



Calendar 2012/2013

TECT | ANNUAL REPORT

Supporting and Strengthening Communities

CELEBRATING TECT IN OUR COMMUNITY

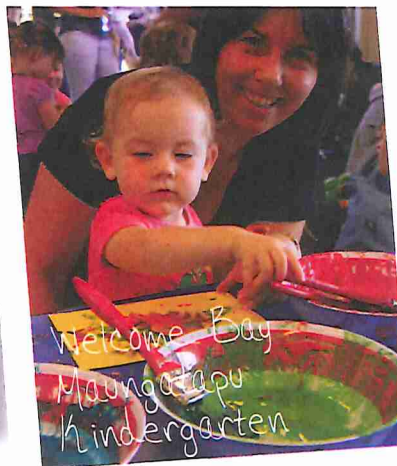
We are delighted to report that TECT continues to provide significant benefits to TECT Consumers, with the grants distributed over the past 19 years now reaching \$245 million. Whether it's our support of small grassroot organisations where just a few dollars make a meaningful difference to community life, or a large pledge that significantly benefits the wider community, TECT prides itself on ensuring its investments benefit Consumers of this and future generations.

The cheque distributions to Consumers and grants made to community groups this year have been delivered in a time of great economic pressure, and when there has never been more need for our funding support. Without TECT funding, many organisations that are making a difference in our community would struggle to continue – we believe TECT is a positive force in our community and should be celebrated as a community jewel.

Our Annual Report features a wonderful array of photography capturing Consumers and Community Organisations at work and play in the community. The calendar also contains important funding dates and events which we hope will make it a useful resource, so please keep and use it.



KiwiCan



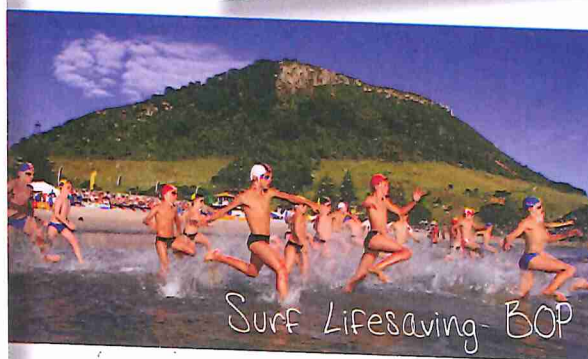
Welcome Bay
Maungatapu
Kindergarten



Baywave



KAKA STREET
SPECIAL SCHOOL



Surf Lifesaving BOP



Pahora
School



Tga Sabash Club



Tga Healthy Homes



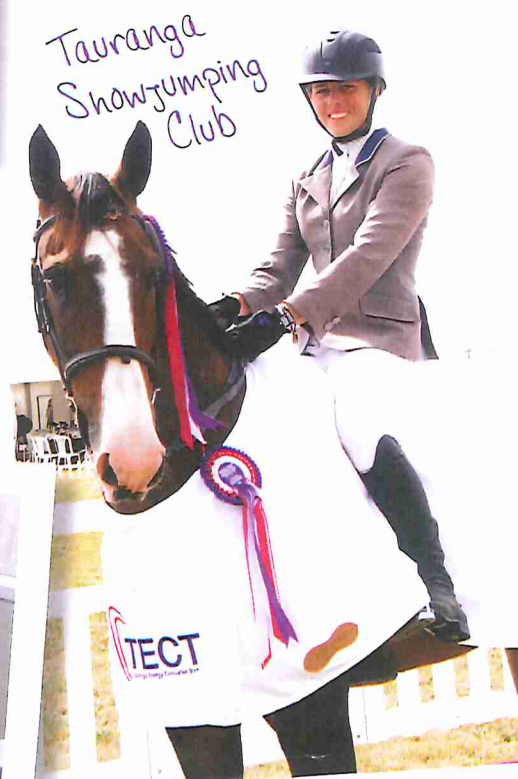
Project H



Multicultural



Whanau
Aroha Trust



Tauranga
Showjumping
Club

TECT
Everyday Community Fund



Dear Consumers

I am pleased to report that TECT has finished the year ended 31st March 2012 in great shape.

Investments

TECT's major investment is its shareholding in TrustPower, one of the five major electricity generator/retailers in New Zealand. TrustPower, which is headquartered at Te Maunga, Tauranga is one of the city's largest employers.

TECT's shareholding in TrustPower amounts to an ownership of 33% of the shares in the Company and this investment continues to provide strong dividend income to TECT.

Gross dividends this year were \$41.6 million, up almost \$2 million on last year's return.

The value per share in TrustPower as at the 31st March 2012 was \$7.25, compared with \$7.20 at the 31st March 2011.

In May this year, TrustPower reported increased earnings and a number of development opportunities, the most significant of which was the potential development of a 270 MW second stage of its wind farm at Snowtown, Adelaide, Australia. Trustees consider TrustPower's pipeline of development opportunities provides a potential for increased dividend and share price growth over time.

Key Financial Results

Key financial results for the year are as follows:

- Group equity increased by \$42.1 million, an increase of 6%. This increase was partly due to a change in the way deferred tax is calculated resulting in an adjustment of \$31m.
- Short term money market deposits were \$19 million including \$5.4 million committed to TECT's reserves and distribution provisions.
- Group income was \$39.1 million compared to \$33.6 million last year, an increase of 16.7%, group expenses decreased by \$1.3 million, a decrease of 26%. This decrease is attributable to reduced interest costs as a result of the reduced debt.
- Debt was reduced by \$12 million to \$43 million.

These results are pleasing. Trustees believe that TECT is well placed to continue strong distributions to Consumers. TECT's current distributions are among the highest of any Energy Consumer Trust in New Zealand.

