



# Clutha Trust

Our People - Your Business - Your Trust

Clutha Licensing Trust – Operating Since 1956

kink <sup>u</sup> the road  
BAR & BISTRO



@ the White Horse Inn,  
147 Union Street, Milton

Picasso's  
Cafe & Bar



The bottle store with something more



@ the Rosebank Lodge  
265 Clyde Street,  
Balclutha

catlins inn  
BAR & BISTRO

@ the Catlins Inn, 21 Ryley Street,  
Owaka



- Balclutha – 70 Clyde Street (418 0099)
- Milton – 147 Union Street @ the White Horse Inn (417 8049)



Bar, Bottlestore & Snack Meals  
2 Clyde Terrace, Kaitangata

CAPTAINS CAFÉ  
& BAR  
SOUTHY'S BAR

@ the Hotel South Otago,  
13 Clyde Street, Balclutha



OAK  
TREE  
INN

Bar, Bistro,  
Bottle Store &  
Accommodation

Gorge Road, Clinton

PRESENTING THE ANNUAL REPORT & FINANCIAL ACCOUNTS FOR THE PERIOD ENDING 31 MARCH 2015



Clutha Trust

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**The Trust** – We continue to manage & operate seven licensed properties within the South Otago district, all of which offer differing hospitality services to the community and passing customers. It's fair to say that a number of these premises struggle to deliver a justified/economic return for the efforts and monies that are placed keeping them maintained and operable, mainly due to the declining volume of custom they are experiencing.

Over the past year we have made necessary operating adjustments to our smallest site the Bridge Tavern - Kaitangata, which now operates five days a week Wednesday – Sunday and we continue to have late afternoon opening hours at the Oak Tree Inn – Clinton and the Toko Sports bar at the White Horse Inn - Milton, which both open at 4.00pm Monday – Wednesday.

Such cuts backs are not our preferred option, but to ensure we continue to offer community facilities within the South Otago district that are financially viable and well maintained, we must make all necessary adjustments to allow them to remain operable and financial for the long term benefit of the Trust as a whole.

Please remember, these premises are owned by **YOU** the people of South Otago, and the more support we get from you, the owners, the better the facilities and amenities we can provide.

### **Liquor Licensing Laws & Legislation Changes**

**Liquor Laws** – It's fair to say the world has changed considerably when it comes to the drinking of your favourite drop of liquor, whether it is in a bar, cafe or elsewhere. The authorities now present harsher penalties (such as large fines and/or the threat of short-term closure and/or the possible loss of license) for those that do not comply with and/or meet their enforced standards/requirements and for those that do not effectively control their environments (both inside and outside) we are faced with the amenity and good order of the locality requirements to deal with.

Under The Sale and Supply of Alcohol Act being intoxicated when arriving at any licensed premises and/or becoming intoxicated in bars is legally not acceptable, nor is behaving in an anti-social manner and becoming threatening and/or fighting with other patrons within or outside licensed premises.

Any such anti-social behavior is liable to result with a trespass notice being issued.

**Driving Breath Alcohol Reduction** – On December 1<sup>st</sup> 2014 we saw the driving breath alcohol level reduce from 400 micrograms (mcg) of alcohol per litre of breath to 250mcg and the blood alcohol limit reduce from 80mg of alcohol per 100ml of blood to 50mg and the effect of this has delivered a further decline in our bar trading. The industry has applied new products to assist this change by producing mid-strength beers and the likes, but generally we are experiencing more drinking at home, rather than having to drive after a couple.

From our bars/premises will still offer a managed courtesy coach service to get our patrons home and just prior to the breath alcohol level being reduced we commissioned a Pub Bus trial service on a selected route around Balclutha for the benefit of our patrons to get to and from our bars. This service continued up until Christmas, but disappointingly was not supported by the community.

**Clutha District Senior Citizens Christmas Luncheons** – On a much brighter note the Trust again hosted its annual Senior Citizens Christmas luncheons in early December at the Rosebank Lodge and we are planning this event for mid-December again this year. On entry our guests make a small donation and last year these totaled **\$1,345.00**, which was donated to the South Otago Police Blue Light Youth programme.

