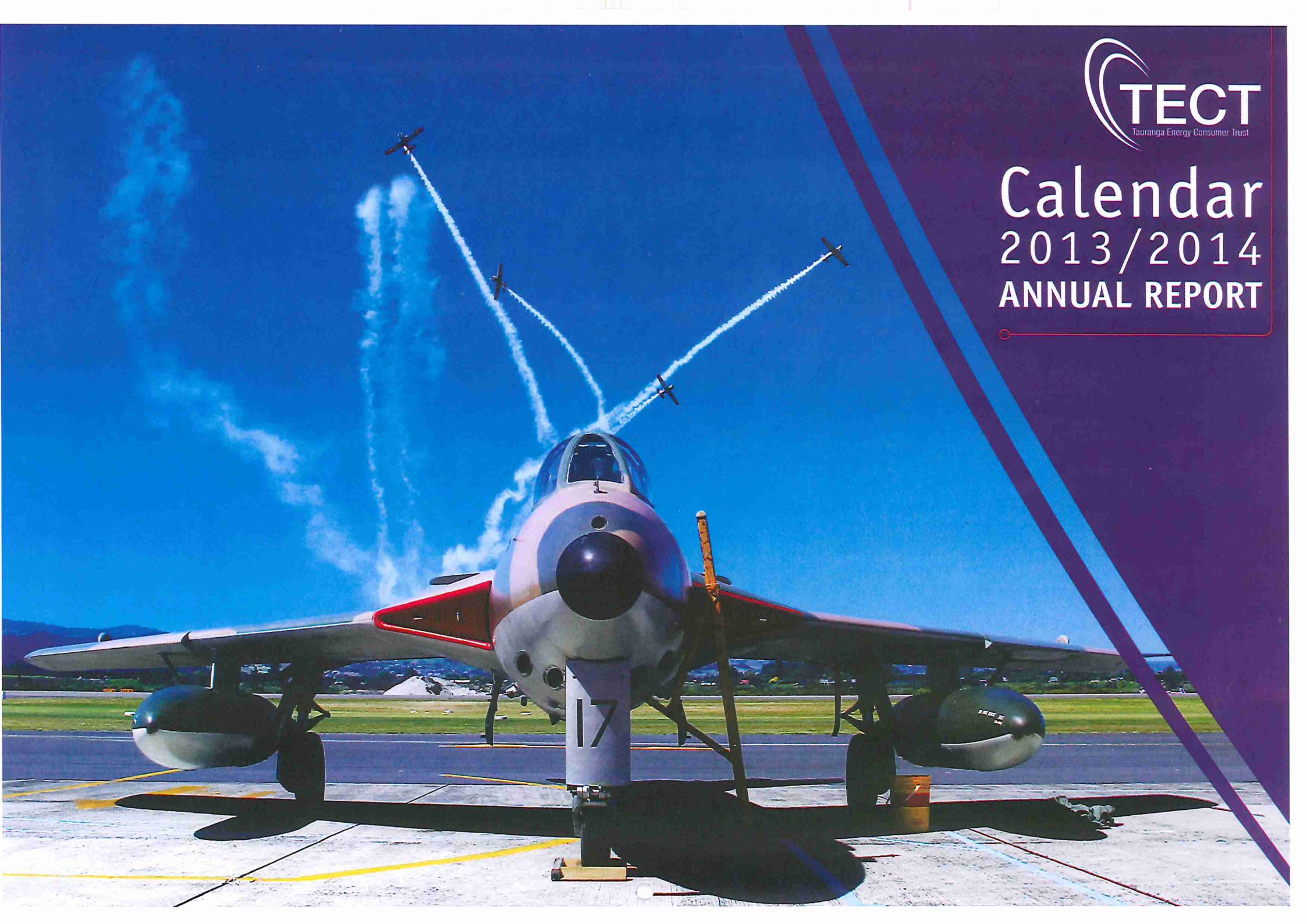




Calendar 2013/2014 ANNUAL REPORT



CELEBRATING OUTSTANDING ACHIEVEMENTS IN OUR COMMUNITY

Consumers in our communities have achieved some outstanding results with the grants TECT has distributed over the past 20 years. Some have been large grants while others were smaller; some were to newly established organisations while others were to groups which have played a very important role in our local community over many years. Importantly, all have contributed to TECT's vision that our Consumers live and are engaged in a vibrant and enriching community. Together we're making our place a better place. TECT prides itself on ensuring its investments benefit Consumers of this generation and the next and in our 20th anniversary year we think that's worth celebrating.

VISION

Our Consumers live and are engaged in a vibrant and enriching community.

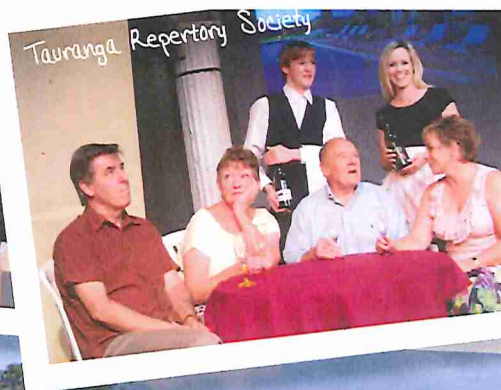
Cover photo kindly provided by Gavin Conroy



