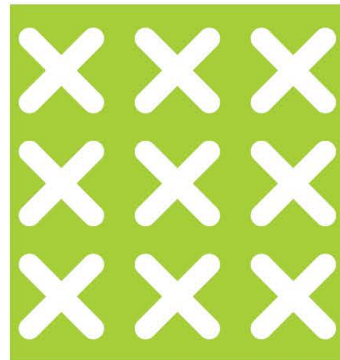
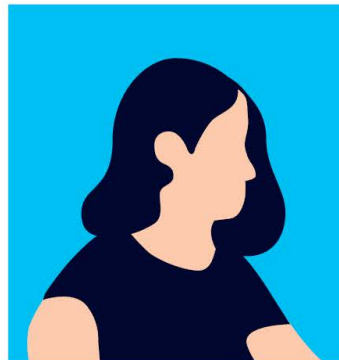




**Nikau**  
FOUNDATION

# Performance Report

For the year ended 30 September 2020



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# Entity Information

## Nikau Foundation

For the year ended 30 September 2020

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

### Legal Name of Entity

Nikau 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.

A range of tasks are allocated to subcommittees comprising at least one board member as well as specialist non-trustee members as required.

The subcommittees are:

- Audit and Risk
- Investment
- Grants
- Governance
- Marketing & Communications

The underlying investments are managed by Hobson Wealth Partners who act in accordance with Nikau 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 to support their community. Donations are pooled and invested. The capital remains intact and the investment income is used to make distributions annually to charities and community groups primarily in the Wellington region.

When making distributions, donor wishes are paramount: they can choose which groups to support or leave the decision to our grants subcommittee who decide each year 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
- Other trustee and administration fees

### **Main Methods Used by Entity to Raise Funds**

Other than endowment donations, the main source of funds are administration fees, general donations and funding from corporate partners.

The Foundation arranges the distribution of net annual income generated by the endowment fund. The Foundation receives an administration fee for its services.

### **Entity's Reliance on Volunteers and Donated Goods or Services**

Trustees and committee members are all volunteers. We also have volunteers and interns at the operational level - the latter sometimes receiving a modest stipend. From time to time we receive donated items to use in our office. Corporate partners provide substantial in-kind support each year, allowing Nikau Foundation to administer the donor funds in the first instance, continue to build the profile of the Foundation and encourage other potential donors to set up a fund. Various services are offered to the organisation at a reduced rate (eg. rent, accountancy services, legal services, audit services, website development, investment management and design).

### **Physical Address**

Level 4, 44 Victoria Street, Wellington 6011

### **Postal Address**

PO Box 24 220, Manners Street, Wellington 6142

# Approval of Financial Report

## Nikau Foundation For the year ended 30 September 2020

The Trustees are pleased to present the approved financial report including the historical financial statements of Nikau Foundation for the year ended 30 September 2020.

APPROVED



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Chris Milne

Chair

Date: 14/12/2020



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Robert Cross

Chair - Audit and Risk Committee

Date: 14/12/2020

# Statement of Service Performance

## Nikau Foundation

For the year ended 30 September 2020

'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	2020	2019
<b>Description and Quantification of the Entity's Outputs</b>			
Value of Endowment Funds Under Management	8	18,419,203	14,819,889
<b>Total Grants Distributed (Pass-through + Endowments)</b>			
Number of Grants Distributed		184	152
Value of Grants Distributed		897,950	1,322,896
Value of Average Grant		4,880	17,407
<b>Total Grants Consist of Endowment Grants + Pass-Through Grants:</b>			
<b>Pass-Through Grants</b>			
Number of Pass-Through Grants		95	70
Value of Pass-Through Grants Paid	6	515,229	871,919
<b>Grants from Endowment Funds</b>			
Number of Grants Distributed from Endowment Funds		89	82
Value of Grants Distributed from Endowment Funds	2	382,721	450,977

### Additional Output Measures

- Nikau Foundation provides a free, no-strings-attached donor advisory service to anyone who needs advice about how, or to whom, to make charitable donations or sponsorship in the Wellington Region
- Nikau Foundation connects with its stakeholders through running events, group presentations, digital and hard copy newsletters, social media and media coverage
- Overall, funds under management have grown by 24% over the financial year from \$14.8m to \$18.4m.