**Trading & Financial** – The enclosed financial report presents a slightly improved result over the prior year, by approximately \$52,000 (\$242,616) versus (\$294,082) with this year's result including \$502,898 in depreciation, which leaves us with a cash positive position of \$260,282.

As mentioned above we have experienced a further decline in liquor trading (down 6.2%), but more positively we received income growth from food sales (up 11.0%) and accommodation sales (up 16.7%). We also delivered an improved Gross Margin result up by 2.6%.

The Trusts equity position as at 31.03.15 was \$7,541,684 versus \$7,398,829 last year.

Our focus is to continue to grow the food and accommodation sectors further and continually focus on all possible improvements that can be made within the liquor sector (both on & off premise).

**Audited Accounts** – Our annual accounts are yet to be completed and signed off by Audit New Zealand our assigned auditors.

This year due to outside obligations associated with local body/council 10 year plans, our auditors presented us with a delayed audit timeframe, being the end of June and to date we are still working with them to complete our accounts and associated requirements, which are likely to be completed early November.

It is strongly suggested there should be no material differences in the final accounts, as to the information in the following summary of financial accounts.

A public notice will be placed in the Clutha Leader once these accounts are signed off and inspection/viewing will be made available at the Trust's offices if required. We apologise for any inconvenience this may have caused.

**Operational Developments** – Currently the Trust is undertaking a major Point of Sale upgrade within its premises. Management are working site by site installing a Trust wide front of house cash register system that will offer improved transactional processing for you the customer and other benefits once completed, along with improved operational controls. It is our plan to have this system fully operational by the end of this fiscal year, however in the interim we apologise if you experience any delays during the install process.

**On the Property development front** – over the past twelve months or more, we have been gathering information relating to a possible major upgrade at the Hotel South Otago and to date we cannot share with you any further details. The Trustees wish to ensure that every avenue is explored before any long term commitment is made and it may be that the suggested plans are shelved for the present time and improvements are made to the current décor/function of this business. Once a decision has been reached notice will be given to the community.

We continue to ensure that all our premises are of a high standard and as monies allow, we will add further benefits and improvements where they are needed most or where we see fit.

**The Trusts Community Foundation Limited** - supported 49 groups and organisations within South Otago during the 2014/15 period to the value of **\$384,665** (refer to the attached schedule of recipients), compared with 55 applications during the previous period totaling \$419,985.

The Clutha Licensing Trust also distributed **\$12,027** in sponsorships to community groups within our district during the past year.

In closing, I take the opportunity to thank my fellow Trustees for their support and commitment during the past year and I wish to thank our management team and all our staff for the dedication and commitment they have afforded the Trust and myself during this year.

Kind Regards, Blair Cross – President.

<b>STATEMENT of COMPREHENSIVE INCOME</b>				<b>STATEMENT of FINANCIAL POSITION</b>				
for the year ended 31 March 2015				as at 31 March 2015				
	2015	2014		2015	2014		2015	2014
<b>Operating Revenue</b>				Current Assets	1,935,274	1,800,654		
Sales	8,633,562	8,838,829		Non-current Assets	7,068,448	7,095,412		
Other Income	492,055	463,746		<b>Total Assets</b>	<b>9,003,722</b>	<b>8,896,066</b>		
<b>Total Operating Revenue</b>	<b>9,125,617</b>	<b>9,302,575</b>		Current Liabilities	1,126,341	1,467,393		
Less Expenses	9,310,323	9,562,083		Non Current Liabilities	335,697	29,844		
Less Finance Costs	20,495	24,007		<b>Total Liabilities</b>	<b>1,462,038</b>	<b>1,497,237</b>		
Gain/Loss on sale of property plant & equipment	0	4638		<b>Net Assets</b>	<b>7,541,684</b>	<b>7,398,829</b>		
<b>Operating Surplus before Taxation</b>	<b>-205,201</b>	<b>-278,876</b>		<b>Represented by:</b>				
<b>Taxation</b>	<b>37,415</b>	<b>15,206</b>		Revaluation Reserves	3,355,069	2,969,598		
<b>Operating Surplus after Taxation</b>	<b>-242,616</b>	<b>-294,082</b>		Retained Earnings	4,186,615	4,429,231		
Revaluation of Property, Plant, Equipment & Financial Assets	385,471	60221		<b>Total Equity</b>	<b>7,541,684</b>	<b>7,398,829</b>		
<b>Total Comprehensive Income</b>	<b>142,855</b>	<b>-233,861</b>		<b>STATEMENT of CASH FLOWS</b>				
				for the year ended 31 March 2015				
					2015	2014		
				Cash flows from				
				Operating Activities	197,169	131,132		
				Cash flows from				
				Investing Activities	-89,210	-180,476		
				Cash flows from				
				Financing Activities	0	0		
				<b>Net Increase/(Decrease) in Cash</b>	<b>107,959</b>	<b>-49,344</b>		
				Opening Cash				
				Brought Forward	662,886	712,230		
				<b>Closing Cash</b>	<b>770,844</b>	<b>662,886</b>		

