

Performance Report - Reviewed

Te Kakano Aotearoa Trust

For the year ended 31 December 2020

Contents

3	Entity Information
5	Approval of Financial Report
6	Statement of Service Performance
7	Statement of Financial Performance
8	Statement of Financial Position
9	Statement of Cash Flows
10	Statement of Accounting Policies
12	Notes to the Performance Report

Entity Information

Te Kakano Aotearoa Trust For the year ended 31 December 2020

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

Legal Name of Entity

Te Kakano Aotearoa Trust

Entity Type and Legal Basis

Te Kakano is a charitable trust, registered as a NZ charity. Donations are eligible for a tax rebate.

Registration Number

Companies office - Certificate of Incorporation - 1951692

Registered Charity - CC23553

Entity's Purpose or Mission

Vision: New Zealand communities are more connected with their land.

Mission: To inspire community native habitat restoration through propagation, education and hands on participation.

Entity Structure

Te Kakano is governed by a board of trustees.

Trustees: Ben Taylor – Chair.

Nick Mills, Anna Hiatt, Carrie Williams, Murray Walker, Andrew Gawith and Emma Conyngham

During the year: Nick Mills stepped down as Chair and was succeeded by Ben Taylor. Also Neil Woodrow and Alison O'Brien resigned as trustees and Andrew Gawith and Emma Conyngham were appointed as new trustees.

Te Kakano has no regular staff. It has two part-time contractor: a nursery manager, and an administrator. The Trust contracts others for specific roles as required.

Main Sources of Entity's Cash and Resources

Te Kakano is predominantly funded by a combination of grants from local charitable funding organisations, and donations from local residents and businesses. Te Kakano is very grateful to our major supporters in 2020 - the Sargood Bequest, NZ Lotteries, QLDC, Department of Conservation, and commercial donors (Rippon Vineyard, Puzzling World, One Summit, Wanaka Bike Tours, Basecamp Adventures and Wanaka Homestead). We also received a number of donations from private donors, supporters, and local organisations.

In addition, a small percentage of the revenue comes from sales of plants to our partner organisations, such as QLDC, Albert Town Community Association, Hawea Community Association, WAI Wanaka.

In 2018, Te Kakano became a partner in WAI Wanaka's Wanaka Water Project under a contract with the Ministry of Environment's Freshwater Improvement Fund. This project is funded 50% by the Ministry and 50% by the community, primarily through a Million Metres campaign. Under it Te Kakano is committed to planting 24,000 native plants by 2023. This project generated approximately \$60,000 revenue for the Trust in the 2020 financial year.

Main Methods Used by Entity to Raise Funds

Generally Te Kakano has applied for grants from these community organisations, either for on-going operations or a planting project. Planting project grants cover a combination of direct project costs and the plant (nursery) costs depending on the provider's grant rules.

Entity's Reliance on Volunteers and Donated Goods or Services

The nursery is mostly run by volunteers at the direction of a contracted Nursery Manager. There are normally two nursery sessions a week, plus around 20 planting sessions a year. In 2020 the Trust recorded 3,255 hours of volunteer time covering administration of the Trust, nursery sessions, planting sessions, watering and plant maintenance. The Trust also acknowledges the kind donation of coffee and food for morning tea at planting sessions from Venus Coffee and food from a number of cafes and individuals.

Physical Address

246 Mt Aspiring Road, Wanaka

Te Kakano operates from a nursery adjacent to Rippon Vineyard, and the QE2 reserve alongside the Waterfall Creek track in Wanaka. There is no formal office at the Nursery, or any trustee's homes. All operational and financial documents are filed electronically.

Postal Address

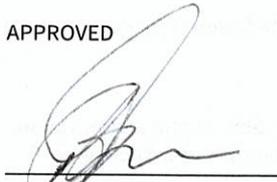
PO Box 550, Wanaka, 9343

Approval of Financial Report

Te Kakano Aotearoa Trust For the year ended 31 December 2020

The Trustees are pleased to present the approved financial report including the historical financial statements of Te Kakano Aotearoa Trust for year ended 31 December 2020.

APPROVED



Ben Taylor

Chair

Date 15/2/21



Andrew Gawith

Trustee & Treasurer

Date 15/2/21

Statement of Service Performance

Te Kakano Aotearoa Trust For the year ended 31 December 2020

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

Description of Entity's Outcomes

During 2020 Te Kakano ran 90 regular nursery sessions and completed 20 formal planting sessions. The Covid-19 lockdown marginally reduced activity this year.

- It hosted two visits from local schools to the nursery, and visited two schools to talk to students about habitat restoration;
- The Trust organised and hosted a hui/gathering with 3 other community reforestation/restoration Trusts in the region to create more synergies between similar organisations;
- The Trust secured a three-year grant of \$24,000 from the DOC Community Fund;
- It reviewed and refined its strategic plan;
- Welcomed Kris Vollebregt as the new nursery manager and farewelled our long standing nursery manager Andrew Penniket;
- Planted at new sites: Eely Point (living memorial to honour local members of the New Zealand Defence Force), and Point with No Name – thanks to the generosity of a local family.