# Statement of Financial Performance

## Nikau Foundation

For the year ended 30 September 2020

'How was it funded?' and 'What did it cost?'

	NOTES	2020	2019
<b>Revenue</b>			
Donations, fundraising and other similar revenue	1	3,299,991	6,916,151
Fees, subscriptions and other revenue	1	475,259	456,415
Revenue from providing goods or services	1	128,265	245,444
Interest, dividends and other investment revenue	1	435,473	842,820
Other revenue	1	260,000	380,000
<b>Total Revenue</b>		<b>4,598,989</b>	<b>8,840,831</b>
<b>Expenses</b>			
Expenses related to public fundraising	2	-	8
Volunteer and employee related costs	2	427,453	374,731
Costs related to providing goods or services	2	221,376	186,941
Grants and donations made	2	382,721	458,977
Other expenses	2	36,787	85,455
<b>Total Expenses</b>		<b>1,068,337</b>	<b>1,106,111</b>
<b>Surplus for the Year</b>		<b>3,530,652</b>	<b>7,734,720</b>

# Statement of Financial Position

## Nikau Foundation

As at 30 September 2020

'What the entity owns?' and 'What the entity owes?'

	NOTES	30 SEP 2020	30 SEP 2019
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash	3	1,599,836	636,254
Debtors and prepayments	3	80,453	76,506
Other Current Assets	3	240,000	301,358
<b>Total Current Assets</b>		<b>1,920,290</b>	<b>1,014,118</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4	3,628	7,102
Investments	3	15,099,524	12,816,702
Other Non-Current Assets	5	1,960,000	1,700,000
<b>Total Non-Current Assets</b>		<b>17,063,152</b>	<b>14,523,804</b>
<b>Total Assets</b>		<b>18,983,441</b>	<b>15,537,923</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	6	68,223	165,316
Employee costs payable	6	16,785	5,789
Other current liabilities	6	4,512	3,549
<b>Total Current Liabilities</b>		<b>89,521</b>	<b>174,654</b>
<b>Total Liabilities</b>		<b>89,521</b>	<b>174,654</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>18,893,921</b>	<b>15,363,268</b>
<b>Accumulated Funds</b>			
Accumulated surpluses	7	474,717	543,380
Reserves	7	18,419,203	14,819,889
<b>Total Accumulated Funds</b>		<b>18,893,921</b>	<b>15,363,268</b>



# Statement of Cash Flows

## Nikau Foundation

For the year ended 30 September 2020

	2020	2019
<b>Cash Flows from Operating Activities</b>		
Donations, fundraising and other similar receipts	707,719	1,199,048
Fees, subscriptions and other receipts	322,284	578,184
Receipts from providing goods or services	147,505	283,601
Interest, dividends and other investment receipts	234,153	459,101
Payments to suppliers and employees	(702,935)	(667,013)
Donations or grants paid	(382,721)	(450,977)
Cash flows from other operating activities	-	(5,750)
<b>Total Cash Flows from Operating Activities</b>	<b>326,005</b>	<b>1,396,195</b>
<b>Cash Flows from Investing and Financing Activities</b>		
Receipts from sale of investments	5,352,645	5,704,244
Payments to acquire property, plant and equipment	-	(7,300)
Payments to purchase investments	(4,609,556)	(7,034,070)
Cash flows from other investing and financing activities	(92,011)	6,840
<b>Total Cash Flows from Investing and Financing Activities</b>	<b>651,078</b>	<b>(1,330,286)</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>977,083</b>	<b>65,908</b>
<b>Bank Accounts and Cash</b>		
Opening cash	636,254	571,946
Net change in cash for period	977,083	65,908
Effect of exchange rate changes on cash	(13,500)	(1,600)
Closing cash	1,599,836	636,254

All transactions are recorded in the above Statement of Cash Flows at the FX rates on the day of transaction.

