



Annual Report of the

Winston Churchill Memorial Trust Board

for the year ended
31 March 2021

*Presented to the House of Representatives Pursuant to Section 23
of the Winston Churchill Memorial Trust Act 1965*

**Winston Churchill Memorial Trust
Annual Report for the year ended 31 March 2021**

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Patron

Her Excellency, The Right Honourable Dame Patsy Reddy, Governor-General of New Zealand.

Board Members

Joy Tracey (appointed Chair with effect from 15 August 2021)

Heather Wellington (Acting Deputy Chair)

Warwick Foy

Elsbeth Ludemann

Nicola Taylor

Adina Thorn

Fuimaono Semi Asafo (appointed 15 August 2021)

Everdina Fuli (resigned with effect from 9 August 2021)

Brad Watson (resigned with effect from 21 December 2020)

Dr Bronwyn Smits (former Chair, resigned with effect from 30 June 2020)

Contact details

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Charities Registration number:

CC20454

Role

The Trust Board (Board) was established by the Winston Churchill Memorial Trust Act 1965 (Act). Its purpose is to administer the Fund set up by that Act, comprising of funds from the Government and public subscription, in memory of Sir Winston Churchill.

It was Sir Winston Churchill's wish to be remembered by a scheme that allows Fellows to travel to achieve an objective which might not otherwise be possible; particularly where this objective promotes understanding and benefits to people and communities.

The Department of Internal Affairs provides secretariat services to the Board.

Objectives and Functions

The Act empowers the Board to award Fellowships and an accompanying grant for purposes beneficial to the community.

Fellowship grants are made to individuals for overseas travel that will contribute to the general advancement of any occupation, calling, trade, business or profession in New Zealand, and will be of benefit in general to New Zealand, or to the maintenance or advancement of the Commonwealth as a beneficial influence in world affairs. Fellowship recipients must provide a report on their return, which is made publicly available on the website www.communitymatters.govt.nz.

Minister for the Community and Voluntary Sector

In December 2002, the functions, duties and powers of the Minister of Internal Affairs in relation to the Winston Churchill Memorial Trust Act 1965 were delegated to the Minister for the Community and Voluntary Sector. This was enabled under Section 7 of the Constitution Act 1986.

Appointment of Members

The Board comprises nine members who are appointed for a term of six years, unless they are completing the term of a member who resigned. The appointment of any person to membership of the Board is made by the Governor-General on the recommendation of the Minister for the Community and Voluntary Sector.

Chairperson's Report 2020/2021

Winston Churchill Fellowships help New Zealanders from all walks of life travel overseas to research topics of significance, and return with inspiration and experience that benefits their careers, communities and New Zealand.

In response to COVID-19, the Board enabled last year's Fellowship recipients to defer their overseas travel or revise how they might carry out their Fellowship project. Two recipients were able to complete their information gathering overseas prior to lockdown. Another recipient was able to carry out the project while based in New Zealand. All others have deferred travel until it is safe to do so and international borders re-open.

Despite the uncertain impact on international travel, the Board felt that it was important for the Trust to continue the 2020 Fellowship funding round. However, to address the uncertain environment effect on income, and potential travel costs, the Board was conservative in setting aside funds for awarding Fellowships.

Six fellowships were awarded in September 2020. The Fellowships awarded cover diverse topics such as services to children and young people, bee keeping, settlement of the pacific, shared community workspaces, governance in community organisations, and social change innovation.

In light of COVID's significant and on-going impact on international travel and with the number of awarded fellowships already on hold, the Board agreed not to hold a fellowship funding round in 2021. This aligns with the actions taken by the Winston Churchill Memorial Trusts in Australia and the United Kingdom.

During the 2020 year the Board revised its investment strategy for funds under management to ensure that it continues to meet its objectives of providing investment value growth over a 10 year plus time horizon while generating sustainable annual income.

The Board's strategic aspirations adopted last year are significant. The focus this year has been adding value through developing closer links to the Winston Churchill Trust in Australia. The Australian Trust has generously agreed to assist with providing access to their purpose designed software to publish and promote Fellow Reports under NZ branding.

