

# Annual Report

Generosity NZ  
For the year ended 30 June 2016

Prepared by Dowse Murray Chartered Accountants Ltd

# Contents

3	Entity Information
4	Statement of Service Performance
5	Statement of Financial Performance
6	Statement of Changes in Equity
7	Statement of Financial Position
8	Statement of Cash Flows
9	Notes to the Financial Statements

# Entity Information

## Generosity NZ

For the year ended 30 June 2016

### Legal Name of Entity

Generosity New Zealand

### Entity Type and Legal Basis

Incorporated Society and Charitable Entity under the Charities Act NZ 2005. Registered in March 2008

### Registration Number

CC21488

### Entity's Purpose or Mission

To collect and curate and disseminate information in such a way that it contributes to a well functioning generosity ecosystem.

### Entity Structure

Governance and operational structures.

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

Subscription income

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

The board is volunteers and several volunteers work within the operations of the organisation.

### Physical Address

Level 4, 116-118 Lambton Quay, Wellington, New Zealand, 6011

### Postal Address

PO Box 1521, Wellington, New Zealand, 6140

# Statement of Service Performance

## Generosity NZ

For the year ended 30 June 2016

### Description of Entity's Outcomes

Organisations and individuals are able to access funding information wherever and whenever they require it.

Month	UNIQUE VISITORS	NUMBER OF VISITS	PAGES	HITS
July 2015	19,498	30,837	591,508	930,754
August 2015	20,947	33,328	644,807	985,237
September 2015	16,806	26,819	479,080	700,264
October 2015	9,024	14,985	488,354	675,974
November 2015	4,714	8,643	454,334	622,306
December 2015	3,503	6,267	304,333	414,242
January 2016	4,379	7,566	415,935	541,341
February 2016	4,472	8,456	482,684	643,106
March 2016	4,648	9,129	585,470	776,429
April 2016	3,917	7,346	593,512	742,835
May 2016	4,760	10,054	662,328	907,399
June 2016	5,237	11,418	667,581	900,411

### Description and Quantification of the Entity's Outputs

Generosity NZ measures the number of times someone comes to the website and what they do once they are there. A number of other measurements are taken from other sites that Generosity NZ maintains and provides information to. The graphs below illustrate activity.

Activity is measured in the following: hits, pages, visits, unique visitors. Numbers are taken monthly. A hit is a raw data request to the website server. A page is a website page which is opened by a person. Opening a website page will generate hits. A visit is one person coming to the website. This person might open multiple pages during their visit. A unique visitor is a person coming to the website. This number does not count how often they visit the website in a month.

The reduction in the number of unique visits from October 2015 occurred at the same time as a new system went into Victoria University. This meant that they were no longer accessing our website through unique visits.

Of note is the relatively small reduction in the number of 'hits' which indicates that the same amount of data is being viewed. The month on month variations in visits, pages, and hits are most likely cyclical. We expect to confirm this year on year.



# Statement of Financial Performance

## Generosity NZ

For the year ended 30 June 2016

	2016	2015
<b>Income</b>		
Annual Subscription Income	667,230	634,294
Easypay Income	3,295	-
<b>Total Income</b>	<b>670,525</b>	<b>634,294</b>
<b>Gross Profit</b>	<b>670,525</b>	<b>634,294</b>
<b>Other Income</b>		
Donation Income	40,500	-
Interest Income	3,760	5,380
Miscellaneous Income	13,136	3,765
Office Services and Reimbursements Income	37,191	-
<b>Total Other Income</b>	<b>94,587</b>	<b>9,145</b>
<b>Expenses</b>		
Audit Fee	8,445	7,820
Board Travel and Governance	22,679	22,069
Depreciation	6,023	10,830
Human Resources	375,478	400,545
Interest Expense	-	411
Legal Fees	-	5,397
Marketing and Sales	10,057	61,671
Office Expenses	87,755	73,164
Operating Lease Payments	-	1,260
Professional Services	136,086	137,283
<b>Total Expenses</b>	<b>646,522</b>	<b>720,448</b>
<b>Net Surplus / (Deficit)</b>	<b>118,591</b>	<b>(77,009)</b>



Note: This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Auditor's Report.

