



Financial Statements

Philanthropy New Zealand
For the year ended 30 June 2021

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Entity Information

Philanthropy New Zealand For the year ended 30 June 2021

Legal Name of Entity

Philanthropy New Zealand

Entity Type and Legal Basis

Philanthropy New Zealand is an entity registered under the Charitable Trusts Act 1957

Entity's Purpose or Mission

Our purpose - Growing effective giving

We do this through:

- Supporting **better** giving
- Inspiring **more** giving
- Building a **stronger** sector

Entity Structure

Charitable Trust

Registration Number

CC20346

Main Sources of Entity's Cash and Resources

Membership Fees, Event Fees, Advisory Services, Donations, Sponsorship

Entity's Reliance on Volunteers and Donated Goods or Services

We would like to thank the following organisations for their donated goods or services:

AMP Capital, Perpetual Guardian, Ernst & Young, Denton Kensington Swan, D V Bryant Trust, Foundation North, Rātā Foundation, Te Rourou Vodafone Aotearoa Foundation, Trust Waikato, Wellington Community Trust.

We would like to thank our board members who served during the year:

Ken Whitney, Terri Eggleton (BayTrust), Annette Culpan, Gemma Major, Seumas Fantham (Todd Foundation), Whetū Campbell (Wellington Community Trust), Jeremy Faumuinā, Leighton Evans (Rātā Foundation), Tupe Solomon-Tanoa'i (Michael and Suzanne Borrin Foundation).

We would like to thank Te Kāhui Pūmanawa for advice during the year:

Rongo Kirkwood (Trust Waikato), Cyril Howard (The Tindall Foundation), Marama Tākao (JR McKenzie Trust), Steve Merito (Rātā Foundation), Seumas Fantham (Todd Foundation), Aroha Harris (Foundation North), Keri Wanoa (Toi Foundation), and Whetū Campbell (Wellington Community Trust).

We would like to thank the Finance, Audit and Risk Committee for volunteering their time:

Terri Eggleton (BayTrust), Barry Baker (Grant Thornton), Gemma Major, and Ken Whitney.

We would like to thank the Youth Advisory Group:

Molly Allen (Trust Waikato), Gemma Major (Seed Waikato), Michaela Latimer (Genesis), Nicole Lin (Spark NZ), Cale Borell, Fale Andrew Lesa, Helen Anderson (Todd Foundation), Kii Small, Naisi Chen, Paige Sullivan (Ministry of Youth Development), Shreya Rao (Auckland Council).

Other people we would like to thank

We would like to thank Te Āti Awa for their support as mana whenua and especially Pekaira Rei and Peggy Luke-Ngaheke.

We would like to thank our organisational supporters:

Platinum Sponsors: AMP Capital, Perpetual Guardian

Champion Members: JR McKenzie Trust, Todd Foundation, Wayne Francis Charitable Trust, WEL Energy Trust

Silver Sponsor: Boardpro

Bronze Sponsors: Ackama, Grant Thornton

We would like to thank our Philanthropy Summit 2021 sponsors:

Gold sponsor: Te Rourou, Vodafone Aotearoa Foundation

Silver sponsors: Pimco; Our Community/Smarty Grants; Fisher Funds

Bronze sponsors: Bloomsbury Associates; Nikko Asset Management; Devon Funds; Direct Capital; Fi360; Harbour Asset Management

Physical Address

Level 2,
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Wellington,
New Zealand 6140

Postal Address

PO Box 1521,
Wellington,
New Zealand 6140

Approval of Financial Report

Philanthropy New Zealand For the year ended 30 June 2021

The Trustees are pleased to present the approved financial report including the historical financial statements of Philanthropy New Zealand for year ended 30 June 2021.

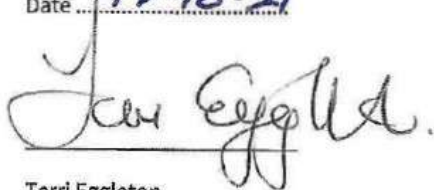
APPROVED



Ken Whitney

Chairperson of the Board

Date 19-10-21



Terri Eggleton

Chairperson of the Finance Audit and Risk Committee

Date 18-10-21

Statement of Service Performance

Philanthropy New Zealand For the year ended 30 June 2021

Our Purpose:

Growing effective giving

We do this through:

- Supporting **better** giving
- Inspiring **more** giving
- Building a **stronger** sector

How we made a difference in 2020/21:

*Inspiring **more** giving:*

Measure	This year	Last year
Unique visits to philanthropy.org.nz	25,437	29,251
PNZ Facebook group followers	2,350	2,184
PNZ Twitter followers	1,474	1,418
PNZ LinkedIn followers	1,521	1,171
PNZ Instagram followers	326	121
Issues of Philanthropy News Magazines	3	3
Media Coverage- print, radio, online	10	36

