

A matter of trust

What are Licensing Trusts and how did they come about?

Through boom and bust times, including the heady days of the 80s and the crash of 87, the Birkenhead Licensing Trust has helped shape the way Birkenhead residents meet and socialise – at the same time pouring millions of dollars back into the local community.

For people who have never had to think about 'wet' and 'dry' zones, Licensing Trusts must seem a bit of an anachronism. Even in cautious Birkenhead, there appears a lot of freedom in the sale of alcohol. But for 25 years after its establishment by Parliament in 1967, the Trust had a monopoly on licensed premises and liquor sales in Birkenhead.

What are Licensing Trusts and how did they come about? They were born out of the Prohibition days, when hard liquor and drunkenness was seen as a direct result of hardship and deprivation.

Out of the prohibition movement of the 1880s and 90s came the Alcohol Liquor Sales Control Act, which gave people control of the granting (and refusal) of licences in their local area. Over subsequent decades there were many areas of New Zealand declared 'dry', with no liquor licences.

Where there was a desire to have alcohol sales made legal, there was still widespread concern over the social consequences. Licensing Trusts were proposed as a solution. A Trust, run by elected local Trustees, would control the sale of alcohol and ensure the good character of the licensed establishments. Profits from the sale of liquor would go back into the community.

The Birkenhead Licensing Trust was established in 1967 after voters decided that the Birkenhead Council area should change from 'dry' to 'wet' under the control of a licensing trust.

In 1970 the Birkenhead Trust Hotel was opened, with catering facilities designed to cater for all locals.

A period of expansion was followed by the economic slump of the late 1980s, the recipe for a loss-making enterprise. In 1992 the trust hotel complex was sold and only the wholesale outlet retained.

The Birkenhead Licensing Trust then sat for a number of years, accumulating revenue through the wholesale outlet and distributing interest accrued to local community groups. Meanwhile local licensing reins were loosened, allowing other operators to apply for licenses.

In the interim the Trust sought other suitable sites. In 2002 the Slipp Inn Pub had been opened by Allen Vaughan, who had a long history with Lion Breweries. In 2006 the Trust approached Mr Vaughan with an offer to buy the Slipp Inn, as it seemed a good fit for several reasons: the Trust is a net-proceeds committee of the Lion Foundation; grant funding to the local community comes from funds generated by Lion Foundation; the Trust was already the pub's landlord; the pub fitted the family-friendly ideal of the Trust; and the gambling facility was a source of revenue.

But, you ask, what is the difference between a Trust operation and a private or brewery-owned enterprise? Well, all profits from bar and restaurant sales and gaming proceeds are distributed in the local community through the Lion Foundation, rather than going into a big national pool for distribution nationally.

As Mr Vaughan points out, "The Trust does a lot of good in the community, it is not self-rewarding or ruled by self-interest, there are no paid directorships, and all six trustees are chosen by the electorate in the local body elections. As a result close to \$1 million annually has gone back into the community in recent years."

More recently the Trust bought the Glenfield pub Inn Field; revenues go back into the Birkenhead, Glenfield and Northcote areas from both establishments.



Slipp Inn: One of the Birkenhead Charitable Trust enterprises providing funds for the local community and schools.




Trust timeline

-**1893** - Alcohol Liquor Sales Control Act passed by Parliament.
-**1894** - Clutha becomes first district to ban alcohol sales - many towns and districts follow.
-**1911** - National prohibition fails narrowly in New Zealand Elections.
-**1994** - First Licensing Trust established in Invercargill, to regulate liquor sales and distribute profits.
-**1967** - Birkenhead goes from dry to wet under control of Birkenhead Licensing Trust.
-**1967 to present** - Licensing Trust continues to distribute all profits and gaming machine revenues from Trust enterprises to local community.

12 localcommunity

It's cool to read at Beach Haven Primary

As well as receiving free books, children in Duffy schools are also encouraged to increase their literacy levels.

As members of the 'Duffy' Books in Homes programme, the children at Beach Haven Primary School are breaking the growing trend of 'booklessness' in New Zealand homes and are instead embracing the message that reading is cool and so is success!

The programme was created by the Alan Duff Charitable Foundation to introduce books back into low-income homes, increasing the literacy levels of youths and setting them up for successful employment in later life.



Reading is cool: Beach Haven Primary pupils with their 'Duffy' books.

Under the initiative every child enrolled at decile one to three schools across the country is given at least six brand new books from Scholastic Ltd to take home and keep every year.

