

# Performance Report

Wakatipu Community Foundation  
For the year ended 31 March 2024

Prepared by Deloitte Limited



# Contents

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

# Entity Information

## Wakatipu Community Foundation For the year ended 31 March 2024

### Legal Name of Entity

Wakatipu Community Foundation

### Entity Type and Legal Basis

Community Foundation, Registered Charity

### Registration Number

CC55258

### Entity's Purpose or Mission

The Wakatipu Community Foundation builds endowment funds that benefit all aspects of our community, today and tomorrow. The foundation is joining a global movement that matches community aspirations with philanthropic intent to create a local force for good. The purposes of the Foundation are as follows;

- To provide support, both financial and otherwise, for Community Organisations and for any Charitable Purpose.
- To promote and encourage generosity among the people of New Zealand towards Community Organisations and any Charitable Purpose.
- To establish and administer separate named funds within the Trust Fund in order to fulfill the wishes of individual donors who wish to support Community Organisations and any Charitable Purpose.

### Entity Structure

The Wakatipu Community Foundation Board of Trustees (all voluntary positions) comprises six Trustees including a Chair and Deputy Chair. The Board shall consist of no fewer than four nor more than eight Trustees at any one time.

The filling of vacancies on the Board is by appointment by majority resolution of the continuing members of the Board. The Board may, by a motion decide by a 75% majority of votes, terminate a Trustee's membership of the Board if it believes that such action is in the best interests of the Trust.

Certain tasks will be allocated to Committees, but ultimately the Board is responsible. Specifically;

- The Board has the power to establish an Investment Committee which has the power decide on the percentage of annual distributions with the grants committee to consider and make untagged distributions from the Trust Fund.
- The Board has the power to establish an Investment Advisory Committee and to vest in that committee all or any of the Board's powers in respect of the investment of all or any part of the Trust Fund.

The underlying investments are managed by Craigs Investment Partners, which acts in accordance with the IPS (Investment Policy Statement).

Wakatipu Community Foundation had one paid employee for the year ended 31 March 2024 to carry out the foundation's administration.

### **Main Sources of Entity's Cash and Resources**

The main source of revenue is endowment fund donations from local donors to support their community. Donations will be pooled and invested.

Donor's can;

- Leave a gift in their will and/or
- donate during their lifetime (and potentially receive a 33.3% tax credit).

The capital is invested and the investment income will be used to make distributions annually to charities and community groups primarily in the region. When making distributions, donor wishes are paramount. They can choose which groups to support, or leave the decision to our Trustees and Distributions Committee who decide each year where the distributions are best needed.

The other main source of revenue will be earned from investments.

### **Main Methods Used by Entity to Raise Funds**

Other than endowment donations and investment income, the main source of funds is administration fees, general donations and funding from Corporate Partners.

The Foundation receives an administration fee of 1% of the total fund value for its administration services.

Corporate Partners will be sought to provide support, allowing the Wakatipu Community Foundation to administer the donor funds in the first instance, continue to build the profile of the Foundation and encourage other potential donors to set up a fund.

### **Entity's Reliance on Volunteers and Donated Goods or Services**

Trustees are volunteers. Various services are offered to the organisation in-kind or at a reduced rate (e.g. accountancy services, audit services, investment management, marketing)

### **Physical Address**

Level 2, 10 Memorial Street  
Queenstown 9300

### **Postal Address**

PO Box 794  
43 Ballarat Street  
Queenstown 9300

# Statement of Service Performance

## Wakatipu Community Foundation For the year ended 31 March 2024

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

### Description of Entity's Outcomes

1. Promote Philanthropy by helping donors meet their charitable goals and meet the community's greatest needs.
2. Engage and collaborate with community partners to identify creative solutions to current challenges and deepen our knowledge of the region.
3. Grow number of funds established
4. Manage each Endowment Fund - While each Donor Fund is separately monitored and accounted for with personalised quarterly donor reports, the capital of each Fund is combined with all other Funds to achieve economies of scale.

