

# Financial Statements

The Christchurch Foundation  
For the year ended 30 June 2021

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# Directory

## The Christchurch Foundation For the year ended 30 June 2021

### **Nature of Business**

Funding charitable activities

### **Location of Business**

Level 3, BNZ Centre  
101 Cashel Street  
Christchurch 8011

### **IRD Number**

124-261-864

### **Accountants**

KPMG - Enterprise  
Level 5  
79 Cashel Street  
Christchurch 8011

### **Auditors**

PWC  
Level 4  
60 Cashel Street  
Christchurch 8011

### **Bankers**

TSB  
ANZ

### **Deed Established**

21 July 2017

### **Registration Date**

8 September 2017

### **Registration Number**

CC54845

### **Trustees**

Andrew Turner  
Graham Dockrill (Appointed 24/02/21)  
Humphrey Rolleston  
Lianne Dalziel  
Paul Bingham  
Paul Deavoll

# Approval of financial statements

## The Christchurch Foundation For the year ended 30 June 2021

The Trustees are pleased to present the financial statements of The Christchurch Foundation for the year ended 30 June



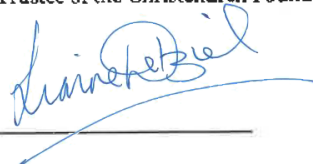
Andrew Turner  
Trustee of the Christchurch Foundation



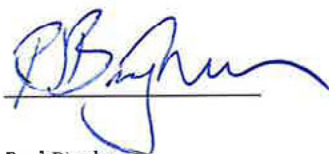
Graham Dockrill  
Trustee of the Christchurch Foundation



Humphry Rolleston  
Trustee of the Christchurch Foundation



Lianne Dalziel  
Trustee of the Christchurch Foundation



Paul Bingham  
Trustee of the Christchurch Foundation



Paul Deavoll  
Trustee of the Christchurch Foundation

Dated: 14 December 2021

# Statement of Comprehensive Revenue and Expense

## The Christchurch Foundation For the year ended 30 June 2021

In New Zealand Dollars

	NOTES	2021	2020
<b>Comprehensive Revenue and Expenses</b>			
<b>Revenue</b>			
Revenue from exchange transactions	5	36,074	171,670
Revenue from non-exchange transactions	5	3,350,934	5,532,309
<b>Total Revenue</b>		<b>3,387,008</b>	<b>5,703,979</b>
<b>Expenditure</b>			
Administration expenses	6	539,835	648,362
Operating expenses	7	79,899	105,699
Direct costs	8	2,937,373	10,409,203
<b>Total Expenditure</b>		<b>3,557,107</b>	<b>11,163,264</b>
Surplus/(Deficit) for the period		(170,099)	(5,459,285)

### Reconciliation of results from operating activities to the surplus / (deficit) for the period

	NOTES	2021	2020
<b>Reconciliation</b>			
Surplus / (Deficit) for the Period		(170,099)	(5,459,285)
<b>Non-Operating Items</b>			
Non-Operating Revenue		(2,631,864)	(4,892,697)
Non-Operating Direct Costs		36,670	100,162
Non-Operating Distributions of Funds Received in Current and Previous Years		2,818,517	10,288,557
<b>Total Non-Operating Items</b>		<b>223,323</b>	<b>5,496,021</b>
Surplus / (Deficit) for Operations		53,224	36,736

# Statement of Comprehensive Revenue and Expense

## The Christchurch Foundation For the year ended 30 June 2021

### Results of Operating Activities

	NOTES	2021	2020
<b>Operating Activities</b>			
<b>Operating Revenue</b>			
Revenue from Exchange Transactions	4	20,318	19,041
Revenue from Non-Exchange Transactions	4	728,979	792,240
<b>Total Operating Revenue</b>		<b>749,297</b>	<b>811,281</b>
<b>Operating Expenditure</b>			
Administration Expenses	6	539,723	648,362
Operating Expenses	7	74,164	105,699
Direct Costs		74,290	10,223
Distributions		7,896	10,261
<b>Total Operating Expenditure</b>		<b>696,073</b>	<b>774,545</b>
Surplus / (Deficit) for Operations		53,224	36,736