Beach Haven Primary School is a decile four school, but deputy principal Judy Mathias says they could see the huge benefits of the Duffy programme and despite having to raise a higher proportion of the funding needed to run the programme, it has definitely been worth it.

The school receives sponsorship from The Birkenhead Licensing Trust, Warkworth New World and Books in Homes and under the initiative a child enrolled from years one to six at the primary will take home at least 36 books over their time at school.

"When the boxes of Duffy books arrive it feels a bit like Christmas, only it happens more than once a year," Judy says.

Copies of all books are also donated to the school library, increasing the range by 120 books a year. Luckily the library was recently extended and renovated with the help of the Birkenhead Licensing Trust, doubling the space on offer and leaving plenty of room to accommodate the new books.

As well as receiving free books, children in Duffy schools are also encouraged to increase their literacy levels through Role Model Assemblies - where celebrities visit schools to teach kids the link between reading and success, Duffy Theatre productions and an award for 'excellence in attitude'.

Shed is a man's sacred space

Men (and women) who are interested in woodworking, engineering, model-making, electrical work or upholstery are all welcome.

If a man's home is his castle, it goes without saying that his shed must be the throne room - where all his treasured belongings such as power tools, vehicles and recreational toys of all shapes and sizes are kept.

However, not all properties built now have room for this sacred man's space - which is why the Men's Shed North Shore was born.

Here men of all ages and backgrounds can not only gather to share their expertise and skills in all things manly, they can also potter around and enjoy the company of other men.

At the Men's Shed in Glenfield men can work on



Welcoming atmosphere: Men of all ages gather at the Men's Shed North Shore to work on their own projects and share their expertise and skills with others.

individual projects, put their technical skills to good use by helping community organisations and mentor other men.

Trust chairman Ross McEwan says the Men's Shed North Shore was based on a popular Australian model and is about helping older men stay active in their communities, instead of sitting at home in front of the TV.

But getting to where they are now with a fully operational building and 81 members was not easy, with the trust having to battle to raise the funds needed to make the venture a success.

This is where the Birkenhead Licensing Trust came to the party - awarding the Men's Shed North Shore multiple grants and donations to help turn this great idea into a reality.

"If it hadn't been for the Birkenhead Licensing Trust we

certainly wouldn't be where we are today," Ross says.

Men (and women) who are interested in woodworking, engineering, model-making, electrical work or upholstery are all welcome to come and see the fully-equipped workshop, with its great range of lathes, drills and all manner of tools available for use by members.

Ross says there is a strong sense of belonging at the shed, with men who have never met becoming friends within as few as 10 minutes as they bond over shared interests.

Upcoming projects for the trust include building a Santa Parade float for the local community board and making large triangular dominoes suitable for arthritis sufferers. They also hope to start a school holiday programme soon. For more information go to www.mensshednorthshore.org.nz.



Performance plus: Students at Birkdale Intermediate School love practising their performance skills in front of their peers in the school's new state-of-the-art theatre.

New theatre takes centre stage

When practising their performing arts skills the children of Birkdale Intermediate School are lucky to be able to refine their talents in the school's impressive new theatre – where they can perform in front of up to 170 people and take advantage of all the latest technology as well.

The new theatre was a massive undertaking designed to complete the school's arts centre, creating a facility that could be utilised not only by the school but also by other community groups.

However, with a price tag of around two million dollars

it was clear they could not do it alone.

The project, which was officially opened by the Governor General on June 13, was funded by the Ministry of Education along with assistance from local trusts and funds – including the Birkenhead Licensing Trust.

"If it hadn't been for the Birkenhead Licensing Trust we wouldn't have been able to build the facility at all – we wouldn't even have come close," school principal Richard Coote says.

Every seat in the ultra-modern theatre has a writing tablet in the arm so the performing arts theatre can transform easily into a lecture theatre. It is equipped with high speed internet, video conferencing facilities which will allow the students to connect with their sister school in China, data projectors, surround sound systems

and elevated seating.

In December the complex was completed with the addition of an art gallery and foyer that links the theatre to the rest of the school's arts centre. The gallery is open to the public and features exhibitions not only by the children, but also by local and national artists who put on displays for the children to study and enjoy. The foyer was a vital addition to the theatre as it provides covered access to the toilet facilities and a kitchenette for use by visiting organisations.

Birkdale Intermediate School has already held everything from prizegivings and productions through to presentations and training sessions here and Mr Cootes says the theatre is an asset not only to the school, but to the local community as well.

