



giving back

# ALL ABOUT YOUR TRUSTS



the trusts

# Contents

Welcome .....	3
About your West Auckland Trusts .....	4
What we do .....	5
Helping fuel our communities .....	6
Award winning stores .....	8
Modern hospitality venues .....	10
Investing for the future .....	12
Developing our people .....	13
Financials .....	14
Frequently asked questions .....	16
What about TTCF ? .....	18
Engage with us .....	19
Where to find out more .....	20



**giving back**

# Welcome

---

If you call West Auckland home, your community owns and benefits from nearly 30 award-winning retail liquor outlets and 11 hospitality venues operated by The Trusts.

The Trusts are a type of social enterprise with a unique focus on West Auckland.

We sell alcohol in a responsible way and our profits go back into the West Auckland community to support great causes, large and small.

We are proud of the 300-plus people who work hard every day to deliver great service to our customers and ensure we have profits to give back and we appreciate every customer that supports our businesses too.

We have prepared this booklet to share more about what we do, why we exist, and how you can help us to keep serving you well and in turn give back to West Auckland forever.

Because we are owned by and give back to your community, we like to keep in touch. We share information on our website, Facebook page, through Our West magazine and in the monthly meetings held for each trust. We also undertake regular research to ensure we hear the many views in our vibrant and diverse community.

We listen carefully to the feedback we receive and over recent years we have made some significant changes to our business to improve our retail and hospitality offerings. By listening and changing, we are growing the amount we give back today, as well as tomorrow.

We hope you find this guide useful. We are always keen to hear thoughts and feedback. Feel free to email us at [info@thetrusts.co.nz](mailto:info@thetrusts.co.nz) or visit our Facebook page.





# About your West Auckland Trusts

In West Auckland, the Waitakere Licensing Trust and Portage Licensing Trust have responsibility for the sale of alcohol in some retail outlets and hospitality venues within a set geographic boundary. We were established by a community vote and collectively, we are known as 'The Trusts'.

Your Trusts are unique in two ways. First, we are community-owned and governed by people elected directly from the community. Second, we give back to West Auckland.

We have a strong focus on our business performance because if there is no profit, we can't give it back. In the 2019/20 financial year, we will give back over \$3.5 million through our flagship giving programme the Million Dollar Mission, a one-off donation to support the Special Care Baby Unit at Waitakere Hospital, along with a range of donations, sponsorships, grants and household distributions.

All the money your Trusts give back comes from retail and hospitality operations and investments.

We set some profit aside each year for investing in future opportunities. This investment portfolio includes property and equities and it has been developed to grow our ability to give back more in future. Our goal is to give back \$5 million per year from 2020.

Given the proximity of the two licensing trust districts, the Trusts merged some of their operational and management functions, such as HR, accounting, marketing and logistics, some years ago to streamline operations and be more efficient and effective. West Auckland Trust Services Ltd is the management company where these merged functions now sit. Having this structure in place means your Trusts reduce overlap in operational roles and benefit from stronger buying power across more stores and venues. This helps us keep our overheads down and give back more than in the past.

That's The Trusts in a nutshell. If you're a West Auckland local, our business is your business. And we work hard to give back to the things that make a difference for our communities.



# What we do





# Helping fuel our communities

You can't run a car without fuel - and you can't keep a community service going without funding.

When you shop at a Trusts' outlet, or enjoy our hospitality, you are contributing to the community.

Whether you belong to a surf club in need of another rescue boat, or a playgroup needing more toys, a donation of dollars can make the difference between wishes and reality. That's the value your Trusts bring to West Auckland. We give to great causes, big and small, and when we do, we add more fuel that's needed to keep valuable community organisations thriving.

Our giving adds up to millions of dollars each year. Some funding is on a grand scale, but so often, it's the smaller amounts that have the biggest impact. That's because smaller groups, usually taking on a big job in their community, find it hard to compete with more established charities for funding and sponsorship.

Each year, dozens of community groups apply for funding through the Million Dollar Mission. A selection panel helps choose the projects that go to a public voting phase. Then we ask the public to vote for the organisations they most want to support. In 2019, we received 200,000 votes in just 21 days from a community of some 250,000 people. That meant 48 causes received money from the Million Dollar Mission.

