

Otago Southland Rescue Helicopter Trust Annual Report 2023



**Saving Lives in our Southern
Communities, every day.**

Key Statistics 2022-23

Missions Flown Year Ending 30 June

	2022-23	2021-22	%Change
Accident	629	477	32%
Medical Emergency	436	344	27%
Hospital Transfers	935	767	22%
Search and Rescue	109	61	79%
Other	12	16	-25%
TOTAL	2,121	1,666	27%
Patients carried	1866	1611	16%

* Includes all operations across lower South Island

	30 June 2023	30 June 2022
Total Revenue	\$1,567,570	\$1,405,785
Total Expenses	\$1,102,165	\$1,312,168
Net surplus before bequests and transfer of assets	\$ 465,404	\$ 93,616
Total comprehensive revenue and expenses for the year	\$ 971,703	\$ 209,033



Otago Southland Rescue Helicopter Trust Board



Martin Dippie
Trust Chairman



Warwick Deuchrass



John Gallaher



Tony Sycamore



Stephen Woodhead



Suzanne Prentice

Chairman's Review

Highlights Year to 30 June 2023

- Trust's name changed to Otago Southland Rescue Helicopter Trust to better reflect the region the service is delivered to.
- Appointment of Suzanne Prentice as a Southland-based Trustee.
- Welcomed Landpower Group Ltd as our Platinum sponsor.
- Provided operational funding that supported 1,866 Emergency Patient Retrievals across the lower South Island.
- Provided best endeavours agreement to a request to increase funding of operations to \$800,000 pa.
- Funded development of further instrument flights rules (IFR) routes across the region.
- Funded the purchase of two new ventilators.
- Received ongoing funding support from our community through donations and grants from organisations, individuals, and funders, and from significant bequests



Change in Trust name and appointment of new Trustee

The Trust's name was changed to the Otago Southland Rescue Helicopter Trust to align with the area the service is delivered across. This was further acknowledged with the appointment of Suzanne Prentice as a Trustee. Suzanne brings considerable community and governance experience to the Board, and we are grateful that she agreed to join our team of volunteer trustees.

Corporate Sponsorship

We were delighted to announce and welcome Landpower Group Ltd as the platinum sponsor in our family of sponsors. Landpower, which owns the CLAAS Harvest Centre network, has provided a long-term commitment of significant funding and is well aligned with the values of the Trust.

We look forward to working with Landpower and we are grateful also for the ongoing support Network Waitaki Ltd as a silver sponsor, and Ravensdown Ltd as a bronze sponsor.

Te Whatu Ora Health New Zealand / ACC Contract reliant on ongoing Community Donations

The contract between the Crown (through the National Ambulance Sector Office – NASO) and Helicopter Emergency Medical Services New Zealand Ltd (owned jointly by Helicopters Otago Ltd (HeliOtago) and GCH Aviation Ltd) was extended from 1 November 2022 and we are pleased to continue to support HeliOtago to deliver the impressive Otago Southland Rescue Helicopter Service in the lower South, incorporating the Queenstown Lakes area that is also supported by the Lakes District Air Rescue Trust.

The Trust provided its best endeavours agreement to increase its annual operational funding donation to \$800,000 pa (\$1.2m pa overall from the lower South Island, including contributions from the Lakes District Air Rescue Trust). This donation represents our community's co-funding of the service with the Crown. In addition, the Trust will continue to consider requests for funding of new developments and innovations.

Numbers of Rescue Missions

The Otago Southland Rescue Helicopter Service continues to be the largest and busiest in New Zealand. During the year to 30 June 2023, responses were dispatched to 1,866 patients, providing them with the best possible care. This compares with the previous year of 1,611 emergency patient missions completed. The uplift reflects changing demographics, new clinical pathways, the increase in activity levels following the easing of Covid restrictions, and enhanced technology that enable more responses in adverse weather conditions. The key focus, as always, is on the patient and providing the most appropriate specialised medical care for their situations, 24/7, 365 days a year.

Upgrade in equipment

The Trust has been pleased to provide funding for two new ventilators in recent months, so up to date and standardised ventilator equipment is carried in each machine.

IFR routes

Further Instrument Flight Rules (IFR) routes have been developed across our region in recent months, with new routes to Wanaka and Queenstown becoming operational during August 2023. These routes are designed specifically for rescue helicopters throughout the region. The pilots have specialised training to fly IFR and this enables responses to patients that would previously have been impossible because of low cloud or freezing levels. The development also enhances safety for patients and crews. The network of IFR routes across our region is almost complete, with some of the final routes now under development, and this represents a significant infrastructural asset for the benefit of our community.

Donations and Bequests

The Trust relies on the community to support the service in this region and, over the year under review, we received generous community donations totalling \$1,265,973 and bequests of \$506,299. The Trust records its sincere thanks to the Otago Regional Council for its ongoing annual donation of \$350,000, and to the ILT Foundation for donating \$120,500 and the Invercargill Licensing Trust for its donation of \$55,000. Thanks also go to the many community groups across the region for their efforts in running fundraising events and projects to support the service and to the many generous individual donors. This generosity from our community ensures we can provide ongoing funding to enable the service to respond to often desperate emergency situations across the region.



Operational performance

During the year, the Trust contributed \$997,424 to the operator of the Otago Southland Rescue Helicopter service, HeliOtago, providing support for the operations, development of IFR routes and new equipment. Income exceeded these contributions and our administration costs, providing an end of year comprehensive income of \$971,703 (inclusive of the bequests). The surplus is transferred to reserves that enable the Trust to respond to future significant needs for equipment and upgrades and to ensure sustainability of operational funding support during any future difficult economic or funding periods.

Challenges and outlook

We are expecting that demand for the service will continue to grow, reflecting demographics, clinical pathways, and the ability to respond in more circumstances. We will continue to engage with the Crown as co-funders and as the community voice of the vital Otago Southland Rescue Helicopter Service across our vast and geographically challenging region. Trustees remain committed to ensuring we assist with the delivery of a top-class rescue helicopter service for our community, including funding innovations that improve patient and crew safety and outcomes.

Thanks to Trustees and Secretary / Manager

I offer my sincere thanks to our team of volunteer Trustees for the professional knowledge and the enthusiasm they bring to our Trust. Thanks also to our Secretary / Manager for her efforts over the past year.