The Board wishes to acknowledge the outstanding contribution of Dr Bronwyn Smits in embedding the Board's long term strategic direction. Her resignation from 30 June 2020, was 18 months before her 6-year term ended, as she wanted to enable the next Chair to benefit from the institutional knowledge held by six of the nine Board members due to step down at the end of 2021. I would also like to thank Brad Watson for his contribution to the Trust before leaving to take up a community support role in Samoa, and, having recently been advised of Everdina Fuli's resignation, acknowledge her contribution.

The Board continues to be supported by the Secretariat within the Department of Internal Affairs. The contribution of the Board during the year, and support to me in my acting capacity, has been valued and much appreciated.



Joy Tracey
Chair

Fellowships Awarded

2021 Winston Churchill Memorial Trust Fellowship Recipients

Marion Heeney (New Plymouth): For travel to Scandinavia, Scotland, England, and Alaska to examine best practice and evidence about services that work for children and young people.

Tim Boyd (Auckland): For travel to Australia, the UK and North America to learn from projects that operate shared workspaces for the creative and skills sector, businesses and product manufacturing.

Veronika Meduna (Wellington): For travel to Micronesia, Melanesia and Australia to carry out research for a book on the settlement of the Pacific.

Lui Poe (Auckland): For travel to the United States of America to learn from initiatives and leaders of systems approaches, social innovation and design thinking in the United States.

Joanne Cribb (Wellington) For travel to Australia and the UK to engage with organisations and their leaders who are delivering practical, proven initiatives that work across the diversity of the sector, especially for small organisations that serve indigenous communities and those who are vulnerable.

Grant Fale (Hamilton): For travel to the main islands of Tonga to assess the potential benefits for beekeeping and honey bee pollination services to the local community, as well as creating a pathway for the sharing of research and knowledge between communities.

Winston Churchill Memorial Trust
Performance Report
for the year ended
31 March 2021

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Winston Churchill Memorial Trust

Entity Information

for the year ended
31 March 2021

Legal Name of Entity:

Winston Churchill Memorial Trust

Type of Entity and Legal Basis:

A Statutory Trust established by the Winston Churchill Memorial Trust Act 1965 (the Act).

Registered Number:

CC20454

Purpose or Mission

The Winston Churchill Memorial Trust aims to assist New Zealanders from all sectors, to travel and gain new insights and understanding that will enrich their community and, ultimately, New Zealand as a whole.

The Winston Churchill Memorial Trust Board manages an income earning investment fund and awards Fellowships with accompanying travel grants to persons who will contribute to the advancement of any occupation, calling, trade, business or profession carried out in New Zealand, or to the benefit in general of New Zealand, or to the maintenance or advancement of the Commonwealth as a beneficial influence in world affairs.

Structure

The Winston Churchill Memorial Trust Board members are appointed by the Governor-General on the recommendation of the Minister for the Community and Voluntary Sector.

Main Sources of Cash and Resources:

The Winston Churchill Memorial Trust fund was created at inception by a contribution from government and by public subscription, and with further public contributions in the intervening years. The investment income from the trust fund, after a capital adjustment for inflation, is used to pay for Fellowships and administrative costs.

Main Methods Used to Generate Income

The Trust derives income from its investments, interest, dividends and donations. Such income is recognised when earned and is reported in the period to which it relates.

Reliance on Volunteers and Donated Goods or Services

Board members serve voluntarily. On occasion past Fellows and others provide services at no cost to the Trust.

Administrative Costs

The administrative costs of \$37,005 (2020 \$36,385) shown in the Statement of Financial Performance are the only such costs borne by the Trust. The Crown funds the Department of Internal Affairs to provide secretariat, advisory and accounting services to the Trust.

Winston Churchill Memorial Trust
Statement of Service Performance
for the year ended
31 March 2021

Winston Churchill Memorial Trust Outcomes

The Fund contributes to the following outcome:

To promote a benefit to the New Zealand community through the continued contribution of those awarded Fellowships.

Winston Churchill Fellowships, including partnered Fellowships, are for travel to learn more about other people and cultures, and to investigate topics that will help the recipient increase their contribution to the community.