It helped Piha Surf Live Saving Club buy essential equipment to save lives on our beaches. Royal Road School bought a new PA system for assemblies and performances. The Auckland Rescue Helicopter Trust put their funding towards a new



helicopter to take people to hospital in emergencies. The list goes on - we are proud to have supported so many great initiatives, big and small.

In three years, more than \$3 million has been given back to more than 100 great community causes in the Million Dollar Mission alone.

We can see from our past donations that every dollar counts. Our investment strategy is designed to help ensure we can give back more in future. We're on track to be giving back \$5 million per year to the community from 2020 onwards. Read on to see how we're doing it.

**“Without this support from The Trusts we would not be able to fully resource our operations. Piha SLSC would either have to patrol the beach with reduced gear or further fundraise to get the required equipment. We thank The Trusts for their support. Without it our job to save lives at Piha beach would be so much harder.”**

*Peter Brown,  
President, Piha Surf Life Saving Club*

**DID YOU KNOW?** None of the funding referred to above comes from gaming (pokies).





## Ranui Primary School

Million Dollar Mission funding of **\$78,450** has meant Ranui Primary School could build a vibrant and colourful state-of-the-art playground for their 360 tamariki, to replace the old, rundown and unsafe playground that had seen better days.

“It was very much a community initiative,” says Deputy Principal Allisa Holbrow. “And it allowed our students, parents, families and our Ranui network to work together to achieve the best possible outcome. We were overwhelmed with the result and we’re so grateful to The Trusts”.

## Piha Surf Lifesaving Club

Piha is one of the West’s most iconic beaches. It’s patrolled by the volunteers at Piha Surf Lifesaving Club and thanks to the Million Dollar Mission over **\$30,000** has been donated to help them out.

This has allowed the club to purchase a new rescue boat trailer, rescue tubes, uniforms, mannequins, essential radio batteries, first aid training, gazebos and more. It’s also paid for repairs to the all-important rescue boats, enabling the club to keep patrolling Piha Beach with the equipment they need.



## Fair Food

Fair Food is Auckland’s first food rescue charity. They’re on a mission to help tackle waste and address hunger in our community. Since their establishment they have saved and redistributed an incredible 486,000 kilos of fresh fruit and vegetables and delivered 1,458,495 meals to hungry West Aucklanders.

Thanks to the Million Dollar Mission, Fair Food received **\$33,335** to buy new specialised containers for their distribution centre, helping them support more than 500 local West Auckland families each and every week.

For a full list of the hundreds of community groups and causes your Trusts have supported, visit [www.thetrusts.co.nz](http://www.thetrusts.co.nz).





# Award-winning stores

There are just under 30 West Liquor and specialty Village Wine & Spirits stores across West Auckland.

These are conveniently located within 3km of where most West Aucklanders live. We work hard to keep prices competitive and to offer a great range, backed up by top service and knowledgeable staff.

Providing modern, inviting stores is important to us and we are proud that we won **Best Retail Off Licence** at the Hospitality New Zealand Excellence awards in 2015 and 2017.

Our new stores use energy-efficient LED lighting and we offer a range of sustainably sourced paper carry bags, along with reusable chiller bags and woven bags. This means approximately two million fewer plastic bags being used in our stores each year.

Because of our unique licensing trust model, the community has more control over how many liquor stores are in our community and who can operate them. We take that responsibility seriously.

When you shop at one of our award-winning stores, the profits stay here in West Auckland to be given back to hundreds of community groups, schools and good causes.

**DID YOU KNOW?** We take our responsibility seriously. We operate industry-leading ID checking and responsible alcohol policies, including a two-step ID checking system.



*Our new concept tasting bar at Village Wine & Spirits, with craft beer on tap.*





# Village Wine & Spirits Te Atatu

Have you always wanted to try a new wine before buying the whole bottle?

The Te Atatu Village Wine & Spirits store features an in-store tasting area, with a unique wine dispensing and preservation system believed to be the first in an Auckland retail store.