Omanu Beach Surf Club



Tauranga Intermediate



Tauranga Repertory Society



Golden Sands School



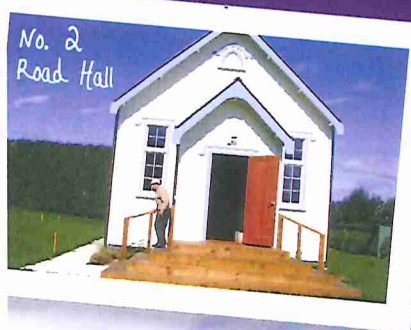
Surf Lifesaving



Age Concern



Greenpark School



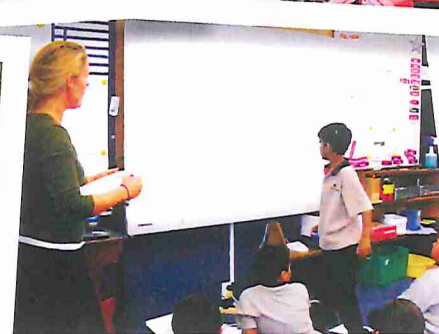
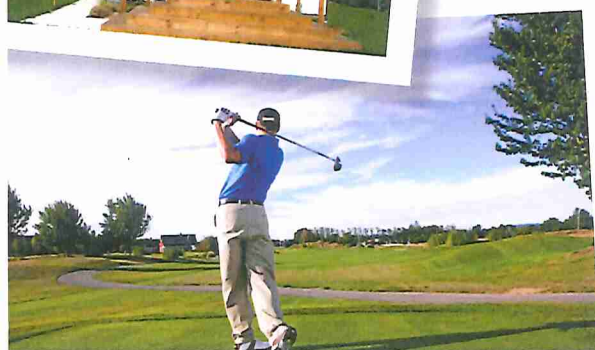
No. 2 Road Hall



Sanctuary Park



Cool Bananas Youthwork Trust



Pillans Point School

Dear Consumers

I am pleased to report that TECT finished the year ended the 31st March 2013 in good shape. Shortly after year end however, some politicians raised the spectre of political interference in NZ's electricity market and this could have negative consequences for TECT and its Consumers.



TrustPower

TECT was established to hold shares in TrustPower and to distribute the dividends from that shareholding for the benefit of Consumers. TECT's major investment remains a 33% shareholding in TrustPower. In the year under review TECT received dividends from TrustPower of \$41.5 million, the same as last year's payout of 40 cents per share. The value of the TrustPower investment at 31st March 2013 was \$7.70 per share compared to \$7.25 as at 31st March 2012.

In a period of flat demand, TrustPower has shown an ability to operate successfully in a very competitive environment. Projects involving the development of a second stage of TrustPower's wind farm in South Australia, irrigation opportunities in Canterbury, the provision of telecommunication services and gas reticulation have resulted in TrustPower moving to become a multi product service provider with diversified income streams.

Electricity Reforms

It is disappointing therefore to report that reforms to the electricity market proposed by some politicians at the beginning of April this year could significantly impact the value of TECT's shares in TrustPower and TECT's income from this investment. The proposal involves the compulsory acquisition of electricity by a state agency. The supply of electricity by a state monopoly has not proved successful in the past and the compulsory acquisition of electricity at prices set by the state monopoly is a concept which could have wide-ranging implications for business generally in New Zealand. Consumers should analyse such proposals very carefully.

Consumer Consultation

Trustees formally review the ownership of TECT's shareholding in TrustPower at five yearly intervals. This review involves consultation with Consumers. Trustees are currently undertaking an ownership review which is the fourth such review Trustees have undertaken since TECT was

formed. Notwithstanding the possible political interference mentioned above and the potential for future demand to be affected by the closure of the Tiwai Point Smelter, Trustees consider that the retention of TECT's investment in TrustPower remains consistent with its Deed and still represents value for Consumers. Trustees propose that the core investment of 26.36% of TrustPower be retained subject to continued monitoring and that Trustees retain their right to sell down to that level without further consultation. In view of the heightened risk of political intervention and questions about the future demand for electricity, Trustees do encourage Consumers to provide their view on continued ownership of TECT's shareholding in TrustPower. Submissions on the ownership review will close on the 31st August 2013. Further details of the Share Ownership Review are available on TECT's website.

Key Financial Results for the year are as follows:

- Group equity increased by \$54 million, an increase of 7.5%.
- Short term money market deposits of \$10.8 million were committed to TECT's funding reserves and distribution provisions.
- Group profit was \$38.9 million compared to \$39.1 million in 2012, a decrease of 0.6%.
- Group expenses decreased by \$560,000, (14.9%). This decrease is attributable to reduced interest costs as a result of reduced debt.
- Debt was reduced by \$15.5 million during the year to \$27.5 million.

Distributions to TECT Consumers

This year \$32.6 million was allocated to TECT's Consumer distribution schemes. TECT's primary distribution scheme is its cheque distribution to Consumers and this year \$25.7 million was distributed, tax free, directly to Consumers through the annual cheque distribution scheme. TECT has now distributed over \$220 million direct to Consumers since 1994. The minimum amount distributed to Consumers has grown from \$20 per Consumer in 1994 to \$385 in 2012. I am pleased to announce that Trustees have resolved to further increase the minimum amount to \$400 per Consumer to be distributed in November 2013.

\$6.9 million was allocated to TECT's other Consumer Community Organisation Schemes for distribution. A significant grant made in 2011 to the Tauranga Hockey Association to enable it to upgrade its hockey turfs has now been put to good effect in the completion of a well utilised sporting facility which meets international hockey standards. A grant was made to the Bay of Plenty Clinical School for a range of simulation equipment for the school's skills lab. A grant of \$500,000 was made to the Order of St John to enable it to commence construction of a

new facility in Te Puke which will enable it to better meet the increasing demand for services in the Te Puke/Papamoa region.

Throughout the pages of this report, you will gain a glimpse of the exciting work taking place in Tauranga and the Western Bay of Plenty. We trust you will find the contents enlightening and encouraging.

Trustees

The biennial elections were completed in June 2012 and were hotly contested by 23 candidates for the three available positions. This shows the strong interest in our community in the activities of TECT. We thank each of the candidates for making themselves available for election. The election saw Bruce Cronin and Ken Collings returned as Trustees and the election of Bill Holland. The election of Bruce and Ken is a tribute to the fine work that they do on behalf of Consumers. Bill Holland has settled into his work and adds to the breadth of experience that current Trustees have over a wide range of undertakings.