Thanks to Helicopters Otago Ltd and its teams of pilots and paramedics

HeliOtago's pilots, highly trained team of paramedics (including critical care and intensive care trained paramedics), and its management, all work together to maintain the world-class rescue helicopter service on standby 24 hours a day, every day of the year. They respond to every possible emergency request often flying in challenging weather conditions and across difficult terrain to bring advanced medical capability and care to those in need. The sound of the helicopter arriving is reportedly the best sound in often desperate situations. We record our thanks for the ongoing dedication and care shown by Graeme and Ros Gale and the team at HeliOtago, for which our community is most grateful.



On behalf of Trustees

A handwritten signature in black ink, appearing to be 'M Dippie', written over a white background.

Martin Dippie
Chairman of Trustees



Donations

Otago Regional Council	\$350,000	T Perkins	\$5,000
ILT Foundation	\$120,500	The Rotary Club of Milton	\$5,000
Westpac Chopper Appeal	\$64,056	High Country KTM Rally 23	\$4,500
Rotary Club of Taieri	\$54,700	Balfour Lions Club	\$4,000
Invercargill Licensing Trust	\$55,000	Dunedin Autospectacular Committee	\$4,000
LW Grieve	\$50,000	James Bradford	\$3,250
Marsh Family Trust	\$50,000	Dunstan Eco Action Group	\$3,000
Rotary Club of Wanaka	\$39,000	JC Nicholas	\$3,000
Lions Club of Maniototo Inc	\$35,000		
Anonymous Donors	\$27,320	Plus more than 200 generous group and individual donations	\$110,882
Clinton Lions Club	\$27,000		
Lawrence Lions Club	\$27,000		
Shear 4 A Cause	\$23,374		
Anonymous donor	\$20,000		
Toi Toi Tokanui Lions Club Project	\$16,186		
Emergency Services Ball	\$12,230		
Insol Limited	\$10,000		
Jaico Limited	\$10,000		
Lawlor Family	\$10,000		
Lions Club of Wanaka	\$10,000		
PA & MB Johnston	\$10,000		
Philanthropy Team Perpetual Guardian (Ballantyne)	\$10,000		
AH & EM Spijkerbosch	\$10,000		
The Cocks Family	\$10,000		
Wanaka Hardware	\$10,000		
Taieri Mouth - Coastal Classic	\$8,400		
Clutha Vet Association	\$6,605		
The Valley Roar Hunting and Fishing	\$6,000		
Givealittle	\$5,969		
Alexandra Rotary Club	\$5,000		
Clutha Valley Lions	\$5,000		
EMM Haynes Charitable Trust	\$5,000		
JA Russell Limited	\$5,000		
Lions Club of Milton	\$5,000		
Lyttle Family Trust	\$5,000		
New Zealand Salmon Association	\$5,000		
		Total Donations	\$1,265,973



Contents

	Page
Directory	
Statement of Service Performance	1
Consolidated Statement of Comprehensive Revenue and Expense	6
Consolidated Statement of Financial Position	7
Consolidated Statement of Changes in Net Assets	8
Consolidated Statement of Cash Flows	9
Notes to the Consolidated Financial Statements	10
Independent Auditor's Report	18

Directory

Nature of organisation	To support the provision of an emergency rescue helicopter service in the greater Otago and Southland region.
Charitable Trust	Otago Rescue Helicopter Group - CC28304 Otago Southland Rescue Helicopter Trust - CC28323 ORHT Limited - CC28329
Business Location	Greater Otago and Southland Region
Trustees	Martin Dippie (Chairman) Warwick Deuchrass John Gallaher Suzanne Prentice (<i>appointed 12/09/2022</i>) Tony Sycamore Stephen Woodhead
Solicitor	Anderson Lloyd Lawyers Dunedin
Bankers	ANZ
Accountant	Findex NZ Limited Dunedin
Auditor	Deloitte Dunedin

Statement of Service Performance for the year ended 30 June 2023

Who are we?

The Otago Southland Rescue Helicopter Trust is a charitable organisation formed to support the provision of an emergency rescue helicopter service in the greater Otago and Southland Region. The Trust was originally formed by a group of volunteer Trustees in 1997 for this purpose.

The Trust has raised funds through community grants, sponsorships, donations and bequests through the history of the Trust, for the benefit of the operating service. The Trust's role has evolved significantly over the years and is now best described as a fundraising and advocacy organisation for the support of the service.

The Trust now has over \$5m of Trust Funds and has continued to support the operator financially averaging over \$1m per annum over the past three financial years. The Trust aims to make wise investment decisions that preserve the original capital in real terms for future needs as well as raising a significant amount of funds from the community on an ongoing basis to support the operations as co-funder with the Crown, as well as to provide funding for innovations that further enhance the service

Organisational Background, Governance, Planning and Monitoring

Otago Southland Rescue Helicopter Trust operates under its Trust Deed dated 1 August 1997. The Trust Deed was then 'refreshed' in 2022 to ensure it remains appropriate to the current operations. It is incorporated under the Charitable Trust Act 1957 and registered under the Charities Act 2005.

Board Membership and Committees

The Board of Trustees comprises not less than four, and not more than ten Trustees appointed by majority decision of existing Trustees.

The board operates with six current Trustees who attend to all matters for the Trust collectively. There are no separate committees in operation due to the relative simplicity of the operations of the Trust.

Conflicts of Interests

It is recognised that Trustees will have a wide range of involvement within the community and therefore the potential for conflicts of interest will arise from time to time. Trustees are therefore required to record any interests in the Trust's Register of Interests.

Before the conduct of business, at each Board meeting, the Chair asks for any disclosures of interests. The minutes of the meeting record any disclosure of interest made.

Why do we exist?

The Otago Southland Rescue Helicopter Trust is a charitable organisation formed to support the provision of an emergency rescue helicopter service in the greater Otago and Southland Region.

Otago Southland Rescue Helicopter Trust's context

Our Trust Deed and the requirements of the Charities Act 2005 confers an ongoing responsibility on the Trust to the community it serves to maintain Charitable status and support the Rescue Helicopter service in the wider region. The ability to fund annual grants is dependent upon the performance of the Trust's fundraising activities, investments, and the adequacy of its reserves.