	2024	2023
<b>Description and Quantification of the Entity's Outputs</b>		
Number of endowment donations received	235	79
Value of endowment donations received	334,240	551,980
Number of endowment distributions made	9	5
Value of endowment distributions made	19,016	3,050
Number pass through donations received	597	422
Value of pass through donation received	548,626	500,386
Number of pass through donations made	85	97
Value of pass through donations made	500,315	472,862
Number of administration donations received	27	24
Value of administration donations received	193,631	147,676

### Additional Output Measures

The Wakatipu Community Foundation was established by Deed of Trust dated 6th Nov 2017. It received its charitable status on the 15th March 2018.

In this short time the Foundation has achieved the following qualitative outputs:

2024 Outputs	2023 Outputs
<ul style="list-style-type: none"> <li>Achieved our Tindall Milestone 5, a significant accomplishment that signifies our progress and sets the stage for future success.</li> <li>Awarded \$400,000 in grants and scholarships, contributing to a total of over \$2.5 million in support over six years.</li> <li>Established ourselves as the fastest-growing community foundation in New Zealand, launching seven new funds and reaching a total of 50.</li> <li>Secured over \$37 million in bequests, laying a strong foundation for our future growth.</li> <li>Attained a notable sustainability milestone by securing 80% of our operational funding at current levels for the next five years.</li> </ul>	<ul style="list-style-type: none"> <li>Continued positive momentum and increased local awareness.</li> <li>New endowments established.</li> <li>Corporate partners attracted and retained who pro-bono services to minimise our costs. These include legals, accounting, auditing, print media, and wine.</li> <li>Administration of several initiatives including; the Wakatipu Greatest Needs, Impact 100, Matt's Good Walk, Love Wanaka and Love Queenstown.</li> </ul>

# Statement of Financial Performance

## Wakatipu Community Foundation For the year ended 31 March 2024

	NOTES	2024	2023
<b>Revenue</b>			
Donations, fundraising and other similar revenue	1	557,571	700,136
Revenue from providing goods or services	1	4,488	15,234
Interest, dividends and other investment income	1	177,129	1,996
Other revenue	1	12,468	13,726
<b>Total Revenue</b>		<b>751,656</b>	<b>731,093</b>
<b>Expenses</b>			
Volunteer and employee related costs	2	141,310	121,253
Grants and donations made	2	19,016	458,129
Costs related to providing goods or services	2	26,138	78,656
Other expenses	2	65,143	49,197
<b>Total Expenses</b>		<b>251,607</b>	<b>707,235</b>
<b>Surplus for the Year</b>		<b>500,048</b>	<b>23,858</b>

# Statement of Financial Position

Wakatipu Community Foundation

As at 31 March 2024

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

	NOTES	31 MAR 2024	31 MAR 2023
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash	3	715,574	780,364
Debtors and prepayments	3	50,335	31,100
Goods and services tax	4	-	728
<b>Total Current Assets</b>		<b>765,909</b>	<b>812,192</b>
<b>Non-Current Assets</b>			
Investments	3	1,659,626	1,316,119
Flynn Dawson - Term Deposit		119,510	-
<b>Total Non-Current Assets</b>		<b>1,779,136</b>	<b>1,316,119</b>
<b>Total Assets</b>		<b>2,545,044</b>	<b>2,128,311</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Pass Through Funds	4	495,466	447,155
Creditors and accrued expenses	4	123,368	258,941
Employee costs payable	4	3,188	-
Goods and services tax	4	759	-
<b>Total Current Liabilities</b>		<b>622,782</b>	<b>706,096</b>
<b>Total Liabilities</b>		<b>622,782</b>	<b>706,096</b>
<b>Net Assets</b>		<b>1,922,263</b>	<b>1,422,214</b>
<b>Accumulated Funds</b>			
Accumulated surpluses	6	1,922,263	1,422,214
<b>Total Accumulated Funds</b>		<b>1,922,263</b>	<b>1,422,214</b>

This performance report has been approved by the Trustees, for and on behalf of Wakatipu Community Foundation:

Date 9/8/24  
 Signature *Joan Kiernan*  
 Name Joan Kiernan  
 Position Trustee/ Deputy Chair

Date 9 August 2024  
 Signature *Stephen Brent*  
 Name Stephen Brent  
 Position Chairperson/Trustee

