



# MG CHARITABLE TRUST

# 2024

## Performance Report

For the 12 months ended 30 June 2024

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### INDEX

### Page

Chair's Review	2
Entity Information	4
Trustees Approval Statement	6
Statement of Service Performance	7
Financial Statements	
Statement of Financial Performance	8
Statement of Financial Position	9
Statement of Cashflows	10
Statement of Accounting Policies	11
Notes to the Financial Statements	12

# MG CHARITABLE TRUST

## Chair's Review

**For the 12 months ended 30 June 2024**

As we reflect on another year, I am again proud of the journey the MG Charitable Trust has undertaken in 2024. Following on from last year's review, the Trustees worked together to put a greater emphasis on education, with the view that this is an area where the MG Trust can make the biggest difference with the available resources. This strategy was successful, with more funding directed towards opportunities for individuals or projects linked to education than in previous years.

The focus is firmly on upskilling current growers as well as supporting young people about to enter the industry, with community and junior school gardens being removed from the funding criteria.

In 2024, the MG Trust became a key primary industry partner for the Agribusiness in School programme which aligns with this approach. By supporting this nationwide initiative, we've been able to guarantee a greater level of exposure to horticulture within the course content.

Another project we were particularly pleased to get behind is the Vegetable Industry Centre of Excellence, which has been co-developed by vegetable growers, vegetable product groups, Horticulture New Zealand, and Ngāti Te Ata to address gaps in research, extension, and people support in the vegetable sector. The Trustees initially funded the development of a business case, which successfully contributed to the organisation securing seed funding. On the back of that, the team delivering the project have made good progress, with some additional funding provided by the MG Trust to support it through the set-up phase.

### **Contestable Funding Rounds - November 2023 and June 2024**

- **Citrus NZ**, Six growers subsidised to attend international conference, \$12,000
- **Women in Horticulture**, Building confidence workshops, \$5,000
- **Agribusiness in Schools**, 2024 Primary industry funding partner, \$23,000
- **United Fresh**, Funding support for industry Fresh Facts publication, \$5,000
- **District Associations**, Series of nationwide governance workshops for grower reps, \$17,000
- **Vegetable Industry Centre of Excellence**, Set-up phase funding support, \$7,500

### **MG Trust Education Fund**

In addition to supporting education through the Contestable Funding round, the MG Trust targets specific opportunities which aim to support individuals. Across the 2023-2024 year, the Education Fund contributed over \$33,400 in subsidies, offering a broader range of grower-specific programmes across various tiers, catering for farm managers with just a few years' experience through to high-level governance training for aspiring directors.

The 2024 recipients:

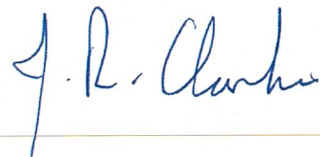
- **Rabobank Farm Manager Programme** - Lincoln Roper
- **Kellogg Rural Leadership Programme** - Whitney Conder
- **Rabobank Executive Development Programme** - Ian Albers
- **Mayfield Governance Course** - Jasmine Franklin

“The course has given me a wider perspective on looking at a business / industry through a governance lens, and how to make effective decisions through a focused strategy, knowledge, and an open mind to make the best decisions for the company; and effectively the shareholders” – Jasmine Franklin

### Looking Ahead

As we look to the future, we are optimistic about the opportunities that lie ahead. We encourage growers to directly contribute to the MG Trust. Donating shares or making a cash contribution is a simple way to support the MG Trust's initiatives and further advance the horticulture sector in New Zealand.

I would like to extend my sincere gratitude to the Trustees and the MG Management team for their support this year. We will continue to work to have a positive impact on the horticulture industry in the years ahead.



John Clarke  
MG Trust Chair

# MG CHARITABLE TRUST

## Entity Information

As at 30 June 2024

*“Who are we? Why do we exist?”*

### Legal Name of Entity

MG Charitable Trust.

### Other Name of Entity (if any)

Previously known as the MG Marketing Charitable Trust (name changed on 18 August 2022).

### Type of Entity and Legal Basis

Charitable Trust, Incorporated Trust Board under the Charitable Trusts Act 1957 and Registered Charity under the Charities Act 2005.

### Registration Numbers

CC58378 (Charities Commission Registration Number).

50076869 (Charitable Trust Register Incorporation Number (Companies Office)).

