

# **INTERNATIONAL NEEDS NEW ZEALAND**

## **FINANCIAL REPORT for the year ended 31 December 2022**

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# INTERNATIONAL NEEDS NEW ZEALAND

## DIRECTORY

### BOARD OF TRUSTEES

Hughes, David G (Chair)	Auckland
Warne, Geoffrey (Secretary)	Auckland
Taylor, Malcolm J	Auckland
Kaem, Robert	Tauranga
Sara, Peter J (Vice Chair)	Dunedin
Gibbons, Daniel J (Treasurer)	Queenstown
Markley, Sarah L	Wellington
Tanielu, Rabena A	Auckland

### LOCATION

Level 1, 98 Birch Avenue  
Judea  
Tauranga, New Zealand

### AUDITORS

William Buck Audit (NZ) Ltd  
Tauranga

### SOLICITORS

Keam Standen  
Tauranga

### BANKERS

Bank of New Zealand  
Cameron Road, Tauranga

## International Needs New Zealand

Independent auditor's report to the Trustees

### Report on the Financial Report

#### Opinion

We have audited the financial report of International Needs New Zealand (the entity), which comprises the statement of financial position as at 31 December 2022, the entity information, statement of service performance, statement of comprehensive revenue and expense, schedule of expenses, statement of changes in net assets and the cash flow statement for the year then ended, and notes to the financial report, including a summary of significant accounting policies.

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 accompanying financial report gives a true and fair view of:
  - the entity information for the year then ended
  - the service performance for the year then ended
  - the financial position of International Needs New Zealand as at 31 December 2022 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 of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the financial 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).

Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial report section of our report. We are independent of the entity 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. 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, the entity.

## Other Matter

The statement of service performance for the period ended 31 December 2021 was not audited. Our opinion is not modified in respect of this matter.

## Responsibilities of the Trustees

The Trustees 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 of a financial report on behalf of the entity that gives a true and fair view, which comprises:
  - the entity information
  - the statement of service performance
  - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the financial report

in accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime (IPSAS RDR) issued by the New Zealand Accounting Standards Board, and

- c. for such internal control as the Trustees determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustees are responsible on behalf of the entity 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 the entity or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report is 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) and ISAE (NZ) 3000 (Revised) 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 financial report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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.
- Obtain an understanding of the process applied by the entity to select what and how to report its service performance
- Evaluate whether the service performance criteria are suitable so as to result in service performance information that is in accordance with the applicable financial reporting framework.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 report 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 entity information, financial statements and service performance information, including the disclosures, and whether whether the entity information, financial statements and service performance information 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.

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

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

## Restriction on Distribution and Use

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



**William Buck Audit (NZ) Limited**

Tauranga  
24 April 2023

# INTERNATIONAL NEEDS NEW ZEALAND

## STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

for the year ended 31 December 2022

	Note	2022			2021		
		\$	\$	\$	\$	\$	\$
		Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
<b>Revenue from Non-Exchange Transactions</b>							
Donations & Contributions		81,423	238,254	319,677	72,571	240,971	313,542
Donations - Personal Support		5,840		5,840	6,998		6,998
Grants, NZ Aid		13,331		13,331	17,268		17,268
Short Term Missions Income		-		0	-		-
Legacies/Special Gifts		-		0	96,479		96,479
Management Fees on Donations		58,589		58,589	47,375		47,375
Movement in Restricted Funds	8	-	(20,193)	(20,193)	-	(19,716)	19,716
Non operating income		367		367	700		700
<b>Revenue from Exchange Transactions</b>							
Management Fees - INHAT		353,329		353,329	363,981		363,981
Interest Income + Unrealised Gain		23,636		23,636	5,380		5,380
Product Sales		-		0	196		196
IN INC Profile Bank		4,224		4,224	3,803		3,803
Rent Received		10,117	-	10,117	-		-
<b>Total Revenue</b>		<b>550,856</b>	<b>218,061</b>	<b>768,916</b>	<b>614,752</b>	<b>221,255</b>	<b>836,006</b>
<b>Operating Expenses</b>							
Operating Expenses (page 5)		689,576		689,576	603,105		603,104
Project Expenses	8		218,061	218,061		221,255	221,255
<b>Total Expenses</b>		<b>689,576</b>	<b>218,061</b>	<b>907,637</b>	<b>603,105</b>	<b>221,255</b>	<b>824,359</b>
<b>Net Surplus/(Deficit) For The Year</b>		<b>- 138,721</b>	<b>-</b>	<b>138,721</b>	<b>11,647</b>	<b>-</b>	<b>11,647</b>
<b>Other Comprehensive Revenue and Expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Revenue and Expenses</b>		<b>- 138,721</b>	<b>-</b>	<b>138,721</b>	<b>11,647</b>	<b>-</b>	<b>11,647</b>



