

**Subject:** Eastland Community Trust – Tax Status and Deed Variation

**Prepared by:** Lindsay McKenzie (Chief Executive)

**Meeting Date:** 29 July 2010

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## Report to COUNCIL for decision

### SUMMARY

Council has been advised by the Eastland Community Trust General Manager that the Trust is not proceeding with the proposals to vary the Trust Deed. Those proposals related to the status of Council as capital beneficiary and its role in appointing Trustees. The Trust's stated aim was to achieve tax exempt status. The decisions that were taken on 24 June 2010 mean that, among other things, Vicky Thorpe and Michael Muir are now Trustees. Richard Brooking is the interim Chair.

The Trust has directed its General Manager to investigate the pros and cons of achieving tax exempt status. Becoming registered with the Charities Commission as a charity is the first step. That application is likely to highlight the issues within the Deed that will need to be resolved before registration is achieved.

The Trust has offered to work more collaboratively with Council in developing the case for registration and tax exemption. This would involve Council and its advisers contributing to both the issue identification and resolution stages of the process. The final decisions will be for the Trust to make of course.

It is recommended that Council respond to the invitation by advising that it is committed to working with the Trust to resolve these issues in order to benefit the community.

### RECOMMENDATIONS

#### That the Council

1. receives the report
2. advises the Eastland Community Trust that Council welcomes the opportunity to collaborate with the Trust in its efforts to try to achieve charitable and tax exempt status with the aim of increasing the return to the beneficiary community.

Lindsay McKenzie  
Chief Executive