



Annual Report

March 2020

Northland Community Foundation – Annual Report

March 2020

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Chairperson's and General Manager's Report

This year has been a fantastic year for the Northland Community Foundation with invested funds increasing to over \$1.2 million, with our largest fund established so far. Craigs Investment Partners (Craigs) portfolio performance was also outstanding with returns of 11% for the last financial year (before fees and taxes).

Approximately \$400,000 was gifted to the Northland Community Foundation from the Whangarei Hearing Association and Alice O'Keeffe Bequest. The funds will be invested for perpetuity and the interest earned from the invested funds will be distributed annually to Deaf Aotearoa – Whangarei Branch to identify Whangarei residents in need.

Other Northlanders also showed their support for our community by donating to the Northland Community Foundation during 2019. Donations varied from small to large, one-off to ongoing, all providing support for their community forever!

We had an anonymous donor donate \$100,000 to the Northland General Fund in 2019. The fund will be invested forever, and interest delivered out annually. The interest will be delivered out via the annual Northland Grassroots Funding round. It is difficult to know what the needs of Te Tai Tokerau will be in 100 years, therefore donations to the Northland General Fund will ensure the opportunity for flexibility and change depending on the future needs of our community.

Donors that gift to NCF also often have a special interest that they would like to give to, for example, the Northland Sport Fund and Brent Eastwood's bequest to the Kauri Club Fund. The Northland Sport Fund continues to grow through donations, with staff members also recently deciding to establish payroll giving into the fund. In total NCF now has 29 funds established (Managed and Promised Funds), and six new funds established in 2019.

A highlight for NCF is the annual distributions of the Northland Grassroots Fund. In 2019 NCF gave \$91,500 to 13 charitable organisations. This was mainly due to the Tindall Foundation regional funding, but also due to generous Northland donors. A total of 34 applications were received in 2019 requesting a total of \$410,032. Services funded included early years support for children and parents, youth programmes, victim support, family support, emergency housing and cultural programmes.

We now have over \$1.6 million funds invested and under management, \$13 million promised gifts through wills, 1.5 full-time employees, and have gifted back to the community \$4.8 million since its establishment in 2008!

Community Foundations only charge 1% on our invested funds each year to support our operating costs. When NCF reaches \$20 million invested funds it can become self-sufficient, with 1% / \$200,000, going

towards our operations annually. Currently NCF are lucky enough to have the Northland DHB, Tindall Foundation, Oxford Sports Trust, Foundation North, Pub Charities and other business sponsors such as Russell Turner Chartered Accountants supporting our operations. Without these supporters NCF would not be able to operate for Te Tai Tokerau.

We would also like to acknowledge the hard work of our Trustees who volunteer many hours to support the development of NCF. Our success as a Foundation would also not occur without our wonderful donors who have helped establish the special interest funds and donated to our Northland General Funds. The Foundation continues to strive for \$50 million bequeathed funds for the Northland community!!

Two handwritten signatures are shown side-by-side. The signature on the left appears to be "Greta Buchanan" and the signature on the right appears to be "Richard Ayton".

General Manager and Chairs Report
Greta Buchanan and Richard Ayton

Treasurer's and Finance and Distribution Manager's Report

A \$100,000 bequest to the Northland Fund, and the completion of the transfer of over \$400,000 to the Whangarei Hearing and O'Keeffe Hearing Endowment funds, have boosted the Foundation's invested funds from \$625k at the end of the 2017-18FY to over \$1.2M at the end of this FY. Existing funds that were being held in term deposit have also been transferred to Craigs to increase the long-term return. Following the end of the financial year, over \$15,500 is expected to be distributed from five of the invested funds. This distribution is possible thanks to a portfolio return of over 11%, which is a fantastic result given the poor outlook for investments at the start of the year.

In terms of the Foundation's operational budget, we ended the 2018-19 Financial Year with a surplus of \$5510. In general, costs were kept low by reducing our reliance on outside contractors for website updates and graphic design work, and by cancelling services no longer needed such as the broadband connection at the office in Maunu House. Unexpected costs, such as the implementation of a new Salesforce CRM database, were covered by grants. Bequest campaign expenses are covered by a repurposed Tindall Foundation grant originally intended for Vital Signs research. The bequest campaign is scheduled to be completed in February and is on track to come in under budget.

Income was largely as expected, with some additional grants which will continue to be spent over the next financial year. We received \$33,661 in grants from Foundation North and Pub Charity to cover the cost of creating a Salesforce CRM database. Some of this has been spent, while the remainder will be spent over the first few months of the next financial year as the project is completed. We also received a grant from Oxford Trust to cover the wages of HsiEn Soo, our new Marketing and Administration assistant, for 3 months. We are hopeful that this grant will be received on an ongoing basis to continue HsiEn's employment.

For the 2019-20 Financial Year, there will be some new costs, for example liability insurance, and some increases to existing expenditure, for example a rise in CFNZ membership fees. Remaining costs for the CRM database implementation will be paid for using the remainder of the grants obtained in 2019, while it is hoped that a grant application to cover the costs of the ongoing partnership with Gravity Lab (for tweaks and improvements), as well as associated monthly costs for software needed to collect donations and manage application online forms, will be successful. Contracted Admin and Contracted media costs for HsiEn and Jancke (our potential new accounts and administration assistant) are intended to be covered by grants. Other income is expected to be similar to last year, although there is an increase in fees charged due to the growth in managed funds, which attract a 1% admin fee.