# INTERNATIONAL NEEDS NEW ZEALAND

## SCHEDULE OF EXPENSES

for the year ended 31 December 2022

	Note	2022 \$	2021 \$
<b>Promotional Expenses</b>			
<b>Marketing</b>			
Advertising, website and social media		20,273	12,580
Appeals including newsletters, direct and church based		17,139	37,484
Deputations, special projects and events		22,469	8,294
		<u>59,881</u>	<u>58,358</u>
<b>Travel</b>			
Travel local and overseas		27,874	9,715
		<u>27,874</u>	<u>9,715</u>
		<u>87,754</u>	<u>68,073</u>
<b>Administration Expenses</b>			
<b>Property</b>			
Rent on premises		33,044	25,646
Electrical and utilities, Repairs & Maintenance		3,945	2,622
		<u>36,989</u>	<u>28,268</u>
<b>Office</b>			
Computer fees, licences and consumables		30,319	19,357
Printing, stationery and postage		14,426	18,530
Telephone		4,716	4,325
General expenses		2,601	10,732
		<u>52,062</u>	<u>52,944</u>
<b>Financial</b>			
Audit fees		10,363	10,173
Bank fees		6,916	6,259
Insurance		6,208	5,021
Foreign Exchange Loss		(230)	-
Depreciation and write offs	7	24,854	9,863
Investment Revaluation		7,969	-
		<u>56,080</u>	<u>31,317</u>
<b>Personnel</b>			
Salaries		391,428	362,217
Other costs including training, ACC, meetings, recruitment and PD		11,826	7,838
		<u>403,254</u>	<u>370,055</u>
<b>Professional Services</b>			
NZAID administration		-	8,370
Project management		17,800	16,004
International management fee		25,942	21,441
Professional Fees		9,694	6,633
		<u>53,437</u>	<u>52,448</u>
		<u>601,822</u>	<u>535,032</u>
		<u>689,576</u>	<u>603,104</u>

These financial statements should be read in conjunction with the notes to the financial statements and auditor's report

# INTERNATIONAL NEEDS NEW ZEALAND

## STATEMENT OF CHANGES IN NET ASSETS

as at 31 December 2022

	Fixed Asset Reserve \$	Retained Surplus \$	Founders Fund Reserve \$	Total Equity \$
Opening Balance at 1 January 2022	32,308	270,366	125,334	428,008
Surplus for the Year	-	(138,721)		(138,721)
Transfer from General Fund to Fixed Asset Reserve	4,463	(4,463)		-
Transfer from General Fund to Founders Fund Reserve	-	7,969	(7,969)	-
<b>Closing Equity at 31 December 2022</b>	<b>36,771</b>	<b>135,151</b>	<b>117,365</b>	<b>289,287</b>
Opening Balance at 1 January 2021	27,403	388,958		416,361
Surplus for the Year	-	11,647.00		11,647
Transfer from Fixed Asset Reserve to General Fund	4,905	(4,905)		-
Transfer from General Fund to Founders Fund Reserve	-	(125,334)	125,334	-
<b>Closing Equity at 31 December 2021</b>	<b>32,308</b>	<b>270,366</b>	<b>125,334</b>	<b>428,008</b>



These financial statements should be read in conjunction with the notes to the financial statements and auditor's report