Our Vision:

The region has a world class rescue helicopter service that is delivered across the large and geographical challenging southern area of New Zealand.

Statement of Service Performance for the year ended 30 June 2023

Our Drivers/Mission

To achieve our vision, we will utilise the following drivers:

- **Community Fundraising and Engagement** – to engage, educate and partner with our local community to encourage and support their fundraising endeavours.
- **Operator Relationship and Support** – to maintain and grow a strong relationship with the Government appointed operator in our region for the benefit of the quality of the service for our community.
- **Asset Management** – to balance the interests of current and future generations by preserving capital and maximising funds for support of the rescue service.
- **Operational Efficiency** – to maintain operational efficiency to ensure that we maximise funds available to support the rescue service.

Our Funding Commitments

To assist us achieve our vision of a world class rescue helicopter service that is delivered across the large and geographically challenging southern area of New Zealand we have engaged with the local provider of the Otago Southland Rescue Helicopter Service and made the following funding commitments to them in support of their ongoing contractual commitments:

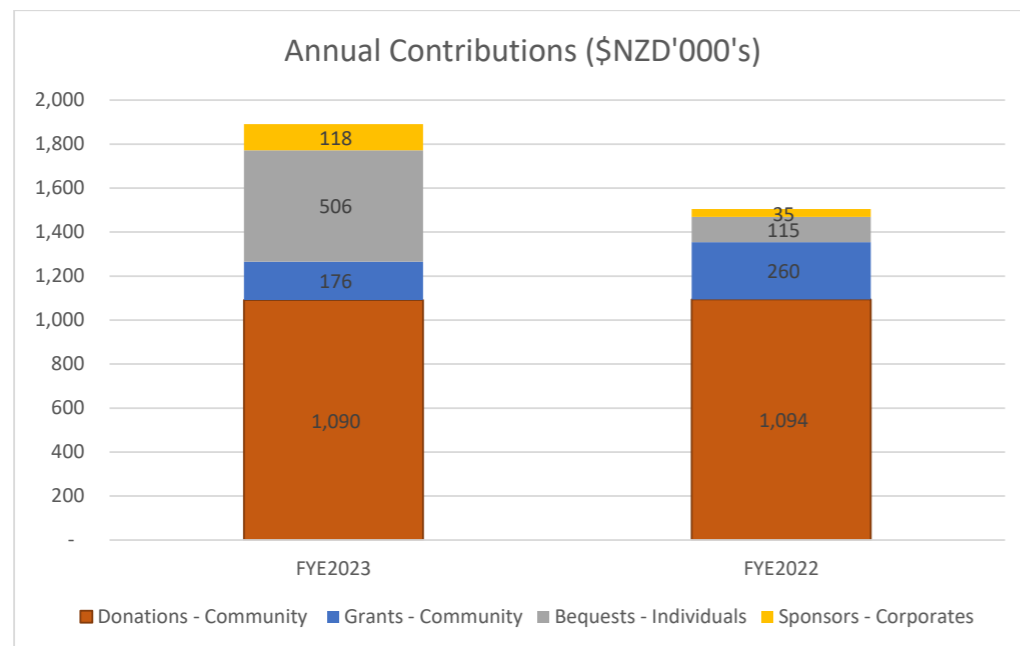
- **Annual “Operational Funding”** an annual operational grant committed to each financial period on a best endeavours basis.
- **Discretionary Projects** a case-by-case commitment to assess and consider funding for additional projects requested by the operator required to maintain and improve the service.

What did we do?

Community Fundraising and Engagement

How much have we fundraised?

Our organisation has received over \$1,890k from the community for the year ended 30 June 2023, up from \$1,504k the prior financial year. These funds have come from a variety of community donations (both individuals and organisations), grants, sponsorships and bequests.



Statement of Service Performance for the year ended 30 June 2023

A list of all contributors during the year is available on the Trust's website and in our Annual Report.

How have we engaged with our community?

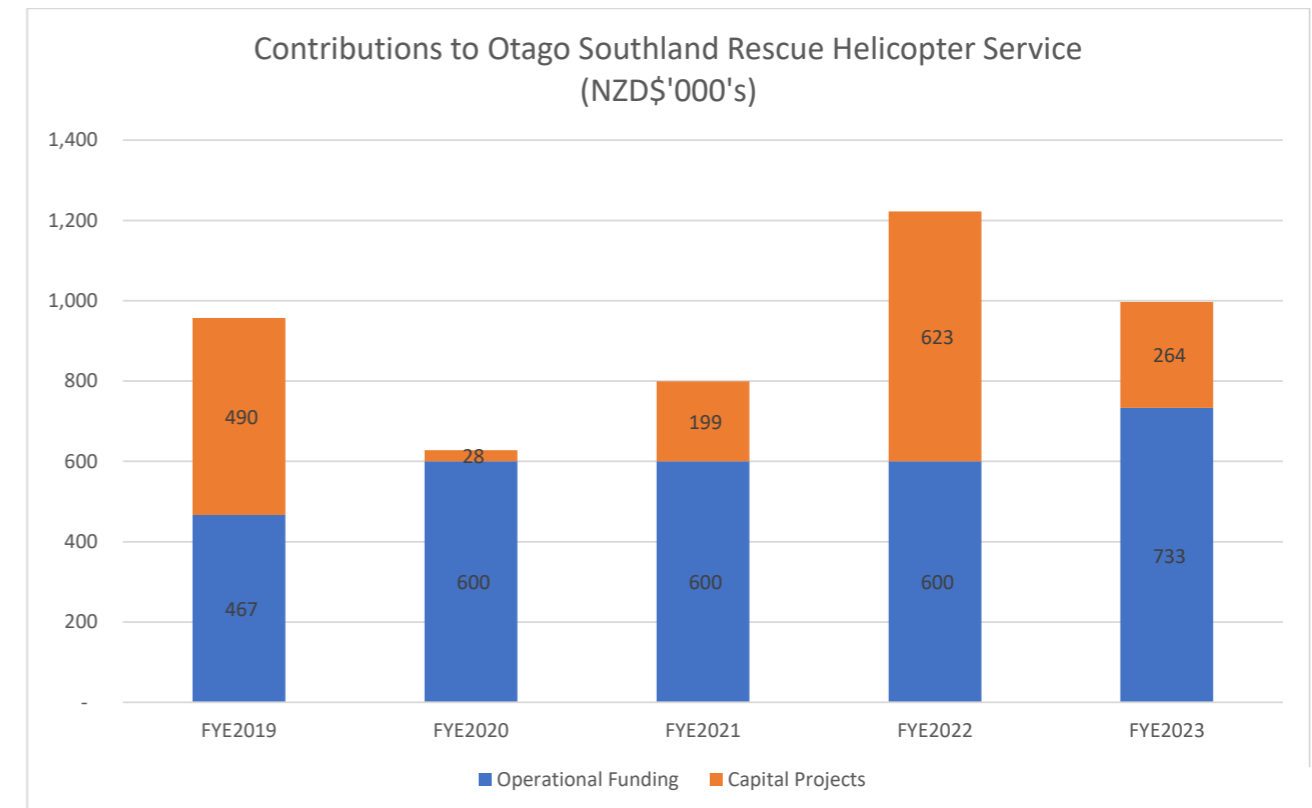
Our organisation has continued to invest time and resources into partnering with community organisations who support the Trust. For the financial year ended 30 June 2023, the key community engagement activities include attendance at community fundraising events, facilitation of site facility and educational tours, corporate sponsorship management and website content and interaction with users.