We also hope to encourage businesses to sponsor our operational costs in return for some advertising via our newsletters and webpage. Any events are expected to be cost-neutral, with fees/sponsorship covering costs.

Sophie Lane *Gavin Buckingham.*

Operations Manager and Treasurer's Report

Sophie Lane and Gavin Buckingham.

Northland Grassroots Fund Chairperson's Report

The Northland Grassroots Grants Panel responsibility and aim is twofold, to support our local community to apply for funding as appropriate, and to oversee the submission, assessment and allocation of funding applications. The Northland Community Foundation Grants Panel acts on behalf of the Tindall Foundation as a Funding Manager where applications can be submitted by members of the public within the criteria set by the Tindall Foundation. As a Tindall Foundation Funding Manager, we receive the sum of approximately \$90,000.00 per year for three years for allocation to charities, including a 10% contribution to Northland Community Foundation for allocation expenses. The Grants Panel members include: Debbie Evans (Chair and CEO of Kaipara Community Health Trust), Nicola Hartwell (NCF Trustee representative), Rosemary Archibald (Donor to the Far North Betterment Fund), Terri Donaldson (Chairperson of the Maungaturoto Residents Association Committee), and Katherine Clarke (Associate of Centre for Social Impact).



Image (from left to right): Terri Donaldson, Debbie Evans, Katherine Clarke, Nicola Hartwell, and Rosemary Archibald.

The Panel met in August 2019 to discuss 34 applications totalling \$410,032, and after careful consideration the Panel decided on 13 applicants and allocated out \$91,150 (Please see the table on the following page outlining the grant allocations). Recipients of the Northland Grassroots Fund work in the Northland community: helping Families/Whānau by supporting the wellbeing of tamariki/children through their early years, rangatahi/young people, and/or whānau/families. Mid North Family Services can now offer more outreach counselling support for Māori tamariki in Okaihau/Kaikohe due to a \$6,000 grant from the Northland Grassroots Fund. The Family Service has a registered child therapist, based in Kaikohe, that will provide this much needed service for 7 to 12 year olds. The tamariki that are being referred, which they currently have no funding for, are witnessing horrific family violence, experiencing trauma, grief, depression and anxiety. Kaikohe

based child therapist Carol Atkinson will be providing this much needed support. Carol is a full registered member of NZAC and counsellor with experience working with Māori tamariki. The tamariki referred to the programme will learn how to process traumatic experiences. Which will assist with their general wellbeing, increased self-confidence, ability to relate pro-socially, minimise anger-management issues and create a deeper understanding of how to keep themselves and others safe. School teachers report tamariki that receive assistance from this programme are more present in class as they are not in fight/ flight mode. Their parents and caregivers also report that their tamariki are more confident and enjoy attending the programme.

2019 Grassroots Fund recipients:

Applicant	Awarded Amount
Ngatiwai Trust Board	\$13,650
Home Interaction Parenting Programme for Youngsters (HIPPY) - Dargaville	\$8,000
Whangarei Youth Space	\$5,000
Victim Support	\$6,000
Whangaroa Kiwi Can Charitable Trust	\$10,000
Mid North Family Support	\$6,000
Dargaville Early Years Service Hub	\$15,000
Northland Pacific Islands Charitable Trust	\$5,000
Tai Tokerau Emergency Housing Charitable Trust	\$7,500
Rongopai House Charitable Trust	\$5,000
Dargaville Scout Group	\$3,000
Parent Port North Inc	\$5,000
Te Whai Community Trust Mangawhai	\$8,000
Total Allocated	\$91,150



Image: Carol Atkinson Registered Counsellor working for Mid North Family Services.

Health Fund PLUS Chairperson's Report

Northland District Health Board (Northland DHB) and the Northland Community Foundation have an established joint Health Fund PLUS Committee comprising membership from both organisations that oversee the funds within the Northland DHB charitable account. The Northland DHB charitable account contains funds that have been donated to Northland DHB services and are allocated to various units and wards, as well as a miscellaneous fund to hold donations that are not specific to an area.

The Health Fund PLUS Committee has a new Chair, Pip Zammit, Director of Allied Health Science and Technology for the Northland DHB. Other Committee members include: Liz Inch, Marketing and Communications Manager, Andrew Mardon, Business Manager, Greta Buchanan, Northland Community Foundation General Manager, and Sophie Lane, Northland Community Foundation Operations Manager.

The Health Fund PLUS Committee determine the priority projects for funding, the annual fundraising campaigns to be undertaken, and how the annual earnings from the Committee will be distributed. We had a reduced donation from Countdown Kids Hospital Appeal, due to the capped regional funding. However, we received a \$50,000 from an anonymous donor for the Unregulated Health Workers Fund. We had a spend of \$112,085 on equipment for the Northland DHB, and income from donations of \$168,533. The balance at end of the 2019 (30th September) for the Health Fund PLUS was \$336,606 plus \$13,368 Contact Energy Funds.

