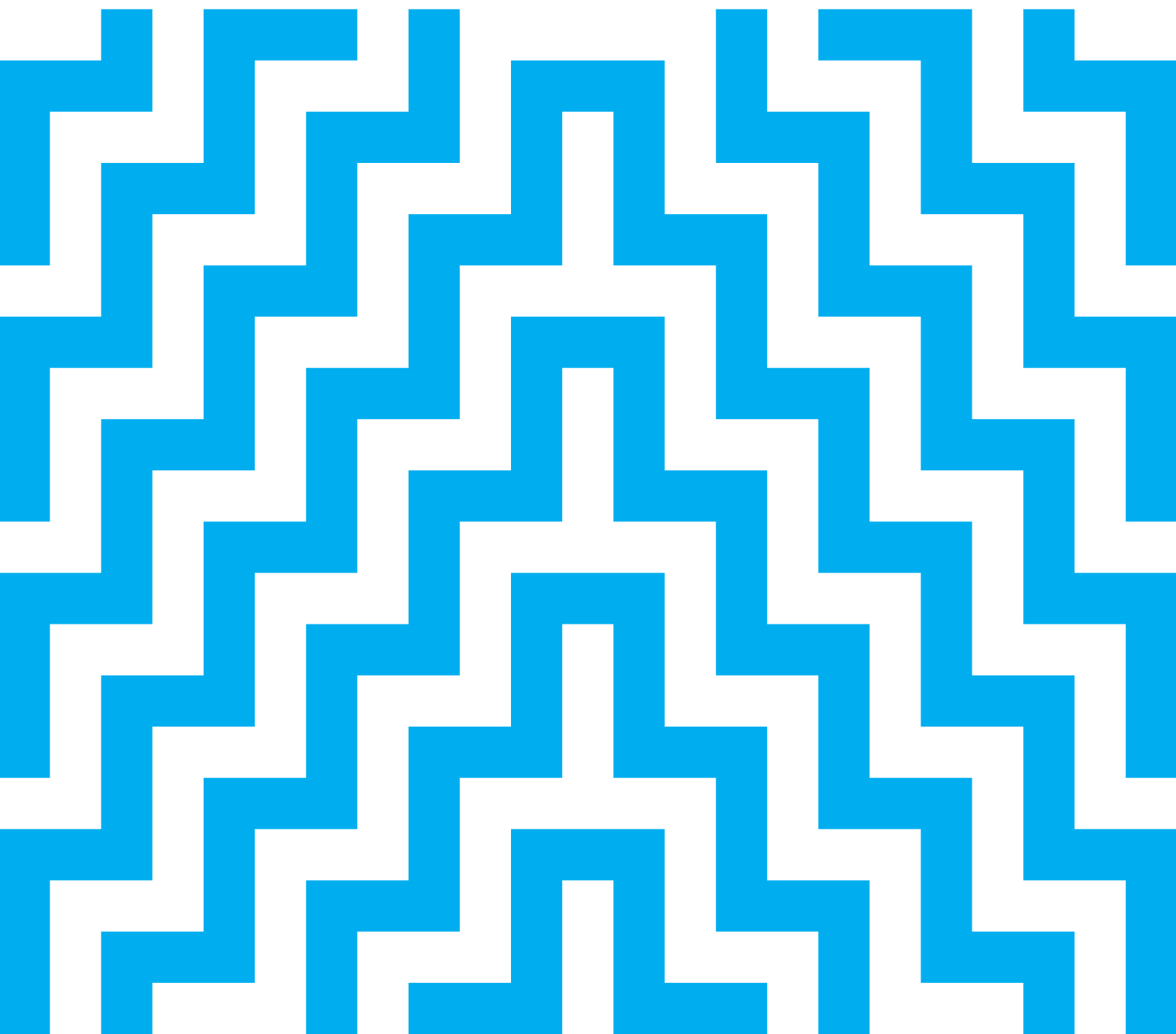


NEW ZEALAND NATIONAL COMMITTEE FOR UNICEF TRUST BOARD

Consolidated Financial Statements
For the year ended 31 December 2020



NEW ZEALAND NATIONAL COMMITTEE FOR UNICEF TRUST BOARD

Consolidated financial statements
For the year ended 31 December 2020

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NEW ZEALAND NATIONAL COMMITTEE FOR UNICEF TRUST BOARD

Consolidated statement of comprehensive revenue and expense
For the year ended 31 December 2020

