

Hawke's Bay Foundation

Performance Report

For the year ended
31 December 2020

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Hawke's Bay Foundation Entity Information

For the year ended
31 December 2020

Legal Name of Entity:	Hawke's Bay Foundation
Type of Entity and Legal Basis (if any):	Registered Charity
Registration Number:	CC28009

Entity's Purpose or Mission:

From Trust Deed: "To carry out every charitable purpose in New Zealand whether relating to the relief of poverty, the advancement of education, the advancement of religion, or any other purpose beneficial to the community, and: a) in all its activities shall provide a public benefit; but b) none of its activities shall result in any private benefit or profit to any individual person". In practice, the Hawke's Bay Foundation encourages giving throughout the region to build assets and resources for the future generations of the Hawke's Bay community and provides a simple and long lasting way for individuals, families or corporations to leave legacies for local causes.

Entity Structure:

The Board of Trustees consists of not less than five and not more than nine Trustees. Four Trustees are appointed as follows: one Trustee is appointed jointly by the Mayors of the Napier City Council and Hastings District Council; one by the President of the Hawke's Bay branch of the NZ Law Society; one by the Chairman of the Hawke's Bay branch of the NZ Institute of Chartered Accountants; one by the Chairman of the Hawke's Bay Chamber of Commerce. At the Annual General Meeting, at least one third of the Trustees must retire from office but are eligible for re-election. The Trustees to retire will be those who have been longest in office since their last appointment. The Foundation is managed on a day to day basis by four part time contract staff and voluntary Trustees.

Main Sources of the Entity's Cash and Resources:

Donations, bequests and investment income form the main sources of income for the Foundation. Sponsorship in the form of cash, goods and services are also received towards operating costs.

Main Methods Used by the Entity to Raise Funds:

The main method of raising funds is through informing and encouraging the Hawke's Bay community to support the

Entity's Reliance on Volunteers and Donated Goods or Services:

All Trustees are volunteers. Various individuals and organisations support the Foundation through sponsored goods and services such as rent, financial accounting and audit. Where these can be quantified they are included in the notes to these

Additional Information:

The Foundation's commencing capital of \$1m was donated by ten Cornerstone contributors each contributing or pledging

Contact details	
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Postal Address:	P O Box 14034, Hastings 4159
Phone/Fax:	06 870 4648
Email/Website:	info@hawkesbayfoundation.org.nz/ www.hawkesbayfoundation.org.nz
	Hawke's Bay Foundation

Hawke's Bay Foundation Statement of Service Performance

For the year ended
31 December 2020

Description of the Entity's Outcomes:

Mission statement: The Foundation encourages giving throughout the Hawke's Bay region to build assets and resources for current and future generations of our community.

To this end we invite donations, bequests, and other funds to help provide funding to Hawke's Bay community organisations for charitable purposes.

Description and Quantification of the Entity's Outputs:	Actual This Year	Actual Last Year
New donor funds established	6	6
Total Endowment Funds	40	34
Endowment Fund Capital Donations Received during the period	810,042	408,248
Total Endowment Funds Under Management	4,047,216	3,014,219
Tindall Foundation Funds received	87,941	62,029
Number of Community Groups that receive funding*	68	62
Funds Distributed		
Tagged Distributions of Foundation Funds	13,558	12,836
Unrestricted Distributions from Foundation Funds	83,259	71,185
Distribution from Covid Emergency Response Fund	66,055	-
Distributions of Pass Through Funds	208,045	64,841
Distributions of Tindall Foundation Funds	63,000	59,920
Distribution of Tindall Covid Response Funds	25,000	-
Total Funds Distributed	458,917	208,782

* For further details of Distributions made and the purpose for distributions over \$5,000 see Note 10.

These financial statements must be read in conjunction with the accompanying notes and audit report.

