

Yellow-eyed Penguin Trust

**Performance Report for the year ended
30 September 2017**

Yellow-eyed Penguin Trust

Performance Report

For the year ended 30 September 2017

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Yellow-eyed Penguin Trust

Entity Information

For the year ended 30 September 2017

Legal Name of Entity:	Yellow-eyed Penguin Trust
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Type of Entity and Legal Basis:	Registered Charity
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Registration Number:	CC22822
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Entity's Purpose or Mission:

To work towards an increase in the number of Yellow-eyed penguins on a self-sustaining basis within their natural coastal eco-system.

Entity Structure:

Trust Board (Governance Structure): the Trust Deed states we can have up to 15 trustees and currently we have 13 on the board. The only positions held are that of Chair and Treasurer/Financial Advisor. Trustees represent the Board/Trust on other internal sub-committees or external committees as determined by our annual work plan.

The Management (Operational Structure): of the Trust is overseen by the General Manager (1FTE). There are six other employees: Administrator (0.6FTE), Field Manager (1FTE), Ranger (1FTE), Nursery Supervisor (0.4FTE) and Conservation Science Advisor (1FTE). Numerous volunteers support our work, especially at the nursery and in the reserves.

Main Sources of the Entity's Cash and Resources:

Our founding sponsor still supports the Trust, the Mainland Brand owned by Fonterra Brands NZ Ltd. We are also currently funded by the Department of Conservation's Community Fund, memberships, donations and other grants.

Main Methods Used by the Entity to Raise Funds:

The main fundraising is through membership subscriptions and donations and grant applications.

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

Local businesses offer in-kind services and goods and volunteers contribute labour to see the workplans completed.

Contact details

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Yellow-eyed Penguin Trust

Statement of Service Performance

For the year ended 30 September 2017

Description of the Entity's Outcomes:

Hoiho / Yellow-eyed penguins were monitored throughout their breeding season. Predator control was undertaken on Trust owned reserves and neighbouring land. Native trees and shrubs were planted in coastal areas to regenerate our coastal forests.

Description and Quantification of the Entity's Outputs:	2017	2016
Hectares of land managed	362ha	362ha
Hectares of land under pest management	350ha	350ha
Number of native trees & shrubs propagated	5,000	5,000
Number of volunteer hours for the year	1,323	1,659
Number of other areas where the Trust undertakes coastal conservation work	34	34
Threatened species under active management to ensure local security	1	1
Number of penguins monitored on Trust owned or managed sites	42	37
Number of chicks fledged	44	49

Additional Information:

Yellow-eyed penguin numbers were considerably lower than expected in this season due to the culmination of several major events that affected their survival. Historically the number of nests ranged from 75 to 120.

Yellow-eyed Penguin Trust

Statement of Financial Performance

For the year ended 30 September 2017

	Note	2017 \$	2016 \$
Revenue			
Donations, fundraising and other similar revenue	1	352,353	352,752
Fees, subscriptions and other revenue from members	1	11,090	14,673
Revenue from providing goods or services	1	14,349	17,172
Interest, dividends and other investment revenue	1	7,984	14,041
Other revenue	1	23,656	55,826
Total Revenue		409,432	454,464
Expenses			
Volunteer and employee related costs	2	279,808	287,431
Costs related to providing goods or services	2	173,334	164,970
Grants and donations made	2	300	2,457
Total Expenses		453,442	454,858
Surplus/(Deficit) for the Year		(44,010)	(394)

Yellow-eyed Penguin Trust

Statement of Financial Position

As at 30 September 2017

	Note	2017 \$	2016 \$
Assets			
Current Assets			
Bank accounts and cash	3	255,145	318,381
Debtors and prepayments	3	29,347	26,097
Investments	3	813	813
Total Current Assets		285,305	345,291
Non-Current Assets			
Property, plant and equipment	4	840,530	832,012
Total Non-Current Assets		840,530	832,012
TOTAL ASSETS		1,125,835	1,177,303
Liabilities			
Current Liabilities			
Creditors and accrued expenses	3	40,574	48,032
Total Current Liabilities		40,574	48,032
TOTAL LIABILITIES		40,574	48,032
TOTAL ASSETS LESS LIABILITIES (NET ASSETS)		1,085,261	1,129,271
Accumulated Funds			
Capital contributed by owners or members		10	10
Accumulated surpluses or deficits		960,251	1,004,261
Reserves		125,000	125,000
TOTAL ACCUMULATED FUNDS	5	1,085,261	1,129,271

The Trustees are pleased to present the Performance Report of the Yellow-eyed Penguin Trust for the year ended 30 September 2017

Chairperson: 

General Manager: 