		2020	2019
	Notes	\$	\$
Revenue			
Revenue from Exchange Transactions			
Interest and Dividend Income		17,028	22,021
Sundry Income		1,622	34,758
Revenue from Non-Exchange Transactions			
Sundry Income		314,240	558,942
Fundraising Income	2	13,714,305	12,625,770
Unicef Funding	2	222,325	362,850
TOTAL REVENUE		14,269,520	13,604,341
Other Gains/(Losses)			
Gain/(Loss) on Investments held at fair value		222,494	324,977
Expenditure			
Personnel costs		3,896,731	4,241,465
Professional fees and subscription		454,924	468,390
Advertising expenses		800,256	945,162
Governance expenses		39,263	34,723
Occupancy expenses		280,326	296,582
International direct project costs		9,400	202,988
Unicef New York Distributions		8,333,936	6,972,954
Other expenses	3	344,787	428,120
TOTAL EXPENDITURE		14,159,623	13,590,384
TOTAL NET SURPLUS/(DEFICIT)		332,391	338,934
TOTAL COMPREHENSIVE INCOME/(LOSS)		332,391	338,934

The accompanying notes on pages 7 to 13 form part of and should be read in conjunction with these financial statements.

NEW ZEALAND NATIONAL COMMITTEE FOR UNICEF TRUST BOARD

Consolidated statement of financial position
as at 31 December 2020

		2020	2019
	Notes	\$	\$
Current Assets			
Cash and Cash Equivalents	5	5,210,214	2,685,644
Receivables	6	817,001	7,076
Prepayments		25,382	66,330
GST Receivable		21,265	48,409
TOTAL CURRENT ASSETS		6,073,862	2,807,459
Non-Current Assets			
Property Plant and Equipment	7	124,126	136,094
Investments	8	2,468,280	2,245,750
TOTAL NON-CURRENT ASSETS		2,592,406	2,381,844
TOTAL ASSETS		8,666,268	5,189,303
Current Liabilities			
Trade and Other Payables	9	673,758	754,563
Distributions owing to Unicef New York	10	4,935,611	1,710,232
TOTAL LIABILITIES		5,609,369	2,464,795
NET ASSETS		3,056,899	2,724,508
TOTAL EQUITY		3,056,899	2,724,508

For and on behalf of the Trustees, who authorised the issue of these financial statements on 20 April 2021.



Name **SIMON L W RUTENE**
Title *Trustee*

Name **MARK OLDERSHAW**
Title *Trustee*

The accompanying notes on pages 7 to 13 form part of and should be read in conjunction with these financial statements.



NEW ZEALAND NATIONAL COMMITTEE FOR UNICEF TRUST BOARD

Consolidated statement of changes in equity
For the year ended 31 December 2020

	2020	2019
	\$	\$
Opening Equity	2,724,508	2,385,574
Total Comprehensive Income/(Loss)	332,391	338,934
CLOSING EQUITY	3,056,899	2,724,508

The accompanying notes on pages 7 to 13 form part of and should be read in conjunction with these financial statements.