# INTERNATIONAL NEEDS NEW ZEALAND


## STATEMENT OF FINANCIAL POSITION

as at 31 December 2022

	Notes	2022 \$	2021 \$
<b><u>CURRENT ASSETS</u></b>			
Cash and cash equivalents	5	584,190	937,416
Funds on deposit	6	552,636	552,214
Accrued interest		2,545	1,058
Sundry debtors and prepayments		18,802	25,527
GST receivable		10,234	5,412
Available for sale		117,365	0
		<u>1,285,772</u>	<u>1,521,627</u>
<b><u>CURRENT LIABILITIES</u></b>			
Accounts payable - INHAT	10	817,843	927,694
Accounts payable		12,769	18,645
Sundry creditors and accruals		8,716	11,570
Income in Advance		9,577	8,058
Provision for Annual Leave		18,621	24,411
Short Term Missions		12,427	2,438
		<u>879,953</u>	<u>992,816</u>
<b>WORKING CAPITAL</b>		405,819	528,811
<b><u>NON-CURRENT ASSETS</u></b>			
Fixed Assets	7	36,771	32,308
Long-Term Deposits	6	50,000	50,000
		<u>86,771</u>	<u>82,308</u>
<b><u>NON-CURRENT LIABILITIES</u></b>			
<i>Restricted Funds Held for Disbursement</i>			
Offshore Ministries: NZ Aid Funds	8	-	-
Child Assistance Projects	8	-	-
National Ministry Projects	8	100,873	73,548
Other Projects	8	102,431	109,563
NZ Ministries	8	-	-
Other non-current liabilities	9	-	-
		<u>203,304</u>	<u>183,111</u>
<b>TOTAL NET ASSETS</b>		<u>289,287</u>	<u>428,008</u>
<b><u>AS REPRESENTED BY</u></b>			
Fixed Asset Reserve		36,771	32,308
General Fund (retained surplus)		135,151	270,366
Founders Fund (Endowment)	15	117,365	125,334
<b>TOTAL EQUITY</b>		<u>289,287</u>	<u>428,008</u>

Signed for and on behalf of the Board of Trustees who authorised  
these financial statements for issue on 14 April 2023

  
Trustee

  
Trustee



# INTERNATIONAL NEEDS NEW ZEALAND

## CASH FLOW STATEMENT

for the year ended 31 December 2022

	Notes	2022 \$	2021 \$
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
<b>Receipts</b>			
Receipts from Non-Exchange Transactions		359,728	706,466
Receipts from Exchange Transactions		443,299	365,847
		<u>803,027</u>	<u>1,072,313</u>
<b>Payments</b>			
Payments to Suppliers		(505,003)	(684,693)
Payments to Employees		(399,095)	(349,381)
		<u>(904,098)</u>	<u>(1,034,074)</u>
<b>Net Cash Flows from Operating Expenses</b>		<u>(101,071)</u>	<u>38,239</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
<b>Payments</b>			
Payments to acquire property, plant and equipment		(16,970)	(14,768)
Payments to acquire managed funds		(125,334)	-
		<u>(142,304)</u>	<u>(14,768)</u>
<b>Net Cash Flows from Investing Expenses</b>		<u>(142,304)</u>	<u>(14,768)</u>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
<b>Receipts</b>			
Funds received on behalf of INHAT		1,286,928	1,680,164
		<u>1,286,928</u>	<u>1,680,164</u>
<b>Payments</b>			
Funds distributed on behalf of INHAT		(1,396,779)	(1,427,756)
Payments to purchase term investment		(1,396,779)	(1,427,756)
		<u>(109,851)</u>	<u>252,408</u>
<b>Net Cash Flows from Financing Expenses</b>		<u>(109,851)</u>	<u>252,408</u>
Net Increase / (Decrease) in Cash and Cash Equivalents		(353,226)	275,879
Cash and Cash Equivalents at 1 January		937,416	661,537
<b>Cash and Cash Equivalents at 31 December</b>	5	<u>584,190</u>	<u>937,416</u>

These financial statements should be read in conjunction with the notes to the financial statements and auditor's report

# INTERNATIONAL NEEDS NEW ZEALAND

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2022

### 1 REPORTING ENTITY

The reporting entity is International Needs New Zealand (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 Trust for the year ended 31 December 2022 were authorised for issue by the Board of Trustees on 14 April 2023

### 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.

### 3 CHANGES IN ACCOUNTING POLICY

There have been no changes in accounting policies during the year.

### 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.

#### **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 have 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.

#### **Revenue from Exchange Transactions**

##### **Interest Revenue**

Interest revenue is recognised as it accrues, using the effective interest method.