### Entity's Purpose or Mission

To encourage, foster and promote research relating to the produce industry and make the results of that research available for public use and for the improvement of human knowledge;

To promote, develop and improve the information, materials, methods, processes and resources for the education of persons associated with the produce industry;

To assist the education of persons associated with the Produce Industry;

To establish and support fellowships, lectureships, professorships, prizes and scholarships to promote and/or support education in the produce industry;

To otherwise promote and support education in the produce industry;

To assist and support any person undertaking these activities;

To relieve poverty, and the improvement of health, by programmes and initiatives to educate people about the benefits of consuming fresh produce and activities to encourage consumption.

### Entity Structure

#### *Trust Structure*

The Settlor of the MG Charitable Trust (the “Trust”) is Market Gardeners Limited (“MG”). The Trust is a registered charitable trust which is run independently from MG but is closely supported by MG.

The Trust currently has 5 trustees made up of the following classes of trustees:

<b>MG Appointed Trustees*</b> (Appointed by the MG Board)	<b>MG Shareholder Appointed Trustees **</b> (Appointed by MG's Shareholders)
1. Robin Oakley 2. Trudi Webb	1. John Clarke (Chair), MG shareholder 2. Catherine Lewis, MG Shareholder 3. Alastair Hercus, Independent / Special Trustee
* The Trust must have a minimum of 1 and a maximum of 2 MG appointed Trustees.	** The Trust must have a minimum of 3 and maximum of 4 MG Shareholder appointed trustees (of which 1, must be an independent / special trustee)

**Operational Structure**

The Trust receives operational support (in the form of secretarial, accounting, administration, marketing and communication services) from a number of MG employees including the Company Secretary (Duncan Pryor) and General Manager Communications and Sustainability (Ellery Tappin). MG does not charge for this support.

**Main Source of the Trust's Cash and Resources**

Interest on funds held in the bank, dividends on MG shares together with donations (from MG and its associated entities, shareholders and contacts) from time to time.

**Main Methods Used to Raise Funds**

The Trust receives donations on an ad hoc basis and does not currently seek to raise funds. In time, it is intended the Trust will seek to raise its profile and encourage donors to provide donations (such as but not limited to, further shares in MG) and to undertake fundraising initiatives.

**Reliance on Volunteers and Donated Goods or Services**

The Trust relies on the support provided by MG's employees to complete its work in many essential roles such as governance, accounting services, marketing and communications.

**Additional Information**

This is the Trust's third year of operation.

**Contact Details***Physical Address*

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+ 64 3 343 0430

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*Website*

[www.mgroup.co.nz/mgtrust/](http://www.mgroup.co.nz/mgtrust/)



# MG CHARITABLE TRUST

# 2024

## Trustees Approval Statement For the 12 months ended 30 June 2024

Approval and issue of Financial Statements and Performance Report

On this date the trustees approve and issue the attached Financial Statements and Performance Report of the MG Charitable Trust for the 12 months ended 30 June 2024.

J R Clarke  
Trustee / Chair

Date 26 September 2024

T Webb  
Trustee

Date 26 September 2024

R Oakley  
Trustee

Date 26 September 2024

C A Lewis  
Trustee

Date 26 September 2024

A C Hercus  
Trustee

Date 26 September 2024

# MG CHARITABLE TRUST

## Statement of Service Performance For the 12 months ended 30 June 2024

*“What did we do?, When did we do it?”*

### Trust Outcomes

The Trust focuses on providing funding to projects and initiatives which have a positive impact on the horticulture industry. The Trustees are particularly interested in initiatives in the areas of education, innovation / research and industry profile / legacy.

The key objectives of the Trust are to:

- Advance the education of people within the horticulture industry.
- Support projects which help benefit the horticulture industry.
- Advance the development of the horticulture industry through research and innovation.
- Support programmes and organisations that promote the benefits of fresh produce and advocate for the industry more generally.
- Enhance the profile and preserve the heritage of the horticulture industry.
- Relieve poverty, and improve health, by programmes and initiatives to educate people about the benefits of consuming fresh produce and activities to encourage consumption.

The Trustees meet twice a year to assess applications for contestable funding and again, as necessary, to assess applications for the education fund.

### Trust Outputs

There were two general funding rounds which took place in November 2023 and June 2024. As a result, funds were distributed to successful applicants to assist with various projects supporting / in connection with the horticultural industry.

In addition to the general funding rounds, in the current year the Education Fund provided funding / subsidies to allow candidates to attend the Rabobank Farm Manager Programme, the Rabobank Executive Development Programme, the Kellog Rural Leadership programme or the Mayfield Governance Course.

