

Performance Report

**Guardians of the Bay of Islands Incorporated
For the year ended 30 June 2020**

Contents

- 3 Entity Information
- 5 Approval of Financial Report
- 6 Statement of Service Performance
- 9 Statement of Financial Performance
- 10 Statement of Financial Position
- 11 Statement of Cash Flows
- 12 Statement of Accounting Policies
- 14 Notes to the Performance Report
- 20 Auditor's Report

Entity Information

Guardians of the Bay of Islands Incorporated For the year ended 30 June 2020

Legal Name of Entity

Guardians of the Bay of Islands Incorporated

Entity Type and Legal Basis

Incorporated Society and Registered Charity

Registration Number

Incorporation Number - 1790488

Charities Commission Registration Number - CC2519

Entity's Purpose or Mission

Maintain seven pest free islands and restore their habitat for the protection of NZ's at risk and threatened native species.

Vision Statement

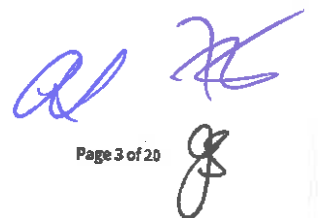
An archipelago of island sanctuaries for all to enjoy.

Entity Structure

Position	Name	Appointed	Resigned
Chairperson	Fleur Corbett	January 25, 2007	
Co-Chairperson	Michelle (Barb) Elboz	November 3, 2019	
Treasurer	currently vacant		
Secretary	Andrea Sim	December 20, 2013	
Committee Members			
	Rod Brown - Vice Chair	May 04, 2006	
	Tom Lindesay	October 13, 2009	
	Richard Witehira	June 30, 2009	
	Arana Rewha	June 09, 2015	
	Sarah Knight	October 12, 2016	
	Jill Toplis	November 02, 2017	August 12, 2019
	William Fuller	November 02, 2017	
	Rachael Biggins	November 3, 2019	

Main Sources of Entity's Cash and Resources

The entity's activities are funded by donations and grants from both government departments and various philanthropic organisations.



Entity Information

Main Methods Used by Entity to Raise Funds

Grant Applications
Sourcing Public and Corporate Donations

Entity's Reliance on Volunteers and Donated Goods or Services

The Guardians rely heavily on volunteers for a large proportion of their activities. The hours provided by volunteers to help with Island restoration have been quantified this year, but there are also many hours donated in the areas of fundraising administration and accounting. They also rely heavily on donated goods and services as shown on the Income Statement.

Postal Address

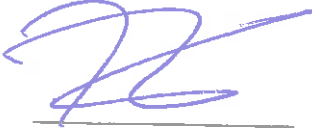
PO Box 689
Kerikeri

Approval of Financial Report

Guardians of the Bay of Islands Incorporated For the year ended 30 June 2020

The Committee are pleased to present the approved financial report including the historical financial statements of Guardians of the Bay of Islands Incorporated for year ended 30 June 2020.

APPROVED



Fleur Corbett

Chairperson

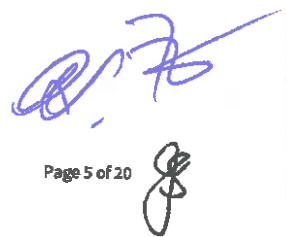
Date 8 SEPTEMBER 2020



Andrea Sim

Secretary

Date 9 September 2020



Statement of Service Performance

Guardians of the Bay of Islands Incorporated For the year ended 30 June 2020

Description of our Outcomes

The Guardians of the Bay of Islands' mission is to restore the seven pest free island sanctuaries of Ipipiri and the adjacent mainland ecological habitats.

