



Performance Report

For the year ended 30 September 2022

Performance Report 2022

Nikau Foundation
For the year ended 30 September 2022

Prepared by Denisa Calian

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Entity Information

Nikau Foundation

For the year ended 30 September 2022

'Who are we?', 'Why do we exist?'

Legal Name of Entity

Nikau Foundation (The Foundation)

Entity Type and Legal Basis

Charitable Trust, Registered Charity

Registration Number

Charity Commission Number: CC24793

Entity's Purpose or Mission

Vision

To build healthy, resilient and self-sustaining communities.

Mission:

To grow generosity and effective grant-making to strengthen Wellington communities.

Entity Structure

Nikau Foundation's Board of Trustees (all voluntary positions) comprises up to fourteen trustees having such knowledge, experience, qualifications and interests as the Board may from time to time prescribe or recommend in a formal appointment policy or criteria adopted by the Board for such purpose.

The Board establishes subcommittees to support the Board's governance of the Foundation. Each sub-committee must comprise at least one board member. Co-opted members with specialist expertise can be appointed to the sub-committees as needed.

The subcommittees are:

- Audit, Risk and Investments
- People and Culture

The Foundation's investment portfolio is managed by Craigs Investment Partners and Harbour Asset Management who act in accordance with the Foundation's Statement of Investment Policies and Objectives (SIPO), which is approved by the Trustees and includes a Responsible Investment Policy.

Main Sources of Entity's Cash and Resources

The main source of revenue is endowment fund donations from local residents and organisations in the Greater Wellington region to support their communities. Donations are pooled and invested, and a certain percentage used to make distributions annually to charities and community groups in the Wellington region, as stipulated in the Foundation's Distribution Policy.

When making distributions, donor wishes are paramount; they can recommend which groups to support or leave the decision to Nikau to decide where the distributions are best needed.

Donors can:

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

Donors are invited to make an establishment donation towards the operating expenses of the Foundation and some donors choose to support Nikau's operations annually, for which we are very grateful.

The other main sources of revenue are:

- Income from investments
- Trustee and management fees from the Michael and Suzanne Borrin Foundation
- Trustee and administration fees from the Nikau Endowment Funds
- General donations and funding from corporate partners

Entity's Reliance on Volunteers and Donated Goods or Services

Trustees and committee members are all volunteers. We also have volunteers based across each locality who support with engagement, grant making and raising profile. Corporate partners provide in-kind support, allowing the Foundation to administer the donor funds in the first instance, continue to build its profile and encourage other potential donors to set up a fund. Various services are offered to the Foundation at a discounted rate (e.g. legal services).

Physical Address

Level 5, 166 Featherston Street, Wellington 6011

Postal Address

PO Box 24 220, Manners Street, Wellington 6142

Website

www.nikaufoundation.nz

Approval of Financial Report

Nikau Foundation

For the year ended 30 September 2022

The Trustees are pleased to present the approved financial report including the financial statements of Nikau Foundation for the year ended 30 September 2022.

APPROVED



Dame Fran Wilde

Chair

Date: 5 December 2022



Wendy Venter

Chair - Audit, Risk and Investments Committee

Date: 5 December 2022

Statement of Service Performance

Nikau Foundation

For the year ended 30 September 2022

'What did we do?', 'When did we do it?'

Description of Entity's Outcomes

Nikau Foundation is a community foundation set up to benefit the Wellington Region. Its vision is building healthy, resilient and self-sustaining communities through its mission to grow generosity and effective grant-making. Generous individuals donate money to Nikau Foundation which is invested in perpetuity and the returns on that investment are distributed to charitable purposes. This is mostly across the Wellington Region but beyond at a donor's discretion. Our outcomes are:

- That donors, prospective donors and supporters recognise Nikau Foundation as a trusted partner in all aspects of philanthropy with specialist knowledge about community and voluntary sector organisations and how they meet needs in the Wellington Region
- That all donors feel valued knowing that Nikau Foundation understands their individual visions and desires
- To increase the number and value of funds established and under management thereby increasing all types of giving to community and voluntary organisations across a range of causes
- That Nikau Foundation is considered to be a respected grant maker
- To maximise our impact in the community through strategic grantmaking
- To increase the number and value of pledged donations through planned giving
- To ensure our funds under management are invested responsibly
- To maintain and grow relationships with philanthropic partners
- To increase the understanding of the community foundation model amongst the population of Wellington – particularly professional advisor firms