Winston Churchill Memorial Trust Outputs

Winston Churchill Fellowships

During the year there were 6 Fellowships totalling \$45,200 awarded from 19 applications submitted. Fellowships are awarded on merit. COVID-19 related concerns and travel restrictions may have influenced the low number of applications received. In the previous year, 13 Fellowships totalling \$105,171 were awarded from 66 applications.

Partnered Fellowships

Applications are called by the Winston Churchill Memorial Trust concurrently with Winston Churchill Fellowships. Fellowships are awarded subject to the funding available and the potential contribution an application will make to achieving Partnered Fellowship outcomes.

The Winston Churchill McNeish Writer's Fellowship is awarded every two years or as funds permit. The Fellowship was last awarded in 2019/20.

The Winston Churchill New Zealand China Friendship Society Fellowship was last awarded in 2019/20.

A Winston Churchill Hawkes Bay Design Trust Fellowship was last awarded in 2016. No applications were received for the offer made in the 2020/21 financial year.

Fellows' Fellowship Fund

As part of the Trust's 50th anniversary the Board established a special fund to receive donations from Fellows and others. Contributions will be accumulated to build the special fund to a level where the earnings will support an ongoing regular Fellowship. No Fellowships have been awarded.

Winston Churchill Memorial Trust
Statement of Financial Performance
for the year ended
31 March 2021

	Actual 2021 \$	Actual 2020 \$
Revenue		
Interest revenue	46,115	71,017
Dividends	76,072	75,440
Total Revenue	122,187	146,457
Expenses		
Other expenses	22,304	15,591
Audit fee	8,625	8,245
Trustee travel, accommodation and expense	6,076	12,550
Total Expenses	37,005	36,386
Net Income before Fellowship Grants and Capital Items	85,182	110,071
Fellowship Grants		
Grants paid to Fellowship recipients	45,200	105,171
Fellowship grant amounts returned/not claimed	(4,861)	(6,000)
Total Fellowship Grants	40,339	99,171
Capital Items		
Donations and contributions to restricted funds	-	42,580
Net realised gain on sale of investments	52,118	-
Net unrealised gain/(loss) on revaluation of investment portfolio	898,506	(212,375)
Net (loss)/gain on foreign exchange	(625)	202
Total Capital Items	949,999	(169,593)
Surplus/(deficit) for the Year	994,842	(158,693)

The accompanying notes are an integral part of these financial statements.

Winston Churchill Memorial Trust
Statement of Financial Position
as at
31 March 2021

	Note	Actual 2021 \$	Actual 2020 \$
Assets			
Current Assets			
Bank accounts		119,845	50,880
Short-term investments	1	480,000	553,150
Accrued interest		29,974	33,020
Accounts receivable		723	-
Prepayments		1,466	1,466
Total Current Assets		632,008	638,516
Non-current Assets			
Shares and units in listed equities	1	3,501,368	2,523,867
Long-term investments	1	850,000	780,000
Total Non-current Assets		4,351,368	3,303,867
Total Assets		4,983,376	3,942,383
Liabilities			
Current Liabilities			
Creditors and accrued expenses		12,343	11,392
Fellowships payable		60,734	15,534
Total Current Liabilities	6	73,077	26,926
Total Liabilities		73,077	26,926
Total Assets less Total Liabilities (Net Assets)		4,910,299	3,915,457
Accumulated Funds			
Capital contributed by owners		3,105,591	3,059,696
Accumulated surpluses		1,707,126	761,995
Restricted Funds		97,582	93,766
Total Accumulated Funds	2	4,910,299	3,915,457

The accompanying notes are an integral part of these financial statements.

Winston Churchill Memorial Trust
Statement of Cash Flows
for the year ended
31 March 2021

	Actual 2021 \$	Actual 2020 \$
Cash Flows from Operating Activities		
Cash was received from:		
Donations	-	42,580
Interest, dividends and other investment receipts	125,233	159,590
Fellowship grant refund	4,861	6,000
Cash was applied to:		
Payments to suppliers	36,778	33,938
Fellowship grants paid	-	89,637
Net Cash Flows from Operating Activities	93,316	84,595
Cash Flows from Investing and Financing Activities		
Cash was received from:		
Receipts from sale or maturity of investments	1,117,946	800,000
Cash was applied to:		
Payments to purchase investments	1,141,672	1,107,565
Net Cash Flows from Investing and Financing Activities	(23,726)	(307,565)
Net unrealised (Losses)/Gains Arising from Changes in Foreign Currency Exchange Rates	(625)	203
Net Increase/(Decrease) in Cash	68,965	(222,767)
Opening cash	50,880	273,647
Closing cash	119,845	50,880
This is represented by:		
Bank accounts	119,845	50,880