There's also a dedicated craft beer station we've developed to go alongside the wine and spirits tastings already on offer.

Located next to Mr Illingsworth at The Point in Te Atatu Peninsula, the modern 230 square metre store sets the standard for retailing in the future.

It's one way we're keeping your community businesses fresh and modern, while still keeping the profits right here in West Auckland.

Village Wine & Spirits Te Atatu is one of almost 30 community-owned stores located around West Auckland with a great range of product choices backed up by friendly and knowledgeable staff.

To find your nearest West Liquor or Village Wine & Spirits store, head to [www.thetrusts.co.nz](http://www.thetrusts.co.nz)



**West Liquor**



**Village Wine & Spirits**





# Modern hospitality venues

We operate some of the many hospitality venues found in West Auckland. They're all a bit different, designed to meet the needs of a wide variety of customers in different places across West Auckland.

From local sports bars to gastropubs, there is something for just about everyone. We also set aside money to re-invest and improve our bars and venues each year, keeping them fresh and modern.

In the past couple of years we've opened new venues, closed ones which didn't meet the community's needs, and welcomed many non-Trusts restaurants, licensed cafes, breweries and cellar doors to West Auckland. You can choose from over **100** local venues for a drink, a meal or a night out in the West.

Your Trusts also run the 4-star Quality Hotel Lincoln Green, which recently received a silver award in the Qualmark Sustainable Tourism Business Awards.

**DID YOU KNOW?** Anyone can open a licensed restaurant in West Auckland provided Auckland Council agrees. There are more than **100** licensed hospitality venues in West Auckland managed by a range of different operators. Some of the great non-Trusts venues that have developed in recent years include The Grounds, Brickworks in New Lynn, NorthWest Dining Precinct and Little Creatures at Hobsonville Point, alongside our great offers like Mr Illingsworth, The Good Home, iTi and The Hangar.



**BLACKSALT**



**BRICKLANE**  
RESTAURANT & BAR



# Have you tried ?



## Mr Illingsworth

📍 571 Te Atatu Rd, Te Atatu Peninsula  
☎ 09 953 4377  
🌐 [www.mrillingsworth.co.nz](http://www.mrillingsworth.co.nz)



## The Good Home

📍 159 Lincoln Road, Henderson  
☎ 09 839 2481  
🌐 [www.thegoodhomelincn.co.nz](http://www.thegoodhomelincn.co.nz)



## iTi

📍 421 Titirangi Road, Titirangi  
☎ 09 817 5057  
🌐 [www.weareiti.co.nz](http://www.weareiti.co.nz)





# Investing for the future

Holding on to some of your money to make more money in the future is the simple idea behind saving and investing, whether it's a few dollars each week in a safety net account or a few hundred invested monthly in KiwiSaver.

Put \$10 a week in the bank and in five years, with 2.5% interest, it will be worth \$2,770.

We are applying the same long-term thinking to growing the funds we give back to the community.

In 2013 we reviewed our strategy to look at how we can future-proof our funds for giving back and ensure there is a sustainable, carefully managed pool of money that can grow for the future.

We know from the applications we receive for funding that there are wonderful groups of people in our neighbourhoods doing heroic work. Some have ambitious goals like the major

rebuild of Waitakere Hospital's Special Care Baby Unit, and some need simpler things, like a discus safety cage for their athletics club. All of them deserve support because they all make a difference in people's lives.

In the past, we have had to make tough choices about what to support and we're always overwhelmed by the need out there in West Auckland. So, we developed a strategy to reinvest some of our profit to grow a secure source of funding for the future. It's a bit like Kiwisaver - putting money aside so it can be professionally invested in a balanced portfolio of equities and properties. It's like the \$10 becoming \$2,770 - but on a bigger scale.

We are confident that we can grow our community giving to \$5 million a year by 2020, compared to less than \$1 million back in 2012. We want to ensure The Trusts can give back for good and all three parts of our business - retail, hospitality and investment - have a role to play in that.