This is being done by;

- Habitat restoration - planting native trees, vines and shrubs that will provide food and shelter for birds, invertebrates and reptiles; and by controlling invasive weeds on the islands and adjacent mainland.
- Species reintroductions - native birds, invertebrates and reptiles representative of Northland's coastal and forest ecosystems are being reintroduced to the islands and mainland habitats.
- Island biosecurity - pest monitoring and control to help keep the islands pest-free.
- Biosecurity advocacy - through our 'Stop, check and go', summer 'boatie bag' campaigns and predator dog checks to help reduce the risk of island visitors inadvertently bring pests back to the islands.
- Mainland predator control - doing multi species pest control on the mainland to reduce the risks of pest swimming to the islands as well as biodiversity protection and enhancement on the mainland habitats.
- Monitoring and surveying - assessing and reporting on ecological restoration, indispensable and integral component of management planning.
- Education programmes - developed to engage local schools, groups and other visitors include our 'Floating Classroom' programme.
- Succession planning and long-term sustainability - are being addressed through our 'Sustainable Future Strategy'; as well as funding plan, budgets, business and corporate relationships, engaging benefactors
- Engagement - effective partnerships, marketing and communications, project profile, membership, build and maintaining successful relationships for wider community and visitor engagement in Project Island Song.

Description and Quantification of our Outputs

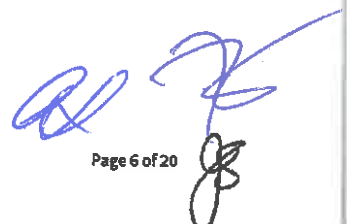
We ensure that timely reporting is provided to funders and budgets are monitored and met.

	2020	2019
Income sources		
Benefactors	15,696	13,802
Funders	236,706	175,369
Member Subscriptions	3,365	2,074
Sponsors	2,474	1,435

Project Island Song is reliant on funders and sponsors to keep us on the path to achieving our vision. Thank you to all those who have contributed towards Project Island Song in various ways, including the provision of free travel for volunteers going to the islands, funding project work, sponsoring volunteer lunches on planting days and much more.

	2020	2019
Habitat Restoration		
Number of trees planted	1,660	1,358

Project Island Song volunteers have planted over 38,000 native trees. In addition to these, a huge thank you goes to the private landowners on the islands who have planted well over 100,000. These trees provide essential food for native birds and are an integral part of returning the islands to their former glory.



Native seedlings are now growing and the islands are slowly regenerating; seedlings of karaka, kohekohe, mahoe and coprosma species are re-emerging. However, there are few seed sources after years of human habitation and plant diversity is still limited. To give habitat restoration a head-start, Project Island Song volunteers undertake annual planting events to support the natural process of Ipipiri's regeneration.

	2020	2019
Species reintroductions		
Number of species reintroduced this year	7	7
Total number of species reintroduced	7	7
Number of species identified	21	21

The Kakariki translocation was to take place in June, but has been postponed to winter 2021 as a result of COVID-19 restrictions.

We actively monitor breeding and establishment of reintroduced populations and conduct a spring bird survey in October along with a baseline reptile survey.

Lots of native species in New Zealand will not cross water, hence the need to reintroduce; this includes birds, such as kiwi, takahe, saddlebacks and tieke, reptiles such as tuatara, skink and geckos, and endangered plants, such as Cook's scurvy grass and local species of kakabeak.

Over time, these introductions, in conjunction with the broader restoration programme, have the potential to help create a thriving native island ecosystem. We look forward to the natural regeneration of a diverse forest and numerous sea birds which, together, sustaining an abundance of invertebrates, land birds, reptiles and plants.

Species proposed for reintroduction include those once typical of the area (e.g. North Island brown kiwi, pupuharakeke/flax snail), ecologically important species (e.g. sea bird species that introduce marine nutrients into the island ecosystem), as well as threatened species (e.g. tuatara, takahē, Cook's scurvy grass).

	2020	2019
Monitoring and surveying		
Monitoring field trips of reintroduced species	11	13

We undertake regular monitoring of reintroduced species with field trips and report on their success.