Date: 14.12.17

Date: 14.12.2017

Yellow-eyed Penguin Trust

Statement of Cash Flows

For the year ended 30 September 2017

	2017 \$	2016 \$
Cash Flows from Operating Activities		
Cash was received from:		
Donations, fundraising and other similar receipts	349,103	356,174
Fees, subscriptions and other receipts from members	11,090	4,554
Receipts from providing goods or services	14,349	14,172
Interest, dividends and other investment receipts	7,984	10,939
Receipts from other revenue sources	23,656	64,460
Cash was applied to:		
Payments to suppliers and employees	449,435	427,878
Donations or grants paid	300	2,457
Net Cash Flows from Operating Activities	(43,553)	19,964
Cash flows from Investing and Financing Activities		
Cash was applied to:		
Payments to acquire property, plant and equipment	19,683	2,217
Net Cash Flows from Investing and Financing Activities	(19,683)	(2,217)
Net Increase / (Decrease) in Cash	(63,236)	17,747
Opening Cash	318,381	300,634
Closing Cash	255,145	318,381
This is represented by:		
Bank Accounts and Cash	255,145	318,381

Yellow-eyed Penguin Trust

Statement of Accounting Policies

For the year ended 30 September 2017

Basis of Preparation

Yellow-eyed Penguin Trust ("the Trust") 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 the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

The Trust is registered for GST and all amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

Income Tax

Yellow-eyed Penguin Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits).

Property, Plant and Equipment

Improvements by way of fencing and water supply are capitalised. The Trust's nursery is on leased ground. The Okia property is owned in conjunction with the Dunedin City Council (DCC). The Long Point Property is owned in conjunction with the Department of Conservation.

Property, plant and equipment are stated at cost less aggregate depreciation. Depreciation has been charged on a straight line method based on the expectancy of each asset, as follows:

General Plant & Machinery	5 Years
Office Equipment & Furniture	10 Years
Computer Equipment	5 Years
Buildings	25 Years
Vehicles	5 Years

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.

Grants and Donations

Grants and donations are accounted for depending on whether they have been provided with a "use-or-return" condition attached. Where no "use-or-return" condition is attached, the revenue is recorded as income. Where grants or donations include a "use-or-return" condition the grant or donation is initially recorded as a liability on receipt. The donation is subsequently recognised with the Statement of Financial Performance as the performance conditions are met.

Investments

Investments have been stated at cost price.

Debtors

Debtors have been stated at net realisable value.

Changes in Accounting Policies

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

Yellow-eyed Penguin Trust

Notes to the Performance Report

For the year ended 30 September 2017

Note 1: Revenue

Revenue Item	Description	2017 \$	2016 \$
Fundraising revenue	Fundraising	43	272
	Total	43	272

Revenue Item	Description	2017 \$	2016 \$
Donations and other similar revenue	Donations	214,280	153,453
	Mainland Funding	75,000	75,000
	Grants	63,030	51,455
	Legacies	-	72,572
	Total	352,310	352,480

Total donations, fundraising and other similar revenue	352,353	352,752
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Revenue Item	Description	2017 \$	2016 \$
Fees, subscriptions and other revenue from members	Subscriptions	11,090	14,673
	Total	11,090	14,673

Revenue Item	Description	2017 \$	2016 \$
Revenue from providing goods or services	Nursery Support	13,176	15,532
	Nursey Sales	1,173	1,640
	Total	14,349	17,172

Revenue Item	Description	2017 \$	2016 \$
Interest, dividends and other investment revenue	Interest	7,984	14,041
	Total	7,984	14,041

Revenue Item	Analysis	2017 \$	2016 \$
Other revenue	Conference Income	-	28,099
	Penguin Coffee Club	910	-
	Gain on Sale of Fixed Assets	2,174	-
	Grazing Rent	11,600	11,600
	Habitats Income	6,911	14,849
	Symposium	2,061	1,278
	Total	23,656	55,826



Yellow-eyed Penguin Trust

Notes to the Performance Report

For the year ended 30 September 2017

Note 2 : Expenses

Expense Item	Description	2017 \$	2016 \$
Volunteer and employee related costs	Wages	278,237	286,688
	ACC Levies	787	615
	Staff Training	784	128
	Total	279,808	287,431

Expense Item	Description	2017 \$	2016 \$
Costs related to providing goods or services	Administrative Expenses	52,119	61,748
	Audit Fees	5,040	5,275
	Depreciation	11,165	10,814
	Legal Fees	44	1,679
	Other Expenses	104,966	85,454
	Total	173,334	164,970

Expense Item	Description	2017 \$	2016 \$
Grants and donations made	Donations	300	2,457
	Total	300	2,457

Yellow-eyed Penguin Trust

Notes to the Performance Report

For the year ended 30 September 2017

Note 3 : Assets and Liabilities

Asset Item	Description	2017 \$	2016 \$
Bank accounts and cash	SBS	49,081	110,133
	Westpac	206,064	208,248
	Total	255,145	318,381