**NOTE: TO THE READER of the above ACCOUNTS**

The above information has been taken from our "Draft" financial accounts and as mentioned in the President's report the accounts have yet to be completed and signed off by our auditors – Audit New Zealand.

This work is planned for completion early November 2015 and once completed the Trust will publish a brief public notice advising of the Trust's audited financial position for this fiscal period to 31 March 2015.

At that stage you will also have the opportunity to view the full set of accounts onsite at the Trust's Head Office located at the Rosebank Lodge, 265 Clyde Street, Balclutha.

If you have any immediate questions please contact the Trust's General Manager – David Kenny on 03 419 0021 or forward written correspondence to the Clutha Licensing Trust PO Box 113, Balclutha 9240.

GEB Cross  
President of the Trust  
27<sup>th</sup> August 2015

DE Scoles  
Vice-President of the  
Trust  
27<sup>th</sup> August 2015

## **THE TRUSTS COMMUNITY FOUNDATION GRANTS**

The Trusts Community Foundation (TTCF) is the preferred gaming machine service provider for the Clutha Licensing Trust and operates its gaming machines at the following venues:

- Bridge Tavern, Kaitangata
- Catlins Inn, Owaka
- Hotel South Otago, Balclutha
- Oak Tree Inn, Clinton
- Rosebank Lodge, Balclutha
- White Horse Inn, Milton

Management and staff at these outlets are acknowledged for providing their ongoing support to TTCF's class 4 gaming machine operation in such a diligent manner.

TTCF is authorised to operate class 4 gaming machines in licensed premises on a nationwide basis and has always had strong links with the Licensing Trust sector. The Foundation currently provides services to 7 individual Licensing Trusts here in New Zealand and has always had a policy of distributing all pokie profits generated from venues within a Licensing Trust area directly back into the local community.

An amendment to the Gambling Act shortly after it came into force made provision for elected members of Licensing Trusts to have an input into TTCF's grants approval process by way of making recommendations to TTCF.

Accordingly, TTCF invites the elected members of the Clutha Licensing Trust to consider all compliant applications received from within the Clutha Trust boundaries on a monthly basis. TTCF subsequently considers these recommendations at their next scheduled Net Proceeds Committee meeting.

The recommendations of the elected members of the Clutha Licensing Trust, utilising their extensive local knowledge, has been invaluable in terms of ensuring the needs of the local community are being met.

These are the grants approved by TTCF in the last financial year from funds generated in the Clutha Licensing Trust area:

Balclutha Contract Bridge Club	\$ 4,900.00
Balclutha Golf Club Inc	\$ 16,445.00
Balclutha Junior Soccer Club	\$ 2,054.00
Balclutha Parents Centre Inc	\$ 1,000.00
Balclutha Pipe Band Inc	\$ 4,500.00
Balclutha Pony Club	\$ 2,000.00
Balclutha Volunteer Fire Brigade	\$ 66,831.00
Bowls South Otago Inc	\$ 2,000.00
Catlins Area School	\$ 2,405.00
Catlins Promotions	\$ 15,000.00
Catlins Search and Rescue	\$ 15,000.00

CONTINUED:

These are the grants approved by TTCF in the last financial year from funds generated in the Clutha Licensing Trust area:

Citizens Advice Bureau Dunedin Inc	\$ 3,000.00
Clinton Playcentre	\$ 1,725.00
Clutha Country Music Club Inc	\$ 2,750.00
Clutha District Library	\$ 761.00
Clutha Marching	\$ 2,770.00
Clutha Recreation Centre Inc	\$ 20,000.00
Clutha Rugby Football Club Inc	\$ 15,000.00
Clutha Valley Playcentre	\$ 1,928.00
Country Saints Netball Club	\$ 4,000.00
Kaitangata Golf Club Inc	\$ 9,690.00
Kaitangata Primary School	\$ 4,586.00
Lawrence Area School	\$ 40,000.00
Life Education Trust Heartland Otago/Southland	\$ 5,000.00
Milton Boat Club Inc	\$ 1,302.00
Milton Kindergarten	\$ 3,000.00
No. 7 District Federation of NZ Football Inc	
T/A Football South	\$ 2,347.82
Notlim Nets Netball Club	\$ 739.00
NZ Council of Victim Support Groups Balclutha	\$ 2,000.00
Otago Shearing & Woolhandling Committee	\$ 8,212.75
Our Hutt Committee	\$ 3,000.00
Outward Bound Trust of New Zealand	\$ 6,800.00
Presbyterian Support Otago	\$ 8,000.00
Roman Catholic Diocese of Dunedin	
Catholic Social Services	\$ 5,000.00
Rosebank Archery Club	\$ 1,877.75
Royal NZ Coastguard Boating Education Ltd	\$ 9,655.00
South Otago Free Kindergarten Association	
- Goldfields Kindergarten	\$ 3,326.00
South Otago Free Kindergarten Association	
- Rosebank Kindergarten	\$ 800.00
South Otago High School	\$ 2,000.00
South Otago Justices of the Peace Assn Inc	\$ 1,876.00
Sport Otago	\$ 28,000.00
St Josephs School Board of Trustees	\$ 7,405.00
Tahakopa School	\$ 10,000.00
The Owaka Swimming Baths Committee Inc	\$ 4,025.00
Tokomairiro A & P Society	\$ 5,176.00
Tuapeka Community Health Company Ltd	\$ 10,000.00
Waitahuna School	\$ 5,512.75
Warepa School Board of Trustees	\$ 18,500.00
Warepa School Board of Trustees	
- South Otago Sports Activator	\$ 1,713.00
<i>Less Refunds Received</i>	<i>-\$ 8,947.31</i>

**ANNUAL ALLOCATION TOTAL = \$384,665.76**

Applications for funding are available at the venues named above or can be downloaded from [www.ttcfltd.org.nz](http://www.ttcfltd.org.nz)



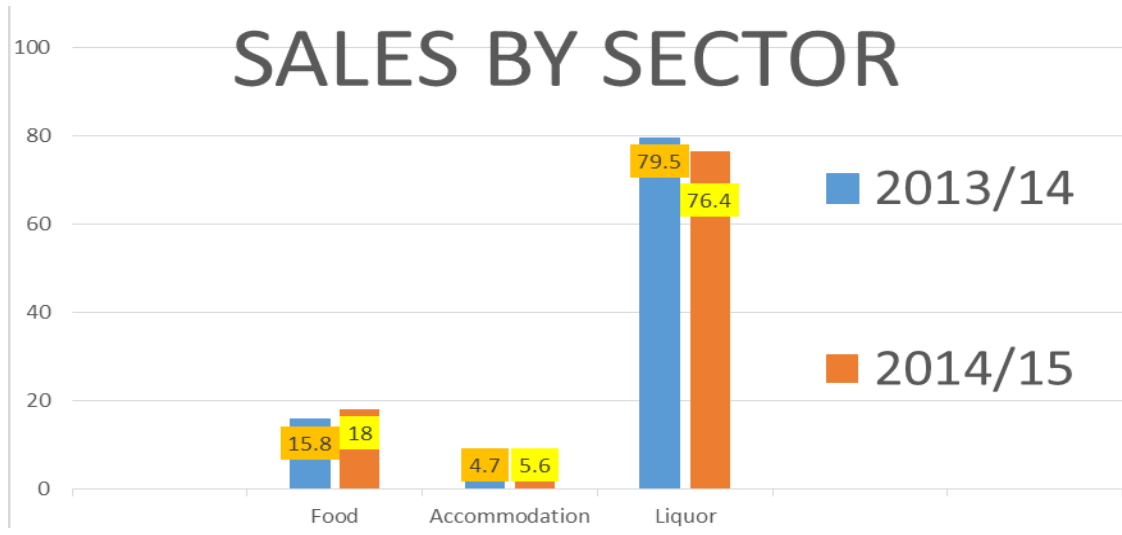
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# FINANCIAL