# Statement of Cash Flows

## Wakatipu Community Foundation For the year ended 31 March 2024

	2024	2023
<b>Cash Flows</b>		
<b>Cash Flows from Operating Activities</b>		
Donations, fundraising and other similar receipts	938,776	1,950,524
Receipts from providing goods or services	16,956	30,837
Net movement in GST	1,487	(4,305)
Interest, dividends and other investment receipts	61,510	20,899
Donations or grants paid	(518,897)	(1,403,802)
Payments to suppliers/employees	(216,790)	(245,191)
<b>Net Cash Flow from Operating Activities</b>	<b>283,042</b>	<b>348,962</b>
<b>Cash Flows from Investing and Financing Activities</b>		
Receipts from the sale of investments	603,511	1,206,795
Payments to purchase investments	(950,909)	(1,777,188)
<b>Total Cash Flows from Investing and Financing Activities</b>	<b>(347,398)</b>	<b>(570,393)</b>
<b>Cash and Cash Equivalents</b>		
Cash and cash equivalents at the start of the period	780,364	1,001,794
Net increase/(decrease) in cash	(64,790)	(221,430)
<b>Cash and cash equivalents at the end of the period</b>	<b>715,574</b>	<b>780,364</b>



# Statement of Accounting Policies

## Wakatipu Community Foundation

For the year ended 31 March 2024

'How did we do our accounting?'

### Reporting Entity

The Wakatipu Community Foundation is a charitable trust constituted by Deed of Trust dated 6th November 2017 (the "Trust Deed"), incorporated under the Charitable Trust Act, 1957 (and amended from time to time) and registered with the Charities Commission CC55258.

### 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.

The entity has elected to adopt PBE NFP IPSAS 41, with Reduced Disclosure Requirements applied, in accounting for its financial instruments. This is an allowable departure from PBE SFR-A (NFP).

The performance report is presented in New Zealand dollars and rounded to the nearest dollar.

### Goods and Services Tax (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.

### Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised:

#### Donations

Donations are recognised as revenue on the date they are received.

#### Interest, Dividends and Investments

Interest, dividends and investment revenue is recognised in the Statement of Financial Performance as it is earned, on an accrual basis.

#### Goods and Services

Revenue from the sale of goods are recognised when the goods are sold to the customer. Revenue from services is recognised by the stage of completion of the services at balance date.

#### Administration Fee

The Foundation receives an administration fee annually for the management services it provides to the endowment funds. The fee is calculated as 1% of the total fund value in accordance with the Wakatipu Community Foundation Trust Deed.

### Endowment Funds Revenue

Endowment funds received are treated as other income and are recognised on the date they are received. Endowment fund balances are maintained as part of equity in the Balance Sheet.

### Acting as an Agent

Amounts paid on behalf of others (that is, as agent of another entity) are not treated as revenue and expenses of the Foundation. This occurs in relation to pass through funds where the Foundation acts as an agent.



### **Pass-Through Funds**

A pass-through payment is a “donation” which is received by the Wakatipu Community Foundation as an agent of a third party with the understanding or intention that it is passed through the Wakatipu Community Foundation to benefit a specific individual or programme determined by the third party. These amounts collected as an agent will not give rise to an increase in net assets or revenue of the Wakatipu Community Foundation. The key in distinguishing pass-through payments from other donations is therefore based on the amount of control and discretion that the Wakatipu Community Foundation has over how the money will be spent.

### **Income Tax**

Wakatipu Community 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.

### **Trade Receivables**

Trade receivables are recognised at fair value, less an allowance for any noncollectable amounts. Individual debts that are known to be noncollectable are written off in the period they are identified.

### **Financial Instruments**

The foundation is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, debtors, creditors, and investments. All financial instruments are recognised in the Statement of Financial Position and all revenue and expenses in relation to financial instruments in the Statement of Financial Performance when incurred. Subsequent to initial recognition, investments in listed equity and fixed interest securities are measured at fair value, and changes therein are recognised in the Statement of Financial Performance. The carrying value of the financial instruments approximates their fair value. Fixed term investments are recorded at market value adjusted for amortisation of the premium or discount on purchase price. Shares are recorded at market value. Cash deposits are recorded at cost.