Asset Item	Description	2017 \$	2016 \$
Debtors and prepayments	Sundry Debtors	22,625	19,375
	Interest Accrued	6,722	6,722
	Total	29,347	26,097

Asset Item	Description	2017 \$	2016 \$
Investments	CRT Shares	813	813
	Total	813	813

Liability Item	Description	2017 \$	2016 \$
Creditors and accrued expenses	Sundry Creditors	409	7,813
	GST Payable	9,986	10,040
	Revenue Received in Advance	3,000	3,000
	Holiday Pay Accrual	17,015	17,015
	Accrued Payables	10,164	10,164
	Total	40,574	48,032

Yellow-eyed Penguin Trust

Notes to the Performance Report

For the year ended 30 September 2017

Note 4 : Property, Plant and Equipment

2017					
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Land	809,734	-	-	-	809,734
Buildings	1,316	-	-	(1,235)	81
Plant & Machinery	11,253	-	(2,056)	(2,527)	6,670
Vehicles	5,479	21,739	-	(6,223)	20,995
Office Leasehold Improvements	4,230	-	-	(1,180)	3,050
Total	832,012	21,739	(2,056)	(11,165)	840,530

2016						
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Change in Accounting Policy	Current Year Depreciation and Impairment	Closing Carrying Amount
Land	1,048,144	-	-	(238,410)	-	809,734
Buildings	2,996	-	-	-	(1,680)	1,316
Plant & Machinery	13,951	2,217	-	-	(4,915)	11,253
Vehicles	8,609	-	-	-	(3,130)	5,479
Office Leasehold Improvements	5,319	-	-	-	(1,089)	4,230
Total	1,079,019	2,217	-	(238,410)	(10,814)	832,012

The latest Government valuation of land and buildings was \$1,204,000.

Yellow-eyed Penguin Trust

Notes to the Performance Report

For the year ended 30 September 2017

Note 5: Accumulated Funds

2017				
Description	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	10	1,004,261	125,000	1,129,271
Surplus/(Deficit)	-	(44,010)	-	(44,010)
Transfer to Reserves	-	-	-	-
Transfer from Reserves	-	-	-	-
Closing Balance	10	960,251	125,000	1,085,261

2016				
Description	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	10	1,004,655	363,410	1,368,075
Change in accounting policy	-	-	(238,410)	(238,410)
Surplus/(Deficit)	-	(394)	-	(394)
Transfer to Reserves	-	-	-	-
Transfer from Reserves	-	-	-	-
Closing Balance	10	1,004,261	125,000	1,129,271

Breakdown of Reserves

Name	Nature and Purpose	2017 \$	2016 \$
Habitat protection reserve	To maintain a separate reserve in the event that the Trust decide to purchase land.	125,000	125,000
Total		125,000	125,000

Yellow-eyed Penguin Trust

Notes to the Performance Report

For the year ended 30 September 2017

Note 6 : Commitments and Contingencies

Commitment		2017 \$	2016 \$
Lease Commitments	Current	1,537	678
	Non-Current	3,202	-
	Total	4,739	678

Operating lease commitments include the photocopier rental with Canon.

Contingent Liabilities and Guarantees

There are no other contingent liabilities or guarantees as at balance date (2016: nil)

Note 7: Related Party Transactions

There were no transactions involving related parties during the financial year. (2016: nil)

Note 8: Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report. (2016: nil)

INDEPENDENT AUDITOR'S REPORT

To the Trustees of the Yellow-Eyed Penguin Trust

Opinion

We have audited the performance report of the Yellow-Eyed Penguin Trust (the "Trust") on pages 2 and 4 to 13, which comprises the entity information, the statement of financial performance and statement of cash flows for the year ended 30 September 2017, the statement of financial position as at 30 September 2017, and the statement of accounting policies and other explanatory information.

In our opinion:

- a) the performance report on pages 2 and 4 to 13 presents fairly, in all material respects,:
 - the entity information for the year then ended; and
 - the financial position of the Yellow-Eyed Penguin Trust as at 30 September 2017, 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).

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 performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and of the entity information in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000.

Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report.

We are independent of the 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, the Trust.

Other Matter

We are not responsible for expressing an opinion on the statement of service performance.

Other Information

Those charged with governance are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon. At the time of our audit, there was no other information available to us.

In connection with our audit of the financial statements, if other information is included in the annual report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Those Charged with Governance for the Performance Report

Those charged with governance are responsible on behalf of the Trust 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 those charged with governance 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, those charged with governance are responsible for assessing the Trust'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 those charged with governance either intend to liquidate the Trust 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, 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 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 decisions of users taken on the basis of this performance report.

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

- Identify and assess the risks of material misstatement of the performance 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 Trust'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 those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 performance 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 Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.



Crowe Horwath New Zealand Audit Partnership

CHARTERED ACCOUNTANTS

Dated at Dunedin this 14th day of December 2017