# Statement of Accounting Policies

## Nikau Foundation

### For the year ended 30 September 2020

#### 'How did we do our accounting?'

##### **Basis of Preparation**

The entity has elected to prepare the performance report under the new 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. All amounts are stated exclusive 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**

Except as noted in the Investment Property policy note, there have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

##### **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 expenditure 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 Trust 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 is calculated to write off the cost of items of property, plant and equipment less their residual values using the published IRD methods and rates over their useful lives, and is recognised in surplus or deficit.

**Tier 2 PBE Accounting Standards Applied**

The entity has applied IPSAS 29: Financial Instruments: Recognition and Measurement 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 profit or loss.

**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 2020

	2020	2019
<b>1. Analysis of Revenue</b>		
<b>Donations, fundraising and other similar revenue</b>		
Donation Income - Contributed Capital	3,211,838	6,799,924
Donation Income - Operating	86,154	113,410
Sponsorship Income	2,000	2,435
Fundraising Sales	-	382
<b>Total Donations, fundraising and other similar revenue</b>	<b>3,299,991</b>	<b>6,916,151</b>
<b>Fees, subscriptions and other revenue from members</b>		
Fee Income - Grant Distribution Fees	6,000	17,934
Fee Income - Nikau Endowment Fund Management	155,375	131,721
Fee Income - Corporate Trustee Fees	313,885	306,761
<b>Total Fees, subscriptions and other revenue from members</b>	<b>475,259</b>	<b>456,415</b>
<b>Revenue from providing goods or services</b>		
Rent Received	128,265	245,444
<b>Total Revenue from providing goods or services</b>	<b>128,265</b>	<b>245,444</b>
<b>Interest, dividends and other investment revenue</b>		
Endowment Investment Income	277,533	479,257
Investment Revaluation - Endowment	358,486	518,977
Interest Received - Operating Investments	6,402	8,824
Less Management Fees	(206,948)	(164,237)
<b>Total Interest, dividends and other investment revenue</b>	<b>435,473</b>	<b>842,820</b>
<b>Other revenue</b>		
Investment Property - Fair Value Gain or Loss	260,000	150,000
Property - Gain or Loss on Sale	-	230,000
<b>Total Other revenue</b>	<b>260,000</b>	<b>380,000</b>
	2020	2019

## 2. Analysis of Expenses

<b>Expenses related to public fundraising</b>		
Fundraising Expenses	-	8
<b>Total Expenses related to public fundraising</b>	<b>-</b>	<b>8</b>
<b>Volunteer and employee related costs</b>		
Staff Costs - Salaries	426,921	349,717
Staff Costs - Contractors	-	24,535
Travel & Accommodation	489	479
Staff Costs - Volunteers	43	-
<b>Total Volunteer and employee related costs</b>	<b>427,453</b>	<b>374,731</b>

	2020	2019
<b>Costs related to providing goods or services</b>		
ACC Levies	1,088	791
Bank Fees	249	300
Board/Subcommittee Expenses	4,275	9,027
Events & Entertainment	345	2,086
Grantmaking Expenses	-	106
Insurances	4,775	3,975
Office Expenses	107,270	42,972
Staff Costs - Professional Development	150	2,802
Property Expenses	49,138	94,944
Promotion and Publicity	49,432	25,428
Subscriptions	4,654	4,509
<b>Total Costs related to providing goods or services</b>	<b>221,376</b>	<b>186,941</b>
<b>Grants and donations made</b>		
Grants Paid	382,721	450,977
Donations Paid	-	8,000
<b>Total Grants and donations made</b>	<b>382,721</b>	<b>458,977</b>
<b>Other expenses</b>		
Audit Fee	11,100	8,000
Depreciation	3,474	5,414
Professional Fees	22,213	67,041
Research Costs	-	5,000
<b>Total Other expenses</b>	<b>36,787</b>	<b>85,455</b>
	2020	2019