# GRAPHS

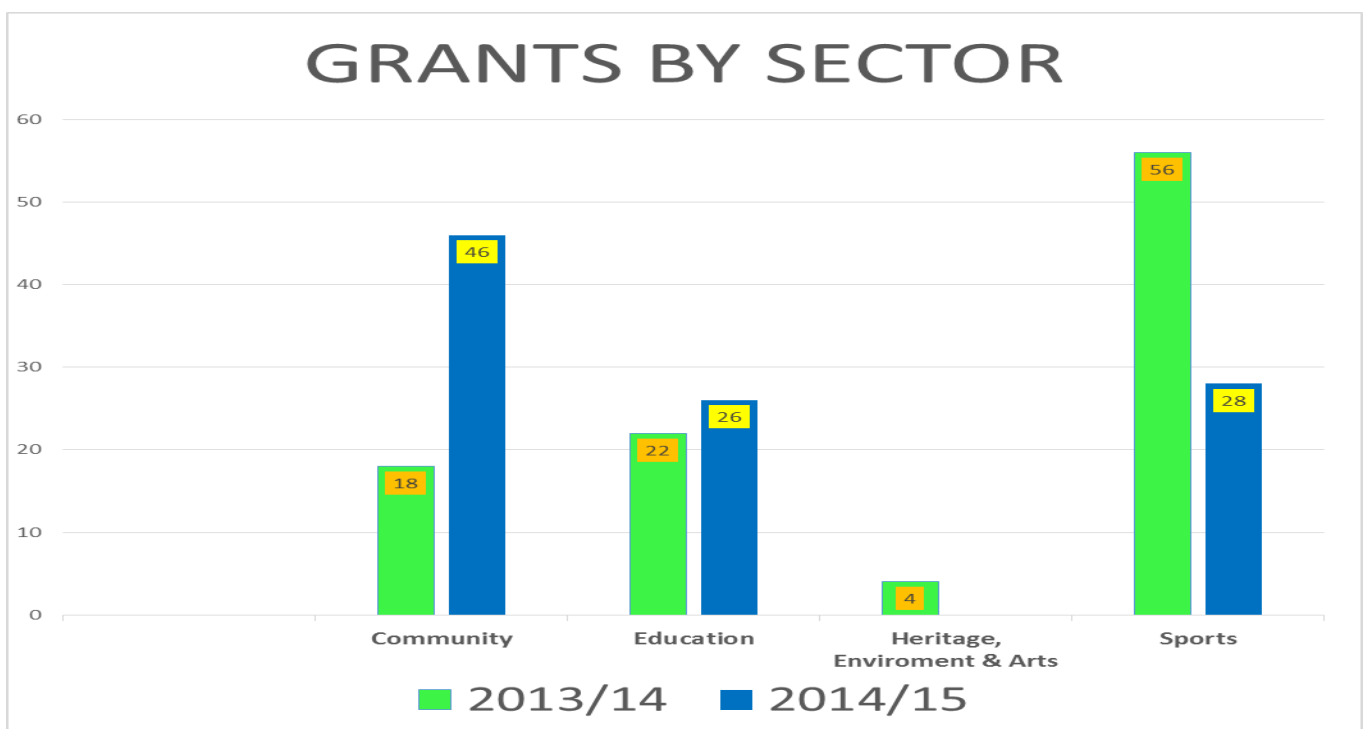
**TOTAL SALES BREAKDOWN for 2013/14 versus 2014/15**