Operator Relationship and Support

The commercial operator of the rescue helicopter service in the region is awarded via competitive tender through a national Government process. The Trust provided their support for the current operator of the Otago Southland Rescue Helicopter service, “Helicopters Otago EMS Ltd, during the last tender.

How have we supported the operator?

The Otago Southland Rescue Helicopter Trust has made annual monetary contributions as co-funder with the Crown to the operator of the rescue service in each financial year. Over the past three financial years this contribution has averaged over \$1,000k made up of operational support and contributions to capital projects.



The capital projects supported include specialist equipment to increase the capabilities of the service as well as a significant investment into Instrument Flights Rules routes to allow for missions to be carried out where poor visibility would otherwise preclude missions.



Statement of Service Performance for the year ended 30 June 2023

How has the service performed?

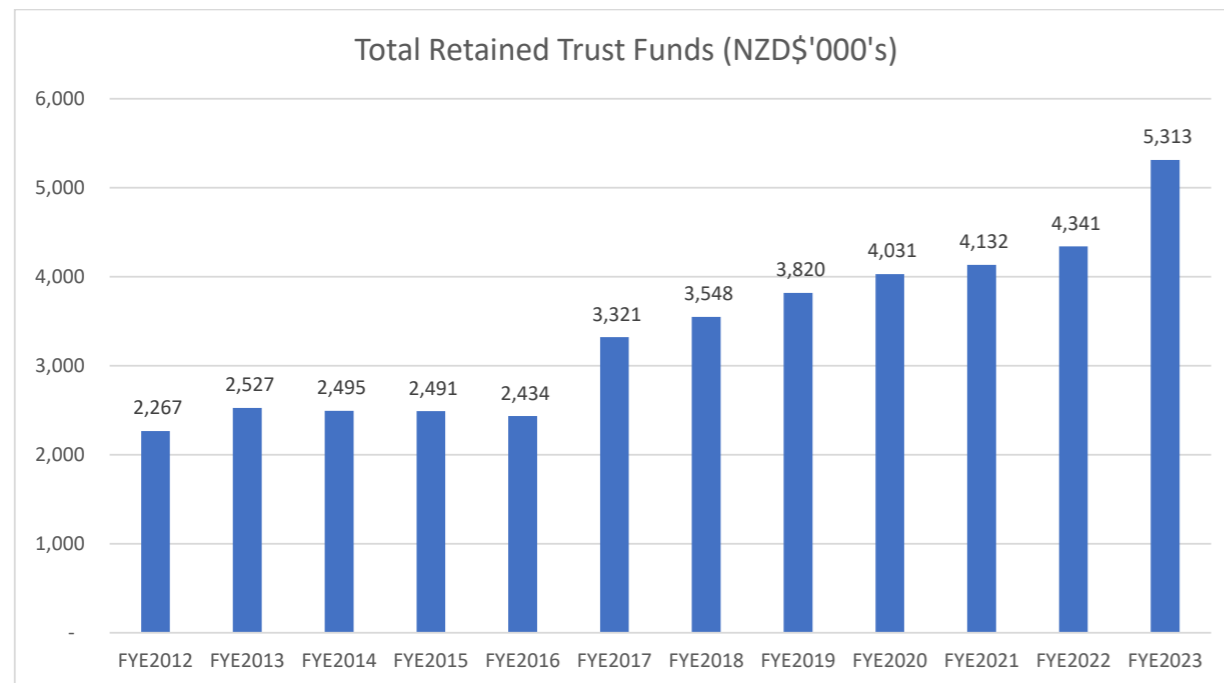
The Otago Southland Rescue Helicopter service has reported 2,121 missions flown for the year ended 30 June 2023 resulting in a total of 1,866 patients carried. The demand for services is higher than ever with a 27.4% increase in total missions flown on the prior year. The increased capability of the service has also contributed to better outcomes for more patients than ever before.

Asset Management

The Trust has a responsibility to balance the interests of current and future generations by preserving capital and maximising funds for support of the rescue service. The Trustees have also needed to consider:

- The significant trend of growth of the scale, demands, and capability of the service for which the Trust, as co-funder of the service along with the Crown, has been asked to provide increased funding into the future.
- In support of the expanded Service, there has been a significant increase in the amount of funds provided to the Trust in the form of bequests or legacies from families with an intention of an 'enduring' benefit to the service

These factors have led to significant growth in retained funds held by the Trust.



Due to the growth in funds held, starting in 2022, the Trustees engaged the services of Craigs Investment Partners to assist in the management and ongoing investment of funds in line with the goals of the organisation.