# INTERNATIONAL NEEDS NEW ZEALAND

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2022

### Financial Instruments

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the financial instrument.

The Trust derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the Trust has transferred substantially all the risks and rewards of the asset; or
- the Trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### Financial Assets

Financial assets within the scope of NFP PBE IPSAS 29 *Financial Instruments: Recognition and Measurement* are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The category determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Trust's financial assets are classified as loans and receivables or as available for sale financial assets. The Trust's financial assets include: cash and cash equivalents, short-term deposits, receivables from non-exchange transactions, receivables from exchange transactions and investments.

All financial assets except for those at fair value through surplus or deficit are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

#### *Loans and Receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Trust's cash and cash equivalents, receivables from exchange transactions and receivables from non-exchange transactions fall into this category of financial instruments.

#### *Available for Sale Financial Assets*

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets.

### Impairment of Financial Assets

The Trust assesses at the end of reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the surplus or deficit for the reporting period.

In determining whether there are any objective evidence of impairment, the Trust first assesses whether there are objective evidence of impairment for financial assets that are individually significant, and individually or collectively significant for financial assets that are not individually significant. If the Trust determines that there is no objective evidence of impairment for an individually assessed financial asset, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment for impairment.

# INTERNATIONAL NEEDS NEW ZEALAND

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2022

### Financial Instruments (cont.)

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. If the reversal results in the carrying amount exceeding its amortised cost, the amount of the reversal is recognised in surplus or deficit.

### Financial Liabilities

The Trust's financial liabilities include trade and other creditors.

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

### Cash and Cash Equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### Term Deposits

Term deposits which have a term of greater than three months but less than twelve months are treated as short-term investments under current assets and do not fall into the category of cash and cash equivalents. Term deposits which have a term of greater than twelve months are treated as a non-current asset.

### Property, Plant & Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is charged on a diminishing value or straight line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

Computer Hardware	20% DV
Computer Software	20% DV
Office Equipment	20% DV
Furniture & Fittings	20% DV

### Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive revenue and expense on a straight-line basis over the period of the lease.

### Equity

Two categories of equity are recognised on the Balance Sheet. Fixed Asset Reserve is the net book value of fixed assets and thus reflects equity already spent. General Fund is unrestricted available equity.

### Significant Judgements and Estimates

In preparing the financial statements, the Board of Trustees is required to make judgments, 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.

The following balances contain significant judgements and estimates

-Depreciation

### Income Tax

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



# INTERNATIONAL NEEDS NEW ZEALAND

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2022

### 5 CASH AND CASH EQUIVALENTS

	2022	2021
	\$	\$
NZD Bank Account	520,329	817,024
Foreign Exchange Account	63,861	120,393
	584,190	937,416

### 6 FUNDS ON TERM DEPOSIT

	2022	2021
	\$	\$
Total funds on deposit	602,636	602,214
<u>Reported as:</u>		
Current Assets	552,636	552,214
Non Current Assets	50,000	50,000

### 7 PROPERTY PLANT & EQUIPMENT

	Computer Hardware \$	Computer Software \$	Office Equipment \$	Furniture & Fittings \$	Motor Vehicle \$	Total \$
<b>2022</b>						
Opening Balance	38,255	45,580	1,085	-	13,913	98,833
Additions	18,571	-	8,998	1,748	-	29,317
Disposals	(22,824)	-	(369)	-	-	(23,193)
Closing Balance	34,002	45,580	9,715	1,748	13,913	104,957
Opening Accumulated Depreciation	21,199	43,220	483	-	1,623	66,525
Depreciation on Disposals	(14,617)	-	(148)	-	-	14,765
Depreciation Charge for Year	12,106	401	1,461	-	2,458	16,426
Closing Accumulated Depreciation	18,688	43,621	1,796	-	4,081	68,186
Closing Book Value	15,314	1,959	7,919	1,748	9,832	36,771
<b>2021</b>						
Opening Balance	42,948	74,024	1,085	-	-	118,057
Additions	855	-	-	-	13,913	14,768
Disposals	(5,548)	(28,444)	-	-	-	(33,992)
Closing Balance	38,255	45,580	1,085	-	13,913	98,833
Opening Accumulated Depreciation	21,177	69,146	332	-	-	90,654
Depreciation on Disposals	(4,743)	(26,797)	-	-	-	(31,540)
Depreciation Charge for Year	4,765	871	151	-	1,623	7,410
Closing Accumulated Depreciation	21,199	43,220	483	-	1,623	66,525
Closing Book Value	17,056	2,360	602	-	12,290	32,308