Te Kakano is slowly restoring the habitat of the Upper Clutha basin through appropriate native planting projects.

In addition Te Kakano is growing a volunteer network which fosters and maintains a healthy community spirit, and inspires and educates groups and individuals to embrace our vision.

In 2020 Te Kakano planted or provided 6,192 plants to our partners. Some projects are fully funded, including the cost of plants, which supports the cost of running Te Kakano as an organisation, and the nursery.

Description and Quantification of the Entity's Outputs

	2020	2019
Plants issued for planting	6,192	4,978
Planting Sessions	20	23
Nursery Sessions	90	102

Additional Output Measures

Te Kakano Aotearoa Trust benefited from 3,255 hours of volunteer time in running the Trust and the nursery, and for planting sessions, watering and plant maintenance.

Statement of Financial Performance

Te Kakano Aotearoa Trust For the year ended 31 December 2020

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

	NOTES	2020	2019
Revenue			
Donations, fundraising and other similar revenue	1	20,864	11,716
Revenue from providing goods or services	1	97,656	123,892
Interest, dividends and other investment revenue	1	1,180	1,286
Total Revenue		119,700	136,894
Expenses			
Volunteer and employee related costs	2	69,443	46,826
Costs related to providing goods or service	2	25,934	28,022
Other expenses	2	6,504	1,897
Total Expenses		101,880	76,744
Surplus/(Deficit) for the Year		17,819	60,150



Statement of Cash Flows

Te Kakano Aotearoa Trust

For the year ended 31 December 2020

'How the entity has received and used cash'

Account	2020	2019
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	20,864	11,716
Interest, dividends and other investment receipts	1,180	1,286
Cash receipts from other operating activities	100,571	122,074
GST	772	373
Payments to suppliers and employees	(94,528)	(78,220)
Total Cash Flows from Operating Activities	28,859	57,229
Cash Flows from Investing and Financing Activities		
Cash flows from other investing and financing activities	(8,163)	(18,833)
Total Cash Flows from Investing and Financing Activities	(8,163)	(18,833)
Net Increase/(Decrease) in Cash	20,696	38,396
Bank Accounts and Cash		
Opening cash	125,689	87,293
Closing cash	146,385	125,689
Net change in cash for period	20,696	38,396



Statement of Accounting Policies

Te Kakano Aotearoa Trust For the year ended 31 December 2020

'How did we do our accounting?'

Basis of Preparation

While our scale makes this entity a Tier 4 Public Benefit entity, we have chosen to report as a Tier 3 to be consistent with our day today operations.

The entity has elected to apply PBE SFR-A(NFP) Tier 3 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 operations.

Revenue Recognition.

Only income that meets the following two conditions is recognised as income in advance.

- 1). Has been applied for, for a specific purpose, and the costs associated with this are yet to occur at balance date.
- 2). The income must be repaid if it is not used for the specific purpose that it was received for.

Note: This means that \$13,000 of the grant from Sargood Bequest which we used in 2020 is shown as revenue in 2019.

FIF plant purchases from third parties are purchased as required for immediate planting. No third party plants are held as inventory.

Depreciation.

All property, plant and equipment, except for land, is stated at cost less accumulated depreciation.

The entity has the following classes of property, plant and equipment:

Leasehold Improvements 4.8% DV

Plant and Equipment 20.0% DV

The entity has committed to a small amount of future capital expenditure for the commissioning of the expanded nursery. This is covered by grants, a mix of those already paid like Sargood & OCT, and others like CLT & Longview which have been awarded but not yet fully drawn down. These undrawn grants have not been accounted for in the financial statements.

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

Te Kakano Aotearoa Trust 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) with original maturities of 90 days or less.



Tier 2 PBE Accounting Standards Applied

No Tier 2 accounting policies have been applied.

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.



Notes to the Performance Report

Te Kakano Aotearoa Trust For the year ended 31 December 2020

	2020	2019
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Donations - General	20,864	11,716
Total Donations, fundraising and other similar revenue	20,864	11,716
Revenue from providing goods or services		
Grants with GST	14,000	31,000
Grants without GST	22,985	37,144
Partner income	60,671	55,748
Total Revenue from providing goods or services	97,656	123,892
Interest, dividends and other investment revenue		
Interest Income	1,180	1,286
Total Interest, dividends and other investment revenue	1,180	1,286
	2020	2019

2. Analysis of Expenses

Volunteer and employee related costs

Contractor Payments	69,443	46,826
Total Volunteer and employee related costs	69,443	46,826