	NOTES	2022	2021
Description and Quantification of the Entity's Outputs			
Value of Endowment Funds Under Management	7	32,929,059	29,651,142
Total Grants Distributed (Pass-through + Endowments)			
Number of Grants Distributed		202	251
Value of Grants Distributed		1,033,870	902,834
Value of Average Grant		4,743	3,597
Total Grants Consist of Endowment Grants + Pass-Through Grants:			
Pass-Through Grants			
Number of Pass-Through Grants		62	106
Value of Pass-Through Grants Paid		248,557	326,439
Grants from Endowment Funds			
Number of Grants Distributed from Endowment Funds		156	145
Value of Grants Distributed from Endowment Funds	2	785,313	576,395

Note: Some endowment grants have been co-funded with pass-through funds, and vice versa. The total number of grants distributed is hence, lower than the sum of the two.

Additional Output Measures

As the Greater Wellington region's community foundation, Nikau Foundation's mission is to build reliable funding streams to support the people and places of our region. Through our connection to the community, we ensure that local generosity goes to local causes and makes a meaningful impact for community organisations doing great mahi throughout our region.

"Nikau Foundation is accessible in so many ways to local grassroots communities. You allow us to continue to serve communities by supporting us with resources to ensure our support is seamless and sustainable, and we are truly grateful. Thank you, Nikau Foundation." **Taima Fagaloa**, Treasurer, Cycle Safe Porirua Trust, Nikau Foundation grant recipient.

"To those who want to make a difference but aren't sure where to donate, Nikau Foundation can help you to direct your gifts to community organisations doing clever work in your areas of interest." **Barbara Blake**, Nikau Foundation donor.

Statement of Financial Performance

Nikau Foundation

For the year ended 30 September 2022

	NOTES	2022	2021
Revenue			
Donations, fundraising and other similar revenue	1	5,930,008	8,364,503
Fees, subscriptions and other revenue	1	336,245	371,525
Revenue from providing goods or services	1	257,187	205,691
Interest, dividends and other investment revenue	1	(1,831,679)	2,106,573
Investment Property revenue/ (deficit)	1	(668,000)	1,645,000
Total Revenue		4,023,762	12,693,292
Expenses			
Expenses related to public fundraising	2	23,015	31,965
Volunteer and employee related costs	2	516,195	464,196
Costs related to providing goods or services	2	181,119	87,368
Grants and donations made	2	785,333	576,695
Other expenses	2	231,831	228,361
Total Expenses		1,737,494	1,388,584
Surplus for the Year		2,286,268	11,304,708

These financial statements have been audited and should be read in conjunction with the accompanying Notes.

Statement of Financial Position

Nikau Foundation

As at 30 September 2022

	NOTES	30 SEP 2022	30 SEP 2021
Assets			
Current Assets			
Bank accounts and cash	3	2,165,406	502,572
Debtors and prepayments	3	2,080,536	109,531
Other Current Assets	3	400,000	250,000
Total Current Assets		4,645,942	862,103
Non-Current Assets			
Fixed Assets	4	18,480	1,721
Investments	3	21,193,354	19,950,842
Investment properties	5	6,886,000	9,654,000
Total Non-Current Assets		28,097,834	29,606,563
Total Assets		32,743,776	30,468,666
Liabilities			
Current Liabilities			
Creditors and accrued expenses	6	191,201	235,571
Employee costs payable	6	38,488	28,906
Other current liabilities	6	29,161	5,530
Total Current Liabilities		258,850	270,007
Total Liabilities		258,850	270,007
Total Assets less Total Liabilities (Net Assets)		32,484,926	30,198,658
Accumulated Funds			
Endowment funds	7	31,929,059	29,651,142
Operating surpluses	7	555,867	547,516
Total Accumulated Funds		32,484,926	30,198,658

These financial statements have been audited and should be read in conjunction with the accompanying Notes.

Statement of Cash Flows

Nikau Foundation

For the year ended 30 September 2022

	2022	2021
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	2,321,307	1,813,319
Fees, subscriptions and other receipts	369,971	369,722
Receipts from providing goods or services	262,487	199,205
Interest, dividends and other investment receipts	491,470	491,239
Payments to suppliers and employees	(859,246)	(736,302)
Donations or grants paid	(825,333)	(536,695)
Total Cash Flows from Operating Activities	1,760,656	1,600,487
Cash Flows from Investing and Financing Activities		
Receipts from sale of investments	27,903,227	3,836,954
Payments to acquire property, plant and equipment	(19,239)	-
Payments to purchase investments	(27,985,830)	(6,609,114)
Cash flows from other investing and financing activities	4,020	110,223
Total Cash Flows from Investing and Financing Activities	(97,822)	(2,661,937)
Net Increase/(Decrease) in Cash	1,662,834	(1,061,450)
Bank Accounts and Cash		
Opening cash	502,572	1,599,836
Net change in cash for period	1,662,834	(1,061,450)
Effect of exchange rate changes on cash	-	(35,815)
Closing cash	2,165,406	502,572

These financial statements have been audited and should be read in conjunction with the accompanying Notes.