Description	Actual This Year	Actual Last Year
Number of contestable general funding rounds	2	2
Number of grants given to applicants from the contestable general funding rounds	6	8
Average grant size	\$11,583	\$8,725
Smallest grant distributed	\$5,000	\$3,000
Largest grant distributed	\$23,000	\$25,000
Number of recipients receiving education subsidies from the Grower Education Fund	4	4

## MG CHARITABLE TRUST

### STATEMENT OF FINANCIAL PERFORMANCE FOR THE 12 MONTHS ENDED 30 JUNE 2024

*“How was it funded? And What did it cost?”*

	Note	2024 \$	2023 \$
<b>REVENUE</b>			
<i>Donations received from Market Gardeners Limited</i>	1	6,000	6,000
<i>Interest, dividends and other investment revenue</i>	2	382,161	439,477
<i>Fund raising and other similar revenue</i>		-	-
<i>Other revenue</i>		-	-
<b>Total Revenue</b>		<u>388,161</u>	<u>445,477</u>
<b>EXPENSES</b>			
<i>Volunteer and employee related costs</i>		-	-
<i>Grants and donations made</i>	3	102,900	97,289
<i>Other Expenses</i>		-	-
<b>Total Expenses</b>		<u>102,900</u>	<u>97,289</u>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>		<u>285,261</u>	<u>348,188</u>

The accounting policies and notes to the financial statements on pages 11 to 13 form part of and are to be read in conjunction with these statements.



## MG CHARITABLE TRUST

### STATEMENT OF FINANCIAL POSITION FOR THE 12 MONTHS ENDED 30 JUNE 2024

*“What the entity owns? and “What the entity owes?”*

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
<i>Current Assets</i>			
Bank and cash		105,021	175,464
Sundry receivables		1,726	415
<b>Total current assets</b>		<u>106,747</u>	<u>175,879</u>
<i>Non-Current Assets</i>			
Investments	4	2,890,783	2,592,179
Other non-current assets		-	-
<b>Total non-current assets</b>		<u>2,890,783</u>	<u>2,592,179</u>
<b>TOTAL ASSETS</b>		<u>2,997,530</u>	<u>2,768,058</u>
<b>LIABILITIES</b>			
<i>Current Liabilities</i>			
Funding grants approved awaiting payment		24,500	80,289
Amounts due for purchase of investments	5	1,970,834	1,970,834
Other current liabilities		-	-
<b>Total current liabilities</b>		<u>1,995,334</u>	<u>2,051,123</u>
<b>TOTAL LIABILITIES</b>		<u>1,995,334</u>	<u>2,051,123</u>
<hr/>			
<b>Total Assets Less Total Liabilities (Net Assets)</b>		<u>1,002,196</u>	<u>716,935</u>
<b>ACCUMULATED FUNDS</b>			
Capital contributed by owners or members		10	10
Accumulated surpluses		1,002,186	716,925
Reserves		-	-
<b>TOTAL ACCUMULATED FUNDS</b>		<u>1,002,196</u>	<u>716,935</u>

The accounting policies and notes to the financial statements on pages 11 to 13 form part of and are to be read in conjunction with these statements.

## MG CHARITABLE TRUST

### STATEMENT OF CASHFLOWS

FOR THE 12 MONTHS ENDED 30 JUNE 2024

*“How the entity has received and used cash”*

	Note	2024 \$	2023 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i>Cash was received from:</i>			
Donations, fundraising and other similar receipts	1	6,000	6,000
Interest and dividends		82,246	65,442
<i>Cash was applied to:</i>			
Donations or grants paid		(158,689)	(70,500)
<b>Net Cash Flows (used in) / from Operating Activities</b>		<b>(70,443)</b>	<b>942</b>
<b>CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES</b>			
<i>Cash was received from:</i>			
Trust Capital		-	-
<b>Net Cash Flows from Investing and Financing Activities</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE / (DECREASE) IN CASH</b>		<b>(70,443)</b>	<b>942</b>
Opening cash		175,464	174,522
Closing cash		105,021	175,464
<b>This is represented by:</b>			
Bank accounts and cash		105,021	175,464

The accounting policies and notes to the financial statements on pages 11 to 13 form part of and are to be read in conjunction with these statements.

## **MG CHARITABLE TRUST**

### **STATEMENT OF ACCOUNTING POLICIES FOR THE 12 MONTHS ENDED 30 JUNE 2024**

#### *“How did we do our accounting?”*

The accounting policies adopted in the preparation of these special purpose financial statements are:

#### **BASIS OF PREPARATION**

##### **Reporting Entity**

These are the financial statements of the MG Charitable Trust (previously known as the MG Marketing Charitable Trust (changed on 18 August 2022)). The trust was established by a Trust Deed dated 20 November 2019 (and subsequently varied by Deed of Variation of Trust Deed dated 3 May 2022).

The MG Charitable Trust has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical basis have been followed.