Winston Churchill Memorial Trust
Statement of Accounting Policies
for the year ended
31 March 2021

Basis of Preparation

The Winston Churchill Memorial Trust is reporting under PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector), Tier 3, on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Trust has opted to apply the Tier 2 standards PBE IPSAS 28 Financial Instruments: Presentation; PBE IPSAS 29 Financial Instruments: Recognition & Measurement; PBE IPSAS 30 Financial Instruments: Disclosure and PBE IPSAS 4: The Effect of Changes in Foreign Exchange Rates. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Tier 2 PBE Accounting Standards Applied

PBE IPSAS 28, 29, 30

The carrying cost of investment assets is the fair value. The fair value of share investments and held to maturity investments is the market valuation quoted by Jarden at the reporting date. Surpluses and deficits are shown in the Statement of Financial Performance. Fixed term investments are generally held until maturity. Shares are generally held long-term. Cash deposits are recorded at cost.

PBE IPSAS 4

Transactions in foreign currency are converted at the New Zealand rate of exchange at the time the transactions occurred using rates as advised by Treasury. At balance date foreign monetary assets and liabilities are translated at the closing rate as advised by The Treasury and exchange variations arising from these transactions are included in the Statement of Financial Performance.

Presentation Currency and Rounding

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

Goods and Services Tax (GST)

The Winston Churchill Memorial Trust is not registered for GST. Therefore, amounts recorded in the Performance Report are inclusive of GST (if any).

Taxation

The Winston Churchill Memorial Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions. The Trust is registered as a charitable entity under the Charities Act 2005. The Trust holds a certificate of exemption from Resident Withholding Tax.

Measurement Base

The financial statements have been prepared on an historical cost basis, adjusted to the fair value of certain financial instruments.

Bank Accounts

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

Statement of Cash Flows

Operating activities include all activities other than investing activities. The cash inflows include all receipts of interests from investments and other sources of revenue that support the Trust's operating activities. Cash outflows include payments made for grants and to suppliers. Investing activities are those activities relating to the acquisition and disposal of current and non-current securities.

Revenue

The Trust derived income from its investments. Such income is recognised when earned and is reported in the period to which it relates.

Financial Instruments

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

Financial Assets

The Trust's financial assets are classified as either financial assets at fair value through surplus or deficit, or loans and receivables. The Trust's financial assets include: bank accounts, investments, receivables from non-exchange transactions and receivables from exchange transactions.

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

Financial assets at fair value through surplus or deficit

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

Loans and receivables

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

Investments

Investments maturing within 12 months of the reporting date are considered short-term investments. Equities are generally held long-term. Bonds are generally held until maturity. The discount or premium arising from the purchase of an investment is recognised in the Statement of Financial Performance at the time of acquisition.

Financial Liabilities

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

FNZ Custodian Service

FNZ act as custodian. All securities and most cash funds are held by FNZ on behalf of the Trust.

Expenditure

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

Fellowship Grants Approved

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

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. There are no interest rate options or interest rate swap options in place as at 31 March 2021 (2020 - nil).

The Board does not consider that there is any significant interest exposure on the Trust's investments.

Foreign Currency Risk

All Fellowship grants are paid in New Zealand currency. All expenditures are made in New Zealand dollars.

The Trust has an exposure to foreign currency risk as it holds a number of international shares. The dividends on these shares are paid in foreign currency. Some overseas currency is held in the FNZ Cash Management facility.

Capital Fund Maintenance

At the end of each financial year a transfer is made from the Accumulated Fund to the capital fund to increase the Capital Fund by the amount of change in the Consumer Price Index (CPI) as reported by Statistics New Zealand in the year to 31 March. The balance subject to this adjustment is the closing Capital Fund balance as at the end of the preceding year. This adjustment is for the purpose of maintaining the Capital Fund in real terms and is provided for by reducing Accumulated surpluses.