Statement of Accounting Policies

Nikau Foundation

For the year ended 30 September 2022

'On what basis did we prepare these financial statements?'

Basis of Preparation

The entity has elected to prepare the performance report under the reporting regime - Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit PBE SFR-A (NFP)) on the basis that it does not have public accountability and has total annual expenses 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 functional and presentational currency is New Zealand dollars.

Goods and Services Tax (GST)

Nikau Foundation is registered for GST. These accounts have been prepared on a GST exclusive basis except for receivables and payables that are stated inclusive of GST.

Income Tax

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

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. Certain comparatives have been restated for presentation purposes.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

Foreign Currency Transactions

Monetary assets and liabilities denominated in a foreign currency are translated into functional currency at the exchange rate at the reporting date.

Grant Expenditure

Grant expenditure is recognised once the grant is approved and committed to by both parties. The grants committee considers all applications and selects those that it considers meet grant guidelines for further consideration by the Board. Once the Board approves the grants and the approval is communicated to the recipient, the expenditure is recognised. All grants must be applied for on an annual basis.

There are no multi-year grants.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Foundation and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised:

Gifts, Donations and Bequests:

Gifts, donations and bequests are voluntary transfers of assets including cash and other monetary assets, goods in-kind and services in-kind that Nikau Foundation receives which are free from stipulations.

Gifts, donations and bequests are recognised as revenue when it is probable that the future economic benefits or service potential will flow to the entity, and the fair value of the assets can be measured reliably. For gifts and donations this is usually upon receipt of the gift or donation. However for bequests, a period of time may elapse between the death of the testator and the entity receiving any assets - in which case the entity makes an assessment of whether the deceased person's estate is sufficient to meet all claims on it and satisfy all bequests. If the will is disputed, this is taken into account in determining the probability of assets flowing to the entity. Gifts, donations and bequests are recognised as revenue at their fair value at the date of recognition.

Interest, Dividends and Investments:

Interest, dividend and investment revenue is recognised in the Statement of Financial Performance as it is earned, on an accruals basis.

Fees, Subscriptions and Other Revenue

Fees, Subscriptions and Other Revenue is recognised as revenue in the year in which it relates, when it is probable that the future economic benefits will flow to the entity and the fair value of the assets can be reliably measured.

Property, Plant and Equipment

Recognition and Measurement

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at fair value.

Any gain or loss on disposal of an item of property, plant or equipment is recognised in surplus or deficit.

Depreciation

Depreciation has been calculated as follows using either the diminishing value method or straight line method for assets within the classes detailed below.

Plant and Equipment - 8.5%-40% SL, 20% DV
Computer Hardware - 40% SL, 50% DV

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

Tier 2 PBE Accounting Standards Applied

The entity has applied IPSAS 28-30: Financial Instruments: *Presentation, Recognition and Measurement, Disclosures* for its investment balances. Investments are designated at fair value through surplus or deficit upon recognition. Directly attributable transaction costs are recognised in profit and loss as incurred. Financial assets at fair value through surplus or deficit are measured at fair value and changes therein, including any interest or dividend income, are recognised in surplus or deficit. Fair value is calculated using the market quoted unit price on balance date.

Investment Property

The entity has applied the recognition and measurement principles for PBE IPSAS 16: Investment Property for the investment properties held. Investment property is measured at fair value at the date of acquisition. Subsequent to initial recognition, the fair value model has been applied.