### 3. Analysis of Assets

<b>Bank accounts and cash</b>		
Cheque & Debit	50,116	14,720
Savings	194,088	431,007
Hobson Wealth Partners - Cash Accounts	1,355,633	190,528
<b>Total Bank accounts and cash</b>	<b>1,599,836</b>	<b>636,254</b>
<b>Debtors and prepayments</b>		
Accounts Receivable	80,453	75,447
Accruals & Prepayments	-	1,059
<b>Total Debtors and prepayments</b>	<b>80,453</b>	<b>76,506</b>
<b>Other current assets</b>		
Term Deposits	240,000	301,358
<b>Total Other current assets</b>	<b>240,000</b>	<b>301,358</b>
<b>Investments</b>		
<b>Hobson Wealth Partners - Investments at Cost</b>		
HWP - NZ Fixed Interest	5,973,889	5,583,100
HWP - NZ Equities	2,950,673	2,021,850

	2020	2019
HWP - NZ Property	779,129	345,466
HWP - Nikko AM Cash Fund	449,667	308,882
HWP - Australian Equities	1,426,248	1,347,258
HWP - International Equities	1,959,102	2,021,317
<b>Total Hobson Wealth Partners - Investments at Cost</b>	<b>13,538,709</b>	<b>11,627,873</b>
Revaluations & Accrued Income	1,560,815	1,188,829
<b>Total Investments</b>	<b>15,099,524</b>	<b>12,816,702</b>
<b>Other non-current assets</b>		
Investment Property	1,960,000	1,700,000
<b>Total Other non-current assets</b>	<b>1,960,000</b>	<b>1,700,000</b>

	2020	2019
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#### 4. Property, Plant and Equipment

<b>Furniture and Fittings</b>		
Furniture and fittings owned	28,099	33,460
Accumulated depreciation - furniture and fittings owned	(24,471)	(26,359)
<b>Total Furniture and Fittings</b>	<b>3,628</b>	<b>7,102</b>
<b>Total Property, Plant and Equipment</b>	<b>3,628</b>	<b>7,102</b>

	2020	2019
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#### 5. Investment Property (at fair value)

<b>Reconciliation</b>		
Opening Balance	1,700,000	70,000
<b>Additions</b>		
Mana Esplanade	-	1,550,000
Serlby Place	-	2,070,000
<b>Total Additions</b>	<b>-</b>	<b>3,620,000</b>
<b>Disposals</b>		
Serlby Place	-	(2,070,000)
High Street - Carterton	-	(70,000)
<b>Total Disposals</b>	<b>-</b>	<b>(2,140,000)</b>
<b>Revaluation</b>		
Mana Esplanade - Revaluation	260,000	150,000
<b>Total Revaluation</b>	<b>260,000</b>	<b>150,000</b>
<b>Total Investment Property (at fair value)</b>	<b>1,960,000</b>	<b>1,700,000</b>

The remaining investment property at 109 Mana Esplanade on balance date with a cost of \$1,550,000, has a market valuation at 30 September 2020 of \$1,960,000. This was determined by external, qualified property valuers (Colliers International) with recent experience in the location and category of the investment property being valued.

In the 30 September valuation report, the valuers have noted that there is a higher degree of uncertainty due to COVID-19.