# Statement of Financial Position

## The Christchurch Foundation As at 30 June 2021

In New Zealand Dollars

	NOTES	30 JUN 2021	30 JUN 2020
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	9	2,293,976	2,678,131
Accrued Revenue		30	11
Accounts Receivable	10	132,250	2,588
Customs Duty		-	4,033
Prepayments		16,683	5,357
GST Receivable		-	10,435
<b>Total Current Assets</b>		<b>2,442,939</b>	<b>2,700,555</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment		928	1,962
Intangibles	18	10,994	21,989
<b>Total Non-Current Assets</b>		<b>11,922</b>	<b>23,951</b>
<b>Total Assets</b>		<b>2,454,861</b>	<b>2,724,506</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable		22,216	45,233
Accrued Expenditure	11	40,699	102,992
Deferred Revenue		89,787	103,501
Provision for donation	20	21,172	30,750
PAYE Payable		12,416	9,863
GST Payable		6,503	-
<b>Total Current Liabilities</b>		<b>192,793</b>	<b>292,339</b>
<b>Total Liabilities</b>		<b>192,793</b>	<b>292,339</b>
<b>Net Assets</b>		<b>2,262,068</b>	<b>2,432,167</b>
<b>Equity</b>			
Accumulated surplus or (deficits)		2,262,068	2,432,167
<b>Total Equity</b>		<b>2,262,068</b>	<b>2,432,167</b>

# Statement of Changes in Equity

## The Christchurch Foundation For the year ended 30 June 2021

In New Zealand Dollars

	NOTE ADMINISTRATION FUNDS	ENDOWMENT FUNDS	PASS THROUGH FUNDS	TOTAL EQUITY
<b>2021</b>				
Balance at 1 July 2020	234,538	23,038	2,174,591	2,432,167
Comprehensive Revenue and Expense for the year	55,316	5,244	(230,659)	(170,099)
Balance at 30 June 2021	19 289,854	28,282	1,943,932	2,262,068
<b>2020</b>				
Balance at 1 July 2019	246,272	18,874	7,626,306	7,891,452
Comprehensive Revenue and Expense for the year	(11,734)	4,164	(5,451,715)	(5,459,285)
Balance at 30 June 2020	19 234,538	23,038	2,174,591	2,432,167



# Statement of Cash Flows

## The Christchurch Foundation For the year ended 30 June 2021

In New Zealand Dollars

	NOTES	2021	2020
<b>Cashflow</b>			
<b>Cash Flows from Operating Activities</b>			
Cash Receipts		3,226,488	4,290,161
Cash Paid for Distributions		(2,826,413)	(10,298,818)
Cash Paid to Suppliers and Employees		(801,708)	(783,562)
<b>Total Cash Flows from Operating Activities</b>	17	<b>(401,633)</b>	<b>(6,792,219)</b>
<b>Cash Flows from Investing Activities</b>			
Investment Income		17,478	77,822
Purchasing Property, Plant, Equipment & Intangibles		-	-
<b>Total Cash Flows from Investing Activities</b>		<b>17,478</b>	<b>77,822</b>
Net (decrease)/increase in cash and cash equivalents		(384,155)	(6,714,397)
Cash and cash equivalents at the beginning of the period		2,678,131	9,392,528
Cash and cash equivalents at the end of the period	9	2,293,976	2,678,131

# Notes to the Financial Statements

## The Christchurch Foundation For the year ended 30 June 2021

### 1. Reporting Entity

The Christchurch Foundation (the “Foundation”) is a public benefit (not-for profit) entity, domiciled in New Zealand and registered under the Charities Act 2005. The financial statements have been prepared in accordance with the requirements of that Act.

The Foundation's main operation is to raise and receive money to be applied exclusively for charitable purposes that benefit the Christchurch community.

### 2. Basis of Preparation

#### (a) Statement of Compliance

The financial statements have been prepared in accordance with and comply with New Zealand Generally Accepted Accounting practice (“NZ GAAP”). They comply with Tier 2 PBE Accounting Standards – Reduced Disclosure Regime (Not-For-Profit). The Foundation qualifies to report under Tier 2 as it has no public accountability and for the two most recent reporting periods has had less than \$30 million operating expenditure.

The financial statements were authorised for issue by the Trustees on \_\_\_\_\_ December 2021.

#### (b) Basis of Measurement

The financial statements are prepared on the historical cost basis.

The financial statements are prepared on an accrual basis.