### **Investments**

Investments in listed equity and fixed interest securities are stated at fair value. Upon initial recognition, attributable transaction costs are recognised in the Statement of Financial Performance when incurred. Subsequent to initial recognition, investment in listed equity and fixed interest securities are measured at fair value, and changes therein are recognised in the Statement of Financial Performance.

Purchases and sales of investments are recognised on the trade date or the date on which the Foundation commits to purchase or sell the asset.

### **Changes in Accounting Policies**

There have been no changes in accounting policies during the financial year (last year - PBE IPSAS 41 Financial Instruments).

# Notes to the Performance Report

## Wakatipu Community Foundation For the year ended 31 March 2024

	NOTES	2024	2023
<b>1. Analysis of Revenue</b>			
<b>Donations, fundraising and other similar revenue</b>			
Charitable Initiatives		24,750	-
Corporate Donations		25,000	21,500
Donations - General		192,132	54,864
Endowment Funds Received		309,189	551,981
Establishment Donations		5,000	15,000
Sponsorship Revenue		1,500	(3,209)
Grants Received		-	50,000
Grants and Scholarships Donations		-	10,000
<b>Total Donations, fundraising and other similar revenue</b>		<b>557,571</b>	<b>700,136</b>
<b>Revenue from providing goods or services</b>			
Revenue from providing goods or services		4,488	15,234
<b>Total Revenue from providing goods or services</b>		<b>4,488</b>	<b>15,234</b>
<b>Interest, dividends and other investment revenue</b>			
Investment Portfolio Increase (Decrease) in Value		119,234	(27,033)
Interest Received		35,250	9,713
Dividends Received		22,645	19,316
<b>Total Interest, dividends and other investment revenue</b>		<b>177,129</b>	<b>1,996</b>
<b>Other revenue</b>			
Administration Fee		12,468	13,226
Scholarship Admin Fee Income		-	500
<b>Total Other revenue</b>		<b>12,468</b>	<b>13,726</b>

The Foundation receives an administration fee annually for the management services it provides to the endowment funds. The fee is calculated as 1% of the total fund value in accordance with the Wakatipu Community Foundation Trust Deed.

NOTES                      2024                      2023

## 2. Analysis of Expenses

### Grants and donations made

Current Year Distributions Approved	19,016	458,129
<b>Total Grants and donations made</b>	<b>19,016</b>	<b>458,129</b>

### Costs related to providing goods or services

Promotion & Publicity Including Event Related Costs	26,138	78,656
<b>Total Costs related to providing goods or services</b>	<b>26,138</b>	<b>78,656</b>

### Volunteer and employee related costs

Wages	141,310	121,253
<b>Total Volunteer and employee related costs</b>	<b>141,310</b>	<b>121,253</b>

### Other expenses

Accounting Services	15,660	-
Administration Fee	11,868	13,226
Audit Fee	6,000	4,700
Bank Fees	279	117
Bookkeeping Services	5,412	24,856
Entertainment	4,803	774
General Expenses	3,531	1,103
Investment Portfolio Management Fee	7,432	1,389
Subscriptions and Memberships	5,076	2,793
Telephone & Internet	4,212	239
Travel - International	869	-
<b>Total Other expenses</b>	<b>65,143</b>	<b>49,197</b>

NOTES                      2024                      2023

### 3. Analysis of Assets

#### Bank accounts and cash

ASB Bank Accounts	300,240	370,106
Jennifer Belmont ASB VISA	(527)	(1,358)
Impact 100 Fund	404,642	371,361
Endowment Holding Account	11,219	40,255
<b>Total Bank accounts and cash</b>	<b>715,574</b>	<b>780,364</b>

#### Debtors and prepayments

Accounts Receivable	50,335	31,100
<b>Total Debtors and prepayments</b>	<b>50,335</b>	<b>31,100</b>

#### Investments

Fixed Interest Securities - NZ	502,107	330,998
Property - NZ	8,991	9,105
Equities - NZ	275,816	239,077
Equities - Australia	238,778	231,574
Equities - International	458,136	345,844
Cash - NZ	128,834	124,927
Cash - Australia	30,146	19,553
Cash - International	16,819	15,041
<b>Total Investments</b>	<b>1,659,627</b>	<b>1,316,119</b>

