for Babes Charitable Trust	20,921	40,195	10,000	-	51,116
Countries Manukau Sports Foundation	69,975	-	35,000	-	34,975
RNZ Foundation of the Blind	10,500	-	10,500	-	-
Rongomai School	48,000	75,250	48,000	-	75,250
Tyndale Park	2,100	-	2,100	-	-
Great Potentials Foundation	128,249	94,714	66,770	61,479	94,714
Papatoetoe Kindergarten	-	10,496	-	-	10,496
Computer Clubhouse Trust	-	57,833	-	-	57,833
The Gifted Kids Programme	-	23,200	-	-	23,200
Rongomai Te Kohanga Reo	-	2,270	-	-	2,270
Brainwave Trust	-	14,250	-	-	14,250
De La Salle College	-	15,937	-	-	15,937
City of Manukau Education Trust	-	6,240	-	-	6,240
	305,445	346,878	198,070	61,479	392,774

4 Events Occurring After Balance Date

There are no material post balance date events (30 June 2009: \$Nil).

5 Contingent Liabilities

There are no contingent liabilities at year end (30 June 2009: \$Nil).

6 Commitments

There are no commitments as at 30 June 2010. In 2009, the Trust was committed to making grants to the Great Potentials Foundation in 2011 totaling \$119,374 for the delivery of the Hippy programme at Rongomai School in Otara. The grant was not formally approved as at 30 June 2009.

There are no capital commitments at year end (30 June 2009: \$Nil).

7 Related Parties

There are no related party transactions at year end (30 June 2009: \$Nil).

Auckland Airport Community Trust
Notes to the Financial Statements (continued)
For the year ended 30 June 2010

8 Trustees Remuneration

Trustees did not receive remuneration during the year (30 June 2009: \$Nil)

9 Grants Cancelled

No grants were cancelled during the year. In 2009, a grant of \$61,479 to Great Potentials Foundation was cancelled and further payments had been scheduled in place. Also in 2009, Hardship Grants totaling \$13,000 had been cancelled, following advice from Auckland International Airport Limited that the homeowners awarded these grants had elected not to accept the offer of acoustic treatment measures for their homes. In total, \$74,479 of Literacy and Hardship Grants were cancelled in 2009.