Costs related to providing goods or services

Advertising	84	893
Event Expenses	502	-
Fertiliser & Potting Materials	1,621	4,613
FIF Plant Purchases & Maintenance	5,353	15,762
Freight & Courier	48	-
General Expenses	301	49
Health & Safety	61	-
Insurance	1,207	985
Licenses & Fees	69	64
Meeting Expenses	43	84
Motor Vehicle Expenses	3,175	2,095
Office Expenses	1,226	668
Printing & Stationery	469	504
Repairs & Maintenance	537	-
Small Tools & equipment	1,826	463
Subscriptions	138	138
Training & Development	-	159
Volunteer Amenities	1,687	623
Weed & Pest Control	7,586	921
Total Costs related to providing goods or services	25,934	28,022



	2020	2019
Other expenses		
Audit Fees	1,950	1,790
Depreciation	4,554	107
Total Other expenses	6,504	1,897

	2020	2019
--	------	------

3. Analysis of Assets

Bank accounts and cash		
Kiwibank Now	39,144	44,628
Kiwibank Savings	29,701	29,484
Kiwibank Notice Saver (32)	38,924	38,512
Kiwibank Notice Saver (90)	38,616	13,065
Total Bank accounts and cash	146,385	125,689
Debtors and prepayments		
Accrued Income	-	11,408
Total Debtors and prepayments	-	11,408

	2020	2019
--	------	------

4. Analysis of Liabilities

Creditors and accrued expenses		
Accounts Payable	5,145	2,444
GST	647	(171)
Total Creditors and accrued expenses	5,792	2,273
Unused donations and grants with conditions		
Income in Advance	-	8,493
Total Unused donations and grants with conditions	-	8,493

	2020	2019
--	------	------

5. Property, Plant and Equipment

Other Fixed Assets		
Fixed assets	37,862	34,304
Total Other Fixed Assets	37,862	34,304
Total Property, Plant and Equipment	37,862	34,304

Asset Class Name	Opening Carrying Value	Purchases	Sales/ Disposals	Current Year Depreciation	Closing Carrying Value
Leasehold Improvements					
Total Leasehold Improvements	27,658	0	0	2,842	24,816



Plant & Equipment at Cost					
Total Plant & Equipment	6,647	8,111	0	1,712	13,046
Total	34,304	8,111	0	4,554	37,862

Significant Donated Assets Recorded

Te Kakano has no significant donated assets

2020 2019

6. Accumulated Funds

Accumulated Funds		
Opening Balance	160,635	100,485
Accumulated surpluses or (deficits)	17,819	60,150
Total Accumulated Funds	178,454	160,635
Total Accumulated Funds	178,454	160,635

7. Commitments

There are no commitments as at 31 December 2020 (Last year - nil).

8. Contingent Liabilities and Guarantees

There are no guarantees as at 31 December 2020 (Last year - nil). The Trust has an estimated contingent liability of \$20,000 to maintain FIF plantings for two years (the estimate is based on \$2/plant across 10,000 plants at any one time).

9. Related Parties

Over 2020 the Trust received \$63,586 income from the Wai Wanaka Trust as part of a four year Freshwater Improvement Fund contract. Andrew Gawith is a co-opted trustee of Wai Wanaka. All transactions between Te Kakano Aotearoa and Wai Wanaka occur on an arm's length basis.

10. 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).

Stage 1 of the Nursery Expansion is all but completed. Plans for stage 2 are being finalised. To proceed with stage 2 the Trust will look to raise funds specifically for this project.

11. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.



INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT**To the Trustees of Te Kakano Aotearoa Trust****Report on the Performance Report**

We have reviewed the performance report of Te Kakano Aotearoa Trust ("the Trust") on pages 7 to 14, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 31 December 2020, the statement of financial position as at 31 December 2020, and the statement of accounting policies and other explanatory information.

Trustees' Responsibility for the Performance Report

The Trustees are responsible on behalf of the Trust for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) The preparation and fair presentation of the performance report, which comprises:
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance reportin accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board; and
- (c) For such internal control as those charged with governance 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 for assessing the Trust'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 Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying performance report. We conducted our review in accordance with International Standards on Review Engagements (New Zealand) (ISRE (NZ) 2400, *Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity*). ISRE (NZ) 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the performance report, taken as a whole, is not prepared in all material respects in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit). This standard also requires that we comply with relevant ethical requirements.



We are not responsible for expressing a conclusion on the statement of service performance.

A review of the performance report in accordance with ISRE (NZ) 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on this performance report.

Other than in our capacity as independent review practitioner we have no relationship with, or interests in, the Trust.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that:

- a) the performance report on pages 7 to 14 does not present fairly, in all material respects, :
 - the financial position of Te Kakano Aotearoa Trust as at 31 December 2020, 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).

A handwritten signature in blue ink that reads "Crowe".

Crowe New Zealand Audit Partnership
CHARTERED ACCOUNTANTS

Dated at Invercargill this 15th day of February 2021