Notes to the Performance Report

Nikau Foundation

For the year ended 30 September 2022

	2022	2021
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Donation Income - Contributed Capital	5,893,283	8,246,778
Donation Income - Operating	36,725	116,725
Sponsorship Income	-	1,000
Total Donations, fundraising and other similar revenue	5,930,008	8,364,503
Fees, subscriptions and other revenue from members		
Fee Income - Grant Distribution Fees	25,540	15,925
Fee Income - Corporate Trustee Fees	310,705	355,600
Total Fees, subscriptions and other revenue from members	336,245	371,525
Revenue from providing goods or services		
Investment Property - Rent Received	257,187	205,691
Total Revenue from providing goods or services	257,187	205,691
Interest, dividends and other investment revenue		
Investment Income - Endowment	1,425,877	861,584
Investment Revaluation - Endowment	(3,264,189)	1,241,674
Interest Received - Operating Investments	6,633	3,316
Total Interest, dividends and other investment revenue	(1,831,679)	2,106,573
Investment Property revenue/ (deficit)		
Investment Property - Fair Value Gain/(Loss) on Revaluation	(768,000)	1,645,000
Investment Property - Gain on Sale	100,000	-
Total Investment Property revenue/ (deficit)	(668,000)	1,645,000

	2022	2021
2. Analysis of Expenses		
Expenses related to public fundraising		
Events	3,550	6,702
Promotion and Publicity	19,465	25,263
Total Expenses related to public fundraising	23,015	31,965
Volunteer and employee related costs		
Staff Costs - Salaries	507,117	455,418
Staff Costs - Contractors	2,753	6,356
Staff Costs - Other	6,325	2,422
Total Volunteer and employee related costs	516,195	464,196
Costs related to providing goods or services		
Investment Property - Expenses	181,119	87,368
Total Costs related to providing goods or services	181,119	87,368
Grants and donations made		
Grants Paid	785,313	576,395
Donations Paid	20	300
Total Grants and donations made	785,333	576,695
Other expenses		
Audit Fee	12,130	10,350
Depreciation	1,644	1,131
Loss on Disposal of Fixed Assets	836	776
Insurances	9,100	6,385
Investment Portfolio Management Fees	82,397	61,096
Office Expenses	91,143	80,859
Professional and Consulting Fees	17,795	50,620
Other Expenses	16,786	17,143
Total Other expenses	231,831	228,361

	2022	2021
3. Analysis of Assets		
Bank accounts and cash		
Endowment Accounts	42,779	10,139
Grants Accounts	118,603	165,063
Operations Accounts	144,068	246,769
Cash in Investment Portfolios	1,859,956	80,601
Total Bank accounts and cash	2,165,406	502,572
Debtors and prepayments		
Accounts Receivable	29,558	85,861
Accruals & Prepayments	2,050,978	23,670
Total Debtors and prepayments	2,080,536	109,531
Other current assets		
Term Deposits	400,000	250,000
Total Other current assets	400,000	250,000
Investments		
Craigs Investment Partners Investments	9,485,182	-
Harbour Asset Management Investments	11,708,170	-
Hobson Wealth Partners Investments	2	19,950,842
Total Investments	21,193,354	19,950,842
Other non-current assets		
Investment Property (refer to Note 5)	6,886,000	9,654,000
Total Other non-current assets	6,886,000	9,654,000
	2022	2021

4. Property, Plant and Equipment

Computer Equipment		
Computer Equipment	7,643	9,311
Accumulated Depreciation - Computer Equipment	(5,655)	(8,247)
Total Computer Equipment	1,988	1,065
Office Furniture and Equipment		
Office Equipment	17,437	1,186
Accumulated Depreciation - Office Equipment	(945)	(529)
Total Office Furniture and Equipment	16,492	656
Total Property, Plant and Equipment	18,480	1,721

	2022	2021
5. Investment Property (at fair value)		
Reconciliation		
Opening Balance	9,654,000	1,960,000
Additions		
Bluegum Rd/Anthony Gr	-	6,049,000
Total Additions	-	6,049,000
Disposals		
Mana Esplanade	(2,000,000)	-
Total Disposals	(2,000,000)	-
Revaluation		
Bluegum Rd/Anthony Gr - Revaluation	(768,000)	1,605,000
Mana Esplanade - Revaluation	-	40,000
Total Revaluation	(768,000)	1,645,000
Total Investment Property (at fair value)	6,886,000	9,654,000

The property at 109 The Esplanade, Mana was sold on 7 September 2022 and the proceeds invested in the managed funds portfolio.

The Bluegum Rd/Anthony Gr properties were valued at 30 September 2022 by external, qualified property valuers using comparable recent sales data consistent with other residential property valuations.