NEW ZEALAND NATIONAL COMMITTEE FOR UNICEF TRUST BOARD

Consolidated statement of cash flows
For the year ended 31 December 2020

	2020	2019
	\$	\$
Cash Flows from Operating Activities		
CASH WAS PROVIDED FROM:		
Receipts from fundraising and donations	12,768,407	12,474,273
Receipts from providing goods and services	2,913	168
Unicef funding received	222,325	362,850
Grants received	343,366	576,880
Interest Received	8,713	19,898
Net GST received	27,144	3,569
	13,372,868	13,437,638
CASH WAS APPLIED TO:		
Payments to Suppliers & Employees	5,846,090	6,412,434
Net GST paid	-	-
Related party payments	4,967,658	7,081,565
	10,813,748	13,493,999
NET CASH FLOWS FROM OPERATING ACTIVITIES	2,559,120	(56,361)
Cash Flows from Investing Activities		
CASH WAS PROVIDED FROM:		
Sale of Property, Plant and Equipment	889	-
Sale of Investments	-	-
	889	-
CASH WAS APPLIED TO:		
Purchase of Property, Plant and Equipment	35,439	10,099
	35,439	10,099
NET CASH FLOWS FROM INVESTING ACTIVITIES	(34,550)	(10,099)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,524,570	(66,460)
Add: Opening Cash Balance	2,685,644	2,752,104
CASH AND CASH EQUIVALENTS	5,210,214	2,685,644

The accompanying notes on pages 7 to 13 form part of and should be read in conjunction with these financial statements.



NEW ZEALAND NATIONAL COMMITTEE FOR UNICEF TRUST BOARD

Notes to the consolidated financial statements
For the year ended 31 December 2020

1. STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2020

Reporting Entity

The New Zealand National Committee for UNICEF Trust Board (the "Trust") is a charitable trust registered under the Charitable Trust Act 1957 and is registered as a Charity (no. CC35979) under the Charities Act 2005.

Statement of Compliance

The consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity Standards ("PBE Standards"). The financial statements have been prepared in accordance with Tier 2 PBE Reduced Disclosure Regime (RDR) Standards and all disclosure concessions available have been applied. The Trust is a public benefit not for profit entity and is eligible to apply Tier 2 PBE Standards on the basis that it does not have public accountability and is not defined as large as it does not have operating expenses greater than \$30 million dollars.

Basis of Preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

The functional and presentation currency for these financial statements is New Zealand Dollars rounded to the nearest dollar.

Basis of Consolidation

These financial statements comprise of the financial statements of the Trust and the Unicef Children's Foundation Trust ("the Foundation") which it controls. The financial statements of controlled entities are prepared for the same reporting period and apply accounting policies consistent to the Trust. In preparing the group financial statements, all material intragroup transactions and balances have been eliminated. Controlled entities are consolidated from the date in which control is obtained to the date on which control is lost.

Measurement Base

The financial statements have been prepared on a historical cost basis, with the exception of investments in financial assets which have been measured at fair value.

Changes in Accounting Policies

There have been no changes in accounting policies.

Critical Accounting Estimates and Assumptions

In preparing these financial statements the Trustees have not made any significant estimates or assumptions.

NEW ZEALAND NATIONAL COMMITTEE FOR UNICEF TRUST BOARD

Notes to the consolidated financial statements
For the year ended 31 December 2020

2. REVENUE

Revenue from exchange transactions are transactions in which the Trust receives services or assets and directly gives approximately equal value, primarily in the form of cash, goods, services or use of assets, to another individual or entity in exchange. Revenue is recognised in comprehensive revenue and expense on an accrual basis when earned. Exchange revenue includes:

- › **Sundry income**, which includes revenue from the sale of goods which is recognised when the risks and rewards of ownership have been significantly transferred to the buyer; and
- › **Interest and dividend income**, which is recognised when a right to receive payments has been established;

Revenue from Non-Exchange transactions are transactions that the Trust either receives or gives value to/from another individual or entity without directly giving or receiving approximately equal value in exchange.

The recognition of non-exchange revenue depends on the nature of any stipulations attached to the inflow of resources received. Stipulations which specifically require the Trust to return the inflow of resources if they are not utilised in the way stipulated, results in the recognition of revenue in advance, rather than the immediate recognition of non-exchange revenue. Non-exchange revenue includes Fundraising Income and NZPFID/SDF grants.

