

Performance Report

Supporters of Tiritiri Matangi, Inc
For the year ended 30 June 2020

Prepared by Rise Accountants

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

Supporters of Tiritiri Matangi, Inc For the year ended 30 June 2020

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

Legal Name of Entity

Supporters of Tiritiri Matangi Incorporated

Entity Type and Legal Basis

Incorporated Society and Registered Charity

Registration Number

Incorporated Society # 419236

Charities # CC22809

NZBN # 9429042856047

Entity's Purpose or Mission

Our Vision

We want the island to be a complex, healthy ecosystem, a haven for New Zealand's native species, a place that engages and inspires volunteers and visitors to understand our unique cultural and historic heritage and to make a difference in their own environment.

Our Mission Statement

SoTM's mission is to develop Tiritiri Matangi in conjunction with DOC, Iwi and other stakeholders as a model of sustainability and management through five main areas of activity:

- Protecting and conserving New Zealand's wildlife (Nature Conservation)
- Protecting and conserving New Zealand's cultural and historic heritage (Cultural and Historic Conservation)
- Supporting research appropriate to the island (Insight)
- Educating and inspiring visitors and other interested parties (Inspiration)
- Providing opportunities for people to be involved (Participation)

Entity Structure

SoTM is an incorporated society.

Membership is open to persons, groups, bodies corporate and others who wish to support the objects of the society.

The general affairs of the society are managed by a committee of Chairperson, Secretary, Treasurer and not less than 4 or more than 9 ordinary committee members.

Operations are managed by a number of sub committees. The society employs staff to manage education, guiding and shop activities.

Main Sources of Entity's Cash and Resources

Funds come from a mixture of earnings from the shop, subscriptions, donations, guiding fees and grants. Volunteers contribute thousands of hours of volunteer work.

Entity's Reliance on Volunteers and Donated Goods or Services

The society is run by and is dependent on volunteer labour. In a year volunteers will contribute over 60,000 hours of work on the activities of the Society.

Physical Address

Island of Tiritiri Matangi in the Hauraki Gulf, Auckland

Postal Address

PO Box 90814, Victoria Street West, Auckland 1142

Phone/Fax

+64 9 476 0010

Email/Website

www.tiritirimatangi.org.nz

Facebook

www.facebook.com/TiritiriMatangiisland

Approval of Financial Report

Supporters of Tiritiri Matangi, Inc
For the year ended 30 June 2020

The Governing body are pleased to present the approved financial report including the historical financial statements of Supporters of Tiritiri Matangi, Inc for year ended 30 June 2020.

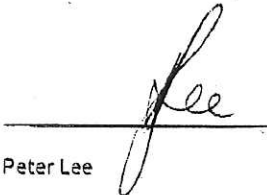
APPROVED



Carl Hayson

Chairperson

Date 20/10/20



Peter Lee

Treasurer

Date 20/10/20

Statement of Service Performance

Supporters of Tiritiri Matangi, Inc For the year ended 30 June 2020

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

Description of Entity's Outcomes

1. Nature Conservation

Tiritiri Matangi will have a healthy functioning ecosystem serving the needs of advocacy, education, species protection and management and will be a model conservation project.

2. Cultural and Historic Conservation

Tiritiri Matangi will utilise its unique cultural and historic status to be a model project for such conservation.

3. Insight

Tiritiri Matangi will be a key centre for research generating knowledge that serves the needs of conservation.

4. Inspiration

People will be inspired to become advocates for natural, cultural and historic heritage and will seek to make a difference in their own home communities and environments.

5. Participation

Tiritiri Matangi will provide a range of opportunities for peoples with diverse abilities and personal interests to become involved in the project.

	2020	2019
Description and Quantification of the Entity's Outputs		
Number of visitors arriving on the 360 ferry	23,346	32,217
Number of visitors who paid for guided walks on the island	7,261	10,574
Number of school students visiting the island	3,816	5,310

Additional Output Measures

- Liberation of elegant geckos into a soft-release area
- Annual weed control programme continued, including abseiling the cliffs
- Summer studentships assessed visitors' attitude towards shorebirds and observed effect of visitors on these
- Continued kokako monitoring programme
- Upgraded tracks and boardwalks
- Provided support to low decile schools through the Growing Minds programme
- Continued to expand the knowledge base of our volunteer guides, and provided mentoring and support

Additional Information

Due to the presence of Covid-19 locking down New Zealand's borders and reducing internal movement within the country, a reduction in visitor numbers occurred, which had an impact on education and revenue generating activities.