# INTERNATIONAL NEEDS NEW ZEALAND

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2022

### 8 RESTRICTED FUNDS HELD FOR DISBURSEMENT

	2022	2021
	\$	\$
Opening Balance	183,111	163,395
Support Raised	238,254	240,971
Funds Distributed - Expenses	(218,061)	(221,255)
<i>Net change in funds held for distribution</i>	20,193	19,716
Closing Balance	203,304	183,111

# INTERNATIONAL NEEDS NEW ZEALAND

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

### 8 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
<b>National Ministry Projects &amp; NW support</b>					
Bangladesh	4,828	27,854	23,748		8,934
Bougainville	-59	11,082	8,666		2,357
Burkina Faso	190	9,163	1,110		8,244
Czech Republic	1,453	3,040	3,040		1,453
Egypt	650	11,207	6,600		5,257
Ethiopia	4,389	19,023	17,737		5,675
Ghana	533	1,079	570		1,042
India	15,672	12,223	9,866		18,029
Myanmar	(589)	524	-		(65)
Nepal	12,621	28,643	19,456		21,808
Philippines	1,235	25,300	32,527	5,992	-
Papua New Guinea	61	5,072	4,501		632
Romania	800	5,170	4,800		1,170
Slovakia	56	536	528		64
Turkey	(107)	4,998	4,790	103	204
Uganda	4,419	380	684		4,115
Vietnam	9,916	27,325	24,075		13,166
NWS Undesignated	17,480	1,634	6,236	(4,089)	8,789
<b>Total National Ministry Projects</b>	<b>73,548</b>	<b>194,253</b>	<b>168,934</b>		<b>100,873</b>
<b>Other Projects</b>					
Development and Relief Fund	23,738	-	-		23,738
Undesignated Other	84,835	48,090	53,216	(2,006)	77,703
Undesignated: Crisis Fund	990	-	-		990
<b>Total Other Projects</b>	<b>109,563</b>	<b>48,090</b>	<b>53,216</b>		<b>102,431</b>
<b>TOTAL RESTRICTED FUNDS for INNZ</b>	<b>183,111</b>	<b>242,343</b>	<b>222,150</b>		<b>203,304</b>



# INTERNATIONAL NEEDS NEW ZEALAND

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2022

### 9 LOANS

There are no outstanding loans for International Needs.

### 10 RELATED PARTY TRANSACTIONS

#### International Needs Humanitarian Aid Trust

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

	2022	2021
<i>Amounts paid</i>	\$	\$
Project Expenses	1,396,779	1,063,785
Management fee paid to INHAT	353,329	363,981
<i>Amounts received</i>		
Donations and Contributions	1,286,928	1,316,183
Professional fees received from INHAT	353,329	363,981

Balance owed from International Needs Humanitarian Aid Trust as at 31 December 2022 is \$817,843 (2021: \$927,694).

#### Key management personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, is comprised of the Executive Director and the Board of Trustees. No remuneration is paid to members of the Board of Trustees in their capacity as Trustees. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	2022	2021
<i>Amounts paid</i>	\$	\$
Total Remuneration	95,000	94,885
Number of FTE's	1	1

Trustees have made donations to the Trust to support administration and operations during the year, as follows:

	2022	2021
<i>Amounts received</i>	\$	\$
Donations and Contributions	56,298	52,053

#### Remuneration and compensation provided to close family members of key management personnel

During the reporting period, total remuneration and compensation of \$Nil (2021: \$Nil) was provided by the Trust to employees who are close family members of key management personnel.