	2020	2019
	\$	\$
<i>Fundraising Income</i>		
Pledge	7,169,992	7,390,223
Bequests	927,453	184,332
Appeals	1,577,965	1,381,847
NZ Government NZPFID/SDF funds	3,050,886	2,866,580
Corporates	459,085	685,267
Other	528,924	117,521
	13,714,305	12,625,770

Revenue from agency transactions: In 2020, the Trust ran an appeal to raise funds which were remitted to the New Zealand Salvation Army. The Trust transferred the net value of the donations received (gross donations less the bank/merchant fees deducted by the payment gateways). The funds were used by the New Zealand Salvation Army to provide food parcels to families undergoing hardship as a result of the Covid-19 pandemic. The arrangement with New Zealand Salvation Army has been deemed to be an agency relationship. Therefore the remittance total of \$733,986 has been netted off against the fundraising income in the Statement of Comprehensive Revenue and Expense.

	2020	2019
	\$	\$
Unicef Funding	222,325	362,850

NEW ZEALAND NATIONAL COMMITTEE FOR UNICEF TRUST BOARD

Notes to the consolidated financial statements
For the year ended 31 December 2020

3. OTHER EXPENSES

	2020	2019
	\$	\$
<i>Other Expenses Include</i>		
Audit Fees		
- Fees for the audit of the financial statements	15,500	7,500
Depreciation	45,447	51,461

4. OPERATING LEASES:

The Trust leases premises in Auckland and Wellington.

	2020	2019
	\$	\$
<i>Operating Lease Commitments</i>		
Within 1 year	144,100	141,159
Within 1-2 years	126,406	147,057
Within 2-5 years	361,523	342,458
Beyond 5 years	377,089	487,457
	1,009,118	1,118,131

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand and deposits held at call with banks.

	2020	2019
	\$	\$
Petty Cash	400	400
ANZ Bank- Money Market Call Account	150,336	103,237
ANZ Bank- Business Call Account	2,373,793	1,302,027
ANZ Call Account	761,445	665,596
ANZ Bank- Current Account (CF)	124,240	14,384
ANZ Bank-Term Deposit	1,800,000	600,000
	5,210,214	2,685,644

6. RECEIVABLES

Receivables are stated at their estimated realisable value after providing against debts where collection is doubtful.

	2020	2019
	\$	\$
Crypto currency donations	805,000	0
Exchange receivables	12,001	7,076
	817,001	7,076



NEW ZEALAND NATIONAL COMMITTEE FOR UNICEF TRUST BOARD

Notes to the consolidated financial statements
For the year ended 31 December 2020

7. PROPERTY, PLANT AND EQUIPMENT

Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation has been calculated using the rates detailed below.

Asset Class	Depreciation Rate
Computer Equipment	25% - 48% DV*
Furniture and Fittings	11.4% - 18% DV
Office Equipment	10% - 39.6% DV
Motor Vehicles	30% DV
Leasehold Improvements	Effective life 6 years SL **

* DV = Diminishing Value; ** SL = Straight line

Impairment

The Trust's assets are considered to be non-cash generating as they are not held for the primary purpose of generating a commercial return.

At each reporting date, a review is undertaken of the carrying amounts of assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable service amount of the asset (as defined in PBE IPSAS 21: Impairment of non-cash generating assets) is estimated in order to determine the extent of the loss. No impairments were made in the current period (2019: none).

	Office Equipment	Furniture & Fittings	Computer Equipment	Leasehold Improvements	Motor Vehicles	Total
2020						
Cost						
Opening Balance	19,549	18,244	321,526	112,457	17,130	488,906
Additions	-	-	35,439	-	-	35,439
Disposals	608	-	9,435	-	-	10,043
Closing Balance	18,941	18,244	347,530	112,457	17,130	514,302
Accumulated Depreciation and Impairment Losses						
Opening Balance	10,981	9,769	288,432	29,260	14,370	352,812
Depreciation expense	1,656	1,525	22,695	18,743	828	45,447
Depreciation reversed on disposal	371	-	7,712	-	-	8,083
Closing Balance	12,266	11,294	303,415	48,003	15,198	390,176
Carrying Amount						
Opening Carrying Amount	8,568	8,475	33,094	83,197	2,760	136,094
Closing Carrying Amount	6,675	6,950	44,115	64,454	1,932	124,126

NEW ZEALAND NATIONAL COMMITTEE FOR UNICEF TRUST BOARD

Notes to the consolidated financial statements
For the year ended 31 December 2020