#### (c) Functional and Presentation Currency

The financial statements are presented in New Zealand dollars, which is the functional and reporting currency of the Foundation and all values are rounded to the nearest dollar except where indicated otherwise.

### 3. Significant Accounting Policies

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2021.

#### (a) Revenue from Exchange Transactions

##### *Interest Income*

Interest income is earned for the use of cash and cash equivalents or any amounts due to the Foundation.

Interest income is recognised in the statement of comprehensive revenue and expense as it is earned. Interest income is accrued using the effective interest rate method. The effective interest rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this rate to the principal outstanding to determine interest revenue each period.

##### *Corporate events/Workshop*

Revenue from services is recognised in the accounting period in which services are rendered, by reference to completion of the specific transaction.

# Notes to the Financial Statements

## The Christchurch Foundation For the year ended 30 June 2021

### (b) Revenue from Non-Exchange Transactions

Non-exchange transactions are those where the Foundation receives value from another entity (e.g. cash or other assets) without giving approximately equal value in exchange.

Inflows of resources from non-exchange transactions, other than services in-kind, that meet the definition of an asset are recognised as an asset only when:

- It is probable that the Foundation will receive an inflow of economic benefits or service potential; and
- the fair value of the inflow can be measured reliably.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation; and
- The amount of the obligation can be estimated reliably.

### *Gifts, donations and bequests*

Gifts, donations and bequests are voluntary transfers of assets including cash or other monetary assets and goods in-kind that the Foundation receives which are free from stipulations.

Gifts, donations and bequests are recognised as revenue when it is probable that the future economic benefits or service potential will flow to the entity, and the fair value of the assets can be measured reliably. For gifts and donations this is usually upon receipt of the gift or donation. However for bequests, a period of time may elapse between the death of the testator and the entity receiving any assets – in which case the entity makes an assessment of whether the deceased person's estate is sufficient to meet all claims on it and satisfy all bequests. If the will is disputed, this is taken into account in determining the probability of assets flowing to the entity. Gifts, donations, and bequests are recognised as revenue at their fair value at the date of receipt of cash. Revenue from donations, grants and fundraising with "use or return" conditions are recognised as a liability on receipt. The donation, grant and fundraising is recognised as revenue on satisfaction of the condition

### *Sponsorship*

Sponsorship income is recognised in the period the sponsorship is stipulated for.

### (c) Property, Plant & Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is charged on a diminishing value basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

- Computer Equipment: 50% - 67%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

### (d) Taxes

The Foundation is a registered charitable organisation and is therefore exempt from income tax.

### (e) Intangibles

All intangible assets are stated at cost less accumulated amortisation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

# Notes to the Financial Statements

## The Christchurch Foundation For the year ended 30 June 2021

### (f) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of comprehensive revenue or expense on a straight line basis over the lease term.

### (g) Goods and Services Tax

The Foundation became GST registered on 1 October 2018. The Statement of Comprehensive Revenue and Expenditure has been prepared and stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of receivables and payables which include GST invoiced.

### (h) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

### (i) Accounts Receivable

Receivables are stated at estimate realisable value after providing against debts where collection is doubtful. Bad debts are written off during the period in which they are identified.

### (j) Short and Long-Term Employee Benefits

The cost of all short-term employee benefits, such as leave pay, is recognised during the period in which the employee renders the related service.

## 4. Operating Activities

Operating activities include all revenue and expenditure directly attributable to the day to day management and operation of the Christchurch Foundation including the administration of the charitable funds.

For the purposes of the non-GAAP reconciliation of results from operating activities to the surplus/ (deficit) for the period, non-operating activities include all other revenue and expenditure including pass through, endowments and events/projects run through the administration fund that are not directly attributable to the day to day management and operation of the Christchurch Foundation.