# Statement of Changes in Equity

Generosity NZ

For the year ended 30 June 2016

	2016	2015
<b>Equity</b>		
Opening Balance	(168,812)	(91,803)
<b>Increases</b>		
Profit for the Period	118,591	(77,009)
<b>Total Increases</b>	<b>118,591</b>	<b>(77,009)</b>
<b>Total Equity</b>	<b>(50,222)</b>	<b>(168,812)</b>



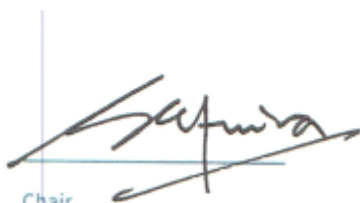
*Note: This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Auditor's Report.*

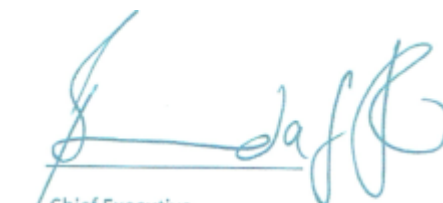
# Statement of Financial Position

Generosity NZ

As at 30 June 2016

	NOTES	30 JUN 2016	30 JUN 2015
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Bank		229,702	178,357
Accounts Receivable		259,461	135,053
Income Tax Refund Due		-	1,599
<b>Total Current Assets</b>		<b>489,164</b>	<b>315,008</b>
<b>Non-Current Assets</b>			
Fixed Assets	6	145	6,168
<b>Total Non-Current Assets</b>		<b>145</b>	<b>6,168</b>
<b>Total Assets</b>		<b>489,309</b>	<b>321,176</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable		19,136	7,056
Accrued Expenses		14,525	21,268
Employee Entitlements		11,073	12,305
GST Payable		52,690	35,312
Income Received in Advance		442,107	414,047
<b>Total Current Liabilities</b>		<b>539,531</b>	<b>489,988</b>
<b>Total Liabilities</b>		<b>539,531</b>	<b>489,988</b>
<b>Net Assets</b>		<b>(50,222)</b>	<b>(168,812)</b>
<b>Equity</b>			
Retained Earnings		(50,222)	(168,812)
<b>Total Equity</b>		<b>(50,222)</b>	<b>(168,812)</b>

  
 Chair  
 Date 23.11.2016

  
 Chief Executive  
 Date 22.11.2016



Note: This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Auditor's Report.

# Statement of Cash Flows

Generosity NZ

For the year ended 30 June 2016

	2016	2015
<b>Cash Flows from Operating Activities</b>		
Receipts from grants	40,500	-
Receipts from customers	609,216	662,319
Payments to suppliers and employees	(643,365)	(720,758)
Interest received	3,760	5,380
GST	(5,767)	8,335
Cash receipts from other operating activities	45,452	27,172
<b>Total Cash Flows from Operating Activities</b>	<b>49,797</b>	<b>(17,552)</b>
<b>Cash Flows from Investing Activities</b>		
Proceeds from sales of property, plant and equipment	-	-
Other cash items from investing activities	1,599	(350)
<b>Total Cash Flows from Investing Activities</b>	<b>1,599</b>	<b>(350)</b>
<b>Cash Flows from Financing Activities</b>		
Other cash items	-	-
<b>Total Cash Flows from Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net Cash Flows</b>	<b>51,396</b>	<b>(17,902)</b>
<b>Cash Balances</b>		
Cash and cash equivalents at beginning of period	178,307	196,208
Cash and cash equivalents at end of period	229,702	178,307
Net change in cash for period	51,396	(17,902)



Note: This statement is to be read in conjunction with the Notes to the Financial Statements and the accompanying Auditor's Report.



# Notes to the Financial Statements

## Generosity NZ

### For the year ended 30 June 2016

#### 1. Reporting Entity

Funding Information Service Incorporated changed its name to Generosity New Zealand Incorporated on 5 February 2016.

The financial statements presented here are for the entity Generosity New Zealand Incorporated (Generosity NZ), an incorporated society under the Incorporated Societies Act 1908. Generosity NZ is also registered as a charitable entity under the Charities Act 2005.

The financial statements have been prepared in accordance with generally accepted accounting practice.

#### 2. Statement of Accounting Policies

##### Basis of Preparation

Generosity NZ 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 of 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 Generosity NZ will continue to operate in the foreseeable future.

General accounting policies that have been adopted in the preparation of these financial statements are:

1. The measurement base adopted is that of historical cost and reliance is placed on the fact that Generosity NZ is a going concern.
2. The matching of revenue earned and expenses incurred is applied using accrual accounting concepts.
3. Generosity NZ is registered as a charitable entity under the Charities Act 2005. It is therefore exempt from Income Tax.

##### Changes in Accounting Policies

Generosity NZ has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not For Profit) for the year ending 30 June 2016.

##### Goods and Services Tax

These financial statements have been prepared on a GST exclusive basis with the exception of Accounts Receivable and Accounts Payable.

##### Income Tax

Generosity NZ is registered with the Charities Commission and has an exemption from paying income tax.

##### Accounts Receivable

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

##### Revenue Recognition

Generosity NZ's main income stream is from subscriptions. Revenue from subscriptions is recognised in the period in which the services are rendered. In addition, revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the entity.



## Fixed Assets and Depreciation

All fixed assets are recorded at cost less accumulated depreciation.

Depreciation of the assets has been calculated based on the following depreciation methods and rates:

Computer Equipment. 33% - 40% Straight Line.

Furniture and Fittings. 20% Straight Line.

Office Equipment. 36% - 67% Straight Line.