	2022	2021
6. Analysis of Liabilities		
Creditors and accrued expenses		
Accounts Payable	29,481	46,776
Accrued Operating Expenses	18,308	18,479
GST	12,455	33,703
PAYE Payable	12,353	11,550
Pass Through Grants	118,603	125,063
Total Creditors and accrued expenses	191,201	235,571
Employee costs payable		
Employee Entitlements	38,488	28,906
Total Employee costs payable	38,488	28,906
Other current liabilities		
Accrued Endowment Expenses	29,161	5,530
Total Other current liabilities	29,161	5,530

	2022	2021
7. Accumulated Funds		
Accumulated Funds Movement		
Opening Balance	30,198,658	18,893,950
Operating Surplus	8,351	72,769
Endowment Surplus	2,277,917	11,231,939
Total Accumulated Funds	32,484,926	30,198,658
	2022	2021
Accumulated Funds made up of:		
Endowment Funds	31,929,059	29,651,142
Operating Funds	555,867	547,516
Total Accumulated Funds made up of:	32,484,926	30,198,658

Endowment Funds represent the capital donations made to Nikau Foundation by donors and any undistributed income earned by endowment funds. The investment income from these funds is used to make distributions to charities and community groups. Subject to investment market variability, Nikau Foundation endeavours to maintain the capital donated in real terms, except in those cases where the donor has expressed a wish that capital distributions be made.

Operating Funds are used for the operations of the Foundation. These reserves are intended to maintain operations for up to 12 months.

8. Significant Donated Assets Recorded

During the year there have been no significant donated assets (2021: \$6,049,000 of property was transferred to the Foundation on behalf of the Kapiti Disability Support Fund. As this was non-exchange transaction, the property was recorded at fair value on its receipt. The fair value was determined by an external, qualified property valuer.)

9. Related Parties

Transactions with key management personnel

(i) Key management personnel compensation

The Foundation classifies its key management personnel into the following categories:

- Trustees
- Co-opted members of Board sub-committee
- Executive director and her direct reports

The Trustees and the co-opted members of the Board sub-committees volunteer their services to the Foundation and receive no remuneration for the services they provide for the management of the Foundation. The Executive director and her direct reports are employees of the Foundation and are on standard employment contracts.

The table below depicts the aggregate remuneration of key management personnel and the number of individuals determined on a full-time equivalent basis (employees only), receiving remuneration within the category. Compensation includes salaries and any non-cash benefits.

	Number	2022	2021
Trustees and Co-opted members	12 (16, 2021)	\$0	\$0
Executive director and her direct reports	5 (4, 2021)	\$507,117	\$455,418

(ii) Key management personnel transactions

Some key management personnel hold positions in other entities that result in them having control or significant influence over these entities. Some of these entities transacted with the Foundation during the year. The aggregate value of these transactions and outstanding balances were as follows:

Related Party	Description	Value of Transactions (Excl GST)	Receivable/ (Payable) at year end
Michael and Suzanne Borrin Foundation	Professional trustee services Other reimbursements	\$310,705/2021: \$317,600 \$7,857 / 2021: \$22,879	\$29,558/ 2021: \$79,861
Chair, Dame Fran Wilde	As the chair of the Royal New Zealand Plunket Society who receive grants from Nikau Foundation	\$5,700 / 2021: \$1,500	\$0 / 2021: \$0
Trustee, Richard Caughley	As a partner of Morrison Kent who provided legal services	\$19,549 / 2021: \$29,896	\$(2,613) / 2021: \$0
Trustee, Rebecca Morahan	As co-founder/co-CEO & trustee of Wellfed NZ Trust who receive grants from Nikau Foundation	\$13,000 / 2021: \$8,000	\$0 / 2021: \$0

10. Commitments

	2022	2021
Operating Lease Commitments		
Within 1 year	\$39,161	\$39,161
Later than one year but no later than five years	\$26,107	\$65,268
Later than five years	—	—
Total Operating Lease Commitments	\$65,268	\$104,429

11. Contingent Assets and Liabilities

There are no contingent assets or liabilities at the reporting date (Last year - nil).