# Developing our people

More than 300 people work in our stores, venues, hotel and support office. We are committed to taking care of our people and offering them as much support as possible to develop their careers with us.

Our development programmes are designed to show our team members where a career in retail or hospitality could take them. All Trusts team members have the opportunity to engage in comprehensive learning and development programmes to help them be the best they can be.

We offer two leadership development programmes, Trusted Management and Trusted Leaders. The Trusted Leaders programme is a six-month programme that gives people the opportunity to develop management and leadership skills.

We recognise that there are risks in our business and we have a comprehensive health, safety and wellness programme. We work with external providers to assess risk and improve security in our stores and venues. We also consider factors outside work. All our people are entitled to 10 days paid domestic violence leave on top of their annual leave if they need it. We provide support to people who use violence to stop, and we can also arrange access to drug

and alcohol counselling if required. All team members and their families have access to an Employee Assistance Programme to help them with issues including budgeting, parenting/family issues, anger/conflict management and stress, amongst others.

We pay everyone above the minimum wage and that commitment will continue as the minimum wage goes up.

**W**e are proud that when our engagement survey results are benchmarked against other businesses, they show Trusts team members feel more engaged at work in our business than many other businesses in New Zealand.





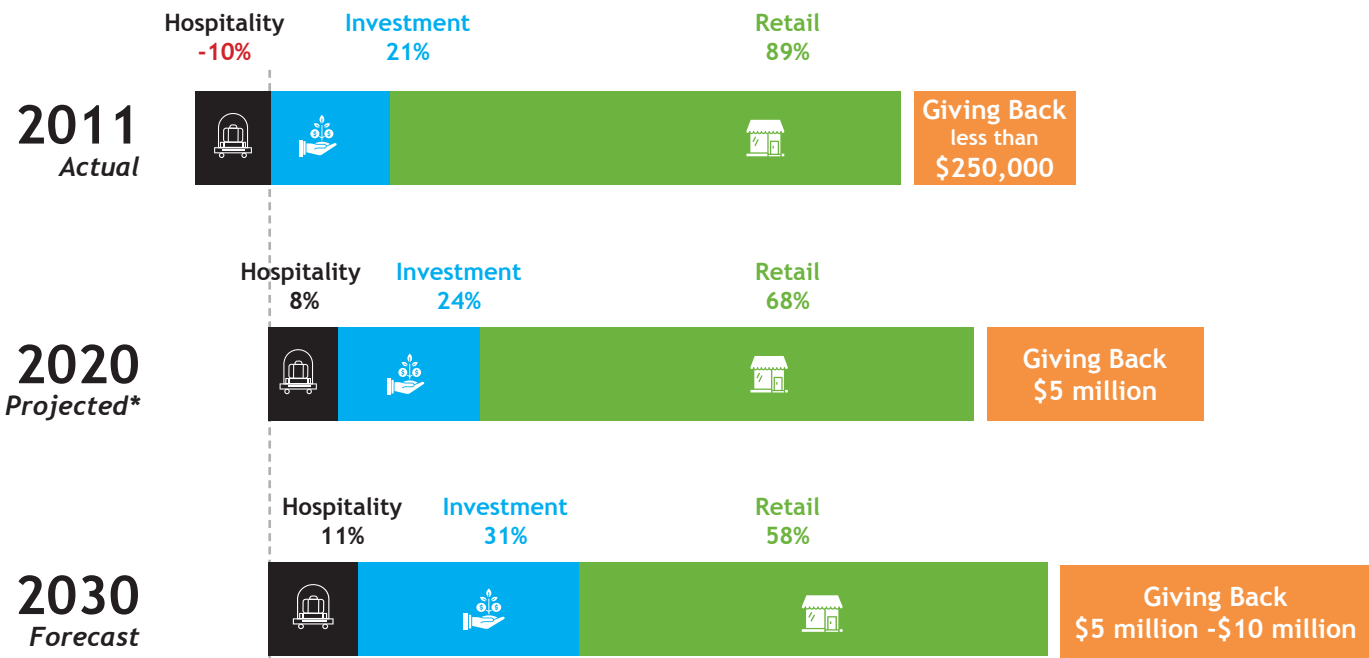
# The business in numbers

Each year the full set of accounts for each Trust is published on our website [www.thetrusts.co.nz](http://www.thetrusts.co.nz). Our accounts are professionally audited by an independent auditor under the guidance of the Office of the Auditor General.