	NOTES	2024	2023
<b>4. Analysis of Liabilities</b>			
<b>Pass Through Funds</b>			
Pass Through Funds		149,447	295,349
Impact 100 Pass Through Funds		346,018	151,806
<b>Total Pass Through Funds</b>		<b>495,466</b>	<b>447,155</b>
<b>Creditors and accrued expenses</b>			
Accounts Payable		123,368	258,941
<b>Total Creditors and accrued expenses</b>		<b>123,368</b>	<b>258,941</b>
<b>Employee costs payable</b>			
Wages Payable		3,188	-
<b>Total Employee costs payable</b>		<b>3,188</b>	<b>-</b>
<b>Other current liabilities</b>			
GST		759	(728)
<b>Total Other current liabilities</b>		<b>759</b>	<b>(728)</b>

#### 5. Property, Plant and Equipment

No property, plant and equipment purchases were made during the year ended 31 March 2024 (2023:Nil)

## 6. Equity and Reserves

	Endowment Fund Reserve	Endowment Fund Distribution Reserve	Accumulated Surpluses	Total
<b>2024</b>				
Opening Balance	1,233,051	78,412	110,751	1,422,214
Prior Period Reclassification		(5,688)		
Restated Opening Balances	1,233,051	72,724	110,751	1,422,214
Net Surplus	-	-	500,048	500,048
Transfer to Reserves	454,016	27,645	(481,662)	-
<b>Closing balance</b>	<b>1,687,068</b>	<b>100,369</b>	<b>129,138</b>	<b>1,922,263</b>
<b>2023</b>				
Opening Balance	718,937	36,757	642,662	1,398,356
Net Surplus	-	-	23,858	23,858
Transfer to Reserves	514,114	41,655	(555,769)	0
<b>Closing balance</b>	<b>1,233,051</b>	<b>78,412</b>	<b>110,751</b>	<b>1,422,214</b>

NOTES                      2024                      2023

## 7. Community Foundations of New Zealand Disclosure

### Equity Funds

Endowment Funds	6	1,787,437	1,318,490
Charitable Initiatives	6	84,729	118,376
Administration Funds	6	50,097	(14,652)
<b>Total Equity Funds</b>		<b>1,922,263</b>	<b>1,422,214</b>

Pass Through Funds	4	495,466	447,155
<b>Total Community Foundations of New Zealand Disclosure</b>		<b>2,417,729</b>	<b>1,869,369</b>

Pass Through funds are held on behalf of Davis Endowment, Craigs IP Workplace Giving, Edgar Charitable Fund, Impact 100, NZ Sotherbys, Batting for the Bay, School Football Programme, Greatest Needs Fund, Craigs Golf, Whakatipu Youth Golf Development Fund, Love Queenstown, Love Wanaka and Love QT Airport.

### Endowment Funds

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

### Administration Funds

Funds held for the running of the foundation and not held for charitable purposes.

### Pass-through funds

Funds donated with the intention that the funds be fully paid out to charitable purposes within three years of the date of the donation.

NOTES 2024 2023

**8. Financial Instruments****Financial Assets - Carrying amount (\$)****Amortised cost**

Cash and cash equivalents	3	715,574	780,364
Accounts Receivable	3	50,335	31,100
<b>Total Amortised cost</b>		<b>765,909</b>	<b>811,464</b>

**Fair value through surplus or deficit**

Investment Portfolios	3	1,659,626	1,316,119
-----------------------	---	-----------	-----------

**Financial Liabilities - Carrying amount (\$)****Amortised cost**

Accounts Payable	4	(123,368)	(258,941)
------------------	---	-----------	-----------

The entity initially recognises financial instruments when the entity becomes a party to the contractual provisions of the instrument. The entity derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the entity is recognised as a separate asset or liability.