The Health Fund PLUS Committee and Northland Community Foundation staff have been working on the development of the Health Fund PLUS internal and external resources. All resources have been reviewed and developed on the intranet and internet. A generic Health Fund PLUS brochure has been distributed throughout all Whangarei hospital wards. Fundraising and funding application forms, guidelines and policies have also been reviewed and developed. Regular newsletters have also been developed and sent to donors and contacts via Mailchimp email, and Facebook. Newsletters have also been printed and dropped off and mailed to Whangarei Hospital Wards and General Medical Practices, donors and contacts to promote Health Fund PLUS.

Jim Carney Cancer Treatment Centre (the Centre) – Oncology and Blood Cancer Treatment Centre: The 'Buy a Brick' fundraising campaign is nearly at an end, with only a few spaces left on the wall for bricks. Ideas for a new fundraising campaigns have been proposed by the Foundation and Liz Inch to staff at the Centre.

The Contact Energy Renal Fund continues to support Northland dialysis patients by funding applications of up to \$500 towards items that would improve their quality of life on home dialysis. The Foundation Manager met with Renal Patient Support Workers to discuss the ongoing development and delivery of the Contact Energy Fund. The current balance remaining is \$14,360.73, enabling only 14 patients to utilise this fund at \$500 each. The Health Fund PLUS

Committee decided to put the fund on hold until Contact Energy decided whether or not they could develop the fund. Annual reports were produced by the Foundation and sent to Contact Energy for the financial year June 2018 to June 2019. Rosanne Jollands (Community Relations Manager for Contact Energy) received the reports on behalf of Contact Energy. Another request was made for further funding however, unfortunately that request was declined. Staff are now creating a new sponsorship approach to new businesses.

The Northland Community Foundation manages the fundraising accounts for the Countdown Kids Hospital Appeal Campaign. Over 7,500 children and babies are admitted to one of the four Northland hospitals each year. Funds raised by the Countdown Kids Hospital Appeal help Northland DHB Maternal and Child Health Services afford much-needed medical equipment. The Countdown Kids Hospital Appeal for 2018 raised \$81,000 for the Northland District Health Board Child Health Services. The face of the Northland 2018 Countdown Kids Hospital Appeal, Whaiawa Tito and whanau attended the annual cheque presentation celebration. Whaiawa lives with type 1 diabetes and her parent's Lisa and Patrick Tito pay for her to use a Freestyle Libre Blood Sugar Sensor to monitor and control her condition. Patrick also has type 1 diabetes and is aware that he is a role model for his daughter in how he manages his diabetes on a daily basis. He said it is neat to see Countdown and the community coming together to help Whaiawa and other kids by supporting this appeal. The \$81,000 raised went towards purchasing a stock of blood sugar sensors to loan out to parents who can't afford the device. The sensor gives parents and children a break from the daily finger pricks required to monitor insulin levels and enables them to do a period of intensive sugar monitoring to try to improve their diabetes control. Northland DHB Chief Executive Dr Nick Chamberlain said it is amazing to have received almost \$800,000 over the last 11 years (since 2008) from the Appeal. *"I'm blown away, they've delivered more than we expected. When you walk around our hospitals, you see the significant investment into equipment this money has enabled us to purchase, which we couldn't fund. It's a great partnership."*



Image: Left to Right, Madison Taylor (Northland Regional Manager for Countdown), Lisa and Patrick Tito (mother and father of Whaiawa), Whaiawa Tito, Oringa Barach, Yvonne Hunter (Child Health Team Manager), and Dr Nick Chamberlain (CEO of Northland DHB).

Audited Accounts 2019

Northland Community Foundation Financial Statements For the Year Ended 30th September 2019

Russell Turner
Chartered Accountants

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Northland Community Foundation
Financial Statements
For the Year Ended 30th September 2019

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Northland Community Foundation

Trust Directory & Acknowledgements

As at 30th September 2019

Trading Name	Northland Foundation
Date of Formation	1 March 2004
Trustees	Richard Ayton (chairman) Margareth Broodkoorn (resigned February 2019) Gavin Buckingham Brent Eastwood Season-Mary Downs Richard Alspach Megan Wills Nicola Hartwell Pip Zammit
Contact Details	Northland District Health Board, Maunu House PO Box 1844 Whangarei Phone: 09 459 6327
Charities Commission Number	CC21065
Accountants	Russell Turner Chartered Accountants 58 Otaika Road, Whangarei
Solicitors	Richard Ayton Law North, Kerikeri
Auditor	Steve Bennett Associates
Bankers	Bank of New Zealand

Acknowledgements

Northland Foundation is very grateful to the following individuals and organisations who gave their time and resources generously last year.