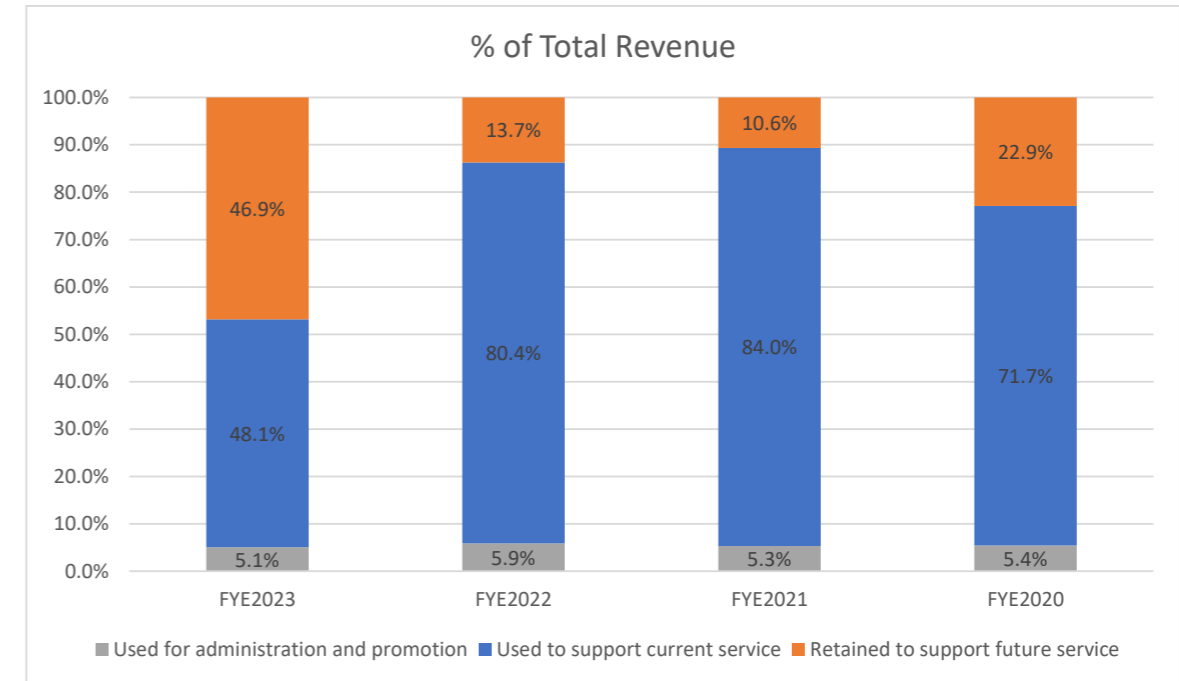
Operational Efficiency

The Trust strives to ensure that the administration and operating functions of the organisation are robust but also very cost effective. This goal ensures that the funds raised by the community are maximised for the benefit of the community.

For the past four years the Trust has averaged 95% of funds raised in the community being utilised to support the service either in the current or future years.



Statement of Service Performance for the year ended 30 June 2023



How have we performed?

The Trustees regularly review and consider the both the goals of the organisation and the performance of the organisation against goals. The performance results outlined in this Statement of Service Performance reinforce the Trustees view that the Trust performance is appropriate and measures up well against the core drivers being:

- Community Fundraising and Engagement
- Operator Relationship and Support
- Asset Management
- Operational Efficiency

In preparing the non-financial information presented in the Statement of Service Performance the Trustees in conjunction with management have sought to highlight several areas of importance which we consider to be of interest to our community. In doing so we acknowledge it is not possible to provide information on all our outcomes but have sought to provide information which we have considered relevant to reflect our overall results and significant outcomes for the year.



Consolidated Statement of Comprehensive Revenue and Expense
For the year ended 30 June 2023

	Notes	Consolidated	
		2023	2022
		\$	\$
REVENUE			
Corporate Sponsorship	6	118,333	35,000
Fundraising and donations	6	1,265,973	1,354,084
Interest income	6	23,637	16,700
Craigs Investment Patners Account	6	159,626	-
REVENUE		1,567,570	1,405,784
EXPENSES			
Donations to rescue helicopter operator	7	997,424	1,222,534
Other overhead and administration expenses	7	104,742	89,634
TOTAL EXPENSES		1,102,165	1,312,168
NET SURPLUS/(DEFICIT) BEFORE BEQUESTS		465,404	93,616
Bequests	6	506,299	115,417
NET SURPLUS/(DEFICIT) AND TOTAL COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR		971,703	209,033

Reconciliation of Total Comprehensive Revenue and Expenses

Net Surplus allocated to General Operating Reserve	465,404	93,616
Net Surplus allocated to Endowment Fund Reserve	506,299	115,417
	971,703	209,033

NOTE

During the 2018 year the Trust ceased its rescue operations upon termination of the MOH/ACC contract with the effect from 31 March 2018.


From 1 November 2018 the Trust has financially supported the service operator under the new funding model and assisted with additional funding. These costs are shown in the Donations to Rescue Helicopter Operator (Note 7).




Consolidated Statement of Financial Position
As at 30 June 2023

	Notes	Consolidated	
		2023	2022
		\$	\$
ASSETS			
Current			
Cash and cash equivalents	8	4,556,069	4,406,944
Bank Deposits		900,000	-
Receivables	9	76,886	101,505
Prepayments		2,075	1,846
Total current assets		5,535,030	4,510,295
TOTAL ASSETS		5,535,030	4,510,295
LIABILITIES			
Current			
Payables under exchange transactions	10	221,877	168,846
Total current liabilities		221,877	168,846
TOTAL LIABILITIES		221,877	168,846
NET ASSETS		5,313,153	4,341,450
TRUST FUNDS			
Life support & ambulance equipment replacement reserve		1,000,000	1,000,000
Endowment capital reserve		1,969,201	1,462,902
General operating reserve		2,343,952	1,878,548
TOTAL TRUST FUNDS		5,313,153	4,341,450

These financial statements have been authorised for issue by the trustees on 13th September 2023.