*Supporting **better** giving:*

Measure	This year	Last year
Participants at PNZ training, workshops or seminars	340	211
Participants at the Great Grantmaking and the Te Tiriti o Waitangi workshops rated the workshops "good", "very good" "excellent"	100%	100%
Participants at the Philanthropy Summit 2021	378	566 (2019)
Participants at the Philanthropy Summit 2021 rated the event as a whole either "extremely satisfied", "very satisfied" or "somewhat satisfied"	89%	97% (2019)
43 issues of e-news 'Giving Matters' - average open rate	27.6%	31.4%

The measures included in the statement of service performance above have been revised in the current year to reflect the most recent key performance areas of the organisation, which is expected to evolve over time. Where possible comparative information has been included and is presented on a consistent basis.

*Building a **stronger** sector:*

Measure	This year	Last year
Participants at PNZ Funders' Networks (Youth Funders, Environment Funders, Family Foundations, Education Founders, Arts Funders, Business Giving, Regional Networks) and other events for members	213	122
PNZ convened high-level meetings between sector representatives and government officials	6	4

Additional Commentary:

PNZ also delivered the following outcomes that helped support better grantmaking and strengthened the philanthropic and grantmaking sector:

Research work:

- Commissioning & management of PNZReport "Impact Investment in Action", undertaken by The Connective.
- Production of a digital map showing initiatives sharing knowledge about early brain development (constructed on Kumu platform and shared via cross-sector networks).

Environmental impact:

We have taken part in an assessment to measure our greenhouse gas emissions and have purchased carbon offsets to cover them.

Philanthropy New Zealand's event and professional development schedule were affected by the Covid 19 lockdowns.

The measures included in the statement of service performance above have been revised in the current year to reflect the most recent key performance areas of the organisation, which is expected to evolve over time. Where possible comparative information has been included and is presented on a consistent basis.

Statement of Financial Performance

Philanthropy New Zealand For the year ended 30 June 2021

	NOTES	2021	2020
Revenue			
Donations, fundraising and other similar revenue	1	318,893	268,548
Fees, subscriptions and other revenue from members	1	346,008	340,582
Revenue from providing goods or services	1	34,671	68,806
Interest, dividends and other investment revenue	1	4,397	9,569
Conference Income	1	199,065	-
Total Revenue		903,034	687,505
Expenses			
Volunteer and employee related costs	2	492,749	463,731
Costs related to providing goods or service	2	300,359	228,812
Other expenses	2	3,767	4,363
Conference Expenses	2	66,877	-
Total Expenses		863,752	696,906
Surplus/(Deficit) for the Year		39,282	(9,401)

"The accompanying notes to the financial statements on pages 11-16 form part of and should be read in conjunction with this statement".

Statement of Financial Position

Philanthropy New Zealand As at 30 June 2021

	NOTES	30 JUN 2021	30 JUN 2020
Assets			
Current Assets			
Bank accounts and cash	3	242,041	115,517
Debtors and prepayments	3	9,623	24,429
Term Deposits	3	276,455	273,651
Te Kāhui Pūmanawa (TKP)	8	63,418	-
Total Current Assets		591,537	413,597
Non-Current Assets			
Property, Plant and Equipment	5	2,463	5,913
Total Non-Current Assets		2,463	5,913
Total Assets		594,000	419,510
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	46,409	45,390
Employee costs payable	4	24,292	14,663
Unused donations and grants with conditions	4	92,500	31,358
Te Kāhui Pūmanawa	8	63,418	-
Total Current Liabilities		226,619	91,411
Total Liabilities		226,619	91,411
Total Assets less Total Liabilities (Net Assets)		367,381	328,099
Accumulated Funds			
Accumulated surpluses or (deficits)	6	296,020	257,504
Reserves	7	71,361	70,595
Total Accumulated Funds		367,381	328,099

"The accompanying notes to the financial statements on pages 11-16 form part of and should be read in conjunction with this statement".

Statement of Cash Flows

Philanthropy New Zealand For the year ended 30 June 2021

	2021	2020
Cash Flows from/(to) Operating Activities		
Donations, fundraising and other similar receipts	385,036	265,320
Fees, subscriptions and other receipts from members	346,808	339,972
Receipts from providing goods or services	242,579	60,862
Interest, dividends and other investment receipts	6,206	9,092
Payments to suppliers and employees	(865,778)	(668,620)
GST	14,478	19,247
Total Cash Flows from/(to) Operating Activities	129,329	25,873
Cash Flows from Investing and Financing Activities		
Payment for purchase of investment	(2,805)	(7,999)
Payment for property, plant and equipment	-	(6,249)
Total Cash Flows from Investing and Financing Activities	(2,805)	(14,248)
Cash Flows from Financing Activities		
Total Cash Flows from Financing Activities	-	-
Net Cash Flows	126,524	11,625
Cash Balances		
Cash and cash equivalents at beginning of period	115,517	103,892
Cash and cash equivalents at end of period	242,041	115,517
Net change in cash for period	126,524	11,625

"The accompanying notes to the financial statements on pages 11-16 form part of and should be read in conjunction with this statement".