Strategic Review

Trustees are engaged in a strategic review of TECT's Consumer Community Organisation Distribution Schemes to determine whether those schemes can be better tailored to deliver increased benefits to Consumers and achieve TECT's vision that our Consumers live and are engaged in a vibrant and enriching community. The challenge is to understand and leverage the benefits to Consumers that each of our Consumer Community Organisations can make. Consumers will be advised of the progress of this review as it occurs.

Secretariat

Our secretary, Fraser Lellman, and his team of Char Niles, Jeanette Voss and Judi Priest have provided great service to Trustees and to Consumers during the year. We thank them for their efforts.

Conclusion

It is a privilege to report on this past year. I hope you enjoy reading the report and that you agree with me that TECT is an organisation worth celebrating for the contribution it makes to our community. We look forward to the future confident (if political interference can be denied) that TECT can play a greater role in benefiting Consumers.

Michael Cooney
TECT Chairperson

We have funding available
www.tect.org.nz

Join us at our AGM: Wednesday 31 July 2013, 4.00pm,
Village Hall, The Historic Village on 17th, Seventeenth Avenue Tauranga.



AUGUST 2013

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY SATURDAY

1 2 3

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

SEPTEMBER 2013

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY SATURDAY

1 2 3 4 5 6 7

8	9	10	11	12	13	14
15 NZ AIMS GAMES INTERMEDIATE SCHOOLS TOURNAMENT COMMENCES	16	17	18	19	20 CLOSE OFF DATE FOR FUNDING APPLICATIONS (MONTHLY) NZ AIMS GAMES INTERMEDIATE SCHOOLS TOURNAMENT CLOSES	21
22	23	24	25	26	27	28
29 DAYLIGHT SAVING STARTS	30 FINAL ELIGIBILITY DATE FOR CHEQUE DISTRIBUTION 2013				31 SCHOOL TERM 3 ENDS	

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

CAPTURING THE MAGIC ON CANVAS

Katikati is once again hosting local, national and international artists in the fourth biennial NZ Mural & Arts Festival 2013 running from 1 to 6 October 2013. The whole town comes alive during festival week with children's art contests, ethnic dancing and food tasting, music, sculpture, street art and street theatre.

This year's theme 'Cultural Encounters' will certainly capture the imagination. Mural artists are invited to submit their interpretation of this theme and the top eight will be invited to compete with all murals painted in public locations around Katikati. The public will have front row seats to watch as the artists bring their creations to life. The quality of the art work being produced now makes this event a major forum for outdoor art in New Zealand, with an international flavour.

The Katikati Open Air Art project is a community based initiative designed to celebrate the unique identity and heritage of Katikati through murals that highlight specific historical, cultural and environmental influences. TECT approved a grant of \$5,000 to Katikati Open Air Art Inc to ensure the continued growth and success of this unique festival.

The 'mural town' as Katikati is affectionately known, is now established as a visitor's destination with over 50 murals and sculptures on public display.

(Photo kindly provided by Chris Steel)



OCTOBER 2013

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1	2	3	4	5
		NZ MURAL AND ARTS FESTIVAL, KATIKATI, COMMENCES				
6	7	8	9	10	11	12
NZ MURAL AND ARTS FESTIVAL, KATIKATI, CLOSES						
13	14	15	16	17	18	19
	SCHOOL TERM 4 BEGINS					
20	21	22	23	24	25	26
CLOSE OFF DATE FOR FUNDING APPLICATIONS (MONTHLY)				TAURANGA ARTS FESTIVAL COMMENCES		
27	28	29	30	31		
	LABOUR DAY					

NOVEMBER 2013

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
					1	2
3	4	5	6	7	8	9
TAURANGA ARTS FESTIVAL CLOSES						
10	11	12	13	14	15	16
CLOSE OFF DATE FOR SUBSIDY SCHEME APPLICATIONS (QUARTERLY)						
17	18	19	20	21	22	23
			CLOSE OFF DATE FOR FUNDING APPLICATIONS (MONTHLY)			
24	25	26	27	28	29	30

TECT Distribution Cheques: \$26.6 million is being mailed to eligible Consumers in early November.

We have funding available
www.tect.org.nz

TECT Consumers: Get **20% discount** on first two tickets purchased from Baycourt to any Tauranga Arts Festival show (TECT card must be presented). Visit www.taurangafestival.co.nz for programme.



A FRIEND WORTH HAVING

*"Imagine a world where everything living gets
a good fair chance at life." - Spike Milligan*

SPCA Centres all across New Zealand have now embraced the Saving Lives philosophy. Every animal has the right to a chance, and the Tauranga SPCA is continuing to ensure that is the case for all animals in the region. The SPCA was offered the chance to expand the centre in Greerton through a generous bequest. Along with TECT's support of \$250,000 the centre has undertaken a major makeover including extensions and redeveloping the entire interior space to provide quarantine facilities, animal reception, ultra-violet scanning, cat checking facilities including electronic weighing, food and bulk storage areas, kitten nursery and nursing area.

The upgraded facility will now see the hundreds of animals that pass through the centre each year checked, quarantined, treated, fed and housed in more functional areas before finally being adopted into their new homes.

The Tauranga SPCA supplies essential services 24/7. The centre encourages the care of animals through its involvement in the community, they take animals into pre-schools, run animal care and welfare education for schools and host tours through the centre which are a fun and interactive way to learn about the SPCA. They also offer support and advice for treatments and behavioural problems for family pets.

Pets are members of our families; they are intelligent, caring, compassionate, loyal, forgiving, understanding and true companions. Just ask anyone who has a pet - they truly are friends worth having.



