



Mackenzie
CHARITABLE FOUNDATION

Mackenzie Charitable Foundation
Report to Interested Parties November 2016

1. We last reported to you in April 2014
2. Since then the Foundation's investment portfolio has continued to grow increasing the capacity to make grants. Some major initiatives, which we detail below, have continued to be funded.
3. We are registered with the Charities Commission (Registration No. CC20247) and as a consequence continue to enjoy a tax free status.
4. With the introduction of new accounting and audit regulations by the government, we are compliant as to our financial reporting which is audited by Martin Wakefield, Chartered Accountants of Timaru.

Trustees

1. Since our last report there have been several changes to our Board of Trustees.
2. Sadly, on 26 May 2014, Pat Morrison passed away. Pat was a personal friend of the Mackenzie brothers and one of the original trustees. He made a valuable contribution to the success of the Foundation, especially during the period that the farming properties were owned and operated.
3. On 20 March 2014 Graham Kennedy was appointed a trustee of the Foundation. Graham is a long term partner of Brophy Knight (Chartered Accountants) and brings extensive governance experience to the board.
4. On 18 June 2014 Mary Ross was appointed a trustee of the Foundation. Mary was Director of Nursing at Ashburton Hospital for many years and also served as chair of the Christs College Board of trustee. She farms in partnership with husband Charles and now has many community roles
5. On 21 November 2014 Graham Sinclair, an original trustee retired. Graham made a significant contribution to the original set up of the foundation, ongoing governance and investment management.
6. Finally on 29 March 2016 Don McFarlane was appointed to the Board. Don is a farmer and also has extensive governance experience.
7. So the current Board of Trustees comprises John Acland, Don Church, Graham Kennedy, Mary Ross and Don McFarlane.

Investments

1. The Trustees have continued to follow a “prudent & conservative” approach to the investment of the Foundation’s wealth. The portfolio of investments currently includes bonds (2.6%), property (50.6%), equities (42.0%) and cash (4.8%).
2. With the exception of some small holdings of equities in Australia, all investments are New Zealand based.
3. As at 31 March 2016 the total investment portfolio has grown to \$12,868,627. This has been achieved after having made grants totalling \$1,280,477 in the past 2 years. You will recall that at the time the farm was sold the assets held by the Foundation totalled \$5,900,000.
4. The Trustees are very satisfied with the development of its portfolio of investments which they have achieved while at the same time making significant increases in its grants programme.
5. Don Church and Graham Kennedy make an invaluable contribution to the success of the Foundation’s investment initiatives.

Grant Policy

1. You will recall that the objects of the Foundation are:
 - Research, treatment, education & training relative to the disease of cancer.
 - Research, development, education for and training & expansion of the science & practice of agriculture.
 - General purposes but with preference for young people with less chance in life than many of their peers.

The Settlers also indicated an overall desire to confer the greatest possible benefit on the residents of Canterbury.

2. It is the Trustees current policy to advertise publicly for grant applications 4 times per year.
3. In addition they have considered larger one off applications as they come along from time to time.

Grants Made

1. For the year ended 31 March 2016 the Foundation made grants totalling \$605,330. This will bring the total amount paid out by way of grants, since the Foundation’s formation, to \$6,107,839.
2. The Trustees continue the positive support of both the Ashburton Benevolent Trust & Geraldine Benevolent Trust. Both of these Trusts provide timely assistance to numerous needy families in their respective communities.
3. In the last 2 years the Foundation has supported the following: The Ashburton Museum & Historical Society, K2 Youth Development Trust, The Chris Ruth Centre, Ashburton Multi-cultural Bite, Seabrooke McKenzie

Centre, The Champion Centre, Battered Womens Trust, Community House, Ashburton Youth Cafe, and the Family Help Trust.

4. Two major initiatives were continued in conjunction with Canterbury and Otago Universities. The Foundation has continued its commitment to the "Mackenzie Chair in Freshwater Ecology" at Canterbury University for a term that will expire in March 2018. And the "Mackenzie Chair in Cancer Medicine" with Otago University has been extended for a further 5 years through until 2020. Together these grants will exceed \$4,475,000 over a 10 year period.
5. The Foundation also continues its commitment with ongoing assistance to the Ashburton Learning Centre (for the BOOST Child literacy programme), Presbyterian Support, and the Ashburton Mackenzie Community Group.
6. And finally we were pleased to continue support of local hospital. You may recall that we are one of the group of funders that collectively committed \$1,500,000 towards the rebuild of the operating theatre and AAU and the strengthening of the existing buildings. That work is now nearly complete. In addition to this we are co-funding with Advance Ashburton Community Foundation, the cost of establishing the Rural Health Academic Centre at Ashburton Hospital. This means that our hospital will add teaching and research to its activities and will attract medical and nursing practitioners to our community for ongoing training

I trust that this update is of interest to you. If you have any questions please feel free to contact me

Yours sincerely,



TREVOR CROY (Secretary)

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