The islands of Ipipiri in the eastern Bay of Islands, New Zealand, have enjoyed pest-free status since 2009. It is vital we keep mammalian pests and other species off the islands. We achieve this by:

- Ongoing pest control and monitoring on the islands to detect and catch pest incursions
- 3000 hectares of adjacent mainland under pest control by volunteer groups to help reduce the likelihood of pests swimming to the islands
- Ongoing bio-security campaign targeting visitors to the islands to raise awareness of the dangers of unintentionally bringing pests with them
- The Project Island Song Weedbusters visit the islands every Wednesday (weather permitting) and target plant pests on the islands.

Part of Project Island Song's role is to maintain the pest-free status of these islands: without rats and stoats, plants can recover and provide food for wildlife, and the birds can be returned so that the islands of Ipipiri will sing once again.

However, the islands are vulnerable to re-invasion, especially as they are within swimming distance of both rats and stoats from the mainland. This is why island pest monitoring and mainland pest control are so crucial.

Pest control on the eastern Bay of Islands mainland keeps rat and stoat numbers low, reducing the chance of pests swimming back to the islands, or stowing-away on boats and kayaks. There is a mainland buffer zone stretching from Cape Brett to Tapeka Point, north of Russell. Pest control of varying types along this "buffer" is managed and funded by a variety of groups and individuals on private and public land. The community here is seeing an improvement in ecological health as a result of this pest control - so much so they have named the mainland pest control project Te Tangi o te Ata (the Dawn Chorus).



2020 2019

Educations programs

Number of schools participating in floating classrooms	1	19
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Floating Classrooms enable students from schools in the Bay of Islands area to learn hands-on about conservation and ecology in the Bay. This is a programme where children experience native wildlife first-hand and can contribute personally to the wildlife sanctuary. Children are natural conservationists. And they are great at educating their parents too! Project Island Song's education programme is a crucial part of the project – to ensure that the passion for ecological restoration flourishes in our younger generations, and is shared among their friends and whanau in the Bay of Islands.

The floating classrooms had been scheduled for Term 2, and would have been completed mainly before 30 June 2020 if we had been able to run them. However, due to the restrictions and lockdown as a result of COVID-19 these were unable to operate. Our funders have graciously allowed us to carry forward their funds allocated towards our floating classrooms to the 2021 financial year.

2020 2019

Future sustainability

Number of business and corporate relationships	13	6
Number of donations	66	56

Long-term financial sustainability is an ongoing challenge for Project Island Song. A huge investment in time and money has been made in ridding the islands of pests and keeping them pest free, setting up and servicing the mainland buffer zone, planting over 32,000 trees, returning species to the pest free islands, coordinating our volunteer activities and education programmes as well as the day to day running of Project Island Song. However much of our energy is spent fundraising. A significant contribution to the project allows us to get on with what we should be doing – ecological restoration work.

2020 2019

Engagement

Annual membership number	130	115
Volunteer hours	4,609	4,584

Engagement – Ongoing and meaningful hapu engagement (Yes); annual membership number; volunteer hours, media and communications feedback (Floating Classrooms, newsletters); profile survey.

Statement of Financial Performance

Guardians of the Bay of Islands Incorporated For the year ended 30 June 2020

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

	NOTES	2020	2019
Revenue			
Donations, fundraising and other similar revenue	1	182,258	200,741
Fees, subscriptions and other revenue from members	1	3,365	2,074
Revenue from providing goods or services	1	4,855	28,848
Other revenue	1	2,365	3,321
Total Revenue		192,842	234,984
Expenses			
Expenses related to public fundraising	4	20,879	7,207
Volunteer and employee related costs	4	92,798	114,556
Costs related to providing goods or service	4	47,616	96,641
Other expenses	4	12,299	16,384
Total Expenses		173,592	234,789
Surplus/(Deficit) for the Year		19,250	196

This accompanying Notes form part of and should be read in conjunction with these Financial Statements and Auditors Report.