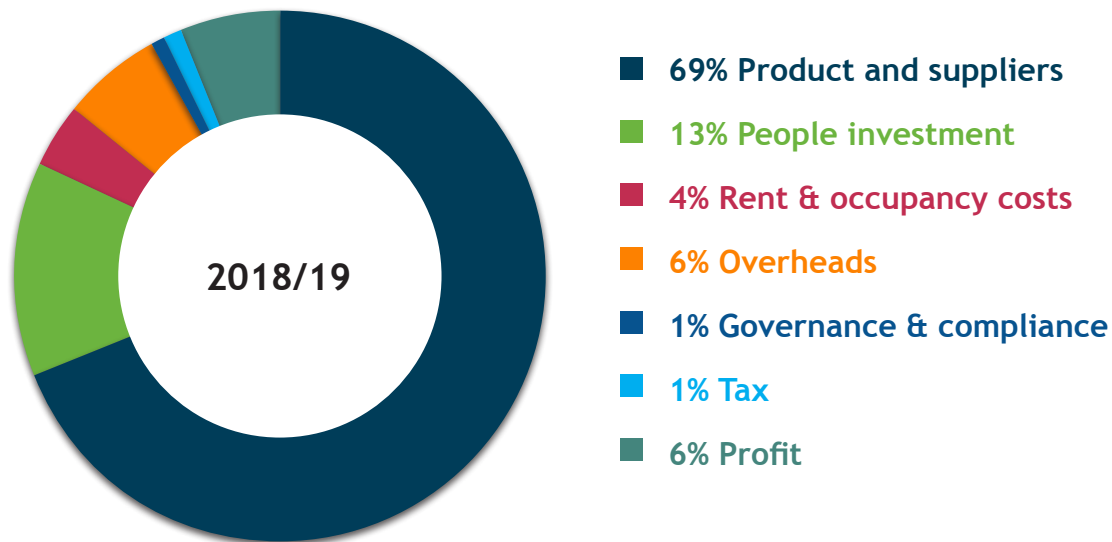
These summaries help show how our business operates, where we invest the profits and what our plans are for the future.

## Future forecasts

We have a clear strategy to grow our profits and for giving back over the next decade. The graphs below show where your Trusts' business areas were performing in the past, and where we want them to be as part of the overall business in the future. We want all three revenue streams to grow over time, so we can continue to Give Back.



## Where does the revenue go?



*\* Note this excludes depreciation and is shown as a percentage of revenue exclusive of GST. The Trusts are not exempt from tax and pay income tax on profits, and other indirect taxes such as GST at normal rates.*

## Where we invest our profits

The graph below shows where we intend to distribute the discretionary portion of our retained earnings, based on the 2019/20 budget. It's important that we re-invest in our existing stores and venues to keep them modern, put some aside for the future, and look to where we can invest in new parts of our business. We also invest in development programmes for our people. The rest is given back to the West Auckland community through the Million Dollar Mission, Household Distribution, grants, donations and sponsorships.