12. Events After the Balance Date

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

Directory

Nikau Foundation

For the year ended 30 September 2022

Patron

Kevin O'Connor

Auditor

KPMG

Trustees

Current (at 30 September)	Retired
Dame Fran Wilde (Chair)	Elizabeth Koh
Wendy Venter (Chair - Audit, Risk & Investments)	Christopher Milne
Adrian Orr	
Adrienne Olsen	
Horiana Irwin-Easthope	
Peter Verhaart	
Rachel Roberts	
Rebecca Morahan	
Richard Caughley	
Susan Hornsby-Geluk	
Warren Allen	

Specialist Non-Trustee Subcommittee Members

Ian Perry (Audit, Risk & Investments)

Staff

Emma Lewis - Executive Director

Denisa Calian - Chief Financial Officer

Hilaire Carmody - Executive Administrator

Lindy Young - Funding and Relationships Manager

Madeleine McLeod - Communications and Marketing Manager

Robyn Guy - Assistant Accountant

Local Subcommittees

Porirua	Kapiti	Wairarapa
Rebecca Morahan (Chair)	Adrian Gregory (Chair)	Lucy McLaren (Chair)
Eleanor Cater	Tim Burns	Sally Adams
Numalani Fonoti	Adrienne Bushell	Barbara Durbin
Izzy Ford	Liz Koh	Bevan Morland
Jess Reiher	Rod Lingard	Bob Francis (Ambassador)
Colin Bleasdale	Shirley Clarke	Darrin Goulding
Sue Shotter		
Ranei Wineera-Parai		

Acknowledgements

Nikau Foundation

For the year ended 30 September 2022

Nikau Foundation is very grateful to the following organisations who gave their time and resources generously:

CRAIGS INVESTMENT PARTNERS - are our investment managers and regularly provide us with in-kind support for our events and meetings

HARBOUR ASSET MANAGEMENT - are our investment managers and regularly provide us with support for our events and meetings.

DUNDAS STREET EMPLOYMENT LAWYERS - provide pro bono support on all aspects of staff recruitment and employment.

GRAVITY LAB - provide discounted support for our database needs.

KPMG - provide discounted audit services.

MISSION HALL - help us grow our profile through brand, online and design work.

MORRISON KENT - provide discounted legal services.

SPY VALLEY WINES - provide in-kind donations for our functions and events.

TE RAUPARAHA ARENA - provide a meeting venue for our Porirua volunteer committee

THE OFFERING - this Greytown cafe provides in-kind support for our meetings and events helping us to grow our reach and profile in the Wairarapa.

WAKEFIELDS LAWYERS - champion Nikau Foundation and provide a 'free wills' service to anyone wishing to give back to their community through Nikau Foundation.



Independent Auditor's Report

To the Trustees of Nikau Foundation

Report on the audit of the performance report

Opinion

In our opinion, the performance report of Nikau Foundation (the 'foundation') on pages 3 to 19 presents fairly, in all material respects:

- i. the foundation's financial position as at 30 September 2022 and its financial performance and cash flows for the year ended on that date;
- ii. the entity information as at 30 September 2022; and
- iii. the service performance for the year ended 30 September 2022, in accordance with the foundation's service performance criteria;

in accordance with Public Benefit Entity Simple Format Reporting Standard - Accrual (Public Sector) issued by the New Zealand Accounting Standards Board.

We have audited the accompanying performance report which comprises:

- the statement of financial position as at 30 September 2022;
- the statements of financial performance, changes in equity and cash flows for the year then ended;
- notes, including a summary of significant accounting policies; and
- the statement of service performance on pages 6 to 7 and entity information on pages 3 to 4.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'), and the audit of the statement of service performance, in accordance with the New Zealand Auditing Standard 1 *The Audit of Service Performance Information* ('NZ AS 1'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the foundation in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) and NZ AS 1 are further described in the *Auditor's responsibilities for the audit of the performance report* section of our report.

Other than in our capacity as auditor we have no relationship with, or interests in, the foundation.



Use of this independent auditor's report

This independent auditor's report is made solely to the trustees as a body. Our audit work has been undertaken so that we might state to the trustee those matters we are required to state to them in the independent 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 trustees as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of the Trustees for the performance report

The Trustees, on behalf of the foundation, are responsible for:

- the preparation and fair presentation of the performance report in accordance with generally accepted accounting practice in New Zealand (being Public Benefit Entity Simple Format Reporting Standard - Accrual (Public Sector)) issued by the New Zealand Accounting Standards Board;
- implementing necessary internal control to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error;
- service performance criteria that are suitable in order to prepare service performance information in accordance with generally accepted accounting practice in New Zealand (being Public Benefit Entity Simple Format Reporting Standard - Accrual (Public Sector)); and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the performance report

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole, entity information and the statement of service performance is free from material misstatement, whether due to fraud or error; and
- to issue an independent 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 NZ AS 1 will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate and collectively, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

A further description of our responsibilities for the audit of this performance report is located at the External Reporting Board (XRB) website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-8/>

This description forms part of our independent auditor's report.

KPMG
Wellington

5 December 2022



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