Statement of Financial Position

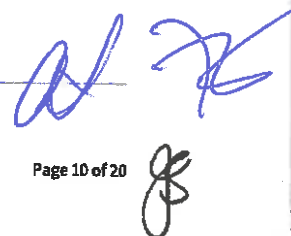
Guardians of the Bay of Islands Incorporated

As at 30 June 2020

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

	NOTES	30 JUN 2020	30 JUN 2019
Assets			
Current Assets			
Bank accounts and cash	5	159,312	104,402
Debtors and prepayments	5	42,648	7,730
Investments	5	75,298	73,102
GST		435	7,744
Te Tangi o Te Ata Website in Progress		8,933	-
Total Current Assets		286,626	192,979
Non-Current Assets			
Property, Plant and Equipment	7	15,229	16,046
Total Non-Current Assets		15,229	16,046
Total Assets		301,855	209,025
Liabilities			
Current Liabilities			
Creditors and accrued expenses	6	9,024	9,146
Employee costs payable	6	2,644	1,560
Unused donations and grants with conditions	6	210,254	137,636
Total Current Liabilities		221,921	148,341
Total Liabilities		221,921	148,341
Total Assets less Total Liabilities (Net Assets)		79,933	60,683
Accumulated Funds			
Accumulated surpluses or (deficits)	9	79,933	60,683
Total Accumulated Funds		79,933	60,683

This accompanying Notes form part of and should be read in conjunction with these Financial Statements and Auditors Report.



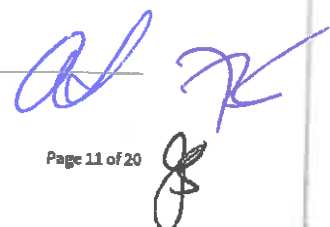
Statement of Cash Flows

Guardians of the Bay of Islands Incorporated For the year ended 30 June 2020

'How the entity has received and used cash'

	2020	2019
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	238,061	190,494
Fees, subscriptions and other receipts from members	3,870	2,385
Receipts from providing goods or services	4,875	32,764
Interest, dividends and other investment receipts	2,296	1,520
GST	11,602	12,784
Payments to suppliers and employees	(192,114)	(260,390)
Total Cash Flows from Operating Activities	68,589	(20,443)
Cash Flows from Investing and Financing Activities		
Receipts from sale of investments	-	92,536
Payments to acquire property, plant and equipment	(11,484)	-
Payments to purchase investments	(2,195)	-
Total Cash Flows from Investing and Financing Activities	(13,680)	92,536
Net Increase/ (Decrease) in Cash	54,909	72,093
Cash Balances		
Cash and cash equivalents at beginning of period	104,402	32,309
Cash and cash equivalents at end of period	159,312	104,402
Net change in cash for period	54,909	72,093

This accompanying Notes form part of and should be read in conjunction with these Financial Statements and Auditors Report.



Statement of Accounting Policies

Guardians of the Bay of Islands Incorporated

For the year ended 30 June 2020

'How did we do our accounting?'

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Guardians of the Bay of Islands Incorporated 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.

Historical Cost

These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, excluding goods and services tax, to the extent it is probable that the economic benefits will flow to the entity and revenue can be reliably measured.

Sales of services are recognised in the period by reference to the stage of completion of the transaction at the end of the reporting period.

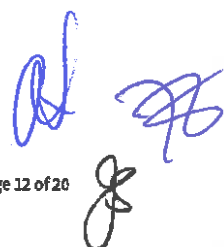
Interest received is recognised as interest accrues, and is exempt of tax credits.

Grants are recognised as revenue on receipt where no performance conditions have been specified on receipt of the grant. Grants requiring specified future conditions to be met are recognised as a liability on receipt. The grants are recognised as income over the period that the specified conditions are complete and the associated costs are recognised.

Accounts Receivable

Accounts receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for any uncollectible amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

Property, Plant and Equipment



Property, plant and equipment are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

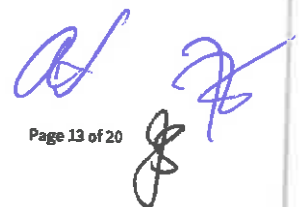
Upon derecognition, the asset revaluation reserve relating to the asset disposed shall be transferred to retained earnings.

