

**New Zealand Food Rescue Group
Consolidated Performance Report
31 March 2018**



Contents



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

Entity Information



New Zealand Food Rescue Group

For the year ended 31 March 2018

Main Purpose

Food redistribution

Legal Name

New Zealand Food Rescue Group

Registered office

Downie Stewart Lawyers

Charities Register Number

CC53091

Structure

Trust governed by Trustees.

Main Sources of Cash

Donations and Grants

Main Methods Used to Raise Funds

Donations and Grants are sought from various organisations and the public.

Reliance on Volunteers

The Trust relies on gifts of volunteer time and expertise to complete work in essential roles such as collecting, sorting, and distributing food. Total voluntary hours for the year are approximately 4,247 hours (2017: 4,900).

Group's Physical and Postal Address

PO Box 12039

Maori Hill

Dunedin 9043

Directors & Trustees

Pieter Daniel Brits

David Edward Kirk

Deborah Ann Manning

Suneil Peter Connor

Group Entities

New Zealand Food Rescue Trust (formerly known as FoodShare Charitable Trust)

KiwiHarvest Limited

FoodShare Limited (amalgamated into KiwiHarvest Limited 1 August 2017).

Contact and Phone

Deborah Manning 027 389 9717

Auditors

Audit Professionals

Level 6, Burns House

10 George Street

Dunedin 9054

Bankers

Westpac, Dunedin

Solicitors

Downie Stewart

Level 8, 265 Princes Street

Dunedin 9016

Statement of Service Performance

New Zealand Food Rescue Group
For the year ended 31 March 2018



Outcomes that the group is seeking to achieve

The New Zealand Food Rescue Group believes that no one in our communities should go hungry.

All food donated to KiwiHarvest is given to people who don't have sufficient food in the local communities from which the food was collected. We distribute the food we collect to select service agencies and community organisations who make sure all the food collected goes to those who truly need it. With a focus on fresh fruit and vegetables, the food received by families and individuals in need makes a significant difference to their quality of life.

Output Measures

For the year ended 31 March 2018, the Group delivered 1,719,668 meals for food insecure families and individuals in the Dunedin and Auckland area (2017: 1,452,706 meals delivered).

For the year ended 31 March 2018, the Group rescued and redistributed food worth an estimated total of \$6,018,838 that would have otherwise gone to waste (2017: \$5,084,470).

For the year ended 31 March 2018, the Group avoided 2.4m metric tonnes of carbon dioxide equivalent greenhouse gas emissions (2017: 2m metric tonnes)

For the year ended 31 March 2018, the Group avoided the wastage of 63,799,704 litres of water, equivalent to 25 Olympic size swimming pools (2017: 53,895,382 litres), being used to manufacture food that was dumped in landfill.

For the year ended 31 March 2018, the Group avoided the wastage of 1,805,652 KW energy. Equivalent to 158 average New Zealand homes power consumption for 1 year (2017: 1,525,341 KW energy).

Statement of Financial Performance

New Zealand Food Rescue Group
For the year ended 31 March 2018



	Notes	2018	2017
		\$	\$
Revenue			
Grants Earned	1	206,609	229,612
Donations Received	3	383,664	316,715
Fundraising Income		54,271	23,032
Sponsorship		45,474	7,000
Service Fees Received		9,577	-
Interest Received		364	1,015
Total Revenue		699,959	577,374
Expenses			
ACC Levies		4,364	3,513
Advertising		3,563	12,547
Audit Fee		3,550	3,200
Bank Fees and Charges		105	83
Cleaning		5,226	1,982
Computer Expenses		942	1,463
Contractors		39,289	28,769
Depreciation		24,706	22,079
Food Safety Equipment		1,180	-
Fundraising Expenses		17,726	9,316
General Expenses		4,847	2,818
Insurance		8,952	7,635
Legal Fees		2,392	-
Light, Heat and Power		8,952	2,636
Motor Vehicle Expenses		29,217	16,695
Packing and Wrapping		0	9.76
Printing and Stationery		2,779	8,864
Rates		135	236.45
Rent		50,000	5,126
Repairs and Maintenance		1,633	2,596
Staff Training and Welfare		4,806	3,664
Subscriptions and Licences		3,469	2,214
Telephone and Tolls		8,540	6,147
Travelling Expenses		15,122	10,674
Uniforms		3,366	2,460
Wages		386,276	329,508
Total Expenses		631,134	484,235
Surplus for the year		68,825	93,139