Software. 40% Straight Line or 48% Diminishing Value.

Website. 40% Straight Line.

## 3. Audit

These financial statements have been subject to audit, please refer to the Auditor's Report.

## 4. Contingent Liabilities and Capital Commitments

At balance date there are no known contingent liabilities or capital commitments (2015: Nil). Generosity NZ has not granted any securities in respect of liabilities payable by any other party.

## 5. Operating Lease Commitments

### Level 4, 114-118 Lambton Quay, Wellington (expiry date 30 August 2016)

<b>Rent (GST inclusive) as follows:</b>	<b>2016</b>	<b>2015</b>
Monthly rental	3,211	3,211
No later than one year	6,422	38,535
Later than one year no later than 5 years	-	6,422
<b>Total</b>	<b>6,422</b>	<b>44,957</b>

Generosity NZ holds the lease for level 4 of Civic Assurance House, but sub leases the premises to the JR McKenzie Trust and Philanthropy New Zealand. The amounts reflected above are the net commitments required by Generosity NZ after allowing for these recoveries.

After balance date, Generosity NZ entered into a new lease agreement commencing 1 September 2016, with a term of 6 years. The annual rent under the new lease is \$106,950 including GST (\$8,912.50 per month including GST). However, Generosity NZ are also in negotiations to agree recoveries from subleasees for a portion of the lease. After allowing for the recoveries relating to the subleasing agreements, the net commitment required by Generosity NZ is expected to be \$44,520 including GST per year (\$3,710 including GST per month).



## 6. Fixed Assets

Fixed Assets are recorded at cost less accumulated depreciation.

	2016	2015
<b>Computer Equipment - Book Value</b>	<b>124</b>	<b>1,354</b>
Cost	18,946	18,946
Current Year Depreciation	1,230	3,659
Accumulated Depreciation	18,822	17,593
<b>Furniture &amp; Fittings - Book Value</b>	<b>-</b>	<b>35</b>
Cost	4,661	4,661
Current Year Depreciation	35	211
Accumulated Depreciation	4,661	4,626
<b>Office Equipment - Book Value</b>	<b>-</b>	<b>-</b>
Cost	6,470	6,470
Current Year Depreciation	-	474
Accumulated Depreciation	6,470	6,470
<b>Software - Book Value</b>	<b>21</b>	<b>159</b>
Cost	4,132	4,132
Current Year Depreciation	138	746
Accumulated Depreciation	4,111	3,973
<b>Website Development - Book Value</b>	<b>-</b>	<b>4,620</b>
Cost	14,350	14,350
Current Year Depreciation	4,620	5,740
Accumulated Depreciation	14,350	9,730
<b>Total Assets - Book Value</b>	<b>145</b>	<b>6,168</b>
Cost	48,560	48,560
Current Year Depreciation	6,023	10,830
Accumulated Depreciation	48,414	42,392



## 7. Associated Parties

There were no associated party transactions during the year under review (2015: Nil).

## 8. Going Concern

The board has considered the use of the Going Concern assumption and continues to believe this is the appropriate basis to prepare the financial statements. They have come to this conclusion as although the Financial Statements show total liabilities of \$539,531, included in liabilities is income in advance of \$442,107 for which there is no obligation to repay, and is expected to become income in the future, the large majority of which will be recognised within 12 months of balance date. This means that this Society is able to pay its debts as they fall due, and is therefore a Going Concern. In addition, the Board is confident that they will achieve a surplus next year and going forward. On this basis the Society will continue to be a Going Concern into the foreseeable future.

## 9. Events after Balance Date

There were no events that have occurred after the balance date that would have a material effect on the financial statements (2015: Nil).



# Independent auditor's report

## To the Members of Generosity NZ Incorporated

We have audited the accompanying performance report of Generosity NZ Incorporated on pages 3 to 12 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 2016, the statement of financial position as at 30 June 2016, and the statement of accounting policies and other explanatory information.

This report is made solely to the Members. Our audit has been undertaken so that we might state to the Members those matters we are required to state to them in an auditors' 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 Members, for our audit work, for this report, or for the opinions we have formed.

### The responsibility of the Board for the performance report

The Board 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 reportin 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 Board determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on the performance report based on our audit. 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). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the performance report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance report, 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. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the performance report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the performance report 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. An audit also includes, evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the performance report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than our capacity as auditor we have no relationship with, or interests in, Generosity NZ Incorporated.


### **Opinion**

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 12 presents fairly, in all material respects:
  - the entity information for the year then ended
  - the service performance for the year then ended; and
  - the financial position of Generosity NZ Incorporated as at 30 June 2016, 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).

### **Other Matter**

The financial statements of the prior year were audited by a predecessor audit firm; An unqualified opinion was expressed by the predecessor audit firm. That audit report was issued on 20 November 2015.



**Moore Stephens Wellington Audit** | Chartered Accountants, Wellington, New Zealand  
23 November 2016