

INTERNATIONAL NEEDS HUMANITARIAN AID TRUST

FINANCIAL STATEMENTS for the year ended 31 December 2017

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INTERNATIONAL NEEDS HUMANITARIAN AID TRUST

DIRECTORY

BOARD OF TRUSTEES

Sara, Peter J (Chairman)	Dunedin
Clist, Roger S (Secretary)	Auckland
Taylor, Malcolm J (Treasurer)	Auckland
Jensen, Kit M L	New Plymouth
Lysaght, Ian W	Whakatane (Retired 21 April 2017)
Wilson, F David	Whanganui (Retired 21 April 2017)
Cotton, Robyn M (Vice-Chairman)	Tauranga
Gibbons, Daniel L	Queenstown
Lineham, Sarah L	Wellington
Hughes, David J	Christchurch

LOCATION

Unit 4, Level One
120 Eleventh Ave
Tauranga, New Zealand

AUDITORS

William Buck
Tauranga

SOLICITORS

Keam & Associates
Tauranga

International Needs Humanitarian Aid Trust

Independent auditor's report to the Trustees Report on the Financial Statements

Opinion

We have audited the financial statements of International Needs Humanitarian Aid Trust (the entity), which comprise the statement of financial position as at 31 December 2017 and the statement of comprehensive revenue and expense, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion accompanying financial statements give a true and fair view of the financial position of International Needs Humanitarian Aid Trust as at 31 December 2017 and of its financial performance, and cash flows for the year then ended in accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime (IPSAS RDR).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). 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 International Needs Humanitarian Aid Trust 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, International Needs Humanitarian Aid Trust.

CHARTERED ACCOUNTANTS
& ADVISORS

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Tauranga 3110, New Zealand

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Tauranga 3140, New Zealand

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William Buck Audit (NZ) Limited

Responsibilities of the Trustees

The Trustees are responsible on behalf of the entity for the preparation of the financial statements that give a true and fair view in accordance with Public Benefit Entity International Public Sector Accounting Standards, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial statements that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of International Needs Humanitarian Aid Trust 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 Trustees either intend to liquidate International Needs Humanitarian Aid Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are as a whole 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) 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 these financial statements.

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 financial statements, 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 Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on International Needs Humanitarian Aid Trust'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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees 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.

The engagement director on the audit resulting in this independent auditor's report is Richard Dey.



William Buck Audit (NZ) Limited

Tauranga
20 April 2018

INTERNATIONAL NEEDS HUMANITARIAN AID TRUST

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

for the year ended 31 December 2017

	Note	2017			2016		
		\$	\$	\$	\$	\$	\$
		Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
Revenue from Non-Exchange Transactions							
Donations & Contributions	5	-	1,083,900	1,083,900	-	1,039,039	1,039,039
Management Fees on Donations		272,248	-	272,248	260,560	-	260,560
Movement in Restricted Funds	5	-	(26,688)	(26,688)	-	(113,689)	(113,689)
Total Revenue		272,248	1,057,212	1,329,460	260,560	925,350	1,185,910
Operating Expenses							
Professional Fees		271,000	-	271,000	259,460	-	259,460
Project Expenses	5	-	1,057,212	1,057,212	-	925,350	925,350
Total Expenses		271,000	1,057,212	1,328,212	259,460	925,350	1,184,810
Net Surplus/(Deficit) For The Year		1,248	-	1,248	1,100	-	1,100
Other Comprehensive Revenue and Expenses		-	-	-	-	-	-
Total Comprehensive Revenue and Expenses		1,248	-	1,248	1,100	-	1,100

These financial statements should be read in conjunction with the notes to the financial statements

INTERNATIONAL NEEDS HUMANITARIAN AID TRUST

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 December 2017

	Funds Introduced \$	Retained Surplus \$	Total Equity \$
Opening Balance at 1 January 2017	10	1,960	1,970
Surplus for the Year	-	1,248	1,248
Other Comprehensive Income	-	-	-
Closing Equity at 31 December 2017	10	3,208	3,218
Opening Balance at 1 January 2016	10	860	870
Surplus for the Year	-	1,100	1,100
Other Comprehensive Income	-	-	-
Closing Equity at 31 December 2016	10	1,960	1,970

These financial statements should be read in conjunction with the notes to the financial statements

INTERNATIONAL NEEDS HUMANITARIAN AID TRUST

STATEMENT OF FINANCIAL POSITION

as at 31 December 2017

	Notes	2017 \$	2016 \$
<u>CURRENT ASSETS</u>			
Accounts Receivable - INNZ		294,048	266,112
Petty Cash		10	10
		294,058	266,122
 <u>CURRENT LIABILITIES</u>			
<i>Restricted Funds Held for Disbursements</i>			
Offshore Ministries: Child Assistance Projects	5	151,720	115,052
Other Projects	5	139,120	149,100
		290,840	264,152
 TOTAL NET ASSETS		3,218	1,970
 <u>AS REPRESENTED BY</u>			
Total Equity		3,218	1,970

Signed for and on behalf of the Board of Trustees who authorised
these financial statements for issue on 20 April 2018



Trustee



Trustee

These financial statements should be read in conjunction with the notes to the financial statements

INTERNATIONAL NEEDS HUMANITARIAN AID TRUST

CASH FLOW STATEMENT

for the year ended 31 December 2017

	2017 \$	2016 \$
Cash and Cash Equivalents at 1 January	10	10
Cash and Cash Equivalents at 31 December	<u>10</u>	<u>10</u>

These financial statements should be read in conjunction with the notes to the financial statements

INTERNATIONAL NEEDS HUMANITARIAN AID TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

1 REPORTING ENTITY

The reporting entity is International Needs Humanitarian Aid Trust (the "Trust"). The Trust is domiciled in New Zealand and is a charitable organisation registered under the Charitable Trusts Act 1957 and the Charities Act 2005.