Depreciation

Account	Method	Rate
Plant & Equipment	Diminishing Value and Straight Line	10 - 67% DV and 7 - 67% SL
Computer Equipment	Straight Line	40%
Library	Not Depreciated	

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.



Notes to the Performance Report

Guardians of the Bay of Islands Incorporated

For the year ended 30 June 2020

	2020	2019
1. Analysis of Revenue		
<u>Donations, fundraising and other similar revenue</u>		
Donations	15,696	13,802
Donations in Kind		3,200
Grants	164,088	182,305
Sponsorship	2,474	1,435
Total Donations, fundraising and other similar revenue	182,258	200,741
<u>Fees, subscriptions and other revenue from members</u>		
Member Subscriptions	3,365	2,074
Total Fees, subscriptions and other revenue from members	3,365	2,074
<u>Revenue from providing goods or services</u>		
Calendars	4,790	3,453
Pest Control Contracting Services		25,000
Sales	65	395
Total Revenue from providing goods or services	4,855	28,848
<u>Other revenue</u>		
Interest Income	2,365	3,321
Total Other revenue	2,365	3,321

2. Grants,

During the year ended 30 June 2020 the Guardians of the Bay of Islands Incorporated received GST exclusive Grants from the following organisations:

Grant	Purpose	C/F from previous years	Grants received 2020	Grants applied 2020	Residual 2020 grants
CCPF - Trans Mngt Plan	Planning - mainland pest control	16,541		16,541	
Chenery/Four Trusts	Fencing and monitoring equipment	732	2,973	2,802	903
COGS	Admin and marketing		3,000	3,000	
DOC Community Fund	Te Tangi o Te Ata		13,400	13,400	
DOC Community Fund	War on Weeds	1,912	16,500	16,363	2,049
DOC Community Fund	Ecological Restoration plan		8,040	1,342	6,698
Foundation North (formerly ASB)	Project Coordination and operational costs		53,000	40,464	12,536
Joyce Fisher Trust	Education programme and facilitator	54,861	60,000	22,867	91,994

Northland Regional Council - CPCA	Mainland Pest Control - Elliot's Bay		24,851		24,851
NZ Lotteries - Community	Volunteer Programme	6,979	20,000	22,875	4,104
NZ Lotteries - Environment and Heritage	Kakariki translocation 2020		31,966	1,645	30,321
OIO - Calantzopoulos, Opito Bay	Pest control - Dove's Bay	18,849		9,741	9,108
OIO - Muster	Pest control - Russell	28,729		4,944	23,785
OIO - Rohit Malhotra & Tihunaz Mehta land purchase Dicks Bay	Mainland Pest Control	9,033		5,128	3,905
Pub Charity	Volunteer equipment		2,976	2,976	
Total		137,636	236,706	164,088	210,254
Total Grants as Reported in Note 1				164,088	
Unspent Grants as per Statement of Financial Position					210,254

3. Donations in Kind

Donor	Amount	What for
Wai Not Tourism	\$1,136	10% discount on water taxi services
Explore Group	\$3,240	Otehei Ferry - 72 x FOC pax @ \$45 each
Explore Group	\$3,775	1 Floating classroom charters @ \$3775.00 discount per trip
Far North Holdings	\$450	Car parking weedbusters
Duke of Marlborough	\$350	AGM catering
Duke of Marlborough	\$800	Function Room AGM
Fullers Great Sights	\$220	Advertising signage on car ferry
Fullers Great Sights	\$660	Room hire, monthly meetings
Department of Conservation	\$550	Office space, telephone, power - Haratu Russell
Department of Conservation	\$550	Office space, telephone, power - Kerikeri
Department of Conservation	\$5,000	Boat hire for plant transport
Barefoot Sailing Adventures	\$1,500	Boat transport for monitoring/research - 1 trips @ \$1,500 each
Bay four Square	\$115	Sugar for bird feeder - 10 x 5kg bag @ \$11.50 each
Harcourts Bay of Islands	\$600	Russell Radio advertising - biosecurity messaging
Bruce and Marion Goodfellow	\$2,336	Moturua accommodation for Armatages in Lockwood - 12 nights
Dean Wright	\$1,275	Website support
Darren Markin	\$1,200	Photography