This Performance Report should be read in conjunction with the notes and audit report

Statement of Financial Position

New Zealand Food Rescue Group

As at 31 March 2018



	Notes	2018 \$	2017 \$
Assets			
Current assets			
Bank Balances		468,033	396,191
Accounts Receivable		1,223	-
Prepayments		4,167	-
GST Receivable		-	11,911
Income tax receivable		-	76
Sundry Debtors		-	95
Total Current assets		473,423	408,273
Non-current assets			
Property, plant and equipment	2	96,676	80,259
Total Non-current assets		96,676	80,259
Total Assets		570,099	488,532
Liabilities			
Current liabilities			
Accounts Payable		8,266	-
Grant received in advance		-	4,994
Sundry payables		3,500	3,200
Wages outstanding		15,642	10,595
Holiday Pay Accrual		19,805	16,676
GST Payable		994	-
Total Current liabilities		48,207	35,465
Total Liabilities		48,207	35,465
Net assets		521,892	453,067
Equity			
Opening Equity		453,067	359,928
Surplus for the year		68,825	93,139
Closing Equity		521,892	453,067

Signed on behalf of the board:

David Kirk

David Kirk - Chairman

6 August 2018

Date

This Performance Report should be read in conjunction with the notes and audit report

Statement of Cash Flows

New Zealand Food Rescue Group
For the year ended 31 March 2018



	2018	2017
	\$	\$
Cash Flows from Operating Activities:		
Cash was received from		
Grants, donations and fundraising	694,432	583,476
Investment income - interest	364	1,015
Net GST received (paid)	13,561	(7,684)
	708,357	576,807
Cash was applied to		
Payments to suppliers	(217,292)	(132,311)
Payments to employees	(378,100)	(316,827)
	(595,392)	(449,138)
Net Cash Flows from Operating Activities	112,965	127,669
Cash Flows (to) Investing Activities:		
Cash was applied to		
Payments to acquire plant, equipment, vehicles, office equipment, fixtures	(41,124)	(41,966)
Net Cash Flows (to) Investing Activities	(41,124)	(41,966)
Net increase in Cash at Bank	71,841	85,704
Opening cash and bank balances	396,192	310,488
Closing cash and bank balances	468,033	396,192

This Performance Report should be read in conjunction with the notes and audit report

Statement of Accounting Policies

New Zealand Food Rescue Group
For the year ended 31 March 2018



STATEMENT OF ACCOUNTING POLICIES

The financial statements presented here are for the entity New Zealand Food Rescue Group, which is a Registered Charity. The Group comprises New Zealand Food Rescue Trust and Kiwi Harvest Limited. FoodShare Limited was amalgamated into Kiwi Harvest Limited on 1 August 2017. The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified. As a Registered Charity, New Zealand Food Rescue Group was required to comply with the financial reporting framework for Tier 3 financial statements which has been developed by the External Reporting Board (The XRB).

All transactions are reported using the accrual basis of accounting. The financial statements have been prepared on the assumption that the Group is a going concern.

Property, Plant and Equipment

Items of property, plant or equipment are stated at cost less accumulated depreciation and impairment losses (if any).

Where an item of property, plant or equipment is disposed of, the gain or loss recognised in the statement of financial performance is calculated as the difference between the sale price and the carrying amount of the asset.

Depreciation

Depreciation is charged as an expense at the same rate as allowed by the Income Tax Act 2007.

Revenue

Revenue is recorded in the period that it is earned. Grants received are recorded as income in the period when any conditions are fulfilled.

Current Liabilities

Current Liabilities represents liabilities for goods and services provided to the Group prior to the end of the financial year. These include salaries and wages accrued to balance date, annual leave earned but not taken at balance date.

Goods and Services Tax

The Group is registered for Goods and Services Tax (GST). All amounts are shown exclusive of (GST), except for receivables and payables which are shown inclusive of GST.

Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous year.