#### General

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

# INTERNATIONAL NEEDS NEW ZEALAND

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2022

### 11 CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

	2022	2021
	\$	\$
<b>Financial Assets</b>		
<u>Loans and Receivables</u>		
Cash and Cash Equivalents	584,190	937,416
Funds on Deposit	602,636	602,214
	<u>1,186,826</u>	<u>1,539,630</u>
<u>Available for Sale</u>		
Investments	117,365	-
	<u>1,304,191</u>	<u>1,539,630</u>
<b>Financial Liabilities</b>		
<u>At Amortised Cost</u>		
Accounts Payable	12,769	18,645
Accrued Liabilities	8,716	11,570
	<u>21,485</u>	<u>30,215</u>

### 12 CAPITAL COMMITMENTS

There are no commitments to capital purchases at balance date (2021: \$Nil).

### 13 OPERATING LEASE COMMITMENTS

As at the reporting date, the Trust has entered into the following operating lease commitments:

	2022	2021
	\$	\$
No later than one year	38,663	11,900
Between one and five years	67,916	-
Later than five years	-	-
	<u>106,579</u>	<u>11,900</u>

During the year, the Trust incurred \$31,467 (2021: \$22,700) in lease rental payments.

### 14 CONTINGENT ASSETS AND LIABILITIES

The trustees are not aware of any contingent assets or liabilities at balance date (2021: \$Nil).

### 15 FOUNDERS FUND RESERVE

Founders Fund Reserve was established in memory of the IN founder Ray Harrison. These funds have been set aside in order to provide an ongoing endowment investment to help support and further the work of International Needs, by providing ongoing support of overseas national ministry workers.

### 16 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 (2021: \$Nil).



2022  
INNZ Statement of Service Performance

**Our Vision:** Transform Lives and Change Communities

**Our Purpose:** Partnering with local nationals, who identify the places of greatest need, International Needs New Zealand unites people across the world, to change lives and transform communities with God’s love.

**Our work:** The work of INNZ is guided by our strategic plan focussing on five pillars, which are.

**Pillar 1 - Feeding the church:** Mutually beneficial missional partnerships with NZ churches through uniquely developed relationships with overseas church communities.

Objectives	Target for 2022	Actual achievement 2022	Achievement 2021
Speaking engagements or opportunities to present the IN message to encourage and inform current supporters or build new engagements. Target 10 speaking engagements	10 speaking engagements	24 engagements <u>Achieved</u>	16 engagements <u>Achieved</u>
Church partners giving to at least 1 or 2 ministry projects or church workers per year. Target: 10 church partners giving regularly	10 partners providing monthly support	12 church partners gave each month. <u>Achieved</u>	19 church partners gave each month. <u>Achieved</u>
Reports on projects supported provided to church partners. Target at least two reports provided per year to church partners.	2 reports per year sent to supporting churches	2 reports sent to 12 churches. <u>Achieved</u>	2 reports sent to 19 churches. <u>Achieved</u>
Church trips arranged each year to help connect NZ church partners with the work. Target 2 trips per year.	0 (due to travel restrictions)	0 (due to travel restrictions)	0 (due to travel restrictions)
New church partnerships with ministry projects or National Workers. Target 4 new connections each year.	4 new connections	3 new churches supporting work <u>Not achieved</u>	4 new churches supporting work. <u>Achieved</u>



**Pillar 2 -Feeding our investors:** Develop and maintain relationships with INNZ investors by

Increasing engagement through clear communication and increased opportunities for investors to connect with the mission.

Objectives	Target for 2022	Actual achievement 2022	Achievement 2021
Monthly Director updates, including prayer needs and relevant stories. Target 12 monthly director updates.	12 monthly email updates	12 emails sent in 2022 <u>Achieved</u>	12 emails sent in 2021 <u>Achieved</u>
Active engagement with new prospect investors. At least 2 meetings with new prospects each quarter.	8 meetings	6 meetings held <u>Not achieved</u>	6 meetings held <u>Not achieved</u>
Providing opportunity for investors to give to at least 2 INNZ supported ministries	Minimum of 2 investment opportunities presented to INNZ supporters	4 options presented to investors to support. <u>Achieved</u>	3 options presented to investors to support. <u>Achieved</u>

**Pillar 3 - Feeding the 5,000:** Spreading our message widely through clear communications and offering increased opportunities for support.