	2021	2020
<b>5. Revenue from Exchange Transactions</b>		
Alexandra Shackleton Event	11,377	-
Interest Income	17,527	77,833
Te Ahu Patiki Fees for Service	1,953	-
Thinker In Residence	-	20,000
Vital Signs Research Project	-	70,237
Women's Fund High Tea	5,217	3,600
<b>Total Revenue from Exchange Transactions</b>	<b>36,074</b>	<b>171,670</b>

# Notes to the Financial Statements

## The Christchurch Foundation For the year ended 30 June 2021

	2021	2020
<b>Revenue from Non-Exchange Transactions</b>		
Donations - Cash	2,282,780	4,368,697
Alexandra Shackleton Donations	795	-
Women's Fund Donations	925	-
Grants	549,760	790,240
Sponsorship	514,674	365,000
Endowments	2,000	8,372
<b>Total Revenue from Non-Exchange Transactions</b>	<b>3,350,934</b>	<b>5,532,309</b>

### Services In-Kind

Perception PR & Marketing Limited's partnership agreement with The Christchurch Foundation finished at the end of FY2020 and as such no pro bono marketing services were provided in the current year. (2020: Pro bono of \$24,538)

KPMG provided \$131,248 of accounting services for \$51,936 in the current year. (2020: Pro bono of \$61,000)

Brannigans Consulting Limited provided \$40,100 in pro bono recruitment services in the current year. (2020: \$nil)

PwC provided \$15,600 of statutory audit services for \$14,500 in the current year. (2020: \$15,000 audit services provided for \$7,500)

Services in-kind are not included in revenues as there is no enduring asset created from the receipt as the benefit is consumed immediately on receipt.

	2021	2020
<b>6. Administration Expenses</b>		
Accounting / Finance	41,258	50,556
Audit Fees	14,500	7,500
Amortisation	10,995	21,989
Depreciation	1,034	2,284
Insurance	3,588	3,323
Interest Expense	30	108
Legal Expenses	9,290	37,544
Other Administration Expenses	50,887	81,267
Salaries	394,891	430,546
Subscriptions	13,362	13,245
<b>Total Administration Expenses</b>	<b>539,835</b>	<b>648,362</b>

	2021	2020
<b>7. Operating Expenses</b>		
Advertising	4,850	19,957
Marketing	31,962	22,720
Other Operating Expenses	15,306	21,826
Rent	21,640	24,626
Travel	6,141	16,570
<b>Total Operating Expenses</b>	<b>79,899</b>	<b>105,699</b>

# Notes to the Financial Statements

## The Christchurch Foundation For the year ended 30 June 2021

	2021	2020
<b>8. Direct Costs</b>		
Diaspora Programme	-	10,223
Distributions	2,826,413	10,288,557
Events	53,112	-
Stronger Greener Christchurch Expenses	25,002	-
Thinker In Residence Expenses	-	19,832
UK Establishment Costs - Note 15	16,340	10,261
US Establishment Costs - Note 15	577	-
Vital Signs Research Project Expenses	15,929	80,330
<b>Total Direct Costs</b>	<b>2,937,373</b>	<b>10,409,203</b>

	2021	2020
<b>9. Cash and Cash Equivalents</b>		
ANZ - 00 Account (Opex)	11,832	15,609
ANZ - 01 Account (OPOC Fund)	100,456	345,226
ANZ - 02 Account (Education Fund)	1,659,489	1,627,246
ANZ - 00 Account (General Fund)	313,645	-
Blackbaud Merchant Services	148	-
Credit Card - Staff	173	-
Petty Cash	25	10
TSB - 00 Account (Opex)	208,208	302,606
TSB - 80 Account	-	387,434
<b>Total Cash and Cash Equivalents</b>	<b>2,293,976</b>	<b>2,678,131</b>

	2021	2020
<b>10. Accounts Receivable</b>		
Brannigans Consulting Limited	-	1,438
ChristchurchNZ Limited	-	1,150
Meridian Energy Limited	115,000	-
Mondelez International	5,750	-
Westpac	11,500	-
<b>Total Accounts Receivable</b>	<b>132,250</b>	<b>2,588</b>

# Notes to the Financial Statements

## The Christchurch Foundation For the year ended 30 June 2021

	2021	2020
<b>11. Accrued Expenditure</b>		
Accounting Fee	-	5,500
Accrued Salary	8,862	6,672
Admin - Our People, Our City	-	6,000
Admin - Stronger Greener Christchurch	4,167	-
Audit Fee	14,500	7,500
Bonuses - Note 15	-	32,584
Holiday Pay	6,111	18,937
Vital Signs Research Project Expenses	6,850	-
Project Costs	-	25,421
Telephone & Internet	209	378
<b>Total Accrued Expenditure</b>	<b>40,699</b>	<b>102,992</b>

### 12. Contingent Liabilities

There are no contingent liabilities at year end (2020 : \$Nil)

### 13. Operating Expense Commitments

There are no operating expense commitments as at 30 June 2021 (2020: \$20,315 commitments for Vital Signs Project).