Hawke's Bay Foundation Statement of Financial Performance

For the year ended
31 December 2020

	Note	Actual This Year \$	Actual Last Year \$
Revenue			
Donations, fundraising and other similar revenue	1	1,369,681	752,438
Revenue from providing services	1	250	250
Interest, dividends and other investment revenue	1	368,239	531,822
Total Revenue		1,738,170	1,284,510
Expenses			
Expenses related to public fundraising	2	60,421	47,633
Volunteer and contractor related costs	2	30,698	38,103
Costs relating to administration	2	18,757	23,720
Grants and donations made	2	458,918	256,231
Other expenses	2	154	183
Total Expenses		568,948	365,870
Surplus for the Year		1,169,222	918,640

These financial statements must be read in conjunction with the accompanying notes and audit report.

Hawke's Bay Foundation Statement of Financial Position

As at
31 December 2020

	Note	Actual This Year \$	Actual Last Year \$
Assets			
Current Assets			
Bank accounts and cash	3	1,345,232	708,736
Debtors and prepayments	3	8,689	14,086
Other current assets	3	161,338	449,734
Total Current Assets		1,515,259	1,172,556
Non-Current Assets			
Property, plant and equipment	4	461	615
Investments	3	3,256,009	2,466,859
Total Non-Current Assets		3,256,470	2,467,474
Total Assets		4,771,729	3,640,030
Liabilities			
Current Liabilities			
Creditors and accrued expenses	3	3,132	24,760
Pending donations and grants with conditions	3	-	59
Other current liabilities	3	239,711	255,248
Total Current Liabilities		242,843	280,067
Total Liabilities		242,843	280,067
Total Assets less Total Liabilities		4,528,886	3,359,663
Accumulated Funds			
Accumulated surpluses	5	158,897	150,389
Reserves	5	4,369,988	3,209,274
Total Accumulated Funds	5	4,528,885	3,359,663
For and on behalf of Hawke's Bay Foundation			

Trustee

Date

Trustee

Date

These financial statements must be read in conjunction with the accompanying notes and audit report.

Hawke's Bay Foundation Statement of Cash Flows

For the year ended
31 December 2020

	Actual This Year \$	Actual Last Year \$
Cash Flows from Operating Activities		
Cash was received from:		
Donations, fundraising and other similar receipts	1,343,673	765,263
Fund Management Fees	5,541	6,453
Interest, dividends and other investment receipts	92,709	109,282
Cash receipts from other operating activities	1,112	-
Cash was applied to:		
Administration Expenses	112,626	106,796
Donations or grants paid	458,258	256,232
Net Cash Flows from Operating Activities	872,151	517,970
Cash flows from Investing and Financing Activities		
Cash was received from:		
Receipts from the sale of share investments	37,250	41,018
Receipts of MTG Funds	1,924	8,255
Receipts from Term Investments	546,761	887,065
Cash was applied to:		
Payments from Funds Under Management	20,250	-
Payments to purchase share investments	706,801	396,886
Transfer to Cash Management/ Term investment - MTG	94,539	161,071
Transfers to term investment	-	300,000
Net Cash Flows from Investing and Financing Activities	(235,655)	78,381
Net Increase / (Decrease) in Cash	636,496	596,351
Opening Cash	708,736	112,385
Closing Cash	1,345,232	708,736
This is represented by:		
Bank Accounts and Cash	1,345,232	708,736

These financial statements must be read in conjunction with the accompanying notes and audit report.

Hawke's Bay Foundation Statement of Accounting Policies

For the year ended
31 December 2020

Basis of Preparation

Hawke's Bay Foundation 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 of 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. All amounts are presented in New Zealand Dollars (NZD) and are rounded to the nearest dollar.

Goods and Services Tax (GST)

Hawke's Bay Foundation is not registered for GST. Therefore amounts recorded in the Performance Report are inclusive of GST (if any).

Income Tax

Hawke's Bay Foundation 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.

Revenue

Revenue is recognised on an accruals basis.

Property, Plant & Equipment

Property, plant and equipment are recognised at cost less aggregate depreciation. Depreciation has been calculated using the maximum permitted for taxation purposes. The following rates are used: Office Equipment 39.6% - 60%.