Professional Advice:

Prof. Dave Towns	\$1,800	Ecological restoration planning
Jancy Stott	\$500	Accounting advice and support
Max Marketing	\$4,500	Marketing plan development and support

Private boat use:

Heatley boat	\$2,500	Boat time
Terry Storey (water stations)	\$5,000	Boat and skipper time
Dennis Corbett	\$2,000	Boat and skipper time
Tom Lindsey	\$2,000	Boat and skipper time
Dean Wright	\$1,000	Boat and skipper time
Trevor Grass	\$1,000	Boat and skipper time
Mike Quilter	\$1,000	Boat and skipper time
Total	\$45,057	

Donations in kind for the year ended 30 June 2019 totalled \$120,354. A large portion of these donations were linked to the floating classrooms (boat support) and translocations (time and helicopter support) which were unable to be undertaken due to COVID-19 restrictions.

2020 2019

4. Analysis of ExpensesExpenses related to public fundraising / engagement

Funding Development		4,100
Hapu Engagement	1,080	979
Marketing & Communication	19,799	2,129
Total Expenses related to public fundraising / engagement	20,879	7,207

Volunteer and employee related costs / our people

Administration Support	11,725	22,956
Education Facilitator	6,139	24,790
Funding Development	1,225	3,916
Marketing & Communication	2,975	11,324
Planning	38,587	16,755
Restoration Co-ordinator	5,845	10,714
Volunteer Co-ordinator	24,843	19,217
Volunteer Resources	1,459	4,885
Total Volunteer and employee related costs / our people	92,798	114,556

Costs related to providing goods or servicesRestoration

Duvaucel gecko translocation	525	-
Island Planting	3,127	1,181
Kakariki Translocation 2017		57
Mainland Pest Control	22,622	52,919
Monitoring & Survey	5,492	3,403
Weed Control	7,173	3,978

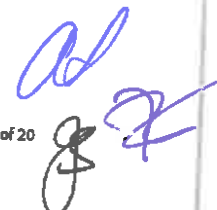
	2020	2019
Wetapunga		
Total Restoration	38,939	61,781
Education Program & Resources	8,420	33,619
Purchase of stock	257	1,242
Total Costs related to providing goods or services	47,616	96,641
Other expenses		
Accounting & Bookkeeping	1,150	1,496
AGM Expenses	43	763
Audit Fees	2,750	2,750
Bank Fees	87	93
Computer & Web Expenses	1,450	1,067
Conferences & Workshops	156	1,156
Depreciation	3,369	3,736
Insurance	1,046	1,006
Licenses & Fees	99	518
Replacements & Small Assets		253
Stationery & Postage	296	630
Telephone Tolls & Internet	509	202
Travel	1,346	2,713
Total Other expenses	12,299	16,384

5. Analysis of Assets

	2020	2019
Bank accounts and cash		
BNZ Cheque Account	112,231	47,368
BNZ Holding Account	43,327	53,284
BNZ Trapping Account	3,754	3,750
Total Bank accounts and cash	159,312	104,402
Debtors and prepayments	42,648	7,730
Investments		
Term Deposit 00008	54,267	52,665
Term Deposit 000011	21,031	20,437
Total Investments	75,298	73,102
Other current assets		
Te Tangi o Te Ata Website In Progress	8,933	
GST	435	7,744
Total Other current assets	9,368	7,744

6. Analysis of Liabilities

	2020	2019
Creditors and accrued expenses		
Accounts Payable	9,024	9,146
Total Creditors and accrued expenses	9,024	9,146



Notes to the Performance Report

	2020	2019
Employee costs payable		
WT Payable	2,644	1,560
Total Employee costs payable	2,644	1,560
Unused donations and grants with conditions		
Unspent Grants	210,254	137,636
Total Unused donations and grants with conditions	210,254	137,636
	2020	2019

7. Property, Plant and Equipment**Plant and Equipment****Plant and machinery owned**

Computer Equipment	865	865
Plant & Equipment	26,527	23,975
Total Plant and machinery owned	27,392	24,841

Accumulated depreciation - plant and machinery owned

Less Accumulated Depreciation P & E	(15,343)	(11,974)
Less Accumulated Depreciation on Computer Equipment	(865)	(865)
Total Accumulated depreciation - plant and machinery owned	(16,208)	(12,839)

Total Plant and Equipment	11,184	12,001
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Other Fixed Assets**Owned fixed assets**

Library	4,045	4,045
Total Owned fixed assets	4,045	4,045
Total Other Fixed Assets	4,045	4,045

Total Property, Plant and Equipment	15,229	16,046
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8. Commitments

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

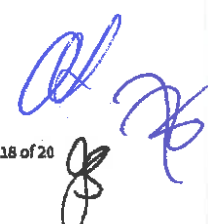
	2020	2019
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9. Accumulated Funds**Accumulated Funds**

Opening Balance	60,683	60,488
Accumulated surpluses or (deficits)	19,250	196
Total Accumulated Funds	79,933	60,683
Total Accumulated Funds	79,933	60,683

10. Related Party Transactions

Name	Reason for payment	2020	2019
Fleur Corbett	Reimbursement	479	1,541
REP NZ Ltd (Arana Rewha)	Pest control / contracting	13,397	47,562
Andrea Sim	Reimbursement		410



Richard Witehera

Reimbursement

812

322

11. Contingent Liabilities and Guarantees

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

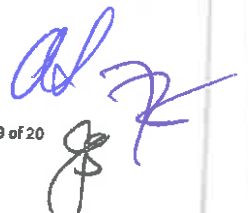
12. Events After the Balance Date

On 11 March 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March 2020, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. At this time the full financial impact of the COVID-19 pandemic is not able to be determined. Due to the nature of the Society's operations any alert lever higher than level 2 which restricts gatherings will impact on the Society's operations.

There were no other events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

13. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.



INDEPENDENT AUDITOR'S REPORT

To the Committee of Guardians of the Bay of Islands Incorporated

Opinion

We have audited the accompanying performance report of Guardians of the Bay of Islands Incorporated on pages 3 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 30 June 2020, the statement of financial position as at 30 June 2020, 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;
- b) the performance report on pages 3 to 19 presents fairly, in all material respects:
 - the entity information for the year ended 30 June 2020;
 - the service performance for the year then ended; and
 - the financial position of Guardians of the Bay of Islands Incorporated as at 30 June 2020, and its financial performance, and cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

Basis for 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 the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). 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 Guardians of the Bay of Islands Incorporated in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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, Guardians of the Bay of Islands Incorporated.

Committee Responsibility for the Performance Report

The Committee 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 Committee determine is necessary to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error.
- In preparing the performance report, the Committee are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee either intend to liquidate the entity 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 Performance Report

Our objectives are to obtain reasonable assurance about whether 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) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance report.

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

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 Committee and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Committee 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.

Other Matter

We have also examined the appropriateness of the Performance Report being prepared under the Going Concern Assumption. During the months before and after balance date, New Zealand has been impacted by the novel coronavirus (COVID-19) pandemic that is spreading around the globe. The Committee of Guardians of the Bay of Islands have assessed the likely ramifications on the Society's cashflow and future position and have determined that the full financial impact of the COVID-19 pandemic is not able to be determined. We are satisfied with their assessment and the appropriate disclosure in the Notes to the Financial Statements.