DECEMBER 2013

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 SCHOOL TERM 4 ENDS FOR PRIMARY SCHOOLS CLOSE OFF DATE FOR FUNDING APPLICATIONS (MONTHLY) TECT OFFICE CLOSED UNTIL 13 JANUARY	21 TECT's 20th Birthday
22	23	24	25	26	27	28
29	30	31 CHRISTMAS DAY		BOXING DAY		

JANUARY 2014

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1	2	3	4
5	6	7 NEW YEAR'S DAY	8	9	10	11
12	13	14	15	16	17	18
19	20 TECT OFFICE OPENS FOR 2014	21	22	23	24	25
26 TAURANGA CITY AIR SHOW	27 AUCKLAND ANNIVERSARY DAY	28	29	30	31	

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

HEI MARAE REALISING A DREAM

The Waitaha people have a dream – that their mokopuna be healthy, educated, prosperous and aware of their heritage. Central to this vision is their Marae in Te Puke.

So the Hei Marae community set to work to make their dream a reality with a TECT grant of \$150,000. The old wharekai built in 1899 was pulled down. Sadly, all the native timber was riddled with borer making it impossible to reuse for the new building. On the landscape now stands a proud new wharekai named Ngataiwhakaki featuring a dining room, kitchen, chillers, storage, multi-purpose room/kaumatua lounge, laundry and full ablution facilities.

The new building is just one step along the path to re-energizing the Hei Marae community. The wharenui and carvings are also to be restored, new car parking areas established, landscaping and retaining walls built.

Hei Marae is integral to the surrounding community with school visits, hosting seasonal workers and providing a facility for community programmes and events. These improvements will see the Marae re-establishing itself as a central facility fully utilised by iwi and community members.



FEBRUARY 2014

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY SATURDAY

						1
2	3	4	5	6	7	8
9	10	11	12	13 WAITANGI DAY	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

CLOSE OFF DATE
FOR SUBSIDY
SCHEME
APPLICATIONS
(QUARTERLY)

CLOSE OFF DATE
FOR FUNDING
APPLICATIONS
(MONTHLY)

MARCH 2014

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY SATURDAY

30	31					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

CLOSE OFF DATE
FOR FUNDING
APPLICATIONS
(MONTHLY)

We have funding available
www.tect.org.nz

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IMAGINE IT, CREATE IT, PLAY IT

Golden Sands School in Papamoa has moved away from the traditional forms of playground equipment, instead creating more natural play areas that encourage children to be more imaginative in their play. With an expected roll growth of 500 in the next few years, the school consulted heavily with the community and has designed an exciting 21st century learning environment. The buildings are designed for flexibility, collaborative learning and with tools that provide anywhere, anytime, any place learning.

The new play areas are intended to stimulate the senses leading to more diverse and creative playtimes yet still burning energy, helping build core body strength and developing balance. Research suggests that children are more attentive and focused after playing in a more natural and novel environment. Something as simple as sand, slopes and sleepers have been put together by the school to create a field of adventure for anyone with an imagination, while the more adventurous can climb, swing, slide or hang upside down on the climbing wall, gym rings and balance beams.

The outdoor musical garden adds the final touch. Not many schools can boast an outdoor music room with musical instruments designed and tuned to the pentatonic scale, allowing children to compose music while playing.

TECT's grant of \$42,303 ensures the new playground and musical garden provides students and families an option for all year imaginative play.



APRIL 2014

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY SATURDAY

1

2

3

4

5

1ST ELIGIBILITY
DATE FOR CHEQUE
DISTRIBUTION
2014

6
DAYLIGHT
SAVING ENDS

7

8

9

10

11

12

NATIONAL
JAZZ FESTIVAL
TAURANGA
COMMENCES

SCHOOL
TERM 1
ENDS

GOOD FRIDAY

20
CLOSE OFF DATE
FOR FUNDING
APPLICATIONS
(MONTHLY)

NATIONAL
JAZZ FESTIVAL
TAURANGA
CLOSES

EASTER MONDAY

ANZAC DAY

27

28

29

30

MAY 2014

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY SATURDAY

1

2

3

CLOSE OFF DATE
FOR SUBSIDY
SCHEME
APPLICATIONS
(QUARTERLY)

SCHOOL
TERM 2
BEGINS

CLOSE OFF DATE
FOR FUNDING
APPLICATIONS
(MONTHLY)

TECT
Tauranga Energy Consumer Trust

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

ST JOHN TE PUKE ON THE PULSE

When it comes to saving lives, it helps to at least have an ambulance station to house the vehicles and equipment! So when St John Te Puke was forced to move from the premises it had occupied for over 70 years, it was an ideal opportunity to find a site which would be better suited to its needs and TECT was keen to help.

With the area St John covers extending from Papamoa East to beyond the Matata Straight, a central location with easy access was of paramount importance. Having found and purchased a suitable property, completed building plans and arranged the necessary consents, the St John Te Puke team then set about raising the finance needed for a purpose built facility which would stand them in good stead for the next 50 years.

TECT was approached and approved \$500,000 towards the project. The new facility will include garaging for ambulance vehicles, kitchen, dining, recreation, bathroom, storage, office facilities, equipment and rest areas for overnight accommodation.

St John provides emergency ambulance services for nearly 90% of New Zealand. The Te Puke branch attended over 1,700 callouts last year so there's no doubt being an emergency response worker is a hard job. Many will benefit from the new facilities – from the staff who work there every day; the St John Youth Unit which ensure the future of the organisation in the region and train in the building on a regular basis; the many groups and businesses who undertake first aid courses; and other community groups.