Trustee

13 September 2023
Date


Trustee

13 September 2023
Date



Otago Southland Rescue Helicopter Trust

Consolidated Statement of Changes in Net Assets For the year ended 30 June 2023

	Trust Capital	General Operating Reserve	Undistributed donations reserve	Endowment Fund Reserve	Life Support & Ambulance Equipment Replacement Reserve	Total
	\$	\$	\$		\$	\$
Balance 1 July 2022	-	1,878,548	-	1,462,902	1,000,000	4,341,450
Surplus/ (deficit) for the year	971,703	-	-	-	-	971,703
Total comprehensive revenue and expense	971,703	-	-	-	-	971,703
Transfer to/ (from) equity reserves in the year	(971,703)	465,404	-	506,299	-	-
Balance 30 June 2023	-	2,343,952	-	1,969,201	1,000,000	5,313,153
Balance 1 July 2021	-	1,784,932	-	1,347,485	1,000,000	4,132,417
Surplus/ (deficit) for the year	209,033	-	-	-	-	209,033
Total comprehensive revenue and expense	209,033	-	-	-	-	209,033
Transfer to/ (from) equity reserves in the year	(209,033)	93,616	-	115,417	-	-
Balance 30 June 2022	-	1,878,548	-	1,462,902	1,000,000	4,341,450

Otago Southland Rescue Helicopter Trust

Consolidated Statement of Cash Flows For the year ended 30 June 2023

	Notes	Consolidated	
		2023	2022
		\$	\$
Cash flow from operating activities			
Cash was provided from/(applied to):			
Receipts from non-exchange transactions		1,923,110	1,457,965
Payments to suppliers		(1,053,276)	(1,178,822)
Interest received		15,751	20,556
Net movement in GST		3,913	(2,284)
Net cash from/(used in) operating activities		889,498	297,415
Cash flow from investing activities			
Cash was provided from/(applied to):			
Receipts from term deposits drawn		-	2,560,000
Receipts from term deposits invested		(900,000)	-
Receipts from movement in Portfolio		159,626	-
Net cash from/(used in) investing activities		(740,374)	2,560,000
Cash flow from financing activities			
Cash was provided from/(applied to):			
Net cash from/(used in) financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		149,124	2,857,415
Cash and cash equivalents, beginning of the year		4,406,944	1,549,529
Cash and cash equivalents at end of the year	8	4,556,069	4,406,944



The notes on pages 10 to 17 are an integral part of these financial statements



The notes on pages 10 to 17 are an integral part of these financial statements

Notes to the consolidated financial statements for the year ended 30 June 2023

1 Reporting entity

These financial statements comprise the consolidated financial statements of Otago Southland Rescue Helicopter Trust (the "Trust") for the year ended 30 June 2023.

The Trust is a charitable trust, domiciled in New Zealand, incorporated in accordance with the provisions of the Charitable Trusts Act 1957.

The consolidated group comprises the Trust (the "Parent") and its controlled subsidiary, ORHT Limited (previously Otago Rescue Helicopter Trust Limited).

The Trust supports the provision of an emergency rescue helicopter service in the greater Otago and Southland region.

The consolidated financial statements were authorised for issue by the Trustees on the date signed on page 7.

2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Tier 2 Public Benefit Entity (PBE) Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards Reduced Disclosure Regime (NZ IPSAS with RDR) and other applicable Financial Reporting Standards as appropriate to Public Benefit Entities.

The Parent and Group is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and annual expenditure does not exceed \$30 million.

The Parent and Group is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

(b) Basis of measurement

The financial statements have been prepared on a historical costs basis, except for assets and liabilities that have been measured at fair value.

The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

(c) Presentation currency

The financial statements are presented in New Zealand dollars, which is the Trust's functional currency.

(d) Comparatives

The comparative financial period is 12 months.

The net asset position and net surplus or deficit reported in comparatives is consistent with previously authorised financial statements.

(e) Changes in accounting policies

There have been no significant changes in accounting policies.

3 Summary of significant accounting policies

The accounting policies of the Trust have been applied consistently to all years presented in these financial statements.

The significant accounting policies used in the preparation of these financial statements are summarised below:

(a) Basis of consolidation

The Group financial statements consolidate the financial statements of the Parent and all entities over which the Parent has the power to govern the financial and operating policies so as to obtain benefits from their activities (defined as "subsidiaries").

Controlled entities are those entities over which the Trust has the power to govern the financial and operating activities so as to obtain benefits from their activities.

The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The subsidiary has a 30 June balance date and consistent accounting policies are applied.



Notes to the consolidated financial statements for the year ended 30 June 2023

The consolidation of the Parent and subsidiary involves adding together like terms of assets, liabilities, income and expenses on a line-by-line basis. All significant intra-group balances are eliminated on consolidation of Group financial position, performance and cash flows.

(b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks and other short-term highly liquid investments with original maturities of three months or less.

(c) Debtors and other receivables

Trade debtors and other receivables are measured at their cost less any impairment losses.

An allowance for impairment is established where there is objective evidence the Group will not be able to collect all amounts due according to the original terms of the receivable.

(d) Creditors and other payables

Trade creditors and other payables are stated at cost.

(e) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity.

Financial instruments are comprised of trade debtors and other receivables, cash and cash equivalents, trade creditors and other payables and borrowings.

Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition, except for those carried at fair value through surplus or deficit, which are measured at fair value.

Financial assets and financial liabilities are recognised when the reporting entity becomes a party to the contractual provisions of the financial instrument.

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the Parent or Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition and re-evaluates this designation at each reporting date.

All financial assets held by the Trust in the years reported have been designated into one classification, "loans and receivables", being 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 provision for impairment.

Subsequent measurement of financial liabilities

Trade payables and other borrowings are subsequently measured at amortised cost using the effective interest method.

(f) Provisions

A provision is recognised for a liability when the settlement amount or timing is uncertain; when there is a present legal or constructive obligation as a result of a past event; it is probable that expenditures will be required to settle the obligation; and a reliable estimate of the potential settlement can be made. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values where the time value of money is material. The increase in the provision due to the passage of time is recognised as an interest expense.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.



Notes to the consolidated financial statements for the year ended 30 June 2023

(g) Employee entitlements

Short-term employee benefits

Employee benefits, previously earned from past services, that the Trust expect to be settled within 12 months of reporting date are measured based on accrued entitlements at current rate of pays.

These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date.

(h) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of consideration received.

The Trust assess its revenue arrangements against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. In an agency relationship only the portion of revenue earned on the Trust's own account is recognised as gross revenue in the Statement of Comprehensive Revenue and Expense.

The following specific recognition criteria must be met before revenue is recognised:

Revenue from non-exchange transactions

A non-exchange transaction is where the Trust either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

When non-exchange revenue is received with conditions attached, the asset is recognised with a matching liability. As the conditions are satisfied the liability is decreased and revenue recognised.

