

Hawke's Bay Foundation

Performance Report

For the year ended
31 December 2021

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Hawke's Bay Foundation

Entity Information

For the year ended
31 December 2021

Legal Name of Entity:	Hawke's Bay Foundation
Type of Entity and Legal Basis (if any):	Registered Charity
Registration Number:	CC28009

Entity's Purpose or Mission:	<p>From Trust Deed: "To carry out every charitable purpose in New Zealand whether relating to the relief of poverty, the advancement of education, the advancement of religion, or any other purpose beneficial to the community, and: a) in all its activities shall provide a public benefit; but b) none of its activities shall result in any private benefit or profit to any individual person".</p> <p>In practice, the Hawke's Bay Foundation encourages giving throughout the region to build assets and resources for the future generations of the Hawke's Bay community and provides a simple and long lasting way for individuals, families or corporations to leave legacies for local causes.</p>
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Entity Structure:	<p>The Board of Trustees consists of not less than five and not more than nine Trustees. Four Trustees are appointed as follows: one Trustee is appointed jointly by the Mayors of the Napier City Council and Hastings District Council; one by the President of the Hawke's Bay branch of the NZ Law Society; one by the Chairman of the Hawke's Bay branch of the NZ Institute of Chartered Accountants; one by the Chairman of the Hawke's Bay Chamber of Commerce. At the Annual General Meeting, at least one third of the Trustees must retire from office but are eligible for re-election. The Trustees to retire will be those who have been longest in office since their last appointment. The Foundation is managed on a day to day basis by four part time contract staff and voluntary Trustees.</p>
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Main Sources of the Entity's Cash and Resources:	<p>Donations, bequests and investment income form the main sources of income for the Foundation. Sponsorship in the form of cash, goods and services are also received towards operating costs.</p>
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Main Methods Used by the Entity to Raise Funds:	<p>The main method of raising funds is through informing and encouraging the Hawke's Bay community to support the Community Foundation concept.</p>
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Entity's Reliance on Volunteers and Donated Goods or Services:	<p>All Trustees are volunteers. Various individuals and organisations support the Foundation through sponsored goods and services such as rent, financial accounting and audit. Where these can be quantified they are included in the notes to these financial statements.</p>
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Additional Information:	<p>The Foundation's commencing capital of \$1m was donated by ten Cornerstone contributors each contributing or pledging \$100,000 in 2012.</p>
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Contact details	
Physical Address:	Level 1, 209 Queen St East, Hastings 4122
Postal Address:	P O Box 14034, Hastings 4159
Phone/Fax:	06 870 4648
Email/Website:	info@hawkesbayfoundation.org.nz/ www.hawkesbayfoundation.org.nz
	Hawke's Bay Foundation



Hawke's Bay Foundation

Statement of Service Performance

For the year ended
31 December 2021

Description of the Entity's Outcomes:

Mission statement: The Foundation encourages giving throughout the Hawke's Bay region to build assets and resources for current and future generations of our community.

To this end we invite donations, bequests, and other funds to help provide funding to Hawke's Bay community organisations for charitable purposes.

Community sectors supported are: Community & Social; Natural Environment; Arts & Culture; Health; Learning.

Description and Quantification of the Entity's Outputs:	Actual This Year	Actual Last Year
New Donor funds established	6	6
Community Group Funds established	5	2
Total Endowment Funds	51	40
Number of Community Groups that receive funding*.	71	68
Number of supporters receiving Foundation communications, including newsletter	1,217	1,020
Endowment Fund Capital Donations Received during the period	1,977,190	810,042
Total Endowment Funds Under Management	6,067,531	4,047,216
Funds Distributed		
Tagged Distributions of Foundation Funds	38,188	13,558
Unrestricted Distributions from Foundation Funds	93,718	83,259
Distribution from Covid Emergency Response Fund	-	66,055
Distributions of Pass Through Funds	268,285	208,045
Distributions of Tindall Foundation Funds	64,092	63,000
Distribution of Tindall Covid Response Funds	-	25,000
Total Funds Distributed	464,283	458,917

* For further details of Distributions made and the purpose for distributions over \$5,000 see Note 10.

These financial statements must be read in conjunction with the accompanying notes and audit report.



Hawke's Bay Foundation

Statement of Financial Performance

For the year ended
31 December 2021

	Note	Actual This Year \$	Actual Last Year \$
Revenue			
Donations, fundraising and other similar revenue	1	2,377,752	1,369,681
Revenue from providing services	1	250	250
Interest, dividends and other investment revenue	1	223,918	368,239
Total Revenue		2,601,920	1,738,170
Expenses			
Expenses related to public fundraising	2	83,445	60,421
Volunteer and contractor related costs	2	22,834	30,698
Costs relating to administration	2	29,952	18,757
Grants and donations made	2	464,283	458,918
Other expenses	2	115	154
Total Expenses		600,629	568,948
Surplus for the Year		2,001,291	1,169,222

These financial statements must be read in conjunction with the accompanying notes and audit report.



Hawke's Bay Foundation Statement of Financial Position

As at
31 December 2021

	Note	Actual This Year \$	Actual Last Year \$
Assets			
Current Assets			
Bank accounts and cash	3	2,256,777	1,345,232
Debtors and prepayments	3	-	8,689
Other current assets	3	-	161,338
Total Current Assets		2,256,777	1,515,259
Non-Current Assets			
Property, plant and equipment	4	346	461
Investments	3	4,520,206	3,256,009
Total Non-Current Assets		4,520,552	3,256,470
Total Assets		6,777,329	4,771,729
Liabilities			
Current Liabilities			
Creditors and accrued expenses	3	3,863	3,132
Other current liabilities	3	243,290	239,711
Total Current Liabilities		247,153	242,843
Total Liabilities		247,153	242,843
Total Assets less Total Liabilities		6,530,176	4,528,886
Accumulated Funds			
Accumulated surpluses	5	152,528	158,897
Reserves	5	6,377,648	4,369,988
Total Accumulated Funds	5	6,530,176	4,528,885

For and on behalf of Hawke's Bay Foundation

Trustee

Date

Trustee

Date

11/4/22

12/4/22

These financial statements must be read in conjunction with the accompanying notes and audit report.