TECT's Distributions

This year \$32.2 million was allocated to TECT's Consumer distribution schemes. \$25.9 million was distributed directly to Consumers through the annual cheque distribution scheme. This represented an average tax-free payment of \$451 per Consumer, which is a record distribution. Trustees appreciated being able to make this distribution at a time when many Consumers are experiencing difficult financial conditions.

TECT has now distributed over \$195 million direct to Consumers since 1994, and the base amount has grown from \$20 per Consumer then to \$375 in 2011.

The Trustees have this year resolved to further increase the base amount from \$375 per Consumer to \$385 per Consumer, an increase of 2.67%.

\$6.3 million was allocated to TECT's other Consumer Community Organisation Schemes, and details of the grants made from those schemes are set out elsewhere in this report.

I invite you to consider the wide range of community organisations that TECT has supported on your behalf during the year. These organisations make an important contribution to our community and Trustees are

pleased to have been able to support the many passionate volunteers who make up those organisations in the valuable work they do.

2012 was the final year of a 3-year sponsorship agreement with TrustPower/TECT Rescue Helicopter. I am pleased to announce that Trustees have recently entered into a further 3-year commitment to support the TrustPower/TECT helicopter in the great work that it does in our area. A grant was made to the Western Bay of Plenty District Council to enable it to undertake power reticulation at the exciting TECT All Terrain Park at Pyes Pa, and a significant grant was made to the Riding for the Disabled to enable it to commence construction of its long awaited arena. At the eastern end of TECT's territory, TECT has contributed to the erection of the Pongakawa Action Centre, a centre which will be a significant asset for that community.

This year too, saw the opening of the Indoor Sports and Exhibition Centre, TECT Arena, at Baypark. Trustees congratulate the Tauranga City Council on undertaking the development of this significant amenity which has already seen the city host a number of events not previously seen here. We are sure this amenity will serve the city well for many years to come.

Trustees

I acknowledge the Trustees for their efforts on behalf of Consumers during the year. An election is currently underway for three Trustee positions. There is strong interest in these positions, with 23 candidates offering themselves for election. This is a good indication of the wide interest in the work that TECT does. We thank candidates for making themselves available.

Secretariat

Our secretary, Fraser Lellman, and his team of Char Niles, Jeanette Voss and Judi Priest, have provided valued assistance during the year. We thank them for their efforts.

Conclusion

Thank you for the opportunity to present this report. I hope you will enjoy it and will agree with me that TECT is an organisation worth celebrating for the contribution it makes to our district.

Michael Cooney
TECT Chairperson

We have funding available
www.tect.org.nz

Join us at our AGM: Tuesday 31 July 2012, 5:30pm,
TECT Arena, 81 Truman Lane, Te Maunga, Tauranga.



RIDING AHEAD RAIN OR SHINE

The Tauranga Riding for the Disabled Centre provides therapy but people don't just learn to ride – they often learn to walk, talk, smile and experience freedom. You see people from all walks of life at Tauranga Riding for the Disabled's new indoor centre. More than 300 disabled and at-risk people are able to receive equestrian therapy through RDA programmes.

Seeing a child who spends their life in a wheelchair experience the motion of walking while in the saddle of a horse is inspiring. As well as helping develop balance, posture, self esteem and confidence among its riders, horse riding encourages independence and offers mobility and freedom.

The new indoor arena provides a wonderful experience for the riders, volunteers and coaches. There have been scores of positive comments about how easy it is working with the horses and riders with the new facility and how comfortable and enjoyable an environment it is to be in. Just knowing that the rider won't be disappointed every time it rains has been a huge positive. TECT contributed towards the new arena and is proud of RDA's endeavours to create a population with a positive outlook and eyes open to the future.

Reflecting on his involvement in the Tauranga Riding for the Disabled movement, his eyes sparkle and his face lights up. A very talkative Toby Lipinski sums up his experience with just one word – "Awesome"!



JULY 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

SCHOOL TERM 3 BEGINS

CLOSE OFF DATE FOR FUNDING APPLICATIONS (MONTHLY)

Join us at our TECT AGM
 Tuesday 5.30pm
 TECT Arena,
 Baypark
 81 Truman Lane,
 Te Maunga,
 Tauranga

AUGUST 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

CLOSE OFF DATE FOR SUBSIDY SCHEME APPLICATIONS (QUARTERLY)

CLOSE OFF DATE FOR FUNDING APPLICATIONS (MONTHLY)

We have funding available
www.tect.org.nz

If your community organisation needs money or you know of a community group that needs a helping hand, then apply now. Visit www.tect.org.nz

A BURST OF FLORAL AND ART FUN

1-11 NOVEMBER 2012

The New Zealand Garden & Artfest kicks off next month from 1-11 November 2012. The ever popular Garden Trail commences 5 November when the region's best gardeners open their gates to showcase their horticultural creations alongside superb visual art from local artists.

The seven-day festival attracts visitors from all over New Zealand and overseas, with over 60 garden stops and nearly 60 artists featuring on the 2012 programme. The gardens are chosen from Katikati to Te Puke and the line-up includes cleverly planted courtyards, large country gardens with rose walks and sweeping lawns, exclusive lodge landscapes, herb trails and more; with sculptors, painters, carvers, mosaic and wood artists amongst the exhibitors. The gardens are all sure to provide a mix of old favourites and tantalising discoveries.

Vegetable gardens will once again clearly be in vogue and visitors will no doubt go away inspired. Food and socialising is all part of the fun and you can anticipate plenty of culinary adventure, and some very special regional evening garden parties throughout festival week.