Statement of Financial Performance

Supporters of Tiritiri Matangi, Inc For the year ended 30 June 2020

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

	NOTES	2020	2019
Revenue			
Donations, fundraising and other similar revenue	1	176,797	223,100
Fees, subscriptions and other revenue from members	1	34,476	33,353
Revenue from providing goods or services	1	294,195	402,675
Interest, dividends and other investment revenue	1	33,562	33,248
Total Revenue		539,030	692,376
Shop Cost of Goods Sold			
Shop Cost of Sales		137,034	177,877
Total Shop Cost of Goods Sold		137,034	177,877
Expenses			
Expenses related to public fundraising	3	3,099	5,832
Volunteer and employee related costs	3	130,741	144,050
Costs related to providing goods or service			
Administration	3	25,691	29,828
Biodiversity	3	25,444	24,004
Education	3	14,622	19,525
Habitat	3	30,837	19,703
Infrastructure	3	48,816	79,604
Membership	3	27,381	22,562
Research	3	-	500
Visitor / Guiding	3	5,804	9,050
Total Costs related to providing goods or service		178,595	204,776
Other expenses			
Capital Project Feasibility	3	35,896	33,592
Depreciation	3	37,850	45,292
Total Other expenses		73,746	78,884
Total Expenses		386,181	433,542
Surplus/(Deficit) for the Year		15,815	80,956

The above financial statements are to be read in conjunction with the accompanying notes and accounting policies of this performance report.

Statement of Financial Position

Supporters of Tiritiri Matangi, Inc As at 30 June 2020

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

	NOTES	30 JUN 2020	30 JUN 2019
Assets			
Current Assets			
Bank accounts and cash	4	207,856	101,877
Debtors and prepayments	4	-	3,796
Inventory	4	48,481	45,229
Term deposits (current)		1,006,156	1,136,012
Total Current Assets		1,262,493	1,286,913
Non-Current Assets			
Property, Plant and Equipment	4	411,302	415,513
Total Non-Current Assets		411,302	415,513
Total Assets		1,673,795	1,702,426
Liabilities			
Current Liabilities			
Creditors and accrued expenses	5	29,154	56,547
Employee costs payable	5	4,428	10,081
Unused donations and grants with conditions	5	9,500	20,900
Total Current Liabilities		43,082	87,528
Total Liabilities		43,082	87,528
Total Assets less Total Liabilities (Net Assets)		1,630,713	1,614,898
Accumulated Funds			
Accumulated surpluses or (deficits)	6	850,713	834,898
Reserves	6	780,000	780,000
Total Accumulated Funds		1,630,713	1,614,898

The above financial statements are to be read in conjunction with the accompanying notes and accounting policies of this performance report.

Statement of Cash Flows

Supporters of Tiritiri Matangi, Inc For the year ended 30 June 2020

'How the entity has received and used cash'

	2020	2019
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	176,797	221,819
Fees, subscriptions and other receipts from members	23,076	29,253
Receipts from providing goods or services	294,195	402,695
Interest, dividends and other investment receipts	33,562	33,248
GST	3,508	(12,516)
Payments to suppliers and employees	(521,374)	(530,424)
Total Cash Flows from Operating Activities	9,763	144,075
Cash Flows from Investing and Financing Activities		
Receipts from sale of investments	129,855	-
Payments to acquire property, plant and equipment	(33,639)	(19,687)
Payments to purchase investments	-	(129,235)
Total Cash Flows from Investing and Financing Activities	96,216	(148,922)
Net Increase/(Decrease) in Cash	105,979	(4,847)
Bank Accounts and Cash		
Opening cash	101,877	106,724
Closing cash	207,856	101,877
Net change in cash for period	105,979	(4,847)

The above financial statements are to be read in conjunction with the accompanying notes and accounting policies of this performance report.

Statement of Accounting Policies

Supporters of Tiritiri Matangi, Inc For the year ended 30 June 2020

'How did we do our accounting?'

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

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

Supporters of Tiritiri Matangi, Inc 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.

Valuation of Property, Plant and Equipment

Property, plant and equipment are included at cost less aggregate depreciation.

Depreciation

Depreciation has been charged on a straight line basis at the following rates:

Buildings	3-20%
Motor Vehicles	13-20%
Furniture and Fittings	33%
Office Equipment	7-24%
Computers (including software)	20-48%

Inventory

Inventories are stated at cost or net realisable value

Revenue

Grants received are recognised as revenue when received unless there is a clear "use or return" condition attached, in which case the unused portion of the grant is deferred.