JUNE 2014

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4	5	6	7
8	9 QUEEN'S BIRTHDAY	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27 CLOSE OFF DATE FOR FUNDING APPLICATIONS (MONTHLY)	28
29	30					

JULY 2014

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1	2	3	4	5 TAURANGA PERFORMING ARTS COMPETITIONS SOCIETY FESTIVAL COMMENCES
6	7	8	9	10	11 SCHOOL TERM 2 ENDS	12
13 TAURANGA PERFORMING ARTS COMPETITIONS SOCIETY FESTIVAL CLOSES	14	15	16	17	18	19
20 CLOSE OFF DATE FOR FUNDING APPLICATIONS (MONTHLY)	21 SCHOOL TERM 3 BEGINS	22	23	24	25	26
27	28	29	30	31		

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

COMMUNITY GRANTS & DONATIONS APPROVED YEAR ENDED 31 MARCH 2013

Community Organisation Subsidy Scheme

ORGANISATION	PROJECT/ITEMS	APPROVED
Age Concern Tauranga Inc	Telephone System	\$1,305
Alzheimers Society Tauranga	Computers, Data Projector	\$2,963
Aquinas College	Cabling & Networking, Computer Equipment, Musical Equipment, Electronic Whiteboard	\$60,000
Arataki Primary School	Computer Equipment, iPads, Photocopier	\$35,571
Bay of Plenty Clay Target Association Inc	Cabling & Networking, Meter Box, Wiring & Installation	\$29,282
Bay of Plenty Coastal Cruisers Inc	Lighting, Wiring & Installation	\$538
Bethlehem Institute of Education Ltd	Lighting, Wiring & Installation	\$11,116
Bethlehem Pottery Club	Kiln	\$1,045
City Church Tauranga	Airconditioning Unit, Digital Mixing Desk, Fridge, Security System, Sound System	\$38,152
Cool Bananas Youthwork Trust	Speakers	\$1,666
Elms Foundation	Security System	\$12,260
Gate Pa Bowling Club Inc	Computer Equipment, Computers	\$563
Gate Pa School	Computer Equipment, Computers	\$26,457
Greerton Bible Church	Computers, Electronic Key System, Telephone System, TV	\$4,664
Greerton Free Kindergarten	Computer Equipment, Computers, Data Projector, Digital Camera, Video Camera	\$1,723
Hamner Bay of Plenty Charitable Trust	Computer Equipment, Computers	\$4,070
Kaimai School	Computers, iPads	\$12,000
Katikati College	Computer Equipment, Data Projector, Printer	\$31,110
Katikati Kindergarten	Computers, Digital Camera, Listening Posts & Headphones	\$1,303
Katikati Playcentre	Computers, Printer	\$775
Lifefchurch Tauranga Trust	Computer Equipment, Computers, Digital Mixing Desk, Lighting, Motorized Screen	\$4,939
Maketu Health & Social Services	Cabling & Networking, Computer Equipment, Computers, Heatpumps, Printer, Shredder, TV, Wiring & Installation	\$8,165
Mount Coastal District GGANZ	Photocopier	\$875
Mount Maunganui Anglican Parish	Computers, Data Projector	\$1,673
Mount Maunganui Bridge Club Inc	Dishwasher	\$1,988
Mount Maunganui College	Computers, iPads	\$16,597
Mount Maunganui Intermediate School	Computer Equipment, Computers, iPads	\$31,517
Mount Maunganui Tennis Club Inc	Fridge, Lighting	\$2,437
Ngapeke Te Kohanga Reo	Fridge, Vacuum Cleaner, Video Camera, Washing Machine	\$1,107
No 2 Road Hall Charitable Trust	Lighting, Wiring & Installation	\$10,500
Omanu Beach Surf Lifesaving Club Inc	Dishwasher, Cooktops, Ovens, Rangehood	\$1,720
Omanu Golf Club Inc	Computer Equipment, Computers, Printer	\$4,433
Omanu Primary School	Computer Equipment, iPads	\$25,827
Omokoroa Centre Trust	Heatpumps, Vacuum Cleaner	\$1,908
Omokoroa Point School	Computer Equipment, Computers, Data Projector, iPads, Wiring & Installation	\$43,119
Oropi Primary School	Computers, Digital Camera, Fridge	\$5,757
Otamarakau Marae	Cabling & Networking, Electrical Appliances, Fire Alarm, Heatpumps, Lighting, Security System, Wiring & Installation	\$60,000
Otumoetai College	Computer Equipment, Computers, Wiring & Installation	\$60,000
Otumoetai Primary School	Computer Equipment, iPads, TV, Wiring & Installation	\$20,013
Otumoetai Sport & Recreation Club Inc	Dishwasher, Ovens	\$4,000
Paengaroa School	Pool Equipment	\$19,256
Pahoia School	Computer Equipment, Computers, iPads, Microphones, Speakers, TV	\$14,786
Papamoa Coast Kindergarten	Carpet Cleaner, Computer Equipment, Computers, Digital Camera, Electrical Items, Sewing Machines	\$3,715
Papamoa Playcentre	Heatpumps, Vacuum Cleaner	\$7,110
Papamoa Primary School	Computer Equipment, Computers	\$46,943
Pillans Point School	Computers, iPads, Speakers, TV	\$25,000
Pirirakau Hauora Charitable Trust	Computer Equipment, Computers, Digital Camera, Electronic Massage Bed, Urn	\$4,255
Pirirakau Kohanga Reo	Computers, Dishwasher, Lighting, Ovens, Power Tools, Sound System, Wiring & Installation	\$3,131