Russell Turner Chartered Accountants	Pro bono accountancy services
Craigs Investment Partners	Discounted fund management
Northern Advocate	Discounted advertising space
Big Fish Creative	Charitable rates - graphic design and website support
Vince Cocorullo Fix-It Man	Pro bono IT and computer equipment support
Northland Foundation Ambassadors (Richie Guy, Kevin Prime, Dr Shane Reti (MP))	Support and community networking



*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Statement of Disclaimer.*

Northland Community Foundation

Entity Information

As at 30 September 2019

Legal Name of Entity Northland Community Foundation

Type of Entity and Legal Status Charitable Trust, Registered Charity

Charities Commission Number CC21065

Northland Foundation's Purpose or Mission

Northland Foundation's purpose is to forge brighter futures through giving. Our mission is to encourage personal generosity in the form of gifts, donations, bequests and endowments which will support and enhance charitable causes and organisations in the region. Gifts made through Northland Foundation are invested, the capital remains intact, annual distributions are made from funds endowed and are made in accordance with the donor's wishes locally.

Northland Foundation supports Northland District Health Board in its charitable purposes by providing marketing and administration assistance to encourage donations and sponsorship which enhance the provision of health related services.

We want to see Northland grow and develop to reach its full potential. Everything we do is centred on this concept.

Community Foundations are one of the fastest growing forms of philanthropy internationally and we are encouraged to see growth in this kind of generosity in Northland.

Entity Structure

Northland Foundation's Board of Trustees consists of nine voluntary positions selected by an external panel of the Board from around the Northland region.

Various tasks are allocated to board committees but ultimately the board is responsible for all decisions.

Sub-committees of the board include:

Grants Panel

Donor Panel

Investment Panel

Appointments Panel

Investments are managed by Craigs Investment Partners acting in accordance with a SICO that has been developed and approved by the Board.

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Northland Community Foundation

Entity Information

As at 30 September 2019

Main Sources of the Entity's Cash and Resources

The main source of revenue is an operational grant from Northland District Health Board which provides funding for staff and administration of the Foundation. The secondary source of revenue is endowment fund donations from local donors to support their community. These donations are pooled and invested. The capital from these donations remains intact and the investment income is used to make annual distributions to the charities and community groups which the donors have nominated.

Donors can:

Leave a gift in their will and/or donate during their lifetime and have the pleasure of seeing their money make a difference (and receive 33.3% tax credit)

Another source of revenue is from investments.

Main methods Used by the Entity to Raise Funds

Other than endowment donations and investment income, other sources of funds come from fundraising and sponsorship (particularly for Northland DHB) and general donations. Northland Foundation works closely with service groups and organisations throughout the region to raise funds.

The Foundation arranges the distribution of net annual income generated by endowed funds. The Foundation receives an administration of 1% of the fund value for this service.

Entity's Reliance on Volunteers and Donated Goods and Services

Northland Foundation is supported by Russell Turner Chartered Accountants through the provision of pro bono accounting services.

Entity's Reliance on Volunteers and Donated Goods and Services

Trustees and committee members are all volunteers.

From time to time we receive other donated or reduced rate services relating to IT support, marketing, media placement, investment management and administration.

Contact details:

Physical Address	Maunu House, Northland Hospital, Maunu Rd, Whangarei
Postal Address	PO Box 10011, Te Mai, Whangarei 0143
Phone	09 459 6327
Email	info@northlandfoundation.org.nz
Website	www.northlandfoundation.org.nz
Facebook	www.facebook.com/NorthlandFoundation
Twitter	www.twitter.com@northyfound

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Northland Community Foundation

Statement of Service Performance

As at 30 September 2019

Description of the Entity's Outcomes

1. To encourage and support personal generosity for the benefit of Northland by enlisting and engaging donors and sponsors in increasing numbers each year
2. To invest funds wisely and prudently to achieve maximum results for minimum risk for the benefit of Northland Foundation, our donors and our communities
3. To distribute grants strategically according to the criteria developed by Northland Foundation or laid down by our granting partners
4. To engage with community groups and organisations to assist them to develop their own bequest and endowment programmes through Northland Foundation
5. Board members, staff and volunteers are professional, personally committed, publically trusted and well supported to achieve Northland Foundation's goals

Description and Quantification

(to the extent practicable) of the Entity's Outputs	Actual This year	Actual Last Year
• New funds established	3	2
• Total endowment funds	16	13
• Value of donations/sponsorship to Northland District Health Board	\$166,534	\$134,381
• Number of community groups supported by Northland Foundation	23	25
• Tagged distributions from donor funds	\$230,655	\$226,468

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Northland Community Foundation
Statement of Financial Performance
For the Year ended 30th September 2019

	Note	2019 \$	2018 \$
Revenue			
Donations, fundraising and other similar revenue	1	860,576	259,437
Revenue from providing goods or services	1	103,960	128,226
Interest, dividends and other investment revenue	1	81,812	56,678
Total Revenue		1,046,348	444,341
Expenses			
Expenses related to public fundraising	2	25,724	19,356
Volunteer and employee related costs	2	88,093	79,744
Costs related to providing goods or services	2	43,612	63,073
Grants and donations made	2	114,781	307,468
Other expenses	2	97,103	96,678
Total Expenses		369,313	566,319
Surplus for the Period		\$677,035	(\$121,978)



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Northland Community Foundation
Statement of Financial Position
As at 30th September 2019