OCTOBER 2012

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
30 DAYLIGHT SAVING BEGINS						1
2	3	4	5	6	7	8
9 NZ AIMS GAMES INTERMEDIATE SCHOOLS TOURNAMENT COMMENCES	10	11	12	13	14 NZ AIMS GAMES INTERMEDIATE SCHOOLS TOURNAMENT CLOSES	15
16	17	18	19	20 CLOSE OFF DATE FOR FUNDING APPLICATIONS (MONTHLY)	21	22
23	24	25	26	27	28 SCHOOL TERM 3 ENDS	29

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

We have funding available
www.tect.org.nz

TECT Consumers: Discounts off the NZ Garden and Artfest Garden Trail ticket prices.
Visit www.gardenandartfest.co.nz for the festival programme and to purchase tickets.

KIDS POISED FOR ACTION

Piupiu will swirl, fierce eyes widen and voices will ring out when about 1,500 Western Bay children take to the stage in the annual Ra Whakangahau Kapa Haka festival. Tauranga's largest non-competitive Kapa Haka festival is in countdown mode with only days until show time on 6/7 December 2012 at Bethlehem School.

Students from around 35 local schools from Katikati to Maketu take part in the event. Participants come from a diverse range of ethnic backgrounds and while many kids are used to performing, for many this will be their first time out on stage. It aims to give the kids a chance to show off their skills in waiata-a-ringā (action songs), haka, poi and choral performance. The harmonious melodies of the children are impressive; the boys' strong singing will be complemented by the sweet melodies of the girls; their enthusiasm is infectious.

Coupled with traditional Maori costumes and ink designs patterned onto their faces, you'll find the Kapa Haka programme simply irresistible! TECT is proud to support events that the whole community can enjoy and has been a funder of the Ra Whakangahau Kapa Haka Festival for the past few years. The festival started with small beginnings but now attracts many people from whānau, aunts, grandparents, and the wider community so take along your picnic and enjoy a cultural extravaganza.



NOVEMBER 2012

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY SATURDAY

1

2

3

NZ GARDEN &
ARTFEST
COMMENCES

8

9

10

CLOSE OFF
DATE FOR
SUBSIDY SCHEME
APPLICATIONS
(QUARTERLY)

17

24

30

NZ GARDEN &
ARTFEST
GARDEN TRAIL
COMMENCES

12

13

14

15

16

NZ GARDEN &
ARTFEST
CLOSES

18

19

20

21

22

23

CLOSE OFF DATE
FOR FUNDING
APPLICATIONS
(MONTHLY)

26

27

28

29

DECEMBER 2012

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY SATURDAY

30

31

1

8

15

22

29

RA
WHAKANGAHAU
KAPA HAKA
FESTIVAL,
BETHLEHEM
SCHOOL

RA
WHAKANGAHAU
KAPA HAKA
FESTIVAL,
BETHLEHEM
SCHOOL

SCHOOL
TERM 4 ENDS
FOR SECONDARY
SCHOOLS

CLOSE OFF DATE
FOR FUNDING
APPLICATIONS
(MONTHLY)

SCHOOL
TERM 4 ENDS

TECT OFFICE
CLOSED UNTIL
14 JANUARY

CHRISTMAS DAY

BOXING DAY

We have funding available
www.tect.org.nz

TECT Distribution Cheques: \$25.8 million is being mailed to eligible Consumers in November.

New TECT Cards are being issued with the cheques. Visit www.tect.org.nz for a list of TECT Card discounts.



SAVING TIME, SAVING LIVES

The TrustPower TECT Rescue Helicopter service, operating from Tauranga Hospital has saved almost 1,000 lives throughout the Bay of Plenty region since it began in 2000.

The helicopter and its expert crew carry out approximately 100 missions each year and are available 24/7 to respond and bring medical assistance to emergencies such as accidents involving: cars, motorbikes, hunting, tramping, and recreational activities. The helicopter is also used to recover people lost in remote bushland, up mountains, or out at sea and is also available for inter-hospital transfers to get people to more specialist care.

Pilot, Liam Brett Kelly says "a significant number of trauma patients die from treatable causes 1-2 hours after injury. Early resuscitation gives the patient the best chance of survival. With a fully equipped rescue helicopter bringing Paramedical Officers and/or Medical staff to the scene, resuscitation can begin sooner and continue throughout the flight back to hospital".

The benefits of having a locally-based rescue helicopter are significant. This is a service that literally saves lives. TECT in conjunction with TrustPower is a principal sponsor of the Rescue Helicopter. The Trust has allocated over \$1 million to the helicopter service since 2003 and has recently agreed to provide sponsorship for a further three years.

The service is accessible through the 111 emergency call system.

Without such a service, many lives would be put at risk every year. With it, your community is a much safer place in which to live.



JANUARY 2013

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY SATURDAY

1 2 3 4 5

NEW YEAR'S DAY

6 7 8 9 10 11 12

TECT OFFICE
REOPENS

13 14 15 16 17 18 19

CLOSE OFF DATE
FOR FUNDING
APPLICATIONS
(MONTHLY)

20 21 22 23 24 25 26

SCHOOL
TERM 1
BEGINS

NZ WORLD CUP
SHOWJUMPING
EVENT
COMMENCES

27 28 29 30 31

FEBRUARY 2013

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY SATURDAY

1 2

NZ WORLD CUP
SHOWJUMPING
EVENT
CLOSES

WAITANGI DAY

CLOSE OFF DATE
FOR SUBSIDY
SCHEME
APPLICATIONS
(QUARTERLY)

CLOSE OFF DATE
FOR FUNDING
APPLICATIONS
(MONTHLY)

3 4 5 6 7 8 9

10 11 12 13 14 15 16

17 18 19 20 21 22 23

24 25 26 27 28

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www.tect.org.nz

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TECT ARENA A SLAM DUNK

The blowing of whistles, cheering from the sidelines, and competitive banter is all part of the scene at the TECT Arena, and while the kids are a bit little yet to 'slam dunk', they all describe this multi-purpose community facility as CHOICE. Visit the TECT Arena at Baypark during the day or after work and you'll see hundreds of people in action as they participate in one of the many sport and recreational activities on offer.