The new theatre was a massive undertaking designed to complete the school's arts centre.



New look: The Northcote Birkenhead Yacht Club's massive renovations are almost complete and the new facilities should be open by the end of September.

Well-earned renovation

Northcote Birkenhead Yacht Club, which sits on the water's edge at Birkenhead Point, is nearing the end of its massive transformation with the club's new facilities set to open in September.

The 1.2 million dollar upgrade has been a huge undertaking, but club commodore Graham Thow says it was vital in order to achieve their vision of providing a pathway for marine education within the local community.

The clubrooms have been standing since 1985 and the extensions required to bring the club into the

twenty-first century included a sturdy new roof, new windows with 180 degree views of the Auckland City skyline, a training room complete with a 'virtual sailing' experience, state-of-the-art electronic equipment, a sheltered deck, a full commercial kitchen and disabled-friendly amenities.

The upgrades have been supported by the Auckland City Council (formerly North Shore City Council) and local trusts, with multiple grants provided by the Birkenhead Licensing Trust - making them the second largest contributor to the club's renovations.

"Without their help we would not have been able to complete this upgrade," Mr Thow says.

Once completed, the facility will be used by multiple marine organisations, including the Northcote

Birkenhead Yacht Club, the Northcote and Birkenhead Schools Waterwise Trust and Aritika Water Sports.

It will also be available for hire by members of the community and local businesses as a unique venue for meetings, celebrations or private events.

The toilet, shower and changing block will be a separate security area and anyone from local wind-surfers and kayakers, to ferry commuters will be able to use these facilities by joining as a non-sailing associate member of the club.

The club also plans to launch a new High School Teams Sailing Programme to make yachting a more viable and affordable sporting option for hundreds of students across the Shore.

The newly renovated yacht club provides a pathway for marine education within the local community.



BIRKENHEAD LICENSING TRUST 2012 ANNUAL REPORT

SUMMARY OF AUDITED ACCOUNTS FOR THE YEAR ENDING 31 MARCH 2012

PRESIDENT'S REPORT:

It is my pleasure to report on behalf of fellow Trustees of the Birkenhead Licensing Trust (BLT). The BLT reported an operating income of \$164,818 for the year. The Birkenhead Charitable Trust (BCT) reported an operating deficit of \$26,119 but donated \$65,558.20 to various causes.

Funded by the operations of our venues "Slipp Inn" and "Inn Field", the BLT continues to support projects that benefit our residents and the local community. The Trustees have been committed to ensuring that the grants are fairly distributed in and around our area to support extremely worthwhile causes and reach not only group activities, but benefit those most in need.

To that end, for the year ended 31 March 2012, the BLT has donated a total of \$984,596.02 (as the Birkenhead Net Proceeds Committee of the Lion Foundation) to various sporting, charitable and educational organisations. Together with the BCT donations, total donations amounted to \$1,051,899.22 - a new record!

Trustees are justifiably proud of this result, and have listened to suggestions about the fit-out and style of the "Slipp Inn" in Birkenhead Avenue. Renovations have started with the aim of making our venues more appealing to a broader cross section of our local community. We appreciate how important it is that local residents can continue to enjoy the atmosphere of their "locals", so that the profits generated can continue to support worthwhile community causes.

Bill Plunkett, Dip OSH, JP
President

TRUSTEES AT 31 MARCH 2012:

- William Plunkett, JP, President
- Jennifer Yorke, JP
- Merv Adair, Deputy President
- Dr Grant Gillon
- Marilyn Nicholls, JP
- Stuart Weir

AUDITOR-GENERAL'S REPORT:

To the readers of Birkenhead Licensing Trust's summary financial statements for the year ended 31 March 2012.

We have audited the accompanying summary financial statements as set out, which were derived from the audited financial statements of the Birkenhead Licensing Trust for the year ended 31 March 2012 on which we expressed an unqualified audit opinion in our report dated 15 October 2012.

The summary financial statements comprise the summary balance sheet as at 31 March 2012, and summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended.

Opinion

In our opinion, the information reported in the summary financial statements complies with FRS-43: Summary Financial Statements and is consistent in all material respects with the audited financial statements from which they have been derived.

Basis of Opinion

The audit was conducted in accordance with the Auditor-General's Auditing Standards and the International Standards on Auditing (New Zealand).