THE TRUSTS  
**Community**  
FOUNDATION

# GRANT ALLOCATIONS

**FUNDING BREAKDOWN for 2013/14 versus 2014/15**



### Community Elected Trustees

Mr G.E.B. (Blair) CROSS (President) – <i>Balclutha Ward</i>	- elected 2010
Mr D.E. (Doug) SCOLES (Vice-President) – <i>Owaka Ward</i>	- elected 1993
Mrs J. D. (Julie) GARDNER – <i>Balclutha Ward</i>	- elected 2007
Mr R.G. (Tiny) AGNEW – <i>Tokomairiro Ward</i>	- appointed August 2011
Mr J.F.R (Jason) Lyders – <i>Lawrence Ward</i>	- elected 2012
Mrs M.J. (Joy) Greene – <i>Kaitangata Ward</i>	- elected 2013
Mr S.J. (Steve) Morris – <i>Balclutha Ward</i>	- elected 2013
Mr S.D. (Scott) McKenzie – <i>Clinton Ward</i>	- elected 2013
Mr I. R. (Icky) Carruthers – <i>Tokomairio Ward</i>	- elected 2013

### Executive of the Trust & Service Providers

Mr D.F. (David) KENNY – Chief Executive Officer

Mr W.J. (Wayne) FELTS – Operations & Purchasing Manager

· <b>TRUST ACCOUNTANT</b>	- Mike Wallace - Chartered Accountant - Gore
· <b>AUDITORS</b>	- Audit New Zealand - Dunedin
· <b>BANKERS</b>	- Bank of New Zealand - Balclutha
· <b>BANKERS - Credit line</b>	- ANZ Banking Group - Dunedin
· <b>INSURANCE BROKERS</b>	- AON New Zealand
· <b>SOLICITORS</b>	- Sumpter Moore - Balclutha

**HEAD OFFICE: 265 CLYDE STREET, BALCLUTHA 9230**

PHONE: 03 419 0021 FACSIMILE: 03 418 1493

Postal: P O Box 113 Balclutha 9240

Email: [mail@clt-trust.co.nz](mailto:mail@clt-trust.co.nz)

Website: <http://www.clt-trust.co.nz>



**Rosebank Lodge Motor Hotel - 265 Clyde Street, Balclutha.**

Phone: 03 419 0021 Fax: 03 418 1489

Email: [manager@rosebanklodge.co.nz](mailto:manager@rosebanklodge.co.nz)

General Manager: Mr James Turner

**Clutha Liquorland - 70 Clyde Street, Balclutha.**

Phone: 03 418 0099 Fax: 03 418 3160

Email: [manager.clutha@liquorland.co.nz](mailto:manager.clutha@liquorland.co.nz)

Manager: Mr Wayne Felts

Assistant Manager: Mr Dave Thomson

Shop Manager: Ms Kaye Moodie

**Hotel South Otago – 13 Clyde Street, Balclutha.**

Phone: 03 418 2100 Fax: 03 418 2116

Email: [hotelsouthotago@xtra.co.nz](mailto:hotelsouthotago@xtra.co.nz)

Manager: Mr Andrew de Geest

**White Horse Inn – 147 Union Street, Milton.**

Phone: 03 417 8049 Fax: 03 417 7278

Email: [whitehorseinnmilton@xtra.co.nz](mailto:whitehorseinnmilton@xtra.co.nz)

Manager: Departmental Team Management

**Oak Tree Inn – Hotel & Motel - Gorge Road, Clinton.**

Phone/Fax: 03 415 7007

Email: [oaktreeinnclinton@xtra.co.nz](mailto:oaktreeinnclinton@xtra.co.nz)

Manager: Mrs Carol Hill

**Bridge Tavern – Clyde Terrace Kaitangata.**

Phone: 03 413 9790 Fax: 03 413 9794

Email: [bridgetavernkai@xtra.co.nz](mailto:bridgetavernkai@xtra.co.nz)

Manager: Mrs Theresa Don

**Catlins Inn – 21 Ryley Street, Owaka.**

Phone: 03 415 8350 Fax: 03 415 8624

Email: [catlinsinnowaka@xtra.co.nz](mailto:catlinsinnowaka@xtra.co.nz)

Managers: Mrs Michelle McLaren