The indoor centre contains over 13,000sqm of useable space across nine courts and includes meeting rooms, offices and an events auditorium. TECT Arena is one of the most versatile and multi-purpose venues in New Zealand. From netball, basketball, volleyball, badminton, indoor soccer and uni-hockey plus provision for turbo touch, table tennis, martial arts, indoor bowls, wheelchair rugby and wheelchair basketball, there's no excuse not to get active on a daily basis!

Not only is the TECT Arena capable of hosting international, national and regional sports events it also caters for exhibitions, conferences and is Tauranga's largest indoor concert venue. It's also a superb location to hold birthday parties or weddings.

Since opening in August 2011, there have been over 216,000 visits to the facility. TECT is proud to contribute to such a fantastic facility, built specifically for the community to use and enjoy now and in the future. You don't have to be a pro at a game to play – if you're keen to try out a new activity then the TECT Arena is a great place to start. See you on court.

The TECT Arena was recognised with a merit award at the annual Property Council New Zealand Rider Levett Bucknall Property Industry Awards in June 2012.



**NATIONAL
JAZZ FESTIVAL
TAURANGA
COMMENCES**

**NATIONAL
JAZZ FESTIVAL
TAURANGA
CLOSES
1ST ELIGIBILITY
DATE FOR CHEQUE
DISTRIBUTION
2013
EASTER MONDAY**

Visit www.tect.org.nz



A POSITIVE PRESENCE IN A CHALLENGING ENVIRONMENT

The Street Help Van operated by the Get Smart Tauranga Trust is a visible presence on the streets in Tauranga on a Friday and Saturday night. A team of volunteers provides mobile aid and assistance to youth and adults, offering free food, drinks, first aid, a listening ear and a safe drop-off home if required.

The Trust has been in operation for over 20 years and is a community response to the growing problem of drug and alcohol abuse and addictions. The volunteers are passionate about reaching the vulnerable, and all of the services are free of charge to those in need. Many of the street people come regularly each weekend for food and fellowship. Of particular concern are vulnerable young people, especially if they are under the influence of drugs or alcohol. Over the years a number have turned their lives around as a direct result of the support received through the Street Help Van ministry.

Get Smart also provides counselling services and run drugs and alcohol education programmes. The age-appropriate education programme is a key strategy in combating the major problem of binge drinking and drug use.

TECT has been a proud supporter of Get Smart's community work over a number of years, and was delighted to contribute towards the purchase of the new Street Help Van.



MAY 2013

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY SATURDAY

			1	2	3	4
5	6	7	8	9	10	11
12	13 SCHOOL TERM 2 BEGINS	14	15	16	17 CLOSE OFF DATE FOR SUBSIDY SCHEME APPLICATIONS (QUARTERLY)	18
19	20	21	22	23	24	25
26	27 CLOSE OFF DATE FOR FUNDING APPLICATIONS (MONTHLY)	28	29	30	31	

JUNE 2013

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY SATURDAY

30						1
2	3	4	5	6	7	8
9	10 QUEEN'S BIRTHDAY	11 ANTI-DRINK DRIVING EXPO COMMENCES	12	13	14 ANTI-DRINK DRIVING EXPO CLOSES	15
16	17	18	19	20	21	22
23	24	25	26	27 CLOSE OFF DATE FOR FUNDING APPLICATIONS (MONTHLY)	28	29