### 14. Operating Lease Commitments

The Foundation leases part of Level 3, 101 Cashel Street, Christchurch from Christchurch NZ. The lease was signed on 17 January 2018 with no end date. The lease is currently \$2,000 per month and can be terminated with one month's notice. (2020: \$2,000 per month)

### 15. Related Parties

#### Key Management Personnel

The senior management group consists of the CEO. The total remuneration of the senior management group and the number of managers, on a full-time equivalent basis, receiving remuneration in this category are:

	2021	2020
<b>Remuneration Summary</b>		
Total Remuneration	211,484	221,192
Number of Persons	1	1

In the 2021 financial year, the CEO and the Trustees agreed to remove the bonus component from the CEO's remuneration package, effective 1 July 2020.

# Notes to the Financial Statements

## The Christchurch Foundation For the year ended 30 June 2021

### Related Party Transactions

During the year the Foundation received the following income and incurred the following expenses from Brannigans Consulting Limited. Amy Carter's (CEO) spouse is a partner at Brannigans Consulting Limited.

	2021	2020
<b>Income and Expenditure</b>		
<b>Income</b>		
Donation	4,674	4,461
Sponsorship	8,000	16,250
Stationery	-	248
Corporate Events	-	200
<b>Total Income</b>	<b>12,674</b>	<b>21,159</b>
<b>Expenses</b>		
Administration Expenses - Sports Inclusivity	(1,395)	-
Recruitment Fees	(820)	-
<b>Total Expenses</b>	<b>(2,215)</b>	<b>-</b>
<b>Net Income (Expenditure)</b>	<b>10,459</b>	<b>21,159</b>

During the year the Foundation incurred the following expenses from Simpson Grierson. Hugh Lindo (Trustee until 10/02/21) is a partner of Simpson Grierson.

	2021	2020
<b>Expenses</b>		
Legal Expenses	9,290	33,885

During the year the Foundation incurred the following expenses in relation to the establishment of separate Christchurch Foundation entities in the UK and US. The purpose of these entities is to collect donations from New Zealand expatriates which will be transferred to the Christchurch Foundation (NZ) to be used in line with the Christchurch Foundation's purpose.

	2021	2020
<b>Expenses</b>		
UK Establishment Costs	16,340	10,261
US Establishment Costs	577	-
<b>Total Expenses</b>	<b>16,917</b>	<b>10,261</b>



# Notes to the Financial Statements

## The Christchurch Foundation For the year ended 30 June 2021

The Mayor of the Christchurch City Council ("CCC"), Lianne Dalziel, and her deputy, Andrew Turner, make up two of the seven Trustees at The Foundation and therefore CCC and The Foundation are considered to be related parties. This relationship also existed in 2020 but the disclosures were only made on grants received from the CCC. This disclosure is being corrected to include the expenses incurred with the CCC for 2021 and the comparative period as follows:

	2021	2020
<b>Income and Expenditure</b>		
<b>Income</b>		
Donations	75,438	-
Grants	540,000	600,000
<b>Total Income</b>	<b>615,438</b>	<b>600,000</b>
<b>Distributions</b>		
Distributions	353,500	700,000
<b>Total Distributions</b>	<b>353,500</b>	<b>700,000</b>
<b>Net Income (Expenditure)</b>	<b>261,938</b>	<b>(100,000)</b>

During the year, the Foundation received the following income on behalf of the Rod Donald Banks Peninsula Trust (RDBPT) under a fee for service agreement in relation to the Te Ahu Patiki project. The Donations, less the fee for service and transaction fees were distributed to RDBPT. Andrew Turner is a Trustee of The Christchurch Foundation and the RDBPT.

	2021	2020
<b>Income and Expenditure</b>		
<b>Income</b>		
Donations	383,461	-
Fees For Service	1,952	-
<b>Total Income</b>	<b>385,413</b>	<b>-</b>
<b>Expenses</b>		
Transaction Fees	1,030	-
<b>Distributions</b>		
Distributions	382,431	-
<b>Net Income (Expenditure)</b>	<b>1,952</b>	<b>-</b>

### 16. Subsequent Events

There were no subsequent events to balance date when the financial statements were signed.