Prior Year Adjustment

There were no prior year adjustments as at balance date 2021.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year (2020 - nil).

Winston Churchill Memorial Trust
Notes to the Performance Report
for the year ended
31 March 2021

Note 1: Analysis of Investments	Actual 2021	Actual 2020
Short-Term Investments	\$	\$
Bank fixed term deposits maturing < 12 months	480,000	300,000
Bonds and Debentures maturing <12 months	-	253,150
Total Short-Term Investments	480,000	553,150
Shares and Units in Listed Entities	3,501,368	2,523,867
Long-Term Investments		
Bank fixed term deposits maturing > 12 months	850,000	780,000
Total Long-Term Investments	850,000	780,000
Total Investments	4,831,368	3,857,017
Note 2: Accumulated Funds		
Capital Fund	Actual 2021	Actual 2020
	\$	\$
Opening Balance	3,059,696	2,985,069
*Transfer to Capital Fund for Capital Maintenance	45,895	74,627
Closing Balance	3,105,591	3,059,696

Capital Fund

The Capital Fund is non-distributable whereas the Accumulated Fund can be distributed.

Capital Maintenance

*At the end of each financial year a transfer is made from the Accumulated Fund to the Capital Fund, equivalent to the increase in the year's Consumer Price Index. This is for the purpose of maintaining the Capital Fund in real terms. The amount is based on the Consumer Price Index as at 31 March 2021 applied to the balance in the Capital Fund at the beginning of the year. The yearly increase in CPI as at 31 March 2021 was 1.5% (2020 – 2.5%).

Note 2 continued

Accumulated Fund	2021	2020
	\$	\$
Opening Balance	761,995	1,018,165
Surplus/(Deficit) for the Year	994,842	(158,693)
Transfer to Restricted Funds - Interest	(3,816)	(3,013)
Transfer to Restricted Fund - McNeish Fund	-	(31,000)
Transfer from Restricted Fund - NZ China Friendship Society Fund	-	6,845
Transfer from Restricted Fund - McNeish Fund	-	4,318
*Transfer to Capital Fund for Capital Maintenance	(45,895)	(74,627)
Closing Balance	1,707,126	761,995

Winston Churchill McNeish Writers' Fellowship

This Fellowship is to enable young writers or journalists to travel overseas to benefit their writing. The fund is invested within the Winston Churchill Memorial Trust investment portfolio and follows the strategy for fund investment. Interest is apportioned to the fund pro rata to the investment earnings of the Winston Churchill Memorial Trust. A Memorandum of Understanding restricts the use of funds, and any interest earned, to awarding the Winston Churchill McNeish Writers' Fellowship.

McNeish Restricted Fund	2021	2020
	\$	\$
Opening Balance	83,705	54,454
Capital contributed	-	31,000
Grants paid to Fellows during the year	-	(4,318)
Transfer from reserves	3,407	2,569
Closing Balance	87,112	83,705

Winston Churchill Hawke's Bay Design Trust Fellowship

This Fellowship enabled a product and/or industrial-designer to travel and gain experiences overseas so as to contribute to the general advancement of product and/or industrial design in New Zealand. The fund is invested within the Winston Churchill Memorial Trust investment portfolio and follows the strategy for fund investment. Interest is apportioned to the fund pro rata to the investment earnings of the Winston Churchill Memorial Trust. A Memorandum of Understanding restricts the use of funds, and any interest earned, to awarding the Winston Churchill Hawkes' Bay Design Trust Fellowship.

Hawke's Bay Design Trust Restricted Fund	2021	2020
	\$	\$
Opening Balance	3,733	3,610
Transfer from reserves	152	123
Closing Balance	3,885	3,733

Fellows' Fellowship Fund

As part of the Trust's 50th anniversary, the Board established a special fund for Fellows and others to donate to. The Fellows' Fellowship fund is intended to provide investment earnings to support ongoing Fellowships on a regular basis. This Fund may be applied as distributable income to the extent determined by the Board from 2018 onwards. Interest is apportioned to the fund pro rata to the investment earnings of the Winston Churchill Memorial Trust.