Objectives	Target for 2022	Actual achievement 2022	Achievement 2021
Reaching new audiences - social media and website used effectively to attract supporters to INNZ. Target minimum 2 promotional social media posts across at least 2 platforms per week.	104 media posts across two platforms	100 posts made 60 Facebook 40 Instagram <u>Not achieved</u>	30 posts made 29 Facebook 1 Instagram <u>Not achieved</u>
Promotional media activity Target 10 media opportunities (interviews or panel contributions) per year.	10 media opportunities held	12 interviews held <u>Achieved</u>	10 interviews held <u>Achieved</u>
High quality and timely appeals presented to supporters and potential supporters. Target minimum of 4 appeals marketed per year.	4	6 Gospel crusade x 4 Prayer calendar Sri Lanka pastors <u>Achieved</u>	5 You be the fuel campaign. Gospel crusade x 2 Prayer calendar Supporting Philippines Evangelism Expansion,

			Extension initiative <u>Achieved</u>
Reporting on projects to supporters Target at least 8 project updates provided to regular supporters per year.	8	10 4 x gospel crusades in Burkina Faso 3 x Sri Lanka pastor support 1 x Turkey Bible distribution 2 x half yearly magazine report  <u>Achieved</u>	5 1 x you be the fuel campaign. 2 x gospel crusades in Burkina Faso– 2 x half yearly magazine report  <u>Not achieved</u>

**Pillar 4 - Feeding our INNZ soul:** Loyal, committed and well-equipped staff delivering goals of the organisation, along with a highly engaged governing body.

Objectives	Target for 2022	Actual achievement 2022	Achievement 2021
Board meetings held with timely provision of meeting papers. Target three meetings annually with 85% or higher board members in attendance and board papers provided at least one week before meeting.	3	3 meetings held (April, July, November) 98% attendance Board papers submitted 13 days prior to meetings being held  <u>Achieved</u>	3 meetings held (April, July, November) 100% attendance Board papers submitted 13 days prior to meeting being held  <u>Achieved</u>
Organisational policy and process manual maintained. Target annual review to confirm currency and applicability of policies. Review completed each year.	Review completed	Review completed November 2022  <u>Achieved</u>	Review completed July 2021  <u>Achieved</u>
Staff survey completed at least biennially with overall engagement rating with mission of organisation scoring high or very high.	Biennial survey completed with high or very high mission alignment score	Next survey due in 2023	Survey completed.  <u>Achieved</u> <u>Rating – medium</u>

Annual audit completed and AGM announced and held within statutory timeframe. Target no statutory breaches occur.	No breaches	Annual audit completed with sign off achieved on 31/03/22 date. AGM announced 9 days before meeting.  <u>Achieved</u>	Annual audit completed with sign off achieved on 19/03/22 date. AGM announced 9 days before meeting.  <u>Achieved</u>
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**Pillar 5 - Sharing our food:** Ongoing commitment and engagement with IN Global community.

Objectives	Target for 2022	Actual achievement 2022	Achievement 2021
Bilateral or partnership agreements are in place with partners. Target agreements in place with all partners and reviewed biennially.	At least 1 new partnership agreement signed	2 new partnership agreements signed. 1 - Flame Cambodia 2 – Chab Dai Coalition  Total of 6 current partnership agreements now in place. 6 partnership agreements still to be finalised.  <u>Not achieved</u>	No additional partnership agreements signed due to lack of travel and covid restrictions creating other priorities.  <u>Not achieved</u>
Missions to support partners. Target at least 2 engagements (in person or online) to focus on enhancing project reporting undertaken per year.	2 engagements held per year with partners (either online or in person)	1 trip to IN FIJI in October 2022 to assist with project reporting development –  <u>Not achieved</u>	No face-to-face capacity support provided due to covid travel restrictions creating other priorities.  <u>Not achieved</u>
Participation in joint activities with other members of IN network to develop new projects. Target at least 2 structured joint initiatives per year.	2 joint funding projects	Three joint projects Sri Lanka economic crisis Ongoing Covid response	Covid 19 – response  <u>Not achieved</u>

		Ukraine response	
		<u>Achieved</u>	
INNz Board members and staff contribute to IN Global committees to strengthen network. Target contribution to minimum of two IN committees at all times.	2 committees joined	1 INNz board member on IN Global Finance and Audit committee and INNz Board member on Global Governance council  <u>Achieved</u>	1 INNz board member on IN Global Finance Audit committee and INNz Board member on Global Governance council  <u>Achieved</u>