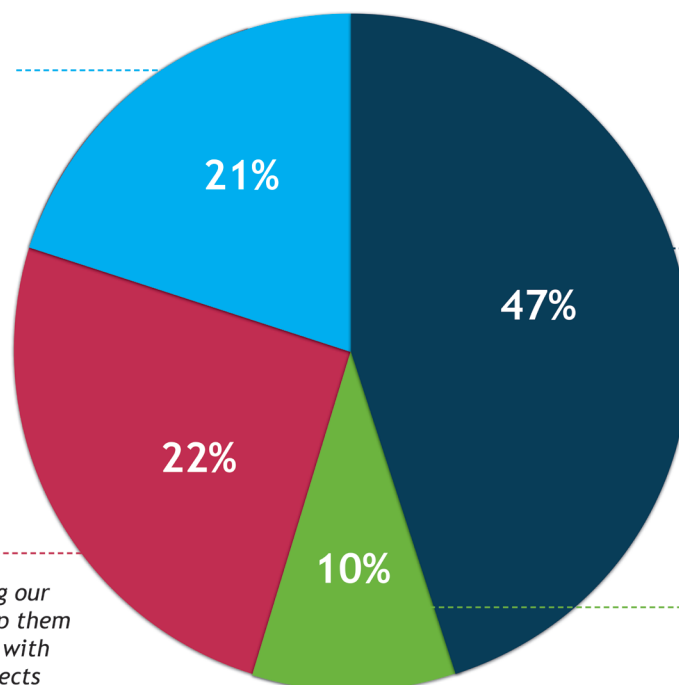
You can find out more about what's given back each year at [www.thetrusts.co.nz](http://www.thetrusts.co.nz)

### Investment to Give Back in Future

*Just like putting money into KiwiSaver, this will help us give back more each year in the future*

### Existing Business

*This includes refurbishing our stores and venues to keep them fresh and modern in line with what the community expects*



### Giving Back Now

*Things like the Million Dollar Mission, sponsorships, grants, Special Care Baby Unit and other donations*

### New Business

*New stores and venues*

# Frequently asked questions

In this section we'll aim to cover off some of the common questions we receive. We encourage you to read them, because there are a few myths and legends out there about what we can and cannot do so you might be surprised by some of the answers.

## How did your Trusts get established in West Auckland?

Up until the 1940s, alcohol was prohibited or restricted in many parts of New Zealand. As prohibition faded out, many communities were still concerned about having a community-minded approach to the sale of alcohol. Licensing trusts were established in response to this and the first, the Invercargill Licensing Trust, was established in 1944 and is still going strong today.

It wasn't until the early 1970s that West Aucklanders voted to establish the Waitakere Licensing Trust and Portage Licensing Trust. The law allows for the Trusts' mandate to manage alcohol sales in West Auckland to be challenged and every so often it is. The last time was in 2003 when a referendum was held and residents voted to retain the model.

## Is it true the Trusts control all liquor licensing in West Auckland?

No. The Trusts do not control liquor licensing, that is Auckland Council's responsibility. Like anyone who wants to open a licensed venue in West Auckland, we must apply to the Auckland Council for a licence to operate our stores and venues.

## Why do you oppose licence applications if someone wants to start up as competition?

We don't. We have not opposed any licence applications in West Auckland for several years. The only venues that we have a community granted mandate to operate exclusively are those that trade late into the night (bars) where the primary focus is the sale of alcohol. These venues operate under a Tavern licence as required by the Sale and Supply of Alcohol Act (2012).

## Don't the Trusts prevent freedom of choice?

No. Anyone can open a hospitality venue under a restaurant licence in West Auckland and there are plenty of licensed clubs too. These venues don't have to sell food with every drink.

You are welcome to have a drink with or without food at more than 100 licensed hospitality venues in West Auckland already, with more planned to open from a range of different operators.

## Is it true the Trusts prevent supermarkets from selling alcohol?

It's true you can't buy wine or beer in most West Auckland supermarkets, as it is part of what our community voted for to manage the retail sale of alcohol in West Auckland under a licensing trust model. There are a range of views on this topic, but one of the pieces of feedback we often hear is that the small inconvenience of not having beer and wine in supermarkets is worth it for knowing there is community control over the number, the location and the operating hours of liquor stores in our community, and that profit made is distributed back to West Auckland.

## Doesn't all your giving come from gaming profits?

Today, all donations made by the Trusts come from profit in our retail stores, bars, eateries and investment portfolio.

## How does gaming fit in your operations?

Gaming laws require proceeds from gaming machines to be managed by a separate gaming society. In our venues this is The Trusts Community Foundation (TTCF), a separate organisation to The Trusts. TTCF is a national gaming foundation which distributes profit from gaming machines nationwide.



Some of our venues have gaming machines and a number do not. The total number of gaming machines in our venues has reduced by 50% since 2014.