When non-exchange revenue is received with restrictions attached, but there is no requirement to return the asset if not deployed as specified, then revenue is recognised on receipt.

Condition stipulation – funds received are required to be used for a specific purpose, with a requirement to return unused funds.

Restriction stipulation – funds received are required to be used for a specific purpose, with no requirement to return unused funds.

Donations and grants

Donations and grant income is recognised as revenue when received and all associated obligations have been met. Where grants have been given for a specific purpose, or with conditions attached, income is not recognised until agreed upon services and conditions have been satisfied. Government grants relating to income are recognised as income over the periods necessary to match them with the related services when performed. Grants received for which the requirements and services have not been met is treated as "income in advance" under current liabilities.

To the extent that there is a condition attached that would give rise to a liability to repay the grant amount or to return the granted asset, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the Trust has satisfied these conditions.

Rendering of services

Revenue from services rendered is recognised in the surplus or deficit in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to assessment of services provided. Under this method, revenue is recognised in the accounting periods in which the services are provided.

Interest income

Interest income is recognised as it accrues.

(i) Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The Trust has chosen not to capitalise borrowing costs directly attributable to the acquisition, construction or production of assets.

(j) Income tax

Due to its charitable status, the Trust is exempt from income tax.

Notes to the consolidated financial statements for the year ended 30 June 2023

(k) Goods and Services Tax (GST)

All amounts in these financial statements are shown exclusive of GST, except for receivables and payables that are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

(l) New standards adopted and interpretations not yet adopted

All mandatory new or amended accounting standards and interpretations were adopted in the current year. Refer above for the effect of first time adoption of PBE standards (NFP) last year.

4 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with NZ IPSAS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant judgements, estimates and assumptions is provided in the relevant accounting policy or provided in the relevant note disclosure.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in future years affected.

5 Capital Management Policy

The Trust's capital is its equity, being the net assets represented by retained earnings and other equity reserves. The primary objectives of the Trust's capital management policy is to ensure adequate capital reserves are maintained in order to support its activities. The Trust manages its capital structure and makes adjustment to it, in light of changes to funding requirements. To maintain or adjust the capital structure, budgetary discretionary expenditure is reduced to avoid the need for additional external borrowings.

6 Income

	2023	2022
	\$	\$
REVENUE FROM NON-EXCHANGE TRANSACTIONS		
Community fundraising and donations	1,265,973	1,354,084
Corporate Sponsorships	118,333	35,000
Bequests	506,299	115,417
Interest	23,637	16,700
Craigs Investment Patners Account	159,626	-
Total Revenue from non-exchange transactions	2,073,868	1,521,202
Represented by:		
Revenue	1,567,570	1,405,785
Bequests	506,299	115,417
TOTAL REVENUE	2,073,868	1,521,202



Notes to the consolidated financial statements for the year ended 30 June 2023

7 Expenses

The following amounts were expensed in the surplus / (deficit) for the year:

	2023	2022
	\$	\$
Donations to Rescue Helicopter Operator		
Donation to HeliOtago EMS Limited - operational	733,333	600,000
Donation to HeliOtago EMS Limited - capital projects	260,881	507,835
Donation to HeliOtago EMS Limited - donations	-	-
Donation to HeliOtago EMS Limited - IFR Maintenance	3,209	114,699
Donation to Helicopters Otago Limited - intangible assets	-	-
Total	997,424	1,222,534

From 1 November 2018 the Trust has financially supported the service operator under the new funding model and assisted with additional funding. These costs are shown in the Donations to Rescue Helicopter Operator (Note 7). During the 2018 year the remaining assets that were held by the Trust at the conclusion of the contract (\$147,714) have been transferred to the service operator. During the 2021 year the remaining intangible assets that were held by the Trust (\$118,428) have been transferred to the service operator.

	2023	2022
	\$	\$
Other Overhead and Administration Expenses		
Audit fees	7,600	6,000
Accountancy & administration	13,085	14,174
Legal fees	2,679	4,483
Trust board expenses	3,158	1,683
Sponsorship Expenses	2,705	-
Manager/Secretary fees	60,000	45,003
Other	15,515	18,292
Total	104,742	89,634

8 Cash and cash equivalents

	2023	2022
	\$	\$
ANZ Cheque Account	36,454	35,925
ANZ Call Account 25	825,659	618,194
ANZ Call Account 26	29,178	28,702
ANZ NPO Current Account	75	45
Craigs Investment Partners Account	3,660,542	3,500,916
Westpac Account	3,966	223,163
Stripe Account	194	-
Paypal Account	-	-
Total cash and cash equivalents	4,556,069	4,406,944

During the 2022 year the Trust selected a fund manager and transferred funds that were previously held on term deposit.

The carrying amount of cash and cash equivalents approximates their fair value.

Notes to the consolidated financial statements for the year ended 30 June 2023

9 Receivables

	2023	2022
	\$	\$
Trade debtors and sundry receivables	69,000	101,505
Accrued interest	7,886	-
Total	76,886	101,505

Classified as:

Current assets	76,886	101,505
Non-current assets	-	-
Total	76,886	101,505

Trade debtors and other receivables are non-interest bearing and receipt is normally on 30 days terms. Therefore the carrying value of trade debtors and other receivables approximates its fair value.

As at 30 June 2022 and 2023, all overdue receivables have been assessed for impairment and appropriate allowances made. All receivables are subject to credit risk exposure.

Impairment allowance

The movement in the allowance for doubtful debts is as follows:

	2023	2022
	\$	\$
Opening balance	-	-
Amounts written off	-	-
Impairment losses recognised in the year	-	-
Impairment losses reversed in the year	-	-
Closing balance	-	-

10 Payables under exchange transactions

	2023	2022
	\$	\$
Current		
Trade creditors	8,700	5,902
Non trade payables and accrued expenses	209,265	164,095
GST payable/(receivable)	3,913	(1,151)
Total current	221,877	168,846
Total payables under exchange transactions	221,877	168,846

Trade creditors and other payables are non-interest bearing and normally settled on 30 day terms; therefore their carrying amount approximates their fair value.

11 Financial instruments

(a) Carrying value of financial instruments

The carrying value of all material financial position assets and liabilities are considered to be equivalent to fair value.