We have funding available
www.tect.org.nz

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COMMUNITY GRANTS & DONATIONS APPROVED YEAR ENDED 2012

Community Organisation Subsidy Scheme

ORGANISATION	PROJECT/ITEMS	APPROVED
Aquinas College	Computer Equipment, Computers, Power Tools	\$59,503
Arataki Primary School	Computers	\$23,139
BABS Limited	Heatpumps	\$3,400
Bay of Plenty Coastal Cruisers Inc	Computer Equipment, Computers	\$1,077
Bellevue Primary School	Computer Equipment, Data Projector, Interwrite Boards, Telephone System	\$11,410
Botanical Road Kindergarten	Electrical Upgrade, Wiring & Installation	\$920
Brookfield Free Kindergarten	Dishwasher, Fridge, Ovens, Wiring & Installation	\$3,030
City Church Tauranga	Airconditioning Unit, Fire Alarm System, Lighting, Wiring & Installation	\$60,000
Cool Bananas Youthwork Trust	Computers, Microphones, Sound System	\$2,834
Detour Theatre Trust	Heatpumps	\$1,215
EERST Trust	Computer Equipment, Computers	\$1,999
Evans Road Community Church	Computers	\$700
Gate Pa School	Data Projector, Interwrite Boards, Wiring & Installation	\$30,850
Grace Community (Tauranga) Trust	Computers, Data Projector	\$1,907
Greenpark School	Cabling & Networking, Computers, iPads, Web Camera	\$34,678
Greerton Free Kindergarten	Computers, Vacuum Cleaner	\$1,703
Grief Support Services Inc	Photocopier	\$750
Habitat for Humanity (Tauranga) Limited	Heaters, Ovens, Wiring & Installation	\$16,122
Homes of Hope Charitable Trust	Computers, Dehumidifier, Dishwasher, Electrical Appliances, Fridge, Heatpumps, Laminator, Shredder, TVs, Video Camera, Washing Machine, Wiring & Installation	\$9,805
Hosanna Fellowship Trust	Computers, Heatpump	\$4,966
Kaimai Outdoor Centre Inc	Water Heater & Zip System	\$778
Katikati College	Computers	\$22,000
Katikati Kindergarten	Dishwasher, Fridge, Vacuum Cleaner	\$997
Kids Campus Tauranga Public Service Childcare Society Inc	Computer Equipment, iPads	\$1,822
Maketu Health & Social Services	Fridge, Computer Equipment, Printer	\$14,327
Mangatawa Papamoa Blocks Inc	Dryer, Fridge, Oven, Washing Machine, Wiring & Installation	\$58,350
Maungatapu School	Computer Equipment, Data Projector, Speakers, Video Camera	\$7,221
Men's Shed Charitable Trust	Dust Extractor	\$998
Merivale Whanau Aroha Centre	Digital Camera, Heatpump, Oven	\$6,647
Mount Maunganui Lifeguard Service Inc	Security System	\$9,448
Mount Maunganui Mainstreet Inc	Lighting, Wiring & Installation	\$3,940
Mount Maunganui Primary School	Computers	\$20,000
Mount Maunganui Sports Club	Electrical Upgrade, Glass Cleaner	\$5,126
New Zeal Foundation	Computers, Data Projector, Digital Camera, Speakers, Video Camera	\$7,223
No 2 Road Hall Charitable Trust	Dishwasher, Fire Alarm, Heatpumps, Lighting, Oven, Security System, Wiring & Installation	\$21,766
Oropi Primary School	Computers, Digital Camera, Video Camera	\$7,961
Otumoetai Intermediate School	Computers	\$36,900
Otumoetai Primary School	Computers, Data Projector, Listening Posts & Headphones	\$17,059
Pahoia School	Airports, Wiring & Installation	\$37,010
Papamoa Baptist Church	Dishwasher, Wiring & Installation	\$2,345
Papamoa Sports Bowling Club Inc	Dishwasher, Electrical Upgrade, Hot Water Cylinder, Security System	\$1,289
Pillans Point School	Computer Equipment, Data Projector, iPads	\$33,939
Pirirakau Hauora Charitable Trust	Breastpump, Computer Equipment, Computers, Data Projector, Dishwasher	\$5,317
Pirirakau Kohanga Reo	Lighting, TV	\$735
Pyes Pa School	Computer Equipment, Data Projector	\$4,478
Rangataua Sport & Cultural Club Inc	Lighting	\$4,935
Selwyn Ridge Primary School	Computer Equipment, iPads	\$33,604
Shakti - Ethnic Women's Support Group (Central Region) Inc	Computer Equipment, Computers, Printer, Telephone System	\$2,145
St Andrew's Presbyterian Church	Data Projector	\$650
St Andrew's Preschool	Heatpump	\$2,971
St Enoch's Presbyterian Church	TV, Wiring & Installation	\$1,110
St James Union Church	Cook-Top, Oven, Rangehood, TV, Wiring & Installation	\$3,235

ORGANISATION	PROJECT/ITEMS	APPROVED
St Mary Immaculate Church	Lighting	\$1,900
St Patrick's Parish	Heatpump, Oven, Wiring & Installation	\$7,872
St Paul's Presbyterian Church	Sound System	\$833
Surf Life Saving New Zealand Inc (Eastern Region)	Laminator, Photocopier	\$3,738
Tahatai Coast School	Computer Equipment, Wiring & Installation	\$24,231
Tauranga (BOP) Hearing Assn	Data Projector, Electrical Items, Sound System	\$1,810
Tauranga Bowling Club Inc	Eftpos Machine	\$600
Tauranga Citizens Advice Bureau	Computer Equipment, Computers	\$945
Tauranga Environment Centre Charitable Trust	Computers, Heatpump, Lighting, Wiring & Installation	\$4,875
Tauranga Intermediate School	Airports, iPads	\$27,464
Tauranga Primary School	Computer Equipment, iPads	\$20,648
Tauranga Rowing Club Inc	Fire Alarm, Security System	\$1,419
Tauranga Target Rifle Club Inc	Lighting, Wiring & Installation	\$839
Tauranga Western Bay Neighbourhood Support (2009) Inc	Computer Equipment, Computers	\$433
Tauranga Yacht & Power Boat Club Inc	Airconditioning Unit	\$12,500
Tauriko School	Computer Equipment, Computer Upgrade, Computers	\$25,545
Te Akau ki Papamoa School	Cabling & Networking, Computer Equipment, Computers, iPads	\$41,015
Te Kura o te Mouhere o Matakana	Computers	\$9,933
Te Puke Free Kindergarten	Computer Upgrade, Computers	\$800
Te Puke High School	Catering Equipment, Dryer, Fridge, Oven, Washing Machines	\$60,000
Te Puke Tennis Club	Urn	\$165
Te Puna Hauora ki Tauranga Moana Trust	Laminator, Shredder, Electronic Whiteboard	\$3,729
Te Whanau Kotahi Trust	Telephone System	\$2,572
Turning Point Trust	Computer Equipment, Computers	\$10,378
Welcome Bay Community Church	Photocopier	\$2,950
Welcome Bay Free Kindergarten	Computers, Digital Camera	\$2,179
Welcome Bay School	Cabling & Networking, Digital Camera, iPads, Washing Machine	\$20,135
Western Bay New Life Church	Computer Equipment, Computers, Data Projector, Microphones	\$2,573
Western Bay of Plenty District Council	Flood Lighting for Centennial Park Te Puke	\$60,000
Whakamarama & Districts Kindergarten	Dishwasher, Fridge	\$1,561
TOTAL		\$999,976

Major Amenities

ORGANISATION	PROJECT/ITEMS	APPROVED
Elms Foundation	Purchase of Property - Reclassification of Loan to Donation	\$644,000
Tauranga Hockey Assn	Upgrade of Hockey Turfs	\$800,000
TOTAL		\$1,444,000