Under New Zealand's gaming laws, elected members of your licensing trusts have a say in recommending the distribution of gaming funds raised in venues in their local communities.

In the 2017/18 financial year, around \$7.3 million was given to West Auckland community causes by TTCF with the support of your elected members - that's separate from and in addition to the money given back by The Trusts.

### **Haven't Licensing Trusts had their day? They are out dated and out of step.**

We listen to a wide range of voices in our community and there are a wide range of views. Some people would argue the Trusts model is more relevant today than ever as a growing number of social enterprise business models are valued for putting community needs ahead of just profit.

Many people in our community do not want liquor outlets in every small cluster of shops, or 24-hour alcohol sales, or alcohol sold in places where children are more likely to be exposed to it as an every day commodity alongside the groceries. Many people value the fact that profit from alcohol sold in West Auckland goes back to the West Auckland community.

We work hard to listen and evolve our business to meet changing needs in our community. As long as the community continues to vote for the licensing trust model, we will always take our mandate for selling alcohol in a responsible way seriously, with the wider community's best interests at heart.

### **Are The Trusts hospitality venues financially viable?**

Yes, they are. Our hospitality venues deliver significant revenue every year and contribute to our profits. Hospitality is a tough business and we are continually working on our businesses to ensure they are providing customers with a great experience and performing well to support our giving back.

We open new venues where we see an opportunity to run a financially sustainable business and from time to time we refurbish or close those venues which have passed their use-by date.

### **How much are elected members paid?**

Elected members are paid \$280 for each meeting they attend, which is on average two per month. The presidents of each Trust receive a total annual honorarium of \$30,000 each gross before tax.

### **How much are your senior employees paid?**

We have robust processes in place for setting remuneration. All salaries are reviewed and benchmarked by an independent, external remuneration advisor to ensure we are paying fair market rates and attracting the right people to lead and grow your community-owned businesses. What each individual earns is confidential.

### **Don't the Trusts deliver poor returns given how much money they turn over?**

It's important to distinguish between revenue and profit. Our giving back comes from our profit. In the 2018/19 financial year we delivered a net profit after tax of around \$5 million. From that, we gave back more than \$2.5 million to the community, invested some back into our business to upgrade and improve venues and allocated some to our investment portfolio.

### **Your prices are a lot more expensive than your competitors.**

We have to be competitive on price in our retail stores to succeed. Prices fluctuate in different stores depending on promotion and pricing strategies. We do regular price comparisons and on any given day we can be the cheapest in some product lines and more expensive in others, but we always aim to provide good value for money. We put time, money and effort into our team delivering great service to you.

# What about TTCF ?

The Trusts operate giving back programmes that distribute profit from hospitality venues, the retail sale of alcohol and our investment portfolio.

Gaming machines are present in some of our venues and are owned by a separate gaming society called The Trusts Community Foundation Ltd (TTCF).

Despite the similar names, TTCF is a separate organisation. TTCF is responsible for gaming machines in 49 venues around New Zealand. Six of these are run by The Trusts.

TTCF returned just under \$12 million to community causes across New Zealand in 2017/18. Competition for funding from TTCF is significant, with up to 200 applications received each month.

Under New Zealand's gaming laws, the people you elect to govern your licensing trusts have a say in the distribution of gaming funds in their local communities, by way of monthly recommendations to TTCF.

Typically, this helps ensure funds go back into the area where they came from.

In areas without a licensing trust, there are no elected members of the public making recommendations on the grant applications.