Statement of Accounting Policies

Philanthropy New Zealand For the year ended 30 June 2021

Basis of Preparation

The entity 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 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.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

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

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits).

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.

Specific Accounting Policies

The general accounting policies recognised as appropriate and used for the measurement and reporting of results and financial position under the historical cost method are shown below:

Grants, Donations and Sponsorship Revenue

Grants, donations and sponsorship are recognised as revenue when the cash is received, except when the revenue has "use or return" conditions attached. If the revenue has "use or return" conditions that lead to a liability, then the revenue shall initially be recorded as a liability until the condition has been met.

Fees, Subscriptions and other Revenue from members

Fees, subscriptions and other revenue from members are recognised as revenue when the cash is received, except when the revenue has "use or return" conditions attached. If the revenue has "use or return" conditions that lead to a liability, then the revenue shall initially be recorded as a liability until the condition has been met.

Property, Plant, and Equipment

All Property, Plant, and Equipment is recorded at cost less accumulated depreciation.

Depreciation

Depreciation is provided on a straight line basis on all tangible fixed assets at rates calculated to allocate the cost of the assets, less estimated residual value, over their estimated useful lives. The principal useful lives and depreciation rates are shown below:

Asset Category	Depreciation Rates
Furniture & Fittings	20%
Plant & Equipment	25.2%

Accounts Receivable

Accounts Receivable have been valued at estimated net realisable value after making provision for doubtful debt, where required.

Employee Entitlements

Employee entitlements to salaries and wages, annual leave and other benefits are recognised when they accrue to employees.

Foreign Currency Transactions

Any exchange gain or loss is recognised in the Statement of Financial Performance.

Notes to the Performance Report

Philanthropy New Zealand For the year ended 30 June 2021

	2021	2020
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Family of 5 Sponsorship	54,000	52,000
Grants	261,893	203,548
General Sponsorship	3,000	13,000
Total Donations, fundraising and other similar revenue	318,893	268,548
Fees, subscriptions and other revenue from members		
Membership Income	346,008	340,582
Total Fees, subscriptions and other revenue from members	346,008	340,582
Revenue from providing goods or services		
Event Income	27,120	58,917
PNZ Advisory Services	-	3,100
Other Income	7,551	6,789
Total Revenue from providing goods or services	34,671	68,806
Interest, dividends and other investment revenue		
Interest Income	4,397	9,569
Total Interest, dividends and other investment revenue	4,397	9,569
Conference Income		
Conference Income	199,065	-
Total Conference Income	199,065	-
	2021	2020

2. Analysis of Expenses

Volunteer and employee related costs		
Employee Costs	492,749	463,731
Total Volunteer and employee related costs	492,749	463,731
Costs related to providing goods or services		
Event Expenses	6,004	45,762
Project Costs	73,478	23,471
PNZ Advisory Expenses	-	975
Other Costs	220,877	158,604
Total Costs related to providing goods or services	300,359	228,812
Other expenses		
Bank Costs	317	261
Loss on Disposal of Assets	-	45
Depreciation Expense	3,450	4,057
Total Other expenses	3,767	4,363

Conference Expenses		
Conference Expenses	66,877	-
Total Conference Expenses	66,877	-
	2021	2020

3. Analysis of Assets

Bank accounts and cash	242,041	115,517
Debtors and prepayments		
Accounts Receivable	8,096	14,873
Accrued Income	684	2,494
GST	-	4,570
Prepayments	843	2,492
Total Debtors and prepayments	9,623	24,429
Investments		
ANZ Term Deposits	205,094	203,056
Funded Reserve	71,361	70,595
Total Investments	276,455	273,651
	2021	2020

4. Analysis of Liabilities

Creditors and accrued expenses		
Accounts Payable	16,761	30,622
GST	10,563	-
Accruals	11,085	14,168
Income in advance	8,000	600
Total Creditors and accrued expenses	46,409	45,390
Employee costs payable		
Holiday Pay Provision	24,292	14,663
Total Employee costs payable	24,292	14,663
Unused donations and grants with conditions		
Grants in Advance	92,500	31,358
Total Unused donations and grants with conditions	92,500	31,358
	2021	2020

5. Property, Plant and Equipment

Furniture and Fittings		
Furniture and fittings owned	17,071	17,071
Accumulated depreciation - furniture and fittings owned	(17,071)	(17,071)
Total Furniture and Fittings	-	-
Plant and Equipment		
Plant and equipment owned	36,065	36,065