##### **Reporting Period**

These financial statements are for the 12 months to 30 June 2024. The comparative numbers are for the 12-month period from 1 July 2022 through to 30 June 2023.

##### **GOODS AND SERVICE TAX (GST)**

The MG Charitable Trust is not registered for GST, therefore all amounts are stated inclusive of GST (if any).

##### **INCOME TAX**

The MG Charitable Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

##### **BANK AND CASH**

Bank and cash in the Statement of Financial Position and Statement of Cash Flows comprise cash balances and the bank balance (including short term deposits) with original maturities of 90 days or less.

#### **SPECIFIC ACCOUNTING POLICIES**

The following are the specific accounting policies which have a material effect on the measurement of results and financial position:

Liabilities – Liabilities are stated at the estimated amounts payable and include obligations which can be reliably estimated.

##### **TIER 2 PBE ACCOUNTING STANDARDS APPLIED**

No Tier 2 PBE Accounting Standards have been applied in the preparation of these financial statements.

##### **CHANGES IN ACCOUNTING POLICIES**

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

## MG CHARITABLE TRUST

### NOTES TO THE PERFORMANCE REPORT AND FINANCIAL STATEMENTS FOR THE 12 MONTHS ENDED 30 JUNE 2024

Note:		2024 \$	2023 \$
1	<b>Donations received from Market Gardeners Ltd</b>	6,000	6,000
	Market Gardeners Limited (MG) is the Settlor of the Trust and provided an initial donation to the Trust to enable it to commence operations. From time-to-time MG provides further donations as Trust meetings occur.		
2	<b>Interest, Dividends and Other Investment Revenue</b>		
	Interest income	3,973	1,196
	Dividends	79,584	64,641
	Bonus issue on MG shares (investment)	298,604	373,640
	<b>Total Interest, Dividends and Other Investment Revenue</b>	382,161	439,477
3	<b>Grants</b>		
	General contestable grants	69,500	69,800
	Education fund subsidies granted	33,400	27,489
	<b>Total Grants</b>	102,900	97,289
4	<b>Investments</b>	2,890,783	2,592,179
	Investments represents shares in Market Gardeners Ltd (MG) acquired during the 2022 financial period from JS Ewers Ltd and MG Group Holdings Ltd, both entities being subsidiaries of MG, in exchange for a debt back to those entities totalling \$1,970,834, which is on demand. The MG Shares have a nominal value of \$1.00 each. The shares are security for the debt owing to JS Ewers Ltd and MG Group Holdings Ltd.		
	In November 2022 and 2023 the Trust received further MG Shares (as shown in note 2 above) which increased the holding to the balance as at 30 June.		
5	<b>Amounts due for purchase of investments</b>	1,970,834	1,970,834
	Amounts due for the purchase of investments represents the outstanding purchase price for shares in Market Gardeners Ltd (MG) acquired as detailed in note 4 above.		
6	<b>COMMITMENTS AND CONTINGENCIES</b>		
	There were no capital commitments or contingent liabilities at balance date.	-	-
7	<b>EVENTS AFTER BALANCE DATE</b>		
	On 19 September 2024 the Trust purchased a further 131,341 MG Shares from Kaipaki Berryfruits Ltd (KBL, a 100% MG subsidiary) in exchange for a debt back to KBL of \$131,341. The next round of contestable funding is in November 2024.		

## **MG CHARITABLE TRUST**

### **NOTES TO THE PERFORMANCE REPORT AND FINANCIAL STATEMENTS (CONTINUED) FOR THE 12 MONTHS ENDED 30 JUNE 2024**

**8 NO AUDIT OR REVIEW**

There is no statutory requirement for the MG Charitable Trust to have an audit or review of its performance report. Accordingly, no audit or review has been completed.

**9 RELATED PARTIES**

- Market Gardeners Limited is the Settlor and appointer under the trust deed. This confers on it the power to appoint and / or remove certain classes of trustees.
- T Webb and R Oakley are Directors of, shareholders in, and appointed as trustees by, Market Gardeners Limited.
- J Clarke and C Lewis are shareholders in Market Gardeners Limited and are appointed by the shareholders of Market Gardeners Ltd.
- Market Gardeners Ltd remunerates the Trustees directly. The following amounts were paid by MG during the 12 months to 30 June 2024: J Clarke \$nil; R Oakley \$3,000; T Webb \$3,000; C Lewis \$3,000, A Hercus (independent trustee) \$6,000.

**10 ABILITY TO CONTINUE OPERATING**

The entity will continue to operate for the foreseeable future.

**11 VARIATION TO THE TRUST DEED**

There have been no changes to the Trust Deed in the 12 months to 30 June 2024.