	Note	2019 \$	2018 \$
Assets			
Current Assets			
Bank accounts and cash	3	471,811	474,782
Debtors and prepayments	3	30,694	1,166
Inventory	3	18,661	-
Other current assets	3	7,133	4,286
Total Current Assets		528,299	480,234
Non-Current Assets			
Property, plant and equipment	4	271,600	266,580
Investments	3	1,270,091	629,982
Total Non-Current Assets		1,541,691	896,562
Total Assets		2,069,990	1,376,796
Liabilities			
Current Liabilities			
Creditors and accrued expenses	3	19,297	3,656
Unused donations and grants with conditions	3	20,516	20,000
Total Current Liabilities		39,813	23,656
Total Liabilities		39,813	23,656
Total Net Assets		\$2,030,177	\$1,353,140
Accumulated Funds			
Accumulated surpluses	5	394,458	361,450
Reserves	5	1,635,719	991,690
Total Accumulated Funds		\$2,030,177	\$1,353,140

For and on behalf of the Trustees:

Chairperson _____ Trustee _____

Date



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Northland Community Foundation
Statement of Cash Flows
For the Year ended 30th September 2019

	2019 \$	2018 \$
Cash Flows from Operating Activities		
Cash was received from:		
Donations, fundraising and other similar receipts	832,144	259,437
Receipts from providing goods or services	103,960	131,075
Interest, dividends and other investment receipts	82,052	59,548
Net GST received from IRD	-	1,285
	1,018,156	451,345
Cash was applied to:		
Expenses related to public fundraising	25,724	20,856
Volunteer and employee related costs	84,525	76,421
Costs related to providing goods or services	43,612	65,937
Grants and donations paid	103,527	307,929
Other expenses	21,269	2,426
Net GST paid to IRD	2,847	-
	281,504	473,569
Net Cash Flows from Operating Activities	<u>736,652</u>	<u>(22,224)</u>
Cash Flows from Investing and Financing Activities		
Cash was applied to:		
Payments to acquire property, plant and equipment	99,515	94,871
Payments to purchase investments	640,109	191,150
	739,624	286,021
Net Cash Flows from Investing and Financing Activities	<u>(739,624)</u>	<u>(286,021)</u>
Net Increase / (Decrease) in Cash	<u>(2,972)</u>	<u>(308,245)</u>
Plus		
Cash at beginning of the period	474,783	783,027
Cash at the end of the period	<u>471,811</u>	<u>474,782</u>



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Northland Community Foundation
Statement of Cash Flows
For the Year ended 30th September 2019

	2019 \$	2018 \$
Made up as follows:		
Cash Float - NCF	-	21
BNZ T/D - Carlos Reed	-	24,064
BNZ T/D - NCF	50,234	48,662
Chart Trust Term Deposit	-	19,789
Community Self Help Term Deposit	-	17,352
BNZ NCF General Account	22,513	47,110
About Time Bank Account	38,126	9,185
BNZ - Contact Energy	13,368	14,354
BNZ Account - Tagged Funds	20,007	22,489
BNZ 02 Account - Carlos Reed	-	32
BNZ 00 Account - NDHB	-	3,088
BNZ 25 Account - NDHB Savings	273,900	220,258
BNZ 03 Account - NDHB Scholarship	5,783	5,777
BNZ Term Deposit - NDHB	44,092	42,601
BNZ 00 Account - NDHB 2	3,683	-
Paypal A/c	105	-
	<hr/> <u>471,811</u>	<hr/> <u>474,782</u>



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Northland Community Foundation

Statement of Accounting Policies

For the Year ended 30th September 2019

(a) Basis of Preparation

Northland Community Foundation 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.

(b) Goods and Services Tax (GST)

All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

(c) Income Tax

Northland Community Foundation is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

(d) Bank Accounts and Cash

Bank Accounts and Cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 365 days or less.

(e) Revenue

Grants received but not yet recognised as income are reported as a liability

Interest is accounted for as follows:

- a) In the Statement of Financial Performance on a cash basis.
- b) In an Endowment Reserve - added to Income in Advance until expenditure occurs when the income will be matched to expenditure.
- c) In the Restricted Funds Reserve - brought in the Statement of Financial Performance when received and contemporaneously transferred to the Reserve.

Unconditional donations and grants are recognised when received. Donations of goods are reported at fair value.

(f) Property, Plant and Equipment

The entity has the following classes of Property, Plant & Equipment:

<u>Asset Class</u>	<u>Rate</u>	<u>Method</u>
Motor Vehicles	30%	DV
Furniture & Fittings	14 - 18%	DV
Plant & Equipment	30 - 67%	DV
NDHB Asset Purchases	2 - 60%	DV

All property, plant & equipment except for land is stated at cost less depreciation. Depreciation has been calculated in accordance with rates permitted under the Income Tax Act 2007.



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Northland Community Foundation

Statement of Accounting Policies

For the Year ended 30th September 2019

(g) **Investments**

Investments in listed equity and fixed interest securities are stated at fair value. This is an allowable departure from PBE SFR-A (NFP), based on the appropriate standard IPSAS 29 Financial Instruments. Upon initial recognition, attributable transaction costs are recognised in the Statement of Financial Performance when incurred. Subsequent to initial recognition, investments in listed equity and fixed interest securities are measured at fair value, and changes therein are recognised in the Statement of Financial Performance.