Investments

Share Investments

The fair value of the share investments has been determined by reference to their quotes prices at the reporting date. All share investments are publicly traded on stock exchanges in New Zealand and Australia. Gains and losses are recorded within Investment revaluation.

Term Investments

Term Investments are measured at amortised cost using the effective interest method.

Hawke's Bay Foundation Statement of Accounting Policies

For the year ended
31 December 2020

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument in another entity.

Financial instruments are comprised of cash and cash equivalents, term investments, share investments, accounts payables, unused donations and grants with conditions, and other current liabilities.

Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition, except for those carried at fair value through surplus or deficit, which are measured at fair value.

Financial assets and financial liabilities are recognised when the reporting entity becomes a party to the contractual provisions of the financial instrument.

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the entity transfers the financial asset to another party without retaining control or substantial all risks and rewards of the asset.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition into one of four categories defined below, and re-evaluates this designation at each reporting date.

All financial assets except for those classified as fair value through profit or loss are subject to review for impairment at least at each reporting date. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

The classification of financial instruments into one of the four categories below, determines the basis for subsequent measurement and whether any resulting movements in value are recognised in the reported surplus and deficit or other comprehensive revenue and expense.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The entity's cash and cash equivalents fall into this category of financial instruments. After initial recognition such financial assets are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(ii) Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition. The entity's held for trading financial assets include share investments.

Assets in this category are measured at fair value with gains or losses recognised in the surplus or deficit for the year. The fair values of financial instruments in this category are provided by the Investment Manager and are determined by reference to active market transactions or using a valuation technique where no active market exists.

Hawke's Bay Foundation Statement of Accounting Policies

For the year ended
31 December 2020

iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as held-to-maturity if the entity has the intention and ability to hold them until maturity. The entity's term investments are classified as held-to-maturity investments.

Held-to-maturity investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in surplus or deficit.

iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The entity does not have any available-for-sale financial assets.

Equity instruments are measured at cost less any impairment charges, where the fair value cannot currently be estimated reliably.

All other available-for-sale financial assets are measured at fair value. Gains and losses are recognised in other comprehensive revenue and expenses and reported within the "available-for-sale revaluation reserve" within equity, except for impairment losses which are recognised in the surplus or deficit for the year.

When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive revenue and expenses is reclassified from the equity reserve to the surplus or deficit and presented as a reclassification adjustment within other comprehensive revenue and expenses.

Interest income or dividends on available-for-sale financial assets are recognised in the surplus or deficit.

Available-for-sale financial instruments are reviewed at each reporting date for objective evidence that the investment is impaired. Objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost.

Subsequent measurement of financial liabilities

Trade payables and other borrowings are subsequently measured at amortised cost using the effective interest method.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year. Comparative amounts have been reclassified where necessary to be consistent within the current period.

Tier 2 PBE Accounting Standards Applied

The Trustees have adopted the following Tier 2 PBE Accounting Standards in the preparation of these accounts:

- PBE IPSAS 28 Financial Instruments: Presentation
- PBE IPSAS 29 Financial Instruments: Recognition and Measurement
- PBE IPSAS 30 Financial Instruments: Disclosure

The impact of the adoption is to revalue investments to market value at balance date, refer to the policy on financial instruments

Hawke's Bay Foundation
Notes to the Performance Report
 For the year ended
 31 December 2020

Note 1 : Analysis of Revenue

Revenue Item	Analysis	This Year \$	Last Year \$
Donations and other similar revenue	Donations - Community Impact Fund	30,110	19,291
	Donations - Administration Costs	48,335	30,493
	Donations - Named Fund	810,042	408,248
	Donations - Pass Through	358,194	201,406
	Corporate Partnership Sponsorship	35,000	30,000
	Distributed funds returned to HB Foundation	-	-
	Tindall Donation Funds Released	88,000	63,000
	Total	1,369,681	752,438
Revenue from providing services	Fund Management Fees - MTG	250	250
	Total	250	250
Interest, dividends and other investment revenue	Interest	17,995	28,455
	Dividends	68,195	73,677
	Investment Revaluation	280,937	429,690
	Other Investment Income	1,112	-
	Total	368,239	531,822

Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2020

Note 2 : Analysis of Expenses

Expense Item	Analysis	This Year \$	Last Year \$
Expenses Relating to Public Fundraising	Contractor Expenses - Development/ Communications	52,317	38,166
	Marketing and Promotion	8,104	9,467
	Total	60,421	47,633
Volunteer and Contractor related costs	Contractor Expenses - Administration/ Finance	30,698	38,103
	Total	30,698	38,103
Costs related to administration	Bank Charges	488	122
	Communication Expenses	288	324
	Computer, Website & Software Expenses	10,837	5,630
	Consultant Expenses	-	3,590
	General Expenses	258	1,097
	Insurance	1,419	1,341
	Printing, Stationery & Postage	547	1,070
	Rent	1,566	8,360
	Subscriptions	1,614	1,518
	Travel, workshop, seminar exps	1,740	668
	Total	18,757	23,720
Grants and donations made	Distributions - Foundation Funds	96,818	88,431
	Distributions - Pass Through Funds	274,100	104,800
	Distributions - Tindall Funds	88,000	63,000
	Total	458,918	256,231
Other Expenses	Depreciation	154	183
	Total	154	183

Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2020

Note 3 : Analysis of Assets and Liabilities

Asset Item	Analysis	This Year	Last Year
		\$	\$
Bank accounts and cash	BNZ Cheque Account	341,605	86,123
	Jarden Cash Management Account	824,960	523,783
	BNZ Cash PIE Account	-	4,092
	Jarden Cash Management Account - MTG	178,373	94,477
	Petty Cash Account	294	261
	BNZ Term Investments with term 90 days & under	-	
	Total		1,345,232
Debtors and prepayments	Accrued Interest receivable	7,959	14,086
	Dividends receivable	730	
	Total	8,689	14,086
Other current assets	Term Investments	161,338	449,734
	Total	161,338	449,734
Investments	Share Investments	3,256,009	2,305,521
	Term Investments mat > 12m after bal date	-	161,338
	Total	3,256,009	2,466,859

Hawke's Bay Foundation
Notes to the Performance Report
 For the year ended
 31 December 2020

Note 3 : Analysis of Assets and Liabilities

Liability Item	Analysis	This Year	Last Year
		\$	\$
Creditors and accrued expenses	Accounts Payable	809	3,559
	Accrued interest payable	2,323	1,201
	Revenue in Advance	-	20,000
	Total	3,132	24,760
		\$	\$
Unused donations and	Tindall Funds balance	-	59
	Total	-	59
		\$	\$
Other current liabilities	MTG Funds Balance	239,711	255,548
	Total	239,711	255,548

Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2020

Note 4 : Property, Plant and Equipment

This Year					
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Computers (including software)	615			154	461
Total	615	-	-	154	461

Last Year					
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Depreciation and Impairment	Closing Carrying Amount
Computers (including software)	-	798		183	615
Total	-	798	-	183	615

Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2020

Note 5: Accumulated Funds

This Year				
Description	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	-	150,389	3,209,274	3,359,663
Surplus	-	1,169,222	-	1,169,222
Transfer to Reserves	-	(1,160,714)	1,160,714	-
Closing Balance	-	158,897	4,369,988	4,528,885

Last Year				
Description	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	-	175,045	2,265,978	2,441,023
Surplus	-	918,640	-	918,640
Transfer to Reserves	-	(943,296)	943,296	-
Closing Balance	-	150,389	3,209,274	3,359,663