ORGANISATION	PROJECT/ITEMS	APPROVED
Propel Charitable Trust	Heatpumps	\$3,130
Pyes Pa School	Computer Equipment, Computers, Data Projector, iPads	\$19,157
Rangioru School	Computers	\$4,380
Royal New Zealand Plunket Society - Bay of Plenty	Computers	\$1,290
Sanctuary Park Trust	Power Tools, Wiring & Installation	\$1,500
Selwyn Ridge Primary School	iPads, TV	\$28,915
St Mary's Catholic School	Computer Equipment, Computers, Data Projector, Electrical Appliances, iPads, Lighting, Sound System, Telephone System, Wiring & Installation	\$48,275
St Paul's Co-operating Church	Heatpumps	\$3,496
St Thomas More Catholic Church	Cabling & Networking, Dishwasher, Fridge, Ovens, Rangehood, Telephone System, Wiring & Installation	\$33,719
Summerhill A1 Academy Ltd	Computers, Data Projector, Electrical Appliances, Lighting, Sound System	\$2,842
Tauranga (Bay of Plenty) Hearing Assn	Computers	\$1,544
Tauranga Bridge Club Inc	Fridge	\$1,750
Tauranga Citizens Advice Bureau	Computers, Wiring & Installation	\$912
Tauranga City United AFC Inc	Lighting	\$43,500
Tauranga Girls College	Computers	\$60,000
Tauranga Living Without Violence Collective	Dishwasher, Photocopier	\$4,171
Tauranga Repertory Society Inc	Sound System, Wiring & Installation	\$6,000
Tauriko School	Cabling & Networking, Computer Equipment, Computers, iPads, Wiring & Installation	\$19,264
Tauwhao Te Ngare Trust	Airconditioning Unit, Fridge, Ovens, Rangehood, Washing Machine, Wiring & Installation	\$50,319
Te Hunga Manaaki o Te Puke	Photocopier	\$2,450
Te Kura Kaupapa Maori o Otepou	Dishwasher, Dryer, Heatpumps, Washing Machine	\$2,596
Te Kura Kaupapa Maori o Te Kura Kokiri	Computer Equipment, Computers, Speakers	\$34,446
Te Kura O Matapihi	Airconditioning Unit, Fridge, iPads, Ovens, PA System, Telephone System, Wiring & Installation	\$11,516
Te Matai School (Te Kura-a-Iwi o Tapuika)	iPads, Wiring & Installation	\$17,200
Te Matapihi Kohanga Reo	Airconditioning Unit, Fridge, Ovens, Rangehood, Vacuum Cleaner	\$2,451
Te Puke Hall Society Inc	Data Projector, Hand Driers, Lighting, Ovens, Pie Warmer, Urn, Wiring & Installation	\$10,072
Te Puke Intermediate School	Computer Equipment, Computers, Data Projector, Interwrite Boards, Sound System	\$13,901
Te Puke Tennis Club	Vacuum Cleaner, Wiring & Installation	\$860
Te Puna Hauora ki Tauranga Moana Trust	Computers, Laminator, Wiring & Installation	\$3,059
Te Puna Rugby Football Club Inc	Dishwasher, Fridge, Heatpumps, Ovens, TV	\$9,273
Te Puna School	Computer Equipment, Computers, Dishwasher, Fridge, Ovens, Pie Warmer	\$18,853
Te Whanau Kotahi Trust	Computers	\$4,910
Waipuna Football Club Inc	Lighting	\$9,806
Welcome Bay Playcentre	Computers, Digital Camera, Electrical Appliances, Printer, Telephone System, Toaster	\$663
Wesley Methodist Church	Electric Organ, Wiring & Installation	\$4,699
YMCA of Tauranga Inc	Cabling & Networking, Computers, Data Projector, Heatpumps, Lighting, Printer, Security System, Wiring & Installation	\$15,537
TOTAL		\$1,203,790

Community Amenities

ORGANISATION	PROJECT/ITEMS	APPROVED
Evans Road Community Church	Building Extensions and Upgrade	\$65,000
Lifezone Church	Development and Construction of Multipurpose Community Facility	\$250,000
Order of St John Te Puke	Development and Construction of Specialised St John Facility	\$500,000
St Andrew's Presbyterian Church	Building Refurbishment and Upgrade	\$196,010
St Enoch's Presbyterian Church	Building Refurbishment and Upgrade	\$120,000
Tauranga Boys College	Construction of Conditioning and Cardio Vascular Suite	\$360,000
TOTAL		\$1,491,010

Community Events

ORGANISATION	PROJECT/ITEMS	APPROVED
AIMS Games Trust	AIMS Games Sports Competition	\$60,000
Bay of Plenty Symphonia	Showtime Concert	\$2,000
Bethlehem School	Te Ra Whakangahau Kapa Haka Festival	\$7,000
Katikati Open Air Art Inc	New Zealand Mural & Arts Festival	\$5,000
Lions Club Welcome Bay Charitable Trust	Discover Tauranga Walkways	\$15,000
Mural Town Twilight Concerts	Series of Twilight Concerts	\$8,500
NZ Garden & Art Festival Trust	Garden & Art Festival	\$50,000
Tauranga A&P Show	A&P Show Festival	\$10,000
Tauranga Arts Festival	Arts Festival	\$120,000
Tauranga Environment Centre	Sustainable Backyards	\$8,100
Tauranga Jazz Society	Jazz Festival	\$75,000
Tauranga Performing Arts Competitions Society	Performing Arts Festival	\$10,000
Te Manu Toroa	Well Child Day	\$6,214
TOTAL		\$376,814

Community Special Projects

ORGANISATION	PROJECT/ITEMS	APPROVED
Bay of Plenty Clinical School	Simulation Equipment for Skills Lab	\$265,231
Bay of Plenty Rugby Union	'You Make the Call' Referees Programme	\$50,000
Bay of Plenty Sailing Academy Trust	Fibreglass Optimist Junior Yachts	\$11,000
Bowls Tauranga South	Display Cabinet	\$5,000
Breast Cancer Support Services Tauranga	Operating Costs	\$72,500
Child Cancer Foundation	Operating Costs	\$60,000
Coastguard Eastern Region	VOIP Quality Internet Connection and Technical Support	\$13,340
Detour Theatre Company	Carpet and Seating	\$24,985
Families Achieving Balance	Operating and Programme Costs	\$30,700
Golden Sands School	Development of New Playground	\$42,303
Homes of Hope	Operating Costs	\$184,500
Maketu Volunteer Coastguard	Purpose Built Rescue Vessel	\$264,500
Merivale Community Inc	Operating Costs	\$26,000
Mount Maunganui Primary School	Upgrade of Playground	\$15,000
Netball Bay of Plenty	'All About Heart' Coaches and Umpires Programme	\$75,000
Papamoa Community Support Centre	Operating Costs	\$25,000
Papamoa Sports Bowling Club	Clubhouse Upgrade and Refurbishment	\$8,000
Phillips Search & Rescue Trust	Operating Costs 2012-2015	\$425,820
Priority One	Instep Programme	\$150,000
Puppet Vision Charitable Trust	Road Safety Programme	\$4,000
Shakti Ethnic Women's Support Group	Operating Costs	\$60,000
SPCA Tauranga	Development and Upgrade of Facilities	\$250,000
Sport Bay of Plenty	G04IT Programme	\$100,000
Tauranga Emergency Communications Group	Communications Vehicle and HF Receiver System	\$17,247
Te Aranui Youth Trust	Anti Drink Driving and Drug Expo	\$36,000
Te Awarui Hauora Trust	Purchase and Fitout of Ambulance and Shed	\$30,624
Te Puke Playcentre	Upgrade of Playground	\$14,454
Volunteer Western Bay of Plenty	Team Volunteer Project	\$15,000
Waipuna Hospice	Hospice in Homes Service	\$200,000
YSAR Tauranga	Safety and Communications Equipment	\$15,462
TOTAL		\$2,491,666