# Notes to the Financial Statements

## The Christchurch Foundation For the year ended 30 June 2021

### 17. Reconciliation of Net Cash Flows from Operating Activities to Surplus / (Deficit)

	2021	2020
<b>Cashflow Reconciliation</b>		
<b>Surplus/(Deficit) for the year</b>		
Surplus/(Deficit) for the year	(170,099)	(5,459,285)
<b>Total Surplus/(Deficit) for the year</b>	<b>(170,099)</b>	<b>(5,459,285)</b>
<b>Non-Cash Movements</b>		
Amortisation	10,995	21,989
Depreciation	1,034	2,284
<b>Total Non-Cash Movements Movements in Working Capital</b>	<b>12,029</b>	<b>24,273</b>
Increase/(Decrease) in payables	(106,069)	(1,460,043)
Increase/(Decrease) in GST Payment	16,938	(2,815)
(Increase)/Decrease in Receivables	(136,956)	183,473
Investment Income	(17,476)	(77,822)
<b>Total Movements in Working Capital</b>	<b>(243,563)</b>	<b>(1,357,207)</b>
Net Cash Flows from Operating Activities	(401,633)	(6,792,219)

### 18. Intangible Assets

	2021	2020
<b>Website</b>		
Opening Book Value	21,989	43,978
Current Year Amortisation	(10,995)	(21,989)
<b>Total Website</b>	<b>10,994</b>	<b>21,989</b>

The Foundation developed and completed a website in 2019. The website provides access for the public to make electronic donations to the Foundation and therefore generates economic benefits.

# Notes to the Financial Statements

## The Christchurch Foundation For the year ended 30 June 2021

### 19. Equity

	\$
<b>2021</b>	
Opening Balance	2,432,167
<b>Current year movement</b>	
Administration funds	55,316
Endowment funds	5,244
Pass through funds	(230,659)
<b>Total Current year movement</b>	<b>(170,099)</b>
Balance as at 30 June 2021	2,262,068
<b>2020</b>	
Opening Balance	7,891,452
<b>Prior year movement</b>	
Administration funds	(11,734)
Endowment funds	4,164
Pass through funds	(5,451,715)
<b>Total Prior year movement</b>	<b>(5,459,285)</b>
Balance as at 30 June 2020	2,432,167

Pursuant to a directive from the Community Foundations of New Zealand, the Foundation has established the following reserves during the prior year:

Administration funds (accumulated surplus)

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

Endowment funds

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

Pass through funds

Donated funds held temporarily by the foundation before being distributed to assigned charitable purposes.

### 20. Provision for Conditional Donation

In the year ending 30 June 2021 the Foundation received a conditional donation of \$2,071,172. The Foundation utilised \$2,050,000 of this donation for the specified purpose by 30 June 2021 and the remaining \$21,172 has been recognised as a liability at year end. (2020: \$30,750.)

### 21. COVID-19

On 11 March 2020, the World Health Organisation (WHO) declared the outbreak of COVID-19 a pandemic. For the Foundation this has resulted in temporary deferral and cancellation of public events during Alert Level 3 and 4 periods, but the Foundation has been able to carry on its operations as usual without any further disruptions.



## Independent auditor's report

To the Trustees of The Christchurch Foundation

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### Our opinion

In our opinion, the accompanying financial statements of The Christchurch Foundation (the Foundation), present fairly, in all material respects, the financial position of the Foundation as at 30 June 2021, its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

### What we have audited

The Foundation's financial statements comprise:

- the statement of financial position as at 30 June 2021;
- the statement of comprehensive revenue and expense for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Foundation in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we 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.



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### **Responsibilities of the Trustees for the financial statements**

The Trustees are responsible, on behalf of the Foundation, for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Foundation'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 Foundation or to cease operations, or have no realistic alternative but to do so.

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### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are 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 ISAs 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 these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at

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

This description forms part of our auditor's report.

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### **Who we report to**

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

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The engagement partner on the audit resulting in this independent auditor's report is Simon Kirkpatrick.

For and on behalf of:

A handwritten signature in black ink that reads 'Priscilla Cooper'.

Chartered Accountants  
14 December 2021

Christchurch