Non-quoted or unlisted securities are initially recognised at cost, or donated, at fair value which is deemed as cost. After initial recognition, they are carried at lower of cost or net realisable value.

Purchases and sales of investments are recognised on the trade date or the date on which Northland Community Foundation commits to purchase or sell the asset.

(h) **Endowment Funds Revenue**

Endowment funds received are treated as other income and are recognised on the date they are received. Endowment fund balances are maintained as part of equity on the Statement of Financial Position.

(i) **Acting as an Agent**

Amounts paid on behalf of others (that is, as agent of another entity) are not treated as revenue and expenses of Northland Community Foundation. Any fee that is earned for acting as the agent is treated as revenue.

(j) **Tier 2 PBE Accounting Standards Applied (if any)**

Northland Community Foundation has not chosen to apply any provisions of the Tier 2 PBE Accounting Standards in place of requirements in the Tier 3 Standard.

(k) **Changes in Accounting Policies**

There have been no changes in accounting policies during the financial year (last year - nil).



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Northland Community Foundation
Notes to the Financial Statements
For the Year Ended 30th September 2019

	2019 \$	2018 \$
1. ANALYSIS OF REVENUE		
Donations, fundraising and other similar revenue		
Donations	200	830
Event Fees	613	-
Tindall Foundation Donations	23,146	8,122
The Southern Trust	-	2,500
Oxford Sports Trust	5,775	-
Pub Charity	18,661	-
Accounting Services	10,000	10,000
NDHB Donations	166,534	134,381
Endowment Funds Received	<u>635,647</u>	<u>103,604</u>
Total	<u>860,576</u>	<u>259,437</u>
Revenue from providing goods or services		
NDHB Contributions	100,983	107,088
NDHB Sales	2,867	20,268
Administration Fees Received	<u>110</u>	<u>870</u>
Total	<u>103,960</u>	<u>128,226</u>
Interest, dividends and other investment revenue		
Investment Revaluations	53,313	32,415
Interest Received	17,258	15,400
Dividends Received	<u>11,241</u>	<u>8,863</u>
Total	<u>81,812</u>	<u>56,678</u>



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Northland Community Foundation
Notes to the Financial Statements
For the Year Ended 30th September 2019

	2019 \$	2018 \$
2. ANALYSIS OF EXPENSES		
Expenses related to public fundraising		
Advertising and Brochures (NCF)	9,261	18,511
Marketing & Public Relations	<u>16,463</u>	845
Total	<u>25,724</u>	<u>19,356</u>
Volunteer and employee related costs		
Accident Compensation Levy	236	89
Staff & Trustee Training	3,817	1,340
Travel & Accommodation	-	3,586
Wages & Salaries	<u>84,040</u>	<u>74,729</u>
Total	<u>88,093</u>	<u>79,744</u>
Costs related to providing goods or services		
NDHB Expenditure	16,397	31,281
Accountancy	10,000	10,000
Administration Fees	110	-
Consultancy	2,259	2,724
General	3,757	448
Insurance & Levies	410	358
Printing, Postage & Stationery	1,417	2,349
Portfolio Management Fees	2,650	2,235
Office Equipment	475	-
Subcontractors	-	3,143
Telephone & Tolls	1,317	1,716
Subscriptions	1,365	762
Motor Vehicle	1,063	3,952
Website & Computer Maintenance	2,392	4,105
Total	<u>43,612</u>	<u>63,073</u>
Grants and donations made		
Endowment Funds Distributed	114,781	307,468
Total	<u>114,781</u>	<u>307,468</u>
Other expenses		
Audit Fee	2,584	2,400
Bank Charges	24	26
Depreciation	<u>94,495</u>	<u>94,252</u>
Total	<u>97,103</u>	<u>96,678</u>



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Northland Community Foundation
Notes to the Financial Statements
For the Year Ended 30th September 2019

	2019 \$	2018 \$
3. ANALYSIS OF ASSETS AND LIABILITIES		
Bank accounts and cash		
Cash Float - NCF	-	21
BNZ T/D - Carlos Reed	-	24,064
BNZ T/D - NCF	50,234	48,662
Chart Trust Term Deposit	-	19,789
Community Self Help Term Deposit	-	17,352
BNZ NCF General Account	22,513	47,110
About Time Bank Account	38,126	9,185
BNZ - Contact Energy	13,368	14,354
BNZ Account - Tagged Funds	20,007	22,489
BNZ 02 Account - Carlos Reed	-	32
BNZ 00 Account - NDHB	-	3,088
BNZ 25 Account - NDHB Savings	273,900	220,258
BNZ 03 Account - NDHB Scholarship	5,783	5,777
BNZ Term Deposit - NDHB	44,092	42,601
BNZ 00 Account - NDHB 2	3,683	-
Paypal A/c	105	-
Total	471,811	474,782
Debtors and prepayments		
Accounts Receivable	29,768	-
Accrued Interest	926	1,166
Total	30,694	1,166
Inventory		
Work in Progress - CRM	18,661	-
Total	18,661	-
Other current assets		
Goods & Services Tax	7,133	4,286
Total	7,133	4,286
Investments		
Craigs Investment Partners - Held in Trust	1,270,091	629,982
Total	1,270,091	629,982
Creditors and accrued expenses		
Accounts Payable	11,254	3,323
Provision for Holiday Pay	6,891	-
BNZ Credit Card	1,152	333
Total	19,297	3,656
Unused donations and grants with conditions		
Tindall Foundation	5,516	20,000
Foundation North	15,000	-
Total	20,516	20,000