TOTAL APPROVED GRANTS AND DONATIONS APPROVED FOR YEAR ENDED 31 MARCH 2013

\$5,563,280

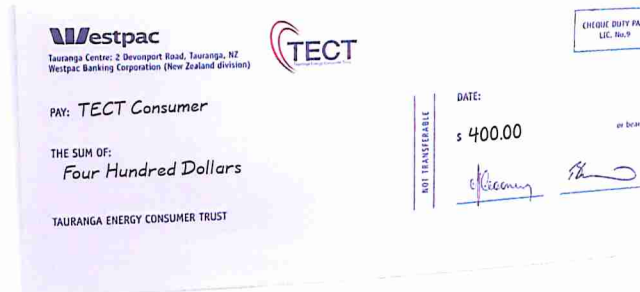
TOTAL CONSUMER CHEQUE DISTRIBUTIONS FOR YEAR ENDED 31 MARCH 2013

\$25,679,500

CONSUMER CHEQUE DISTRIBUTIONS

TECT distributes the majority of its annual income directly to Consumers by way of cheques. In November 2012, TECT distributed \$25,679,500 to eligible Consumers. Each Consumer received a fixed amount of \$385 plus a small amount which varied according to each Consumer's power usage. The average cheque amount was \$457. 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 (essentially 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 \$400 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 four-year terms. The terms of appointment of Trustees are staggered so that three Trustees retire every two years. The current Trustees are

Michael Cooney (Chair), Bruce Cronin (Deputy Chair), Ken Collings, Dame Susan Devoy, Bill Holland 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.

TRUST DEED AMENDMENTS

During the year Trustees approved amendments to TECT's Trust Deed relating to:

- Trustees' obligations of confidentiality;
- The ability of Trustees to fill a casual vacancy in the number of Trustees;
- Rights of Consumers to Trust information and documents; and
- Trustee Protocols in relation to Trustee behaviour generally and Standing Orders in relation to Trustee meetings.

View TECT's Trust Deed at www.tect.org.nz

TECT GROUP SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS 2013

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 2013. If you require more detailed information, copies of the full Consolidated Financial Statements and the unmodified auditor's opinion dated 18 June 2013 can be obtained from: **The Secretary, Tauranga Energy Consumer Trust, PO Box 356, Tauranga.**

Statement of Comprehensive Income

For the year ended 31 March 2013

	TECT GROUP	
	2013	2012
Finance Income		
Dividend Income	41,551,535	41,627,151
Fair Value Adjustment of Investments	11,728	215,248
Fair Value Adjustment of Derivative	112,718	620,489
Interest Income	1,227,676	1,200,346
Miscellaneous Operating Income	1,795	1,753
TOTAL INCOME	42,905,452	43,664,987
Administration Expenses		
Legal and Advisory Fees	6,697	7,116
Secretarial Costs	337,142	329,200
Trustee Expenses	135,804	140,865
Other Administration Expenses	255,721	183,416
Finance Expenses		
Interest	2,467,603	3,108,217
Other Finance Expenses	6,308	1,252
TOTAL EXPENSES	3,209,275	3,770,066
SURPLUS BEFORE TAXATION	39,696,177	39,894,921
Tax Expense	802,620	771,338
SURPLUS AFTER TAXATION	38,893,557	39,123,583
Plus Other Comprehensive Income		
Valuation Gain on Investments	46,745,477	5,193,942
Change in Estimate of Deferred Tax on TrustPower Shares	-	31,236,093
Less Tax on Components of Other Comprehensive Income	(693,979)	(1,454,304)
Total Other Comprehensive Income	46,051,498	34,975,731
TOTAL COMPREHENSIVE INCOME	\$84,945,055	\$74,099,314

Statement of Changes in Trust Equity

For the year ended 31 March 2013

	TECT GROUP	
	2013	2012
Surplus After Taxation	38,893,557	39,123,583
Balance at Beginning of Year	100,040,242	93,091,656
Transfers to Reserves for Distributions	(32,579,500)	(32,175,000)
Accumulated Final Surpluses	106,354,299	100,040,242
Balance at Beginning of Year	614,942,780	579,967,049
Current Year Revaluation - TrustPower Shares	46,745,477	5,193,942
Change in Estimate of Deferred Tax on TrustPower Shares	-	31,236,093
Deferred Tax on Fair Value Movements	(693,979)	(1,454,304)
Fair Value Reserves	660,994,278	614,942,780
Balance at Beginning of Year	3,689,638	3,533,812
Allocated - Annual Distribution Plan	32,579,500	32,175,000
Net Transfers to Provisions & Payments	(31,036,610)	(32,019,174)
Reserves for Distributions	5,232,528	3,689,638
TRUST EQUITY AT END OF THE YEAR	\$772,581,105	\$718,672,661