Community Amenities

ORGANISATION	PROJECT/ITEMS	APPROVED
Bay of Plenty Clay Target Assn	Relocation and upgrade of Clubhouse	\$105,248
Gate Pa Tennis Club	Upgrade of Clubhouse	\$30,000
Katikati Memorial Hall Society	Refurbishment of Kitchens	\$69,000
Pongakawa School	Development of Community Action Centre	\$375,000
Tauranga BMX Club	Construction of Command Centre and Asphalt Berms	\$92,395
Tauranga City Council	Development of Arataki Community Centre	\$60,000
Tauranga Riding for the Disabled	Construction of Indoor Arena	\$300,000
Te Puna School	Astroturf Upgrade	\$25,000
Waldorf Schools (BOP) Trust	Construction of School/Community Hall	\$150,000
YMCA Tauranga	Purchase of Property - Reclassification of Loan to Donation	\$250,000
TOTAL		\$1,456,643

Community Events

ORGANISATION	PROJECT/ITEMS	APPROVED
Arataki Primary School	Te Ra Whakangahau Festival	\$7,000
Bay of Plenty Classic Aircraft Trust	Tauranga City Airshow	\$125,000
Bethlehem Baptist Church	A Night Before Christmas Event	\$6,900
Creative Tauranga	Summerfest Event	\$40,000
Katikati Open Air Art	New Zealand Mural & Arts Festival	\$5,000
Katikati Theatre	Gallagher Production	\$3,114
Papamoa Tennis Charitable Trust	Davis Cup Tie Event	\$36,890
Tarnished Frocks & Divas	Performing Arts & Exhibition Fashion Show	\$13,124
Tauranga Boys College	Tauranga Trail Run Offroading Event	\$9,100
Tauranga Intermediate School	AIMS Games	\$50,000
Tauranga Jazz Festival	Jazz Festival 2012	\$150,000
Tauranga Performing Arts Competitions Society	Festival of Performing Arts	\$10,000
Tauranga Showjumping Group Inc	World-Class Showjumping Series	\$30,000
Te Aranui Youth Trust	Anti-Drink Driving Expo	\$29,750
Te Manu Toroa Trust	Well Child Day	\$2,500
TOTAL		\$518,378

Community Special Projects

ORGANISATION	PROJECT/ITEMS	APPROVED
Argos Gymnastics Club	Acromat Flooring	\$14,000
Bay of Plenty Rugby Union	Healthy Thriving Communities Programme	\$30,000
Bay of Plenty Sailing Academy Trust	Beginner Level Windsurf Gear	\$17,430
Blue Lagoon Hearing Trust	Consumer Subsidised Hearing Aids & Specialist Equipment	\$10,160
FABS (Family Attachment BASE, SAFE)	Family Programmes	\$41,000
Gate Pa Kindergarten	Alterations to Kindergarten	\$11,008
Get Smart Tauranga Trust	Vehicle	\$15,000
Homes of Hope Charitable Trust	Operating Costs	\$120,000
Life Education Trust	Operating Costs	\$56,000
Nethall Bay of Plenty	All About Heart Coaches & Umpires Programme	\$75,000
New Zealand Response Team Trust	Purchase & Fitout Response Vehicle	\$18,948
Priority One	INSTEP Programme	\$20,000
Sport Bay of Plenty	Disability Accessible Equipment Trailer & G04IT Fundamental Skills Programme	\$150,000
Tauranga Art Gallery Trust	Artbus	\$20,000
Tauranga Community Housing Trust	Purchase of Property	\$200,000
Tauranga Volunteer Coastguard Assn	Upgrade of Radio System	\$25,000
Te Puke Gymnastics Club	Crash Mats	\$1,562
Te Puke Hall Society	Chairs	\$5,000
Te Puna Community Kindergarten	Alterations to Kindergarten	\$30,000
Te Tuinga Whanau Support Services Trust	Vehicle	\$32,000
Waipuna Hospice	Operating Costs	\$100,000
Western Bay of Plenty District Council	Power Reticulation at TECT All Terrain Park	\$200,000
Youth Development Trust	Operating Costs Y/E 2012 and Y/E 2013	\$200,000
Western Bay of Plenty		
TOTAL		\$1,392,108

Energy Efficiency

ORGANISATION	PROJECT/ITEMS	APPROVED
Energy Options Charitable Company Limited	Tauranga Healthy Homes Project	\$400,000
TOTAL		\$400,000

TOTAL APPROVED GRANTS AND DONATIONS APPROVED FOR YEAR ENDED 31 MARCH 2012

\$6,211,105

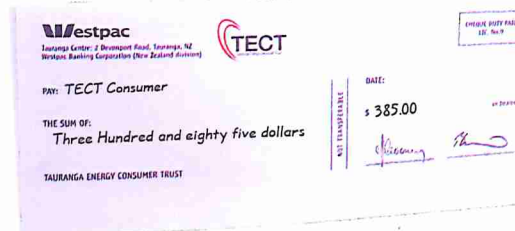
TOTAL CONSUMER CHEQUE DISTRIBUTIONS FOR YEAR ENDED 31 MARCH 2012

\$25,875,000

CONSUMER CHEQUE DISTRIBUTIONS

TECT distributes the majority of its annual income directly to Consumers by way of cheques. In November 2011, TECT distributed \$25,875,000 to eligible Consumers. Each Consumer received a fixed amount of \$375 plus a small amount which varied according to each Consumer's power usage. The average cheque amount was \$451. The cheque distribution is of significant benefit to Consumers and provides a huge cash injection into the local economy. To be eligible for the TECT cheque, you must be a TrustPower customer in TECT's District (basically in the Tauranga City or Western Bay of Plenty region) and have an active TrustPower power account continuously from 1 April to 30 September. This year each eligible

Consumer will receive a fixed base amount of \$385 plus a portion based on power usage with cheques being mailed out in November.



TRUST GOVERNANCE

TECT and its subsidiary TECT Charitable Trust operate under Deeds of Trust respectively dated 21 December 1993 and 27 March 2002. Provisions of the Electricity Amendment Act 2001 also impact upon Trust Governance.

TECT is governed by six Trustees who are elected by Consumers for 4-year terms. The terms of appointment of Trustees are staggered so that three Trustees retire every 2 years. The current Trustees

are Michael Cooney (Chair), Bruce Cronin (Deputy Chair), Ken Collings, Dame Susan Devoy, Mark Groos and Ron Scott. Trustees are responsible for managing TECT's assets for the benefit of qualifying Consumers. Trustee conduct is governed by a Code of Practice which is published on TECT's website.

The day-to-day operations of TECT are managed by the Trust Secretariat, Mr Fraser Lellman, BDO Tauranga Limited, Chartered Accountants.



Trustees Bruce Cronin – Deputy Chairperson, Dame Susan Devoy, Ron Scott, Ken Collings, Mark Groos, Michael Cooney – Chairperson

TECT GROUP SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS 2012

FULL CONSOLIDATED FINANCIAL STATEMENTS AVAILABLE

The Summarised Consolidated Financial Statements on this page have been extracted from the full audited Consolidated Financial Statements of the Trust for the year ended 31 March 2012. If you require more detailed information, copies of the full Consolidated Financial Statements and the unmodified auditor's opinion dated 19 June 2012 can be obtained from: *The Secretary, Tauranga Energy Consumer Trust, PO Box 356, Tauranga.*

Statement of Comprehensive Income

For the year ended 31 March 2012

	TECT GROUP	
	2012	2011
Finance Income		
Dividend Income	41,627,151	39,708,722
Fair Value Adjustment of Investments	215,248	-
Fair Value Adjustment of Derivative	620,489	-
Interest Income	1,200,346	1,302,201
Miscellaneous Operating Income	1,753	408
TOTAL INCOME	43,664,987	41,011,331
Administration Expenses		
Legal and Advisory Fees	7,116	7,492
Secretarial Costs	329,200	329,137
Trustee Expenses	140,865	138,523
Other Administration Expenses	183,416	284,087
Finance Expenses		
Fair Value Adjustment of Investments	-	260,305
Interest	3,108,217	3,996,435
Other Finance Expenses	1,252	84,134
TOTAL EXPENSES	3,770,066	5,100,113
SURPLUS BEFORE TAXATION	39,894,921	35,911,218
Tax Expense	771,338	2,280,516
SURPLUS AFTER TAXATION	39,123,583	33,630,702
Plus Other Comprehensive Income		
Valuation Gain on Investments	5,193,942	(4,155,153)
Change in Estimate of Deferred Tax on TrustPower Shares	31,236,093	-
Less Tax on Components of Other Comprehensive Income	(1,454,304)	3,941,601
Total Other Comprehensive Income	34,975,731	(213,552)
TOTAL COMPREHENSIVE INCOME	\$74,099,314	\$33,417,150

Statement of Changes in Trust Equity

For the year ended 31 March 2012

	TECT GROUP	
	2012	2011
Surplus After Taxation	39,123,583	33,630,702
Balance at Beginning of Year	93,091,656	90,184,918
Transfers to Reserves for Distributions	(32,175,000)	(30,723,964)
Accumulated Final Surpluses	100,040,242	93,091,656
Fair Value Reserves	614,942,781	579,967,050
Reserves for Distributions	3,689,638	3,533,812
TRUST EQUITY AT END OF THE YEAR	\$718,672,661	\$676,592,518

Statement of Financial Position

As at 31 March 2012

	TECT GROUP	
	2012	2011
TOTAL TRUST EQUITY (INCLUDING RESERVES)	\$718,672,661	\$676,592,518
<i>Represented by:</i>		
Current Assets		
Cash & Cash Equivalents	1,156,767	3,681,715
Short Term Deposits	18,160,156	16,728,533
Sundry Accounts Receivable & Prepayments	21,412	81,879
Interest Rate Swaps - ANZ Bank	84,894	-
Taxation Refund Due	120,449	-
Total Current Assets	19,543,678	20,492,127
Non Current Assets		
Investments		
Shares in TrustPower Ltd	753,121,576	747,927,634
Loans to Consumer Organisations	154,943	833,695
ANZ Senior Bonds	3,064,467	3,058,514
Redeemable Preference Shares - Tauranga City Aquatics Ltd	-	4,000,000
Total Investments	756,340,986	755,819,843
TOTAL ASSETS	775,884,664	776,311,970
Less Current Liabilities		
Sundry Accounts Payable	73,587	71,173
Bank Overdraft	4	307,163
Accrued Interest	180,200	238,203
Loan - ANZ Bank	15,500,000	-
Interest Rate Swap - ANZ Bank	594,038	-
Taxation Payable	-	347,381
Provision for Distributions	5,430,072	5,097,337
Provision for Advance to Consumer Organisation	-	200,000
Total Current Liabilities & Distribution Provisions	21,777,901	6,261,257
Non Current Liabilities		
Deferred Taxation	7,934,102	37,328,561
Loan - ANZ Bank	27,500,000	55,000,000
Interest Rate Swap - ANZ Bank	-	1,129,634
Total Non Current Liabilities	35,434,102	93,458,195
TOTAL LIABILITIES	57,212,003	99,719,452
NET ASSETS	\$718,672,661	\$676,592,518

Statement of Cash Flows

For the year ended 31 March 2012

	TECT GROUP	
	2012	2011
Net Cash Flows from Operating Activities	39,044,464	33,910,122
Net Cash Flows from Investing Activities	3,256,424	2,112,217
Net Cash Flows used in Financing Activities	(44,518,677)	(35,855,330)
Net Increase / (Decrease) in Cash & Cash Equivalents	(2,217,789)	167,009
Add Opening Cash & Cash Equivalents	3,374,552	3,207,543
CLOSING CASH & CASH EQUIVALENTS	\$1,156,763	\$3,374,552
<i>Represented by:</i>		
Cash & Cash Equivalents	1,156,767	3,681,715
Bank Overdraft	(4)	(307,163)
	\$1,156,763	\$3,374,552

These Statements are to be read in conjunction with the Notes to the Financial Report shown below.

TRUSTEE

TRUSTEE

DATE 19 June 2012

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2012

1. REPORTING ENTITY

These are the Summarised Financial Statements for the TECT Group comprising Tauranga Energy Consumer Trust ("TECT"), TECT Charitable Trust, TECT Holdings Limited, TECT Finance Limited and TECT Finance No. 2 Limited.

The Tauranga Energy Consumer Trust was established under a Trust Deed on 21 December 1993 as a consequence of the Tauranga Electric Power Board's Establishment Plan. TECT is a Consumer Trust, the income and capital of which are to be used to provide benefits to Consumers who are TrustPower customers in the area defined in the Trust Deed (being the area supplied by the Tauranga Electric Power Board as at 21 December 1993 subsequently amended to include the Tauranga district area previously supplied by Tauranga Electricity Limited).

TECT is not a Charitable Trust and accordingly may not continue for more than 80 years. On the winding up of the Trust the assets of the Trust, which remain, will be distributed for the benefit of Consumers.

TECT Group holds 103,878,838 shares, representing 33% in the capital of TrustPower Limited.

2. BASIS OF PREPARATION

The summary financial statements are prepared in accordance with FRS 43 Summary Financial Statements. The full financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP), as applicable for profit-oriented entities. The Trust has made an explicit and unreserved statement of compliance with International Financial Reporting Standards (IFRS) in its full financial statements.

This summary is extracted from the full financial statements authorised for issue by the Trustees on 19 June 2012, for which an unqualified audit opinion has been given. This summary has also been examined by KPMG and a copy of their summary unqualified audit opinion is included in this report.

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

The summary financial statements cannot be expected to provide as complete an understanding as provided by the full financial statements of the Trust. You can obtain a copy of the full financial statements free of charge from the TECT office at 96 Cameron Road, Tauranga 3141 or the Trust's website, www.tect.org.nz.

3. TAXATION

The tax expense of \$771,338 relates to current group tax charges of \$13,753,482 less dividend Imputation Tax Credits of \$12,959,551 and prior period adjustment of \$22,593.

4. DEFERRED TAX

Deferred Tax shown in the Statement of Financial Position arises primarily from revaluation of financial instruments to fair value. During 2012 a re-estimation of the deferred tax liability arising in relation to the fair value movements in TrustPower shares was made, which was based around the level of imputation credits likely to be attached to future dividends. The Trustees now consider there is more clarity and certainty about the level of imputation credits which will likely be attached to dividends received. This resulted in a reduction in the deferred tax liability provided on the fair value adjustment of \$31,236,093. The estimated level of imputation credits will be reviewed at each reporting date.

5. IMPUTATION CREDITS

As TECT is not a company it does not have an Imputation Credit account. TECT Holdings Limited, TECT Finance Limited and TECT Finance No. 2 Limited are registered as an Imputation Group. As at 31 March 2012 the Group had Imputation Credits available of \$30,361,143 (2011: \$16,641,276).

6. COMMITMENTS AND CONTINGENCIES

TECT Group had no commitments or contingencies at the end of the financial year other than those disclosed in the Statement of Financial Position (2011 Nil).

7. RELATED PARTY TRANSACTIONS

Mr Michael Cooney is Chairperson of Tauranga Energy Consumer Trust and TECT Charitable Trust. He is a Director of TECT Holdings Ltd, TECT Finance Ltd and TECT Finance No. 2 Ltd and is also a director of TrustPower Ltd. Net dividends received by TECT Group from TrustPower Ltd during the year ended 31 March 2012 totalled \$41,551,535 (2011: \$39,473,958). At 31 March 2012 the TECT Group shareholding in TrustPower Ltd was 103,878,838 shares valued at \$7.25 per share (2011: \$7.20) or a total value of \$753,121,576 (2011: \$747,927,634).

Trustees are required to be Consumers as defined in TECT's Trust Deed and are therefore beneficiaries of TECT and accordingly are related parties. All transactions with related parties are undertaken in the normal course of business on normal commercial terms.

8. INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS

To the Trustees of Tauranga Energy Consumer Trust

The accompanying summary financial statements shown above, which comprise the summary statements of financial position as at 31 March 2012, the summary statements of comprehensive income, changes in trust equity and cash flows for the year then ended, and notes, are derived from the audited financial statements of Tauranga Energy Consumer Trust and its subsidiaries ("the group") for the year ended 31 March 2012. We expressed an unmodified audit opinion on those financial statements in our report dated 19 June 2012.

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

Trustees' Responsibility for the Consolidated Financial Statements

The Trustees are responsible for the preparation of a summary of the audited consolidated financial statements, in accordance with FRS-43 *Summary Financial Statements*.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (New Zealand) (ISA (NZ)) 810 *Engagements to Report on Summary Financial Statements*.

Partners and employees of our firm may also deal with the trust on normal terms within the ordinary course of trading activities of the business of the trust. These matters have not impaired our independence as auditor of the trust. The firm has no other relationship with, or interest in, the trust.

Opinion

In our opinion, the summary consolidated financial statements, derived from the audited consolidated financial statements of Tauranga Energy Consumer Trust and its subsidiaries for the year ended 31 March 2012, are a fair summary of those financial statements, in accordance with FRS-43 *Summary Financial Statements*.

KPMG

19 June 2012
Tauranga

KPMG

**“COMING TOGETHER IS A BEGINNING.
KEEPING TOGETHER IS PROGRESS.
WORKING TOGETHER IS SUCCESS”.** – HENRY FORD

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Benefiting Consumers and their Communities

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