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Northland Community Foundation
Notes to the Financial Statements
For the Year Ended 30th September 2019

4. FIXED ASSETS

	Cost	2019 Accum Depn	Closing Book Value	Depn Charge
Motor Vehicles	8,444	8,277	167	72
Furniture & Fittings	5,176	4,736	440	87
Plant & Equipment	19,174	18,307	867	461
NDHB Asset Purchases	1,055,835	785,709	270,126	93,875
	<hr/> <u>\$1,088,629</u>	<hr/> <u>\$817,029</u>	<hr/> <u>\$271,600</u>	<hr/> <u>\$94,495</u>
	Cost	2018 Accum Depn	Closing Book Value	Depn Charge
Motor Vehicles	8,444	8,205	239	102
Furniture & Fittings	5,176	4,649	527	103
Plant & Equipment	18,505	17,846	659	294
NDHB Asset Purchases	956,989	691,834	265,155	93,753
	<hr/> <u>\$989,114</u>	<hr/> <u>\$722,534</u>	<hr/> <u>\$266,580</u>	<hr/> <u>\$94,252</u>

Valuations

No independent valuations have been carried out in relation to assets included in Property, Plant & Equipment.

Significant Donated Assets Recorded

No significant donated assets have been included in Property, Plant & Equipment.

Significant Donated Assets Not Recorded

No significant donated assets have been excluded from Property, Plant & Equipment.

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Northland Community Foundation
Notes to the Financial Statements
For the Year Ended 30th September 2019

5. ACCUMULATED FUNDS

2019

	Accumulated Surpluses	Reserves	Total
Opening Balance	361,449	991,694	1,353,143
Surplus/(Deficit)	156,279	520,756	677,035
Transfer to Reserves	(123,270)	123,270	-
Closing Balance	\$394,458	\$1,635,720	\$2,030,178

2018

	Accumulated Surpluses	Reserves	Total
Opening Balance	357,180	1,117,939	1,475,118
Surplus/(Deficit)	81,886	(203,864)	(121,978)
Transfer to Reserves	(77,672)	77,672	-
Transfer from Reserves	56	(56)	-
Closing Balance	\$361,450	\$991,691	\$1,353,140

Breakdown of Reserves

Name, Nature & Purpose	2019 \$	2018 \$
<u>Carlos Reed Endowment Reserve</u> Bequeathed by the late Carlos Reed in 2005 and is to be retained in perpetuity. The funds are held in trust and the Foundation has no ownership or entitlement to the Reserve. Income is used for education grants.	171,321	158,811
<u>Northland Health Restricted Reserve</u> Non specified donations to the health sector in Northland are made to the Foundation. Donations are added to the Northland Health Restricted Funds Reserve and are applied as grants, including for the purchase of assets for Northland Health use.	336,608	281,316
<u>Chart Trust Endowment Reserve</u> The Reserve was received prior to the Chart Trust winding up and is to be retained in perpetuity. The funds are held in trust and the Foundation has no ownership or entitlement to the Reserve. Income is to be applied to child and youth health.	20,694	19,869

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Northland Community Foundation
Notes to the Financial Statements
For the Year ended 30th September 2019

Name, Nature & Purpose	2019	2018
	\$	\$
<u>Community Self Help Fund</u> The Community Self Help Fund was received from the Community Self Help Trust on its dissolution. The funds are available to assist youth into employment, including training and courses that will develop skills and improve employment opportunities.	18,146	17,423
<u>Contact Energy Fund</u> The Contact Energy Fund was established to assist low income people in the far north regions needing help to pay for specialist medical care, in particular renal failure and/or dialysis.	13,368	14,353
<u>About Time</u> Volunteers in the About Time project are working to build a large Rolling Ball Clock, which displays time by means of balls and rails, for tourism and educative purposes in the Whangarei Town Basin area.	38,152	11,039
<u>Far North Betterment Fund</u> This fund is proposed to be a collection of funds from various sources but primarily Family Finance Ltd. It is administered by the Foundation and held in perpetuity. Income can be applied for, to benefit those living in the Far North region.	12,508	11,438
<u>Tindall Foundation</u> The Foundation is a Funding Manager for The Tindall Foundation for Northland. The Foundation distributes funds on behalf of The Tindall Foundation annually to a variety of organisations who apply for funds under the Tindall Foundation criteria.	71	1,553
<u>Waipu Museum Fund</u> The Waipu Museum Fund has been gifted specifically to support the ongoing operations of Waipu Museum and to encourage further gifts for the same purpose.	39,603	36,218
<u>Northern Wairoa Fund</u> The Northern Wairoa Fund encourages donations, legacies and bequests from individuals, organisations and businesses in the local community who want to contribute towards a permanent legacy for the long term benefit of Northern Wairoa.	14,255	13,544

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Northland Community Foundation
Notes to the Financial Statements
For the Year ended 30th September 2019