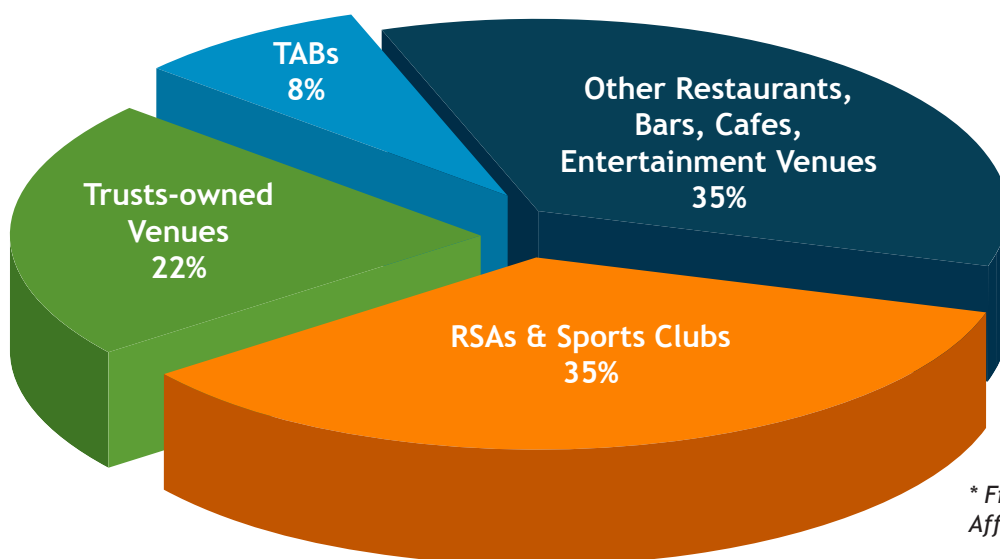
In the 2017/18 financial year, having this model in place meant around \$7.3 million was given to West Auckland community causes by TTCF - separate from and in addition to the money given back by The Trusts.

We recognise that not everyone in the community likes gaming machines, even if their proceeds are returned to the local community.

Within our operations, we have a range of venues without gaming machines in them, and less than a quarter of West Auckland's gaming machines are in Trusts venues.

**W**e have reduced the number of machines in our venues by 50 per cent since 2014.

## Location of gaming machines in West Auckland



**DID YOU KNOW?**  
The majority of gaming machines in West Auckland are outside of venues operated by The Trusts.

*\* Figures from Department of Internal Affairs as at 31 December 2018*





# Engage with us

There are plenty of ways you can get involved with or provide feedback to your Trusts.

The elected members for each Trust meet once a month and members of the public are welcome to attend the public part of the meeting. Your elected members' contact details (phone and email) are published on our website and we encourage you to get in touch with them.

The key role of the elected members is to monitor business performance, ensure we're delivering on our strategic objectives and financial targets, as well as meeting the community's expectations around responsible liquor sales. Meetings are usually held in the early evening or late afternoon and you will find the schedule of meetings for your local trusts on our website and Facebook page if you want to attend or pass on your feedback. There are rules and guidelines in place for the meetings which help us ensure consistency and fairness for everyone.

As with many public bodies, a closed session is held after the public session where commercially sensitive and/or confidential business matters need to be discussed.

Minutes of each meeting are published, and you can see them on our website.

Members are elected every three years as part of the local body elections. If someone stands down from their role between elections, a by-election may be held.

If you like the idea of serving your community, you can put yourself forward as a candidate for The Trusts during the local body elections. You can find out more at [www.thetrusts.co.nz](http://www.thetrusts.co.nz).

It is important we keep up the tradition of having strong community involvement, so that your Trusts remain successful, responsible and sustainable, and so we can continue to give back to great local causes.

## DID YOU KNOW?

Elected Members come from all walks of life across West Auckland. Becoming an Elected Member means you are part of ensuring your Trust's operations continue to deliver what the community wants. Elected Members monitor business performance, make decisions on Giving Back, provide direction and feedback on strategy, as well as reviewing and approving plans for your Trusts.



## giving back

### WHERE TO FIND OUT MORE

We share information on our website, Facebook page, through Our West magazine and in the monthly public meetings held for each licensing trust. Follow us or get in touch if you have any questions.

[www.thetrusts.co.nz](http://www.thetrusts.co.nz)

[www.facebook.com/thetrusts.givingback](https://www.facebook.com/thetrusts.givingback)

[info@thetrusts.co.nz](mailto:info@thetrusts.co.nz)

Ph: 09 826 2620

The Trusts Support Office:

3044 Great North Road

New Lynn

Auckland 0640

Private Bag 93 016

New Lynn

Auckland



the trusts