Accumulated depreciation - plant and equipment owned	(33,602)	(30,152)
Total Plant and Equipment	2,463	5,913
Total Property, Plant and Equipment	2,463	5,913
	2021	2020

6. Accumulated Funds

Opening Accumulated funds	257,504	269,729
Current year earnings	39,282	(9,401)
Transfer to funded reserve	(766)	(2,824)
Total Accumulated Funds	296,020	257,504
	2021	2020

7. Breakdown of Reserves

Opening Funded Reserve	70,595	67,771
Transfer from Accumulated Funds	766	2,824
Total Funded Reserve	71,361	70,595

As per our Reserves policy, the Funded Reserve has been provided to be used in the event of a severe emergency for the organisation or national calamity. It will be reviewed annually by the Board. It is represented by term deposit under note 3.

8. Te Kāhui Pūmanawa

Te Kāhui Pūmanawa (TKP) is a network of Māori people working in philanthropy. Philanthropy New Zealand is a fundholder for TKP, who receive funding from philanthropic funders and make their own decisions on expenditure. Philanthropy New Zealand holds this money in a separate bank account for them. Balance at 30th June 2021 \$63,418 (Last year - nil).

9. Commitments

There are no commitments as at 30 June 2021 (Last year - nil).

10. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2021 (Last year - nil).

	2021	2020
11. Goods or Services Provided to the Entity in Kind		
Ernst & Young - Auditing annual accounts	-	-
Denton Kensington Swan - Legal services	-	-
	2021	2020

12. Grants & Donations Received

Auckland Foundation	2,000	-
Bay Trust	5,640	5,640
Bill Kermode	6,600	-
Clare	10,000	-
Community Trust South	4,560	4,560

	2021	2020
Department of Internal Affairs	50,000	-
DV Bryant Trust	2,000	-
Eastern & Central Community Trust	7,000	7,000
Foundation North	40,000	50,000
J.R. McKenzie Trust	31,516	5,000
Next Foundation	4,500	-
Ministry of Environment	22,500	-
Otago Community Trust	8,400	8,400
Rata Foundation	20,760	21,000
Todd Foundation	25,000	-
Trust Waikato	11,400	11,400
TSB Community Trust	10,920	10,920
Wayne Francis Trust	30,000	30,000
West Coast Community Trust	240	240
WEL Energy Trust	25,000	-
Wilberforce Foundation	5,000	-
Williams Charitable Trust	5,000	-
Hugh Green Foundation	-	22,500
Perpetual Guardian	-	12,500
Wellington Community Trust	-	6,120
Whanganui Community Foundation	-	5,040
Total Grants & Donations Received	328,036	200,320

13. Related Parties

Members of the Philanthropy New Zealand Board are involved in organisations that may have supported Philanthropy New Zealand through donations, grants or sponsorship.

14. 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).

15. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.



Independent Auditor's Report

To the Members of Philanthropy New Zealand - Report on the Performance Report

We have audited the performance report of Philanthropy New Zealand (the "Charity") on pages 3 to 16, 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 June 2021, the statement of financial position of the Charity as at 30 June 2021, and the statement of accounting policies and other explanatory information.

In our opinion:

- ▶ the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- ▶ the accompanying performance report on pages 3 to 16 presents fairly, in all material respects
 - ▶ the entity information for the year ended 30 June 2021;
 - ▶ the service performance for the year then ended; and
 - ▶ the financial position of the Charity as at 30 June 2021, 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) issued by the New Zealand Accounting Standards Board.

This report is made solely to the members of the Charity, as a body. Our audit has been undertaken so that we might state to the Charity's 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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

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), 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 the Charity 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 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 interest in, the Charity. Partners and employees of our firm may deal with the Charity on normal terms within the ordinary course of trading activities of the business of the charity.

Information Other than the Performance Report and Auditor's Report

The Trustees are responsible for the Annual Report, which includes information other than the performance report and auditor's report.

Our opinion on the performance report does not cover the 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 during the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

Trustees Responsibility for the Performance Report

The Trustees are responsible on behalf of the Charity for:

- ▶ 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;
- ▶ the preparation and fair presentation of the performance report on behalf of the entity 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

- ▶ for such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible on behalf of the Charity for assessing the Charity'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 Charity either intends to liquidate the Charity or cease operations, or have no realistic alternative but to do so.

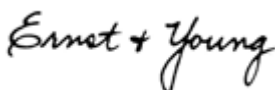
Auditor's Responsibility

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 economic decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), 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.
- ▶ 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 Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity'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 Charity 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 trustees 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.



Chartered Accountants
18 October 2021
Wellington