2020 2019

## 6. Analysis of Liabilities

### Creditors and accrued expenses

Accounts Payable	11,465	11,747
Accrued Operating Expenses	14,413	7,002
GST	24,671	35,332
PAYE Payable	2,674	-
Pass Through Grants	15,000	111,235
<b>Total Creditors and accrued expenses</b>	<b>68,223</b>	<b>165,316</b>

### Employee costs payable

Employee Entitlements	16,785	5,789
<b>Total Employee costs payable</b>	<b>16,785</b>	<b>5,789</b>

### Other current liabilities

Accrued Endowment Expenses	4,512	3,549
<b>Total Other current liabilities</b>	<b>4,512</b>	<b>3,549</b>

2020 2019

## 7. Accumulated Funds

### Accumulated Funds

Opening Balance	15,363,268	7,628,549
Operating Surplus	(68,662)	21,875
Reserves - Endowment Surplus	3,599,315	7,712,845
<b>Total Accumulated Funds</b>	<b>18,893,921</b>	<b>15,363,268</b>

2020 2019

## 8. Breakdown of Reserves

### Reserves

Endowment Funds	18,419,203	14,819,889
<b>Total Reserves</b>	<b>18,419,203</b>	<b>14,819,889</b>

Endowment Fund Reserves 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.

## 9. Significant Donated Assets Recorded

During the year \$2,592,539 of financial assets (shares and bonds) were transferred to the foundation on behalf of the Margaret Neave Endowment Fund. As these were non-exchange transactions, the securities were recorded at fair value on their receipt. The fair values were determined by the listed values of the securities at the time of transfer.

## 10. Related Parties

Related Party	Description	Value of Transactions (Excl GST)	Receivable/ (Payable) at year end
Michael and Suzanne Borrin Foundation	Professional trustee services	\$309,885 / 2019: \$302,761	\$78,153 / 2019: \$75,447
Trustee, Richard Caughley	As a partner of Morrison Kent who provided legal services (paid)	\$20,181 / 2019: \$38,300	(\$641) / 2019: (\$1,339)
Trustee, Richard Caughley	As a partner of Morrison Kent who provided legal services (pro-bono)	\$0 / 2019: \$19,035	\$0 / 2019: \$0
Trustee, Ian Cassels (retired October 2018)	Provision of office space via Cassels Taylor Family Trust at a reduced rental	\$0 / 2019: \$19,026	\$0 / 2019: \$0
Chairman, Chris Milne	As a trustee of Nga Manu Trust who receive grants from Nikau Foundation	\$4,000 / 2019: \$1,500	\$0 / 2019: \$0
Trustee, Rebecca Morahan	As co-founder/co-CEO & trustee of Wellfed NZ Trust who receive grants from Nikau Foundation	\$17,500 / 2019: \$5,000	\$0 / 2019: \$0
Trustee, Elizabeth Koh	As a member of the Kapiti Advisory Board for Zeal Education Trust who receive grants from Nikau Foundation	\$7,500 / 2019: \$4,000	\$0 / 2019: \$0

## 11. Commitments

The Trust has an office lease commitment until May 2021 for \$16,000.

## 12. Contingent Assets and Liabilities

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

## 13. 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).



2020

2019

#### 14. Community Foundations of New Zealand Disclosure

##### Equity Funds

Endowment Funds	18,419,203	14,819,889
Administration Funds	474,717	543,380
<b>Total Equity Funds</b>	<b>18,893,921</b>	<b>15,363,268</b>
Pass Through Funds (see note 6)	15,000	111,235
<b>Total Community Foundations of New Zealand Disclosure</b>	<b>18,908,921</b>	<b>15,474,503</b>

##### Endowment funds

Donated funds held in perpetuity or with a donor-directed pay down period of three or more years from the date the donation is made.

##### Pass-through funds

Funds donated with the intention that the funds be fully paid out to charitable purposes within three years of the date of the donation.

##### Administration funds

Funds held for the running of the foundation and not held for charitable distribution purposes.