Donations are recognised on receipt.

Subscriptions revenue is recognised on receipt except for renewals in May and June which are deferred to next year.



Shop sales and Guiding revenue is recognised as the sale or service is provided.

Employee Costs

Employee costs are recognised on an accrual basis as service is provided to Supporters of Tiritiri Matangi Inc.

Reserves

Reserves represent funds set aside for capital projects. These are transferred in and out of the accumulated surplus.

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

Supporters of Tiritiri Matangi, Inc For the year ended 30 June 2020

	2020	2019
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Donations	54,167	54,836
Fundraising	-	1,280
Grants (including wage subsidy of \$11,330 (2019:NIL))	122,630	166,983
Total Donations, fundraising and other similar revenue	176,797	223,100
Fees, subscriptions and other revenue from members		
Subscriptions	34,476	33,353
Total Fees, subscriptions and other revenue from members	34,476	33,353
Revenue from providing goods or services		
Guiding Fees	67,771	95,388
Shop sales	226,425	307,287
Total Revenue from providing goods or services	294,195	402,675
Interest, dividends and other investment revenue		
Interest	33,562	33,248
Total Interest, dividends and other investment revenue	33,562	33,248
	2020	2019

2. Shop Analysis

Sales	226,425	307,287
Cost of sales	137,034	177,877
Sales Margin	89,390	129,410
Margin %	39	42
	2020	2019

3. Analysis of Expenses

Expenses related to public fundraising		
Fundraising expenses	3,099	5,832
Total Expenses related to public fundraising	3,099	5,832
Volunteer and employee related costs		
Salaries	130,741	144,050
Total Volunteer and employee related costs	130,741	144,050
Costs related to providing goods or services		
Administration		
Audit Fees	5,075	5,430
Bank & credit card fees	6,286	7,228
Communications & Postage	2,625	2,786
Health & Safety	1,359	37

	2020	2019
Insurance	2,927	2,101
Other admin expenses	7,420	12,245
Total Administration	25,691	29,828
Biodiversity		
Birds	3,262	7,710
Gecko & Skink	7,535	5,491
Kokako	14,394	10,705
Other biodiversity expenses	253	99
Total Biodiversity	25,444	24,004
Education		
Growing Minds	12,587	16,097
Other education expenses	2,035	3,428
Total Education	14,622	19,525
Habitat		
Weed Program	23,776	19,185
Other habitat expenses	7,061	518
Total Habitat	30,837	19,703
Infrastructure		
Foghorn	1,743	396
Museum	2,240	2,249
Visitors Centre	8,475	7,357
Miscellaneous Maintenance	8,629	4,705
Tracks	12,437	52,856
Vehicle Exps	14,492	6,411
Other infrastructure expenses	799	5,629
Total Infrastructure	48,816	79,604
Membership		
Membership system	13,479	6,720
Newsletter	11,587	14,059
Other membership expenses	2,315	1,783
Total Membership	27,381	22,562
Research		
Research Grants	-	500
Total Research	-	500
Visitor Experience		
Signage	4,608	7,637
Other visitor experience expenses	1,196	1,413
Total Visitor Experience	5,804	9,050
Total Costs related to providing goods or services	178,595	204,776
Other expenses		
Capital Project Feasibility	35,896	33,592

Depreciation	37,850	45,292
Total Other expenses	73,746	78,884

2020 2019

4. Analysis of Assets

Bank accounts and cash

ASB Bank	149,486	36,421
ASB On Call Savings	57,875	64,961
Cash Float	495	495
Total Bank accounts and cash	207,856	101,877

Debtors and prepayments

Receivables	-	3,796
Total Debtors and prepayments	-	3,796

Inventory

Shop Inventory	48,481	45,229
Total Inventory	48,481	45,229

Investments

Term deposits	1,006,156	1,136,012
Total Investments	1,006,156	1,136,012

Fixed assets

Buildings

Cost	656,134	656,134
Accumulated depreciation	(315,118)	(295,833)
Total Buildings	341,016	360,301

Motor vehicles

Cost	175,725	142,086
Accumulated depreciation	(117,377)	(105,238)
Total Motor vehicles	58,348	36,848

Other assets

Cost	327,574	327,574
Accumulated depreciation	(315,637)	(309,210)
Total Other assets	11,937	18,364