Notes to the Financial Statements

New Zealand Food Rescue Group
For the year ended 31 March 2018



	2018	2017
	\$	\$
1. Grants Earned		
Lotteries Board - Dunedin	-	15,000
Lotteries Board - National	45,000	-
Lotteries Board - Auckland	-	30,000
Community Organisation Grants Scheme Coastal Otago / Waitaki	4,000	10,000
Community Organisation Grants Scheme Auckland City	3,000	2,750
Community Organisation Grants Scheme Papakura / Franklin	2,000	7,000
Community Organisation Grants Scheme Waitakere City	1,000	-
Community Organisation Grants Scheme Manukau	2,000	3,000
Community Organisation Grants Rodney/Northshore	1,000	-
Mercy Hospital Charitable Trust	45,000	45,000
Dunedin City Council	4,272	4,712
Auckland City Council	39,990	23,400
Lion Foundation	4,994	6,000
Less Lion Foundation grant held in advance	-	(4,994)
SKY CITY Foundation	43,435	67,744
Progressive Enterprises	918	10,000
John Lemon Charitable Trust	10,000	10,000
Total Grants	206,609	229,612

2. Property, Plant and Equipment

This Year					
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation	Closing Carrying Amount
Plant & Equipment	13,483	34,263	-	5,291	42,455
Furniture & Fittings	12,761	2,608	-	1,277	14,092
Vehicles	52,209	-	-	15,663	36,546
Other Fixed Assets	1,806	4,253	-	2,476	3,583
Total	80,259	41,124	-	24,707	96,676

Last Year					
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation	Closing Carrying Amount
Plant & Equipment	9,695	5,523	-	1,735	13,483
Furniture & Fittings	10,748	3,140	-	1,127	12,761
Vehicles	37,814	32,174	-	17,779	52,209
Other Fixed Assets	2,115	1,129	-	1,438	1,806
Total	60,372	41,966	-	22,079	80,259

Notes to the Financial Statements

New Zealand Food Rescue Group
For the year ended 31 March 2018



3. Contingencies and Commitments

The Group has no contingencies or commitments except a lease of premises at Central Park Corporate Estate, Auckland. This lease is for \$50,000 per year for 3 years commencing March 2017. An agreement with Goodman Property Services (NZ) Limited provides for a \$50,000 donation to be made to the Group per year for the same 3 year period to cover the cost of this lease. Included in donations received is \$50,000 from Goodman Property Services (NZ) Limited (2017: Nil).

4. Related Parties

All related parties transactions occur within normal terms and condition. There were no significant related party transactions except within the 3 entities that comprise the Group.

For the year ended 31 March 2018 the parent entity of the Group, New Zealand Food Rescue Trust, reimbursed KiwiHarvest Limited \$186,155 (2017: \$260,979) for expenses incurred and assets acquired in accordance with a service agreement. As these entries offset on consolidation, there is no impact on the Group figures. There are no amounts owing from Kiwi Harvest Limited to New Zealand Food Rescue Trust as at 31 March 2018.

5. Income Tax

As a Registered Charity, the Group is exempt from income tax.

6. Events After the Balance Date

There were no significant events after the balance date that impact these financial statements.

Independent Auditor's Report

to the Trustees of New Zealand Food Rescue Group

Our Qualified Opinion

We have audited the performance report of New Zealand Food Rescue Group (the Group) which comprise the statement of financial position as at 31 March 2018 and the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year then ended, and the statement of accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report:

- (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 accompanying performance report presents fairly, in all material respects, the financial position of the Group as at 31 March 2018 and its entity information, service performance, financial performance and cash flows for the year ended on that date in accordance with the accounting standard, Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

Basis for Qualified Opinion

In common with other organisations of a similar nature, control over the revenues from donations, fundraising and similar income prior to being banked is limited. It was not practicable to extend our examination of such income beyond the accounting for amounts received as shown by the accounting records of the Group, or to determine the effect of the limited control.

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and 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 Financial Statements* section of our report. We are independent of the Group 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 the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, 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 qualified opinion.

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

Trustees' Responsibilities for the Performance Report

The Trustees are responsible, on behalf of the Group 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, statement of financial performance, statement of financial position, statement of cash flows, and the accounting policies and notes to the performance report, in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit); 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 for assessing the Group'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 Group 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 performance report as a whole is free from material misstatement, whether due to fraud or error, including performing procedures to obtain evidence about and evaluating whether the reported outcomes and outputs and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable, 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 this performance report.

A further description of our responsibilities for the audit of the performance report is located on the External Reporting Board website: https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx

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



Chartered Accountants
6 August 2018

Dunedin