The financial statements of the International Needs Humanitarian Aid Trust for the year ended 31 December 2017 were authorised for issue by the Board of Trustees on 20 April 2018.

2 STATEMENT OF COMPLIANCE

The Trust's financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, the Trust is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

The Board has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions. This decision results in the Trust not preparing a Statement of Service Performance for both reporting periods.

3 CHANGES IN ACCOUNTING POLICY

There were no significant changes in accounting policy during the year ended 31 December 2017

4 SUMMARY OF ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to both years presented in these financial statements.

Basis of Measurement

These financial statements have been prepared on the basis of historical cost.

Functional and Presentational Currency

The financial statements are presented in New Zealand dollars (\$), which is the Trust's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

INTERNATIONAL NEEDS HUMANITARIAN AID TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

Revenue from Non-Exchange Transactions

Donations and Contributions revenue is recognised when the conditions attached to these donations and contributions has been complied with. Where there are unfulfilled conditions the balance is held in the restricted funds liability until the conditions are fulfilled.

For transparency purposes the gross amount of income and expenditure is recorded in the statement of comprehensive revenue and expenses, along with the movement in restricted funds which has nil effect on the results for the year.

Significant Judgements and Estimates

In preparing the financial statements, the Board of Trustees is required to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. The uncertainty from these assumptions and estimates could result in outcomes that may result in a material adjustment to the carrying amount of the asset or liability.

The Trust bases its assumptions and estimates on parameters available when the financial statements are prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Trust. Such changes are reflected in the assumptions when they occur.

Income Tax

Due to its charitable status, the Trust is exempt from income tax.

5 RESTRICTED FUNDS HELD FOR DISBURSEMENT

	2017	2016
	\$	\$
Opening Balance	264,152	150,463
Support Raised	1,083,900	1,039,039
Funds Distributed	(1,057,212)	(925,350)
<i>Net change in funds held for distribution</i>	<i>26,688</i>	<i>113,689</i>
Closing Balance	<u>290,840</u>	<u>264,152</u>

INTERNATIONAL NEEDS HUMANITARIAN AID TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

5 RESTRICTED FUNDS HELD FOR DISBURSEMENT (cont.)

<u>RESTRICTED FUNDS</u>	Cash available at beginning of year	Support raised during year	Funds disbursed during year	Inter-fund movements	Cash available at end of year
Child Assistance Projects					-
Bangladesh	12,563	123,444	120,879		15,128
Ghana	5,041	33,462	33,205		5,298
India	-	432	198		234
Nepal	3,265	26,211	26,846		2,631
North India	11,049	113,282	112,478		11,853
Philippines	19,818	219,851	204,350		35,319
Philippines Cappuccino Club	35,835	46,507	27,779		54,563
Sri Lanka	151	-	-		151
Uganda	20,119	176,643	177,667		19,095
Children in Crisis Fund	5,890	5,614	4,650		6,854
Children Christmas Gift	1,322	7,515	8,290		547
Children Birthday Gifts	-	240	192		48
Total Child Assistance Projects	115,053	753,201	716,534	-	151,720
Other Projects					
Bangladesh	11,654	47,735	48,520		10,869
Bougainville	1	-	-		1
Cambodia	-	64,134	31,836		32,298
Egypt	5,523	16,869	21,009		1,383
Ethiopia	1,598	203	1,800		-
Fiji	33,739	4,977	14,162		24,554
Ghana	8,107	9,153	16,108		1,152
India	19,639	42,857	34,700		27,796
Myanmar	-	21,463	21,638	690	515
Nepal	9,371	57,982	54,160	(5,891)	7,302
North India	3,394	23,194	24,757	2,816	4,647
Papua New Guinea	360	-	-		360
Philippines	18,785	1,275	20,060		-
Project Turkey	8,558	5,296	11,287		2,567
Uganda	7,924	10,579	26,067	10,770	3,206
Vietnam	15	14,668	14,574		109
Development and Relief Fund	1,240	855	-		2,095
Undesignated Other	9,424	3,064	-	(5,569)	6,919
Undesignated: Disaster and Relief	9,767	6,396	-	(2,816)	13,347
Total National Ministry Projects	149,099	330,699	340,678	-	139,120
TOTAL RESTRICTED FUNDS	264,152	1,083,900	1,057,212	-	290,840

INTERNATIONAL NEEDS HUMANITARIAN AID TRUST

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

6 RELATED PARTY TRANSACTIONS

International Needs Humanitarian Aid Trust has the same Trustees as International Needs New Zealand (INNZ). International Needs New Zealand received money from various donors for relevant projects, and spends money on relevant projects, on behalf on International Needs Humanitarian Aid Trust.

	2017	2016
Amounts paid	\$	\$
Project Expenses	1,057,212	925,350
Professional fees paid to INNZ	271,000	259,460
Amounts received		
Donations and contributions	1,083,900	1,039,039
Management fee received from INNZ	272,248	260,560

Balance owed from International Needs New Zealand at 31 December 2017 is \$294,048 (2016: \$266,112)

No related party debts have been written off or forgiven during the year.

7 CAPITAL COMMITMENTS

There are no commitments to capital purchases at balance date (2016: \$Nil).

8 CONTINGENT ASSETS AND LIABILITIES

The trustees are not aware of any contingent assets or liabilities at balance date (2016: \$Nil).

9 EVENTS AFTER THE REPORTING DATE

The Board is not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the Trust (2016: \$Nil).