Total Fixed assets	411,302	415,513
---------------------------	----------------	----------------

2020 2019

5. Analysis of Liabilities

Creditors and accrued expenses

Accounts payable	15,463	42,902
Accruals	5,000	19,343
Merchants	-	(1,779)

	2020	2019
GST	(3,869)	(3,919)
Visa Business	837	-
Income received in advance	11,723	-
Total Creditors and accrued expenses	29,154	56,547
Employee costs payable		
Employee Provisions	4,428	10,081
Total Employee costs payable	4,428	10,081
Unused donations and grants with conditions		
Grants Conditional	9,500	20,900
Total Unused donations and grants with conditions	9,500	20,900

	2020	2019
6. Accumulated Funds		
Accumulated Funds		
Opening Balance	1,614,898	1,533,942
Accumulated surpluses or (deficits)	15,815	20,956
Changes to reserves	-	60,000
Total Accumulated Funds	1,630,713	1,614,898
Total Accumulated Funds	1,630,713	1,614,898

	2020	2019
7. Breakdown of Reserves		
Reserves		
Capital Projects Reserve	780,000	780,000
Total Reserves	780,000	780,000

The Capital Projects Reserve represents funds set aside for Building Projects

8. Commitments

There are no commitments as at 30 June 2020 (Last year - nil).

9. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2020 Last year - nil).

	2020	2019
10. Related Parties		
Purchases		
Partner of a committee member - monitoring project	14,000	10,100
A committee member - supplier to shop	452	365
Total Purchases	14,452	10,465

11. Events subsequent to Balance Date and Going Concern

The Covid-19 pandemic has resulted in the New Zealand government announcing a number of measures to contain the spread of the virus, including periods of lockdown which affected NZ businesses ability to operate.

The governing body has revised their forecasts in terms of impact of the disruption of its activities and cashflows.

The lockdowns have caused a decrease in revenue from the operation which has resulted in a reduction of profitability in operations post balance date, however the organisation has reduced or deferred costs to manage the cashflows, where possible.

After considerations, the Board have considered the use of going concern assumption in preparation of the performance report. The governing body acknowledged the significant reliance of the organisation to the membership fees, subscriptions, grants and shop sales where these revenue streams were affected by the current pandemic.

However, given the financial position and liquid asset the organisation owns, at the date of authorising the performance report, the organisation believes that it will be able to meet its financial obligations for at least 12 months and that the going concern assumption adopted in the preparation of this performance report is appropriate.

12. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

13. Comparatives

Certain comparative figures have been changed to conform with current year's presentation.

Independent Auditor's Report

To the member of Supporters of Tiritiri Matangi Incorporated

Qualified Opinion

We have audited the performance report of Supporters of Tiritiri Matangi Incorporated (the Society) which comprises:

- The entity information;
- The statement of service performance;
- The statement of financial position as at 30 June 2020;
- The statement of financial performance for the year then ended;
- The statement of cash flows for the year then ended; and
- The statement of accounting policies and notes to the performance report.

In our opinion:

- a) The reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) Except for the possible effects of the matter described in the *Basis of qualified opinion* paragraph, the performance report on pages 3 and 4 and 6 to 16 presents fairly, in all material respects:
 - The entity information for the year ended 30 June 2020;
 - The statement of service performance for the year ended 30 June 2020; and
 - The financial position of the entity as at 30 June 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).

Basis for qualified opinion

Note 1 of the performance report includes revenue from shop sales of \$226,425 and donations of \$54,167 (2019: shop sales of \$307,287 and donations of \$54,836) over which limited controls exist prior to the cash received being recorded in the Supporters of Tiritiri Matangi Incorporated's accounting records. There were no practical procedures available to us to confirm the completeness of this revenue in either year, and accordingly, we were unable to obtain sufficient appropriate audit evidence in this regard. Consequently, we were unable to determine whether any adjustments to the revenue and surplus for the year were necessary in this regard.

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). 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 Society in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in respect of the above, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Responsibilities of the Committee for the performance report

The Committee is responsible on behalf of the society for:

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

Auditor's responsibilities for the audit of the performance report

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

As part of an audit in accordance with ISAs (NZ) 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 society'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 board members and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the society'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 society 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.

Who we report to

This report is made solely to the members, as a body. Our audit has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Supporters of Tiritiri Matangi Incorporated and its members, as a body, for our work, for this report, or for the opinions we have formed.

A handwritten signature of 'RSM' in blue ink.