	Office Equipment	Furniture & Fittings	Computer Equipment	Leasehold Improvements	Motor Vehicles	Total
2019						
Cost						
Opening Balance	24,157	20,797	359,956	112,457	17,130	534,497
Additions	-	-	10,099	-	-	10,099
Disposals	4,608	2,553	48,529	-	-	55,690
Closing Balance	19,549	18,244	321,526	112,457	17,130	488,906
Accumulated Depreciation and Impairment Losses						
Opening Balance	11,848	10,111	307,179	10,517	13,187	352,842
Depreciation expense	2,128	1,860	27,547	18,743	1,183	51,461
Depreciation reversed on disposal	2,995	2,202	46,294	-	-	51,491
Closing Balance	10,981	9,769	288,432	29,260	14,370	352,812
Carrying Amount						
Opening Carrying Amount	12,309	10,686	52,777	101,940	3,943	181,655
Closing Carrying Amount	8,568	8,475	33,094	83,197	2,760	136,094

8. INVESTMENTS

Investments are held in a fund portfolio managed by Kiwi Wealth. The portfolio is managed in accordance with its statement of investment policies and objectives to reduce risks. It largely consists of cash equivalents and low risk equity investments. Amounts are recognised at fair value at balance date. Unrealised gains or losses are recorded in the Statement of Comprehensive Revenue and Expense. Realised gains or losses on disposal of investments are recognised to the Statement of Comprehensive Revenue and Expense immediately. The Trust has restricted use of these investments as they are held by the Children's Foundation. The distribution of income from the investments is subject to approval by the UNICEF Childrens Foundation Board.

	2020	2019
	\$	\$
Kiwi Wealth- Cash	819	1,244
Kiwi Wealth- Convertibles/Fixed Interest	1,029,901	860,258
Kiwi Wealth- Stocks	1,437,560	1,384,248
	2,468,280	2,245,750

9. TRADE AND OTHER PAYABLES

	2020	2019
	\$	\$
Annual leave and other staff costs	426,747	454,902
Accounts Payable	149,203	233,695
Other	81,842	65,966
	657,792	754,563



NEW ZEALAND NATIONAL COMMITTEE FOR UNICEF TRUST BOARD

Notes to the consolidated financial statements
For the year ended 31 December 2020

10. RELATED PARTY DISCLOSURES

Related Party Transactions

The New Zealand National Committee has raised funds totalling \$8,333,936 (2019: \$6,972,954). Of this total, \$3,398,325 (2019: \$5,262,723) was transferred to UNICEF New York during the twelve months to 31 December 2020. The balance of \$4,935,611 (2019: \$1,710,232) will be transferred to UNICEF New York in 2021. The funds are for the following areas: Vanuatu, Timor-Leste, India, Syria, Solomon Islands, Yemen, Kiribati, Samoa, Ethiopia, Afghanistan, Papua New Guinea, Fiji, Tuvalu, Beirut, South Sudan, Bangladesh, Guatemala, Pacific and global general/nutrition/emergencies/immunisation.

The New Zealand Committee received grants from the UNICEF Geneva office as at 31 December 2020: \$222,325 (2019: \$362,850).

The Trustees are not entitled to any remuneration for their services but are entitled to reimbursement of expenditure incurred by them carrying out activities for and on behalf of the Trust Board of National Committee. Total Expenditure reimbursed to Trustees in 2020 was \$6,216 (2019: \$3,129).

Key Management Personnel Compensation

The remuneration of key management personnel during the year was as follows:

	2020	2019
	\$	\$
Short Term Employee Benefits	875,064	680,396
Other	6,216	3,129
	881,280	683,525
	2020	2019
Number of Key Management Personnel	5	6

11. FINANCIAL INSTRUMENTS

Financial instruments are those contracts entered into by the Trust which result in the creation of either a financial asset or liability for both the Trust and the other contracting entity or individual. Financial instruments result in the recognition of financial assets and liabilities for the Trust at the point where the Trust becomes party to the contractual provisions of the instrument.