The summary financial statements and the audited financial statements from which they were derived, do not reflect the effects of events that occurred subsequent to our report dated 15 October 2012 on the audited financial statements.

The summary financial statements do not contain all the disclosures required for audited financial statements under generally accepted accounting practices in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Trust.

Responsibilities of the Trustees and the Auditor

The Trustees are responsible for preparing the summary financial statements in accordance with FRS-43: Summary Financial Statements. We are responsible for expressing an opinion on those statements, based on the procedures required by the Auditor-General's auditing standards and the International Standard on Auditing (New Zealand) 810: Engagements to Report on Summary Financial Statements.

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

Lisa Crooke

Lisa Crooke
PricewaterhouseCoopers
On behalf of the Auditor-General, Auckland, New Zealand.
21 March 2013

GRANTS & DONATIONS:

Grants & Donations - made on behalf of Birkenhead Charitable Trust

Birkdale Beach/Haven Anglican Community Church (foodbank)	2,500.00
Wayne Roycroft disadvantaged youth	1,125.00
Birkenhead Rugby Union	5,000.00
Birkenhead United Soccer	3,712.40
Barfoot & Thompson Birkenhead, fundraising event	2,000.00
Brendon Erskine - triathlon in USA	3,500.00
Birkenhead Playcentres	2,498.96
Colla Voice Ensemble (2010) Inc.	2,250.00
Wayne Roycroft disadvantaged youth	2,800.00
Northcote Birkenhead Rugby Union & Sports Club	2,800.00
Birkenhead Rotary Club - Xmas Pole	2,149.35
Birkenhead Community Facilities Trust - Xmas Pole	1,000.00
Donation for fees	2,330.00
Cedar Centre	6,678.00
Birkenhead Historical Society	3,468.79
Beach Haven Primary School - Gritted Hands movie	924.00
Beach Haven Primary School - year camp	5,000.00
Birkenhead Citizens Advice Bureau - signage	834.90
Birkenhead Primary School - template for counseling within primary schools of b/head area	8,738.40
North Shore Male Choir - uniforms/rent	3,500.00
The Cancer Society of New Zealand	3,748.20
Total	\$65,558.20

Grants & Donations - made on behalf of Lion Foundation by Birkenhead Net Proceeds Committee and Birkenhead Licensing Trust

Northcote Bowling Club - painting of shelters & perimeter fence	6,580.00
Northcote Bowling Club - new seating for greens & surrounding areas	13,410.00
Mens Shed (North Shore) Trust - constructions	50,000.00
Birkenhead Community Facilities Trust	15,139.00
(costs associated with Tartan Day in July and Chinese/Kiwi Friendship Group)	
Birkenhead College	2,490.00
Glenfield Community Centre - replacement of carpets	20,000.00
Willow Christian Trust - insurance coverage	6,748.00
Northcote Birkenhead Rugby Union & Sports Club Inc running expenses	30,650.00
Windy Ridge School - computer server replacement	13,000.00
North Shore Education Trust (Project K)	
Birkenhead College & Northcote College	40,000.00
De Paul House - updating accommodation	75,000.00
Glenfield Primary School	
- Purchase & installation of pool pump filtration	24,110.00
Westshore Community Arts Council - maintenance and expenses	32,708.00
Glenfield College - marae project	50,000.00
Birkenhead City Cricket & Sports Club Inc	15,000.00
Highbury Community House Inc - refurbishment of crèche playground	34,698.00
Glenfield Rovers Womens soccer - development plan	10,649.00
All Mens Shed - building plan	50,000.00
Kaipaiki Project Inc - IT equipment	6,483.00
Birkenhead Tennis Club Inc - coaching & go-tech report	11,705.00
Birkenhead Primary School - purchase of 20 computers	20,000.00
Birkdale Beach/Haven Community Project Inc	
- Drop screens for sandpit area	7,000.00
Northcote Softball Club - gazebo & entry fees	4,113.00
Birkdale Intermediate School - theatre project	125,000.00
Massey Players Inc	
- Purchase of 70 new stackable chairs for auditorium	8,625.00
Birkenhead Playcentres Soc Inc - upgrading drainage and fencing	6,534.00
Beach Haven Tennis Club - Junior coaching & tennis balls	6,155.00
Beach Haven Primary School - Duffy books in schools	7,119.00
Birkenhead Community Facilities	
- Funding for year on administration costs	61,500.00
Te Ropu o Wai Ora Inc - salary	36,000.00
Northcote & Birkenhead Tigers Rugby League & Sports Club (Inc)	
- Medical & safety equipment and strip	13,315.02
Northcote Birkenhead Rugby Union & Sports Club - uniforms	10,000.00
Birkenhead College - sound system	53,929.00
Northcote College - Adult Community Education	15,000.00
Birkenhead Bowling Club - greenkeepers fees	21,739.00
Northcote Bowling Club	
- Repairs to Church St and purchase of sun shades	16,168.00
Glenfield Rovers AFC & Sports Club - 8 mils operating expenses	12,199.00
Royal NZ Plunkett Society Inc Birkenhead - assistance to fund salaries of Birkenhead community support co-ordinator & Highbury play group	12,330.00
Glenfield Ruby Union & Sports Club - playing uniforms, annual utilities and cleaning costs and 3 Gazebos	35,000.00
Westshore Community Arts Centre	
- Year of the Dragon - childrens competition	2,500.00
Total	\$984,596.02