Breakdown of Reserves

Name	Nature and Purpose	This Year \$	Last Year \$
Endowment Funds Capital Protection Reserve	This reserve comprises two elements: 1. An amount to preserve the real value of endowment fund capital against annual inflation. 2. A reserve to smooth the effects of market volatility reflected in unrealised gains from investment holdings.	886,494	693,650
Distribution Reserve	Distributable Income - the amount of annual income allocated for distribution.	140,310	96,685
Pass Through Distribution Reserve	Funds donated with the intention that the funds be fully paid out to charitable purposes.	182,465	98,370
Endowment Funds Capital	Donated funds held in perpetuity.	3,160,722	2,320,569
Administration Funds	Funds held for the running of the Foundation and not held for charitable distribution purposes.	158,897	150,389
Total		4,528,888	3,359,663

Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2020

Note 6 : Commitments and Contingencies

Commitments
Nil

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (Last Year - nil)



Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2020

Notes 7-9

Note 7 - Goods or Services Provided to the Entity in Kind:

Amounts included where known.

Description	This Year	Last Year
Crowe Horwath - Audit services	5,000	5,000
Band Ltd - Design		✓
Bay Buzz -advertising	✓	✓
Brebner Print - printing	✓	✓
Jarden	✓	✓
Giselle Reid / Quarto (1-off design of flyer for HBPCT)		✓
Lift The Load - Rachel McKay	✓	✓
Lucy Dobbs - Marketing, PR, Comms	✓	✓
MCA Associates - Investment oversight	✓	✓
NZ Digital - Website	✓	✓
PR Ink - Sarah Nash PR - part		✓
Sharesight	✓	✓
Willis Legal	✓	

Note 8 - Related Party Disclosures:

Wineworks Hawke's Bay and Hawke's Bay Foundation are related through Trustee Jules Nowell-Usticke - a shareholder of Wineworks Hawke's Bay.	Wineworks Hawke's Bay have created an Endowment Fund within Hawke's Bay Foundation.
Sam Howard is an investment advisor with Jarden. He is also a Trustee of Hawke's Bay Foundation.	Jarden provide investment services to Hawke's Bay Foundation at no cost.
Kevin Callinicos is a partner of Willis Legal. He is also a Trustee of Hawke's Bay Foundation.	Kevin provides legal services to Hawke's Bay Foundation at no cost.
Sarah Mulcahy was an Area Manager for Plunket NZ and is a Trustee of Hawke's Bay Foundation.	Plunket HB received a Tindall Foundation grant administered by Hawke's Bay Foundation in 2018. Sarah was not involved in the decision to award the grant.
Craig Hay is a Trustee of MTG Foundation. He is also a Trustee of Hawke's Bay Foundation	Hawke's Bay Foundation manages funds on behalf of MTG Foundation.
In their personal capacity, Trustees may provide donations to Hawke's Bay Foundation	

Note 9 - Events After the Balance Date:

This Year: There have been no events that have occurred after balance date that would have a material impact on the Performance Report.

Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2020

Note 10 - Distribution Recipients

The following distributions were made during the year ended 31 December 2020:

Recipient	Purpose for donations over \$5,000	HBF	Tindall	Pass Through		Total
				Emergency Response Fund	Other	
Age Concern HB		4,000		3,000		7,000
Age Concern Napier		2,000		3,000		5,000
Age Concern Wairoa	Operating costs	5,000		3,000		8,000
Anzac Sculpture Rissington					5,000	5,000
Art Deco Trust					4,800	4,800
Arts Inc Heretaunga		2,260				2,260
Barnardos NZ	Supervised children's contact service		9,000	3,000		12,000
Big Brothers Big Sisters HB	Volunteer training		5,000			5,000
Birthingright HB	Clinical supervision		8,000	3,000		11,000
Breathe HB		1,000				1,000
Budget First Inc	Program costs		6,000	2,000		8,000
CAB Napier			4,000	3,000		7,000
Cancer Society NZ HB Centre		2,000		2,000		4,000
Central Connect Whare Manaaki	Donor directed	3,588	4,000	4,000		11,588
CHB Parents Centre		2,000				2,000
Child Cancer Foundation Inc		1,000				1,000
Christian Lovelink		1,654				1,654
Connecting for Youth Employment			3,000			3,000
Cranford Hospice		4,000		2,000		6,000
Crombie Scholarships					6,000	6,000
Cystic Fibrosis Association of NZ		1,000				1,000
English Language Partners			3,000			3,000
Epic Ministries		1,000		2,000		3,000
Family VIP Services	Costs of Residential Kaiwhakahaere Coordinator		10,000	4,000		14,000
Family Works HB		5,000		3,000		8,000
Got Drive Community Trust		2,000				2,000
Hastings Art and Culture Trust		1,000				1,000
Hastings RDA		3,000		2,000		5,000
Hawke's Bay Knowledge Bank		1,000				1,000
Hayseed Trust Inc		4,000				4,000
HBF Emergency Response Fund Admin Fee				660		660
HB Youth Trust		4,000				4,000
Hearing Assoc Napier branch		1,000				1,000
Heart Kids HB		1,000				1,000
Heretaunga Womens Centre	Service coordinator wages		7,000	4,000		11,000
Heretaunga Womens Centre					41,000	41,000
Hinemihi Marae		4,000				4,000
Inspire in Education		1,000				1,000
Kaiuku Marae	Replace damaged bedding		6,000			6,000
KidsCan Charitable Trust		1,000				1,000
Lindisfarne College					500	500
Mangaone Catchment Group					15,000	15,000
MenzShed Napier		1,000				1,000
Musclar Dystrophy Central region		1,000				1,000
Napier Community Foodbank		3,000		3,000		6,000
Napier Family Centre	ECE payments, child & youth counselling		9,000	4,000		13,000
Napier RDA		3,000		2,000		5,000
Nourished for Nil		3,000		3,000		6,000
NZ Indoor Rowing					5,750	5,750
NZ RSA					3,000	3,000
Parenting Place	HB based Kaihoutu salary		6,000			6,000
Paul Hunter Centre		2,000				2,000
Pregnancy Help CHB		1,000				1,000

Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2020

Note 10 - Distribution Recipients

Prima Volta Charitable Trust		1,104		3,395	100,000	104,499
Raukatauri Music Therapy	Local therapist salary	5,000				5,000
Re-Source		3,000		1,000	1,000	5,000
Rissington Hutchinson Scholarship					5,000	5,000
Sherwood School	Donor directed	1,196				1,196
SPELD NZ Ltd		2,000				2,000
Takapau Community Health Charitable Trust		1,000		1,000		2,000
Taradale School	Donor directed	5,015				5,015
Te Mata Park Trust		1,000				1,000
The Arts and Crafts Corner Otane Inc		1,000				1,000
Thermals for Needy Children		1,000				1,000
Xtreme Fitness					20,995	20,995
Waimarama SLSC		1,000				1,000
Wharariki Trust	Heating devices		8,000	3,000		11,000
Youth Development Trust HB		2,000		2,000		4,000
		96,818	88,000	66,055	208,045	458,918

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Hawke's Bay Foundation

Opinion

We have audited the performance report of Hawke's Bay Foundation (the Trust) on pages 2 to 19, 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.

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; and
- b) the performance report on pages 2 to 19 presents fairly, in all material respects:
 - the entity information for the year ended 31 December 2020;
 - the service performance for the year ended 31 December 2020; and
 - the financial position of the 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).

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) (ISAs (NZ)), and of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000. Our responsibilities under these 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 Trust 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 interests in, the Trust.

Responsibilities of the Trustees for the Performance Report

The Trustees are responsible on behalf of the entity 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 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 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 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.

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 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, 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, including performing procedures to obtain evidence about and evaluating whether the reported outcomes and outputs and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable. 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 Trust'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 Trust'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 Trust 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 represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Restriction on Use

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



Crowe New Zealand Audit Partnership
CHARTERED ACCOUNTANTS

Dated at Hastings this 23rd day of April 2021