Financial Assets

The Trust only holds financial assets classified as fair value through surplus and deficit and loans and receivables. The Trusts financial assets comprise of cash and cash equivalents, investments and accounts receivable and other receivables. The carry value of all financial assets is equal to their fair value.

Financial Liabilities

Financial liabilities are classified either 'at fair value through surplus or deficit', or 'measured at amortised cost'. The Trust only holds financial liabilities measured at amortised cost.

Other financial liabilities are measured at amortised cost and comprise of accounts payable and other payable balances recognised when the Trust becomes obliged to make future payments resulting from the purchase of goods and services. The carrying value of all financial liabilities is equal to their fair value.



NEW ZEALAND NATIONAL COMMITTEE FOR UNICEF TRUST BOARD

Notes to the consolidated financial statements
For the year ended 31 December 2020

12. CONTINGENT ASSETS AND LIABILITIES

There are no contingent liabilities or contingent assets at 31 December 2020 (2019: None).

13. SUBSEQUENT EVENTS

There were no subsequent events. (2019: none).

14. IMPACT OF COVID-19

On 11 March 2020, the World Health Organisation announced that the coronavirus ('COVID-19') outbreak be classified as a pandemic. At the date of the 31 December 2019 report, it was too early to determine the full impact COVID-19 was going to have on the Trust.

On 26 March 2020, the New Zealand Government increased the COVID-19 alert level to level 4, which resulted in a nation-wide lockdown. The Trust stopped all on-street fundraising and all other staff were required to work remotely from home. During the months of April to June, the Board met remotely on a weekly to fortnightly basis, primarily to monitor key revenue KPIs and cash reserves levels.

The impact of COVID-19 in 2020 has been manageable due to a combination of reduced expense levels, continuing donor retention activities through redeployment of fundraisers to telemarketing roles and being able to gradually recommence on-street fundraising from level 2 onwards.

As at 31 December 2020, the Trust is in a strong financial position. The \$4.9 million owing to Unicef New York will be remitted during the first six months of 2021. The Trust will continue to hold sufficient cash reserves to help mitigate any adverse financial impacts arising from COVID-19 or any other situation. In the 2021 financial year, the Trust will continue to develop new revenue streams including corporate and high net worth, as well as harness digitalization benefits in appeal management.

Based on the above factors, the Board of Trustees considers the preparation of the financial statements on a going concern basis as appropriate.



Independent Auditor's Report

To the beneficiaries of New Zealand National Committee for UNICEF Trust Board

Report on the audit of the consolidated financial statements

Opinion

In our opinion, the accompanying consolidated financial statements of New Zealand National Committee for UNICEF Trust Board (the 'trust') and its subsidiary (the 'group') on pages 3 to 13:

- i. present fairly in all material respects the Group's financial position as at 31 December 2020 and its financial performance and cash flows for the year ended on that date; and
- ii. comply with Public Benefit Entity Standards Reduced Disclosure Regime (Not For Profit).

We have audited the accompanying consolidated financial statements which comprise:

- the consolidated statement of financial position as at 31 December 2020;
- the consolidated statements of comprehensive revenue and expense, changes in equity and cash flows for the year then ended; and
- notes, including a summary of significant accounting policies and other explanatory information.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the group 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 the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the auditor's responsibilities for the audit of the consolidated financial statements section of our report.

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



Use of this independent auditor's report

This independent auditor's report is made solely to the beneficiaries as a body. Our audit work has been undertaken so that we might state to the beneficiaries those matters we are required to state to them in the independent 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 beneficiaries as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of the Trustees for the consolidated financial statements

The Trustees, on behalf of the trust, are responsible for:

- the preparation and fair presentation of the consolidated financial statements in accordance with generally accepted accounting practice in New Zealand (being Public Benefit Entity Standards Reduced Disclosure Regime (Not For Profit));
- implementing necessary internal control to enable the preparation of a consolidated set of financial statements that is fairly presented and free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the consolidated financial statements

Our objective is:

- to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an independent 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. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of these consolidated financial statements is located at the External Reporting Board (XRB) website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-7/>

This description forms part of our independent auditor's report.

KPMG
Wellington

19 May 2021