Fair value is the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction.

(b) Classification of financial instruments

All financial assets held by the Trust are classified as "loans and receivables" and are carried at cost less accumulated impairment losses. All financial liabilities are carried as amortised cost using the effective interest rate method.

Classification of financial instruments

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

2023	Financial assets at fair value through surplus or deficit	Loans and receivables	Liabilities at amortised cost	Total carrying amount	Fair value
Financial assets					
Other receivables	-	-	-	-	-
Other investments	-	-	-	-	-
Total non-current assets	-	-	-	-	-
<i>Other investments</i>					
Trade and other receivables	-	76,886	-	76,886	76,886
Cash and cash equivalents	-	4,556,069	-	4,556,069	4,556,069
Other investments	-	900,000	-	900,000	900,000
Total current assets	-	5,532,955	-	5,532,955	5,532,955
Total assets	-	5,532,955	-	5,532,955	5,532,955
Financial liabilities					
Trade and other payables	-	-	221,877	221,877	221,877
Total current liabilities	-	-	221,877	221,877	221,877
Total liabilities	-	-	221,877	221,877	221,877

2022	Financial assets at fair value through surplus or deficit	Loans and receivables	Liabilities at amortised cost	Total carrying amount	Fair value
Financial assets					
Other receivables	-	-	-	-	-
Other investments	-	-	-	-	-
Total non-current assets	-	-	-	-	-
<i>Other investments</i>					
Trade and other receivables	-	101,505	-	101,505	101,505
Cash and cash equivalents	-	4,406,944	-	4,406,944	4,406,944
Other investments	-	-	-	-	-
Total current assets	-	4,508,449	-	4,508,449	4,508,449
Total assets	-	4,508,449	-	4,508,449	4,508,449
Financial liabilities					
Trade and other payables	-	-	168,846	168,846	168,846
Total current liabilities	-	-	168,846	168,846	168,846
Total liabilities	-	-	168,846	168,846	168,846

12 Related party transactions

Related party transactions arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the Trust.

The Trust has a related party relationship with its Trustees and other key management personnel.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Trust would have adopted in dealing with the party at arm's length in the same circumstances.

Transactions with related parties

The following transactions were carried out with related parties:

(a) Related party transactions

During the year Anderson Lloyd have provided legal support and advice to the Trust, Mr Warwick Deuchrass is a Trustee of the Trust and Former Partner of Anderson Lloyd.

(b) Key management compensation

The Trust has a related party relationship with its key management personnel. Key management personnel include the Chairman, trustees and senior management of the Trust. The only payment to Senior Management was to Vivienne Seaton - Manager/Secretary for the Trust.

	2023			
	Executive Chairman	Trustees	Snr mgmt	Total
	\$	\$	\$	\$
Salaries and other short-term employee benefits	-	-	-	-
Manager/Secretary Fees	-	-	60,000	60,000
Termination benefits	-	-	-	-
Post-employment benefits	-	-	-	-
Other long-term benefits	-	-	-	-
Total remuneration	-	-	60,000	60,000
Number of persons recognised as key management personnel	1	5	1	7

	2022			
	Executive Chairman	Trustees	Snr mgmt	Total
	\$	\$	\$	\$
Salaries and other short-term employee benefits	-	-	-	-
Manager/Secretary Fees	-	-	45,003	45,003
Termination benefits	-	-	-	-
Post-employment benefits	-	-	-	-
Other long-term benefits	-	-	-	-
Total remuneration	-	-	45,003	45,003
Number of persons recognised as key management personnel	1	4	1	6

13 Contingent assets and contingent liabilities

The Trust has no contingent assets or contingent liabilities (2022: None).

14 Capital funds conditionally committed

Capital funds contracted for at the end of the reporting period but not yet incurred is as follows:

	2023	2022
	\$	\$
Donation committed to HeliOtago EMS Ltd for NVGs and Syringe Drivers utilising residual of the grants received from community funders	-	140,595
New Helipad	30,000	-
Queenstown Helipad	28,778	-
IFR routes	109,720	-
Total	168,498	140,595

15 Events after the reporting period

There were no significant events after the balance date.

Independent Auditor's Report

To the Trustees of Otago Southland Rescue Helicopter Trust

Opinion

We have audited the consolidated general purpose financial report ('consolidated financial report') of Otago Southland Rescue Helicopter Trust (the 'entity') and its subsidiaries ('the group'), which comprise the consolidated financial statements on pages 6 to 17, and the consolidated statement of service performance on pages 1 to 5. The complete set of consolidated financial statements comprise the statement of financial position as at 30 June 2023, and the consolidated statement of financial performance, statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial report presents fairly, in all material respects:

- the consolidated financial position of the group as at 30 June 2023, and its consolidated financial performance and cash flows for the year then ended; and
- the consolidated service performance for the year ended 30 June 2023 in accordance with the group's service performance criteria

in accordance with Public Benefit Entity Standards ('PBE Standards') issued by the New Zealand Accounting Standards Board.

Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing ('ISAs'), and the audit of the consolidated service performance information in accordance with the ISAs (NZ) and New Zealand Auditing Standard 1 *The Audit of Service Performance Information* ('NZ AS 1'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Report* section of our report.

We are independent of the group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) 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 Matter

The corresponding service performance information in the statement of service performance for the year ended 30 June 2022 is unaudited.

Trustees responsibilities for the consolidated financial report

The Trustees responsible on behalf of the group for:

- the preparation and fair presentation of the consolidated financial statements and consolidated statement of service performance in accordance with PBE Standards;
- service performance criteria that are suitable in order to prepare service performance information in accordance with PBE Standards; and
- such internal control as the Trustees determine is necessary to enable the preparation of a consolidated financial report that is free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial report, the Trustees are responsible on behalf of the group for assessing the group's 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 the group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole, and the consolidated statement of service performance are 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 NZ AS 1 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 consolidated financial report

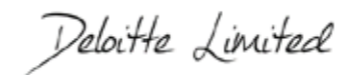
A further description of our responsibilities for the audit of the consolidated financial report is located on at the External Reporting Board's website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-13/>

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Trustees, as a body. Our audit has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Dunedin, New Zealand
13 September 2023



P.O. Box 188, Dunedin www.otagorescue.co.nz