Grants & Donations - made on behalf of Birkenhead Licensing Trust

Bunstan Community in NZ Inc	500.00
Hoto Pepera College - driving lessons	1,000.00
Birkenhead Bowling Club	245.00
Total	\$1,745.00

STATEMENT OF COMPREHENSIVE INCOME:

For the year ended 31 March 2012	2012 \$000	2011 \$000
Operating Revenue	1,982	1,768
Operating Expenses	1,817	1,820
Operating Profit / (Deficit) before income tax	165	(52)
Income Tax	-	-
Net Profit/(Deficit) after tax and	165	(52)
Total Comprehensive Income/(Loss)	165	(52)

STATEMENT OF CHANGES IN EQUITY:

For the year ended 31 March 2012	2012 \$000	2011 \$000
Equity at Start of Year	1,287	1,339
Total Comprehensive Income / (Loss)	165	(52)
Equity at End of Year	1,452	1,287

- Figures are extracted from the full financial statements which were authorised for issue by the trustees on 11 October 2012.
- These Summary Financial Statements are authorised for issue by the Board of Trustees on 13 January 2013.
- The Summary Financial statements are presented in New Zealand Dollars (\$), which is the Trust's functional currency, and presented in accordance with NZ GAAP.
- The Summary Financial Statements presented are those for the Birkenhead Licensing Trust. The Trust is classified as a public benefit entity.
- The Summary Financial Statements do not include all the disclosures provided in the full financial Statements and cannot be expected to provide as complete an understanding as provided by the full financial statements.
- A full copy of the financial report can be obtained from P.O. Box 34-084 Birkenhead.
- We have received an unqualified and unmodified opinion from Lisa Crooke, PricewaterhouseCoopers on behalf of the Auditor-General.
- These summary financial reports have been reviewed by the auditors for consistency with the full financial report.

BALANCE SHEET:

As at 31 March 2012	2012 \$000	2011 \$000
TOTAL EQUITY	1,452	1,287
Represented by:		
Current Assets		
Cash & Bank Balances	223	65
Accounts Receivable	1	4
Tax Recoverable		
(Income & GST)	-	41
Stock on Hand	18	18
Assets held for sale	-	91
	242	219
Current Liabilities		
Bank Overdraft	22	24
Accounts Payable	116	136
GST Payable	23	27
Current Loans	7	7
	168	194
Non-Current Assets		
Property, Furniture & Fittings	431	437
Intangible - Goodwill	955	955
Non-Current Liabilities		
Term Loan	8	130
Net Assets	1,452	1,287

STATEMENT OF CASH FLOWS:

For the year ended 31 March 2012	2012 \$000	2011 \$000
OPERATING ACTIVITIES		
Cash was received from:		
Interest, sundry revenue and rent	310	102
Sales	1,537	1,656
GST received	-	5
	1,847	1,762
Cash was applied to:		
Payment to Suppliers & Employees	1,785	1,757
Taxation Paid (Refunded)	(40)	1
GST Disbursed	4	-
	1,749	1,758
Net Cash Flows from Operating Activities	98	4
Investing Activities		
Purchase Non-Current Assets	(22)	(6)
Repay Loan	(115)	-
Sale of Property	220	-
Repay Related Party	(14)	-
Financing Activities		
Repay advance from Birkenhead Charitable Trust	-	(2)
Repay loan - Lion Nathan	(7)	(7)
Net Increase / (Decrease) in Cash held	160	(11)
Add Cash at Beginning of Year	41	52
Cash at End of Year	201	41