Note 2 continued

Fellows' Fellowship Restricted Fund	2021	2020
	\$	\$
Opening Balance	5,286	5,112
Transfer from reserves	215	174
Closing Balance	5,501	5,286

Winston Churchill New Zealand China Friendship Society Fellowship

The Winston Churchill New Zealand China Friendship Society Fellowship is for travel to China to gain knowledge, understanding and experience of Chinese culture and values, and sharing New Zealand culture and values in China for the benefit of an occupation, profession or trade, or to the benefit in general of New Zealand through the creation or deepening of New Zealand-China relationships. The fund is invested within the Winston Churchill Memorial Trust investment portfolio and follows the strategy for fund investment. Interest is apportioned to the fund pro rata to the investment earnings of the Winston Churchill Memorial Trust. A Memorandum of Understanding restricts the use of funds, and any interest earned, to awarding the Winston Churchill New Zealand China Friendship Society Fellowship.

New Zealand China Friendship Society Restricted Fund	2021	2020
	\$	\$
Opening Balance	1,042	7,740
Grants paid to Fellows during the year	-	(6,845)
Transfer from reserves	42	147
Closing Balance	1,084	1,042

	2021	2020
	\$	\$
Total Restricted Funds	97,582	93,766

	2021	2020
	\$	\$
Total Accumulated Funds	4,910,299	3,915,457

Note 3: Commitments and contingencies**Commitments**

There are no commitments as at balance date (2020 - nil).

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (2020 - nil).

Note 4: Related Party Transactions

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

There were no transactions involving related parties during the financial year (2020 - nil).

The Department of Internal Affairs provides secretariat, advisory and accounting services to the Trust pursuant to a Memorandum of Understanding. The costs of these services are met by the Department of Internal Affairs.

Note 5: Events after balance date

There were no significant events that have occurred after the balance date that would have a material impact on the Performance Report (2020: COVID-19).

Note 6: Categories of financial assets and liabilities

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

	Actual 2021	Actual 2020
	\$	\$
Financial Assets		
<i>Financial assets at fair value through surplus or deficit</i>		
Shares and units in listed equities	3,501,368	2,523,867
Bonds and debentures	-	253,150
 <i>Loans and receivables</i>		
Bank accounts	119,845	50,880
Accounts receivable	30,697	33,020
Bank fixed term deposits	1,330,000	1,080,000
 Total	 4,984,910	 3,940,917
 Financial liabilities		
<i>At amortised cost</i>		
Creditors and accrued expenses	12,343	11,392
Fellowships payable	60,734	15,534
 Total	 73,077	 26,926

Winston Churchill Memorial Trust
Statement of Responsibility
for the year ended
31 March 2021

The Board is responsible for the preparation of the Winston Churchill Memorial Trust financial statements and the judgments made in them.

In the Board's opinion, these financial statements fairly reflect the financial position and operations of the Winston Churchill Memorial Trust for the year ended 31 March 2021.

Signed on behalf of the Board:



Joy Tracey
Chair



Heather Wellington
Acting Deputy Chairperson

Date: 20 August 2021

Independent Auditor's Report

To the readers of the Winston Churchill Memorial Trust's financial statements for the year ended 31 March 2021

The Auditor-General is the auditor of the Winston Churchill Memorial Trust (the Trust). The Auditor-General has appointed me, Stephen Lucy, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Trust on his behalf.

Opinion

We have audited the financial statements of the Trust on pages 8 to 17, that comprise the statement of financial position as at 31 March 2021, the statement of financial performance, and statement of cash flows for the year ended on that date and the statement of accounting policies and the notes to the financial statements that include other explanatory information.

In our opinion, the financial statements of the Trust on pages 8 to 17:

- present fairly, in all material respects:
 - its financial position as at 31 March 2021; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) Standard.

Our audit was completed on 20 August 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board intends to wind-up the Trust or to cease operations, or has no realistic alternative but to do so.

The Board's responsibilities arise from section 21A of the Winston Churchill Memorial Trust Act 1965.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a

material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 1 to 7 and 18, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Trust.



S B Lucy
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand