

**MAKE-A-WISH FOUNDATION OF NEW ZEALAND TRUST**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2014**

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MAKE-A-WISH FOUNDATION OF NEW ZEALAND TRUST

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For the Year Ended 31 December 2014

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MAKE-A-WISH FOUNDATION OF NEW ZEALAND TRUST

Statement of Financial Performance

For the Year Ended 31 December 2014

|   | Note | 2014                | 2013                    |
|---|------|---------------------|-------------------------|
|   |      | \$                  | \$                      |
| <b>Wish Revenue</b>                       |      |                     |                         |
| Fundraising                               |      | 1,017,471           | 975,987                 |
| Gifts In-Kind                             |      | 240,801             | 257,468                 |
| Donations                                 |      | 353,396             | 311,332                 |
| Grants                                    |      | 57,763              | 182,027                 |
| <b>Total Income</b>                       |      | <u>1,669,431</u>    | <u>1,726,814</u>        |
| <b>Less Wish Expenses</b>                 |      |                     |                         |
| Wish Expenses                             |      | 1,394,904           | 1,320,427               |
| Fundraising Expenses                      |      | 65,576              | 159,041                 |
| <b>Total Wish Expenses</b>                |      | <u>1,460,480</u>    | <u>1,479,468</u>        |
| <b>Gross Surplus from Wish Activities</b> |      | <b>208,951</b>      | <b>247,346</b>          |
| <b>Other Income</b>                       |      |                     |                         |
| Dividends Received                        |      | 11,273              | 330                     |
| Investment Gain - Unrealised              |      | 58,224              | (48,947)                |
| Other Non Wish Grant                      |      | 65,569              | 37,645                  |
| Interest Received                         |      | 145,008             | 152,296                 |
| <b>Total Other Income</b>                 |      | <u>280,074</u>      | <u>141,324</u>          |
| <b>Gross Surplus after Other Income</b>   |      | <b>489,025</b>      | <b>388,670</b>          |
| <b>Less Expenses</b>                      |      |                     |                         |
| Audit Fees                                |      | 25,000              | 24,000                  |
| Depreciation                              | 3    | 13,882              | 19,852                  |
| Loss on Sale of Fixed Asset               |      | -                   | 4,545                   |
| Operating Lease Expenses                  |      | 84,023              | 78,963                  |
| Salaries                                  |      | 219,089             | 301,518                 |
| Other Administrative Expenses             |      | 147,509             | 151,944                 |
| <b>Total Expenses</b>                     |      | <u>489,503</u>      | <u>580,822</u>          |
| <b>Net (Loss)</b>                         |      | <u><b>(478)</b></u> | <u><b>(192,152)</b></u> |

These financial statements are to be read in conjunction with the accompanying notes



MAKE-A-WISH FOUNDATION OF NEW ZEALAND TRUST

Statement of Movements of Trustee Funds

For the Year Ended 31 December 2014

|  | Note | 2014             | 2013             |
|--|------|------------------|------------------|
|  |      | \$               | \$               |
| <b>Statement of Movements in Trustee Funds</b>   |      |                  |                  |
| Trustee Funds Brought Forward                    |      | 3,499,515        | 3,691,667        |
| Net (Loss) for the Year                          |      | (478)            | (192,152)        |
| Total Recognised Revenue & Expenses for the Year |      | (478)            | (192,152)        |
| Trust Funds at the End of the Year               |      | <u>3,499,037</u> | <u>3,499,515</u> |




MAKE-A-WISH FOUNDATION OF NEW ZEALAND TRUST

Statement of Financial Position

As at 31 December 2014

|                                 | Note | 2014<br>\$       | 2013<br>\$       |
|---------------------------------|------|------------------|------------------|
| <b>Trust Funds</b>              |      |                  |                  |
| Accumulations                   |      | 3,499,037        | 3,499,515        |
| <b>Total Trust Funds</b>        |      | <b>3,499,037</b> | <b>3,499,515</b> |
| <b>Represented by:</b>          |      |                  |                  |
| <b>Current Assets:</b>          |      |                  |                  |
| Cash & Cash Equivalents         |      | 2,330,208        | 2,240,710        |
| Sundry Debtors & Prepayments    |      | 69,298           | 89,253           |
| GST Receivable                  |      | 46,433           | 45,923           |
| Investments                     | 2    | 173,255          | 310,059          |
| <b>Total Current Assets</b>     |      | <b>2,619,194</b> | <b>2,685,945</b> |
| Property, Plant & Equipment     | 3    | 40,667           | 48,177           |
| Non Current Investments         | 4    | 978,851          | 863,823          |
| <b>Total Non Current Assets</b> |      | <b>1,019,518</b> | <b>912,000</b>   |
| <b>Total Assets</b>             |      | <b>3,638,712</b> | <b>3,597,945</b> |
| <b>Current Liabilities</b>      |      |                  |                  |
| Payables & Accruals             |      | 139,675          | 98,430           |
| <b>Total Liabilities</b>        |      | <b>139,675</b>   | <b>98,430</b>    |
| <b>Net Assets</b>               |      | <b>3,499,037</b> | <b>3,499,515</b> |

Approved by the Trustees, dated 7 July 2015

Trustee 

Trustee 



# MAKE-A-WISH FOUNDATION OF NEW ZEALAND TRUST

## Notes to and forming part of the Financial Statements

### For the Year Ended 31 December 2014

#### 1 Statement of Accounting Policies

##### Reporting Entity

Make-A-Wish Foundation of New Zealand Trust ("The Trust") is a Discretionary Trust under the Trustee Act 1956.

The Trust is domiciled in NZ and registered under the Charities Act 2005. The financial statements have been prepared in accordance with the requirements of that Act. For the purposes of financial reporting, the Trust is a not for profit public benefit entity.

All entities reporting under the Charities Act 2005 will be required to apply the accounting standards for not-for-profit public entities set by the External Reporting Board (XRB) for reporting period beginning on or after 1 April 2015.

Under the new Framework, not for profit public benefit entities will be required to report in accordance with either PBE Accounting Standards or PBE Simple Format Reporting (depending on the size of the entity). These standards are effective for periods beginning on or after 1 April 2015. The first year of reporting under the new standards for the Trust will be the year ended 31 December 2016.

The new reporting requirements for registered charities that are not publically accountable depends on the amount of annual expenses. Management expects that the Trust will either qualify for reporting under Tier 2 (PBE Reduced Disclosure Regime) or Tier 3 Simple format reporting (accrual) basis, the Tier being determined by the level of expenses for 31 December 2016. Early adoption is permitted.

The Trust is involved in the business of granting the wishes of children with life-threatening illnesses.

##### Statement of Compliance and Basis of Preparation

The Trust qualifies for differential reporting as it is not publically accountable and is not large as defined in the Framework for Differential Reporting. The Trust has taken advantage of all available differential reporting exemptions.

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Trust, with the exception of managed funds which are measured at fair value.

The financial statements were authorised for issue by the Trustee(s) on 29 June 2015.

##### Specific Accounting Policies:

The following specific accounting policies have been applied:

##### (a) Revenue

Revenues received from fundraising, grants and donations are recognised when they have been deposited in the Trust's bank account.

Donated marketable securities, equipment and other non cash donations are recorded as contributions at their estimated fair values at the date of donation, if an objective basis is available to measure the value of such items. The Trust pays for most services requiring specific expertise. However, if such services or assets are donated and the value is ascertainable, the fair value is reflected in the financial statements as revenue and expenses. The Trust recorded \$240,801 of in-kind contributions for airline flights, hotels accommodations and other professional services during the year ended 31 December 2014 (2013: \$257,468).

Interest income is recognised using the effective interest method.

Dividend revenue is recognised when the shareholder's right to receive the payment is established.

##### (b) Trade Receivables

Trade receivables are recognised at estimated realisable value, less any provision for impairment losses.

##### (c) Property, Plant & Equipment

Property, Plant & Equipment are recognised at cost less aggregate depreciation. Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007. Gains and losses on disposal of fixed assets are taken into account in determining the operating result for the year.

|                      |           |
|----------------------|-----------|
| Furniture & Fittings | DV        |
| Computer Hardware    | 32.4-60%  |
| Computer Software    | DV        |
|                      | 50-60% DV |

##### (d) Income Tax

The Trust is a not for profit charitable organisation, registered in accordance with the Charities Act 2005, which qualifies for tax exemptions with Inland Revenue.

##### (e) Non Current Investments

Managed funds are measured at fair value and changes therein are recognised directly in the Statement of Financial Performance.

##### (f) Goods and Services Taxation (GST)

The financial statements have been prepared on a GST exclusive basis with the exception of accounts payable and accounts receivable which are shown inclusive of GST.

##### (g) Cash and Cash Equivalents

The Trust considers all highly liquid assets with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents may include cash on hand or held by financial institutions.

##### (h) Pledges Receivable

Pledges receivable are recognised when there is an unconditional promise to give, at the estimated net realisable value.

##### (i) Investments

Investments comprise fixed interest securities and equity instruments. Cash at call managed by JB Were is classified as cash and cash equivalents for statutory reporting purposes.

##### (j) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those from previous financial statements.

MAKE-A-WISH FOUNDATION OF NEW ZEALAND TRUST

Notes to and forming part of the Financial Statements (continued)

For the Year Ended 31 December 2014

|                                     | 2014           | 2013           |
|-------------------------------------|----------------|----------------|
|                                     | \$             | \$             |
| <b>2 Current Investments</b>        |                |                |
| New Zealand Fixed Income Securities | 173,255        | 310,059        |
| <b>Total Current Investments</b>    | <u>173,255</u> | <u>310,059</u> |

**3 Property, Plant & Equipment**

|  | Cost           | Depreciation Charge for the Year | Accumulated Depreciation | Closing Book Value |
|--|----------------|----------------------------------|--------------------------|--------------------|
| <b>Property, Plant &amp; Equipment 2014</b>  |                |                                  |                          |                    |
| Furniture & Fittings                         | 63,392         | 7,455                            | 30,269                   | 33,123             |
| Computer Hardware                            | 29,926         | 5,366                            | 23,407                   | 6,519              |
| Computer Software                            | 36,781         | 1,061                            | 35,756                   | 1,025              |
| <b>Total Property, Plant &amp; Equipment</b> | <u>130,099</u> | <u>13,882</u>                    | <u>89,432</u>            | <u>40,667</u>      |

|  | Cost           | Depreciation Charge for the Year | Accumulated Depreciation | Closing Book Value |
|--|----------------|----------------------------------|--------------------------|--------------------|
| <b>Property, Plant &amp; Equipment 2013</b>  |                |                                  |                          |                    |
| Furniture & Fittings                         | 59,793         | 8,873                            | 22,814                   | 36,979             |
| Computer Hardware                            | 27,153         | 8,783                            | 18,041                   | 9,112              |
| Computer Software                            | 36,781         | 2,196                            | 34,695                   | 2,086              |
| <b>Total Property, Plant &amp; Equipment</b> | <u>123,727</u> | <u>19,852</u>                    | <u>75,550</u>            | <u>48,177</u>      |

**4 Non Current Investments**

|                                      | 2014           | 2013           |
|--------------------------------------|----------------|----------------|
|                                      | \$             | \$             |
| <b>Managed Fund</b>                  |                |                |
| New Zealand Fixed Income Securities  | 737,236        | 693,329        |
| New Zealand Equities                 | 241,615        | 170,494        |
| <b>Total Non Current Investments</b> | <u>978,851</u> | <u>863,823</u> |

**5 Events Occuring After Balance Date**

There were no subsequent events after balance date that require adjustment of, or disclosure in the financial statements or notes.

**6 Related Party Disclosures**

The Trust is an affiliate of Make- A- Wish International (MAWI). During the year ended 31 December 2014, the Trust paid an affiliation fee to MAWI of \$25,083 (2013: \$25,264), \$4,856 for Trademark Registration (2013: Nil) and \$ 5,903 as a contribution to the MAWI Fund (2013: Nil). During the year The Trust received a grant from MAWI of Nil (2013: \$13,943). As at balance date, an amount of \$17,899 was receivable from MAWI (2013: \$1,394).

As at balance date total amount of \$11,488 (2013: \$16,517) was due from other Make-A-Wish affiliates and an amount of \$13,912 (2013: \$3,029) was due to Make-A-Wish Australia and Make-A-Wish San Diego by The Trust.

During the year, related party income received totalled \$81,340 (2013: \$33,234), and related party expenses incurred totalled \$108,359 (2013: \$63,911).

No related party balances owing or owed were written off or forgiven during the period (2013: Nil).

**7 Operating Lease Commitments**

|                            | 2014           | 2013           |
|----------------------------|----------------|----------------|
|                            | \$             | \$             |
| Less than one year         | 38,060         | 36,951         |
| Between one and two years  | 79,579         | 77,261         |
| Between two and five years | 6,762          | 47,140         |
| <b>Total</b>               | <u>124,401</u> | <u>161,352</u> |

The lease arrangement is over the office premises at 10 Eden street, Newmarket.

**8 Contingent Liabilities**

The Trust has no contingent liabilities as at 31 December 2014 (2013: Nil).



## Independent auditor's report

### **To the trustees of Make a Wish Foundation of New Zealand Trust**

We have audited the accompanying financial statements of Make a Wish Foundation of New Zealand Trust ("the Trust") on pages 3 to 7. The financial statements comprise the statement of financial position as at 31 December 2014, the statement of financial performance and statement of movement in trustee funds for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Trustee's responsibility for the financial statements*

The trustees are responsible for the preparation and fair presentation of financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified opinion on the financial position and our qualified opinion on financial performance.

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

#### *Basis for qualified opinion on financial performance*

The Trust's recorded revenue includes fundraising income of \$1,017,471 (2013: \$975,987), gifts in kind of \$240,801 (2013: \$257,468), donations of \$353,396 (2013: \$311,332), wish grants of \$57,763 (2013: \$182,027) and non-wish grants of \$65,569 (2013: \$37,645). Control over such revenues prior to being recorded is limited and there were no practical audit procedures that we could perform to confirm independently that all fundraising income, gifts in kind, donations, wish grants and non-wish grants were properly recorded. Accordingly, we were not able to determine whether any adjustments might be necessary to the amounts shown in the financial statements for revenue, and net profit. Our audit opinion for the year ending 31 December 2013 was also qualified in this respect.





***Qualified opinion on financial performance***

In our opinion, except for the possible effects on the current and corresponding figures of the matter described in the Basis for qualified opinion paragraph, the financial statements on pages 3 to 7 present fairly, in all material respects, the financial performance of the Trust for the year ending 31 December 2014, in accordance with generally accepted accounting practice in New Zealand.

***Opinion on financial position***

In our opinion the financial statements on pages 3 to 7 present fairly, in all material respects, the financial position of the Trust as at 31 December 2014.

KPMG

13 July 2015  
Auckland