Name, Nature & Purpose	2019	2018
	\$	\$
<u>Kauri Club Fund</u> The Kauri Club was formed in 2000 by Sport Northland, after a donation to by the family of the late Garry Frew. The objective is to support talented sports people in Northland and give them every encouragement to advance their sporting careers.	250,316	237,840
<u>Puketi Forest Fund</u> The Puketi Forest Fund was formed to restore the Puketi Forest to a complete, healthy, living forest and to maintain it in perpetuity for future generations	204,974	187,456
<u>Endowment Reserves</u> Endowment Reserves represent a number of endowment funds.	103,704	830
<u>Hearing Association Fund</u> The Hearing Association Fund was formed with gifts from the late Alice O'Keeffe and from the Whangarei Hearing Association. The fund supports Whangarei residents with hearing aids/hearing assistive technology with the help of Deaf Aotearoa.	411,999	-
	<hr/> <u>1,635,719</u>	<hr/> <u>991,690</u>



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Northland Community Foundation

Notes to the Financial Statements

For the Year Ended 30th September 2019

6. COMMITMENTS AND CONTINGENCIES

Commitments:

The Foundation entered into a contract with Gravity Lab to supply a CRM database costing \$37,322. They have spent \$18,661 so far. (2018: nil).

Contingencies:

There are no contingent liabilities or guarantees as at balance date (2018: nil).

7. OTHER

Significant Conditional Grants and Donations Received

No significant grants and donations with conditions remaining unfulfilled at balance date were excluded from the Statement of Financial Position.

Goods or Services Provided in Kind

During the year Northland Community Foundation received the following goods or services in kind:

- From time to time the Foundation receives other donated or reduced rate services relating to IT support, marketing, media placement, investment management and administration.
- The Trustees and committee members provide their time and expertise at no charge to the Foundation.
- Pro bono accountancy services were received from Russell Turner Chartered Accountants. The estimated value of the accountancy services received during the year is \$10,000 (2018: \$10,000). These have been included as Donation Revenue and Accountancy Expense in the Statement of Financial Performance.

Assets Used as Security for Liabilities

No assets owned by Northland Community Foundation were used as security for any liabilities.

8. ASSETS HELD ON BEHALF OF OTHERS

Northland Community Foundation was not holding any assets on behalf of others as at balance date.

9. RELATED PARTY TRANSACTIONS

- The Trustees regularly provided their time and skills to the oversight and operation of the Foundation at no charge.
- The Manager is a related party as she is involved in the strategic management of the charity.

The Manager is employed and paid a salary. No holiday pay has been shown as owing at balance date as this amount was not material.

Value of transactions: \$42,063 (2018: \$43,744)

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Northland Community Foundation

Notes to the Financial Statements

For the Year Ended 30th September 2019

Amount outstanding at balance date: \$nil (2018: \$nil)

- Gavin Buckingham is a Trustee of Northland Community Foundation and a director of GR Buckingham Ltd, a partner in Russell Turner Chartered Accountants.

During the year Russell Turner Chartered Accountants provided accountancy services for free to Northland Community Foundation. The estimated value of the transactions provided have been shown in the Statement of Financial Performance as both Donations received by the Foundation, and Accountancy cost paid by the Foundation.

Estimated value of transactions: \$10,000 (2018: \$10,000)
Amount outstanding at balance date: \$nil (2018: \$nil)

10. EVENTS AFTER BALANCE DATE

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (2018: nil).

11. ABILITY TO CONTINUE OPERATING

Northland Community Foundation is able to and intends to continue operating for the foreseeable future.

12. CORRECTION OF ERRORS

There are no significant errors made in previous years' Performance Reports that have been corrected in these reports.



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INDEPENDENT AUDITOR'S REPORT

To the Members of Northland Community Foundation

57 Clyde Street
PO Box 627
WHANGAREI 0140
Phone: (09) 438 2312
Fax: (09) 438 2912
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Opinion

We have audited the accompanying performance report of Northland Community Foundation on pages 1 to 19, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 30 September 2019, the statement of financial position as at 30 September 2019, the statement of accounting policies and other explanatory information.

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the performance report on pages 1 to 19 presents fairly, in all material respects:

- the entity information for the year ended 30 September 2019;
- the service performance for the year then ended; and
- the financial position of Northland Community Foundation as at 30 September 2019, and its financial performance, and cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Performance Report section of our report. We are independent of Northland Community Foundation in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, Northland Community Foundation.

Restriction on Responsibility

This report is made solely to the Members, as a body, in accordance with specify source of audit duty, trust deed of Northland Community Foundation. Our audit work has been undertaken so



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that we might state to the Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Members as a body, for our audit work, for this report, or for the opinions we have formed.

Executive Committee' Responsibility for the Performance Report

The Executive Committee are responsible on behalf of the entity for:

(a) identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;

(b) the preparation and fair presentation of the performance report which comprises:

– the entity information;

– the statement of service performance; and

– the statement of financial performance, statement of financial position, statement of cash flows,

statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and

(c) for such internal control as the Executive Committee determine is necessary to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Executive Committee are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Committee either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Executive Committee and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Executive Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Bennett and Associates
Whangarei
3 March 2020



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