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

Statement of Financial Position

As at 31 March 2013

	TECT GROUP	
	2013	2012
TOTAL TRUST EQUITY (INCLUDING RESERVES)	\$772,581,105	\$718,672,661
<i>Represented by:</i>		
Current Assets		
Cash & Cash Equivalents	4,188,495	1,156,767
Short Term Deposits	7,083,783	18,160,156
Sundry Accounts Receivable & Prepayments	27,444	21,412
Advances - TECT Subsidiaries	-	-
Interest Rate Swaps - ANZ Bank	-	84,894
Taxation Refund Due	-	120,449
Total Current Assets	11,299,722	19,543,678
Non Current Assets		
Investments		
Shares in TrustPower Ltd	799,867,053	753,121,576
TECT Charitable Trust	-	-
Shares in TECT Subsidiaries	-	-
Loans to Consumer Organisations	166,671	154,943
ANZ Senior Bonds	3,070,378	3,064,467
Loan - TECT Holdings Ltd	-	-
Total Investments	803,104,102	756,340,986
Non Current Assets		
Deferred Taxation	-	-
TOTAL ASSETS	814,403,824	775,884,664
Less Current Liabilities		
Sundry Accounts Payable	58,068	73,587
Bank Overdraft	-	4
Accrued Interest	-	180,200
Advances - TECT Subsidiaries	-	-
Loan - ANZ Bank	113,073	15,500,000
Interest Rate Swap - ANZ Bank	-	594,038
Taxation Payable	434,799	-
Provision for Distributions	5,732,443	5,430,072
Total Current Liabilities & Distribution Provisions	6,338,383	21,777,901
Non Current Liabilities		
Deferred Taxation	7,587,909	7,934,102
Loan - ANZ Bank	27,500,000	27,5030,000
Interest Rate Swap - ANZ Bank	396,427	-
Total Non Current Liabilities	35,484,336	35,434,102
TOTAL LIABILITIES	41,822,719	57,212,003
NET ASSETS	\$772,581,105	\$718,672,661

Statement of Cash Flows

For the year ended 31 March 2013

	TECT GROUP	
	2013	2012
Net Cash Flows From Operating Activities	38,195,510	39,044,464
Net Cash Flows From Investing Activities	11,070,462	3,256,424
Net Cash Flows Used In Financing Activities	(46,234,240)	(44,518,677)
Net Increase/(Decrease) in Cash & Cash Equivalents	3,031,732	2,217,789
Add Opening Cash & Cash Equivalents	1,156,763	3,374,552
CLOSING CASH & CASH EQUIVALENTS	\$4,188,495	\$1,156,763
<i>Represented by:</i>		
Cash & Cash Equivalents	4,188,495	1,156,767
Bank Overdraft	-	(4)
	\$4,188,495	\$1,156,763

TRUSTEE



TRUSTEE



DATE 18 June 2013

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2013

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 18 June 2013, 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 \$802,620 relates to current group tax charges of \$32,927,938 less dividend Imputation Tax Credits of \$31,081,276 and tax effect of tax losses of (\$1,044,042).

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, based around the level of imputation credits likely to be attached to future dividends. This resulted in a reduction in the deferred tax provided in the 2012 year. The level of imputation credits attached to dividends is now more certain but may still vary significantly from year to year. Accordingly the deferred tax calculation has been based on an average of the credits received during the last three years. The estimated level of imputation credits is 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 2013 the Group had Imputation Credits available of \$28,997,597 (2012: \$30,361,143).

6. TRUSTPOWER INVESTMENT

TECT Group has the majority of its funds invested in TrustPower shares. The share price is subject to significant fluctuations; in the two months immediately following balance date the price varied between a low of \$7.18 and a high of \$7.80 compared to a market price of \$7.70 at balance date.

7. COMMITMENTS AND CONTINGENCIES

TECT Trustees have agreed in principle to consider an application for funding from Tauranga City Council and Western BOP District Council for tsunami warning system. It is envisaged that this funding would come from the Major Amenities Fund and is unlikely to exceed \$1m. Other than this, there were no commitments or contingencies at the end of the financial year (2012: Nil).

8. 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 2013 totalled \$41,551,535 (2012: \$41,551,535). At 31 March 2013 the TECT Group shareholding in TrustPower Ltd was 103,878,838 shares valued at \$7.70 per share (2012: \$7.25) or a total value of \$799,867,053 (2012: \$753,121,576).

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

To the beneficiaries of Tauranga Energy Consumer Trust

The accompanying summary consolidated financial statements shown above, which comprise the summary consolidated statement of financial position as at 31 March 2013 and the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended and notes are derived from the audited consolidated financial statements of Tauranga Energy Consumer Trust and its subsidiaries ("the group") for the year ended 31 March 2013.

We expressed an unmodified audit opinion on those financial statements in our report dated 18 June 2013. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

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 group on normal terms within the ordinary course of trading activities of the business of the group as TrustPower consumers. This matter has not impaired our independence as auditor of the group. The firm has no other relationship with, or interest in, the group.

Opinion

In our opinion, the summary consolidated financial statements, derived from the audited consolidated financial statements of Tauranga Energy Consumer Trust and its subsidiaries ("the group") for the year ended 31 March 2013, are a fair summary of those financial statements, in accordance with FRS-43 Summary Financial Statements.

KPMG

18 June 2013
Tauranga

KPMG

TECT CARDHOLDER DISCOUNTS




 **20% OFF**
Normal price to Baywave TECT Aquatic & Leisure Centre

 **20% OFF**
Casual court hire to the Devoy Squash & Fitness Centre

 **10% OFF**
Learn-to-windsurf courses with the Bay of Plenty Sailing Academy Trust

 **20% OFF**
First two tickets purchased from Baycourt to any Tauranga Arts Festival Show 24 October – 3 November 2013

 **FREE**
Souvenir programme for TECT Consumers attending Classics of the Sky Tauranga City Airshow 26 January 2014

TECT Card must be presented for discounts.

Haven't got a TECT Card?
Visit www.tect.org.nz for criteria and to apply.



Trustees: Ken Collings, Ron Scott, Bill Holland, Dame Susan Devoy, Bruce Cronin, Michael Cooney (Chairperson)

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Benefiting Consumers and their Communities

www.tect.org.nz PO Box 356, Tauranga, Tel: 07 578 5094, Email: info@tect.org.nz