The entity derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. The entity also derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the entity has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The entity classifies financial assets into the following categories:

**Financial assets Classification and subsequent measurement**

On initial recognition, a financial asset is classified as measured at: amortised cost, or fair value through other comprehensive revenue and expense (FVOCI); or fair value through surplus or deficit (FVTSD).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTSD:

- i. it is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- ii. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTSD. This includes the investment portfolios (see note 3).

**Financial assets – Management model assessment**



The entity makes an assessment of the objective of the management model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

The information considered includes:

- i. the stated policies and objectives of the portfolio.
- ii. how the performance of the portfolio is evaluated and reported to the entity's management.
- iii. the risks that affect the performance of the management model (and the financial assets held within that management model) and how those risks are managed; and
- iv. the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTSD.

### **Financial assets – Subsequent measurement and gains and losses**

Financial assets at FVSD - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in surplus or deficit.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.

### **Financial liabilities – Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortised cost or FVTSD. A financial liability is classified as at FVTSD if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. The entity classifies all its financial liabilities at amortised cost. These financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

### **Impairment of non-derivative financial assets**

The entity recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The entity measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- i. bonds and term deposits that are determined to have low credit risk at the reporting date; and
- ii. other bonds and term deposits and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The entity considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the entity in full, without recourse by the entity to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the entity is exposed to credit risk.

## Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the entity expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

### Credit-impaired financial assets

At each reporting date, the entity assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

The entity considers bonds and term deposits to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

## 9. Commitments

There are no commitments as at 31 March 2024 (2023:Nil)

## 10. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 March 2024 (2023:Nil)

## 11. Related Parties

Jennifer Belmont is a paid employee of the Foundation and Trustee. The Wakatipu Community Foundation holds an individual employment agreement and the remuneration \$93,457 gross per annum (2023:\$90,000) is considered to be arms length for the administration services provided.

Other Trustee's regularly provide their time and skill to the oversight and operating of the Trust at no charge.

The following Trustees related party movements occurred during the year:

Stephen Brent, a Trustee for the Wakatipu Community Foundation, also holds the position of Shareholder at Westwood Group Holding Limited. During the year, the Wakatipu Community Foundation received a corporate donation of \$10,000 from Westwood Group Holding Limited.

Michael Walker is a Trustee for the Wakatipu Community Foundation and the Queenstown Trails Trust. The Wakatipu Community Foundation paid a grant of \$28,500 to the Queenstown Trails Trust during the year.

Raymond Key is a trustee for the Wakatipu Community Foundation and the Community Foundations of New Zealand Incorporated. The Wakatipu Community Foundation paid \$8,789 to the Community Foundations of New Zealand Incorporated. This amount covered subscription fees and other operational expenses for the year.

## 12. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report.

(2023:NIL)

INDEPENDENT AUDITOR'S REPORT  
TO THE TRUSTEES OF WAKATIPU COMMUNITY FOUNDATION

Report on the Performance Report

Opinion

We have audited the statement of financial performance and statement of cash flows for the year ended 31 March 2024, the statement of financial position as at 31 March 2024, and the statement of accounting policies and other explanatory information ("the financial information") in the performance report of Wakatipu Community Foundation ("the Trust").

In our opinion the financial information in the accompanying performance report presents fairly, in all material respects, the financial position of the trust as at 31 March 2024, and its financial performance and cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the financial information in 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 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.

Other Information

The trustees are responsible for the other information. The other information obtained at the date of this auditor's report is the entity information and the statement of service performance, which are included in the performance report.

Our opinion on the financial information in the performance report does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial information in the performance report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial information in the performance report 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 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.

## Responsibilities of the Trustees for the Performance Report

The trustees are responsible 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 on behalf of the trust 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 by the New Zealand Accounting Standards Board; and

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

In preparing the performance report, the trustees are responsible on behalf of the trust 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 financial information in the performance report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) 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 the financial information in this performance report.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial information in the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the use of the going concern basis of accounting by the trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 financial information in the performance report, including the disclosures, and whether the financial information in the performance report represents 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.

#### Who we Report to

This report is made solely to the trust's 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 trust and the trust's trustees, as a body, for our audit work, for this report or for the opinions we have formed.

*BDO Invercargill*

BDO Invercargill  
Invercargill  
New Zealand  
9 August 2024