# Directory

## Nikau Foundation For the year ended 30 September 2020

### Patron

Fran Wilde

### Auditor

KPMG

### Trustees

Current (at 30 September)	Retired
Christopher Milne (Chair)	Panchanatham Narayanan
Elizabeth Koh (Deputy Chair)	
Robert Cross (Chair - Audit, Risk & Investment)	
Rebecca Morahan (Chair - Grants)	
Richard Caughley	
Susan Hornsby-Geluk	
Gregory Kelly	
Jill Day	
Adrienne Olsen	
Rachel Roberts	
Peter Verhaart	
Adrian Orr	
Wendy Venter	

### Specialist Non-Trustee Subcommittee Members

Kevin O'Connor (Investment)

Sam Cooper (Investment)

Tony Paine (Grants)

### Staff (at 30 September 2020)

Alice Montague - Executive Director

Adrienne Bushell - Donor Relations Manager

Suzanne Main - Finance Manager

Lindy Young - Operations Manager

Em Lewis - Engagement Director

## District Subcommittees

<b>Porirua</b>	<b>Kapiti</b>	<b>Wairarapa</b>
Rebecca Morahan (Chair)	Mike Olsen (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)
Tim Sheppard (Resigned June 2020)	Richard Mansell	Darrin Goulding
Sue Shotter	Shirley Reid	
Ranei Wineera-Parai	Jane Mortimer	
	Jennie Langley	

# Acknowledgements

## Nikau Foundation

### For the year ended 30 September 2020

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

**BDO WELLINGTON** - help Nikau Foundation with their financial reporting by providing pro bono software.

**COASTLANDS** - provide on-going support to our Nikau Kāpiti Fund and a meeting venue for our Kāpiti volunteer committee.

**CRAIGS INVESTMENT PARTNERS** - are supportive of the community foundations model and provide meeting rooms and venues for events.

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

**HOBSON WEALTH PARTNERS** - are our investment manager and regularly provide us with in-kind support for our events and meetings.

**GRAVITY LAB** - provide discounted support for our database needs.

**JACKSON STONE** - provide support for our recruitment needs.

**KPMG** - provide discounted audit services to Nikau Foundation.

**MATAHIWI WINERY** - provide in-kind support for our events.

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

**MORRISON KENT** - many Morrison Kent staff contribute their time and services as individuals and as a firm they are heavily committed to supporting the community.

**RESULTEX** - provide Nikau Foundation with subsidised office space.

**SHARESIGHT** - is a portfolio management tool for individual and professional investors.

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

**TE RAUPARAHĀ 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 accompanying performance report of Nikau Foundation (the 'Foundation') on pages 6 to 17:

- i. present fairly in all material respects the foundation's financial position as at 30 September 2020 and its financial performance and cash flows for the year ended on that date;
- ii. comply with PBE Simple Format Reporting Standard - Accrual (Not For Profit); and
- iii. suitably report the service performance information required by Public Benefit Entity Financial Reporting Standard 48 ('PBE FRS 48') in the statement of service performance.

We have audited the accompanying performance report which comprise:

- the statement of financial position as at 30 September 2020;
- the statements of financial performance and cash flows for the year then ended;
- notes, including a summary of significant accounting policies and other explanatory information; and
- the statement of service performance and entity information on page 6.



### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'), and the audit of information PBE FRS 48 requires to be included in the statement of service performance, in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ('ISAE (NZ) 3000'). 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 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ('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 ISAE (NZ) 3000 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.



### Other information

The Trustees, on behalf of the Foundation, are responsible for the other information included in the entity's Performance Report. Our opinion on the performance report does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Performance Report our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit or otherwise appears materially misstated. If, based on the work we have



performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## 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 trustees 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 PBE Simple Format Reporting Standard - Accrual (Not For Profit));
- implementing necessary internal control to enable the preparation of a performance report that is fairly presented and free from material misstatement, whether due to fraud or error;
- the preparation of a statement of service performance that complies with the requirements of PBE FRS 48; 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 Performance Report as a whole is free from material misstatement, whether due to fraud or error;
- perform procedures to determine whether the service performance information required by PBE FRS 48 has been suitably reported in the statement of service performance ; 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 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, 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:

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

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

KPMG  
Wellington

14 December 2020