Hawke's Bay Foundation Statement of Cash Flows

For the year ended
31 December 2021

	Actual This Year \$	Actual Last Year \$
Cash Flows from Operating Activities		
Cash was received from:		
Donations, fundraising and other similar receipts	2,370,047	1,343,673
Fund Management Fees	7,955	5,541
Interest, dividends and other investment receipts	123,746	92,709
Cash receipts from other operating activities	129	1,112
Cash was applied to:		
Administration Expenses	133,176	112,626
Donations or grants paid	464,283	458,258
Net Cash Flows from Operating Activities	1,904,418	872,151
Cash flows from Investing and Financing Activities		
Cash was received from:		
Receipts from the sale of share investments	331,628	37,250
Receipts to Funds Under Management	3,828	1,924
Receipts from Term Investments	627,338	546,761
Cash was applied to:		
Payments from Funds Under Management	250	20,250
Payments to purchase share investments	1,489,417	706,801
Transfer to Cash Management/ Term investment - MTG	-	94,539
Transfers to term Investment	466,000	-
Net Cash Flows from Investing and Financing Activities	(992,873)	(235,655)
Net Increase / (Decrease) in Cash	911,545	636,496
Opening Cash	1,345,232	708,736
Closing Cash	2,256,777	1,345,232
This is represented by:		
Bank Accounts and Cash	2,256,777	1,345,232

These financial statements must be read in conjunction with the accompanying notes and audit report.



Hawke's Bay Foundation

Statement of Accounting Policies

For the year ended
31 December 2021

Basis of Preparation

Hawke's Bay Foundation 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. All amounts are presented in New Zealand Dollars (NZD) and are rounded to the nearest dollar.

Goods and Services Tax (GST)

Hawke's Bay Foundation is not registered for GST. Therefore amounts recorded in the Performance Report are inclusive of GST (if any).

Income Tax

Hawke's Bay Foundation 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) with original maturities of 90 days or less.

Revenue

Revenue is recognised on an accruals basis.

Property, Plant & Equipment

Property, plant and equipment are recognised at cost less aggregate depreciation. Depreciation has been calculated using the maximum permitted for taxation purposes. The following rates are used: Office Equipment 39.6% - 60%.

Investments

Share Investments

The fair value of the share investments has been determined by reference to their quotes prices at the reporting date. All share investments are publicly traded on stock exchanges in New Zealand and Australia. Gains and losses are recorded within Investment revaluation.

Term Investments

Term Investments are measured at amortised cost using the effective interest method.



Hawke's Bay Foundation

Statement of Accounting Policies

For the year ended
31 December 2021

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument in another entity.

Financial instruments are comprised of cash and cash equivalents, term investments, share investments, accounts payables, unused donations and grants with conditions, and other current liabilities.

Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition, except for those carried at fair value through surplus or deficit, which are measured at fair value.

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

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the entity transfers the financial asset to another party without retaining control or substantial all risks and rewards of the asset. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition into one of four categories defined below, and re-evaluates this designation at each reporting date.

All financial assets except for those classified as fair value through profit or loss are subject to review for impairment at least at each reporting date. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

The classification of financial instruments into one of the four categories below, determines the basis for subsequent measurement and whether any resulting movements in value are recognised in the reported surplus and deficit or other comprehensive revenue and expense.

(i) Loans and receivables

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



Hawke's Bay Foundation

Statement of Accounting Policies

For the year ended
31 December 2021

(ii) Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition. The entity's held for trading financial assets include share investments.

Assets in this category are measured at fair value with gains or losses recognised in the surplus or deficit for the year. The fair values of financial instruments in this category are provided by the Investment Manager and are determined by reference to active market transactions or using a valuation technique where no active market exists.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as held-to-maturity if the entity has the intention and ability to hold them until maturity. The entity's term investments are classified as held-to-maturity investments.

Held-to-maturity investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in surplus or deficit.

(iv) 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. The entity does not have any available-for-sale financial assets.

Equity instruments are measured at cost less any impairment charges, where the fair value cannot currently be estimated reliably.

All other available-for-sale financial assets are measured at fair value. Gains and losses are recognised in other comprehensive revenue and expenses and reported within the "available-for-sale revaluation reserve" within equity, except for impairment losses which are recognised in the surplus or deficit for the year.

When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive revenue and expenses is reclassified from the equity reserve to the surplus or deficit and presented as a reclassification adjustment within other comprehensive revenue and expenses.

Interest income or dividends on available-for-sale financial assets are recognised in the surplus or deficit.

Available-for-sale financial instruments are reviewed at each reporting date for objective evidence that the investment is impaired. Objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost.

Subsequent measurement of financial liabilities

Trade payables and other borrowings are subsequently measured at amortised cost using the effective interest method.

Hawke's Bay Foundation
Statement of Accounting Policies
For the year ended
31 December 2021

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year. Comparative amounts have been reclassified where necessary to be consistent within the current period.

Tier 2 PBE Accounting Standards Applied

The Trustees have adopted the following Tier 2 PBE Accounting Standards in the preparation of these accounts:

- PBE IPSAS 28 Financial Instruments: Presentation
- PBE IPSAS 29 Financial Instruments: Recognition and Measurement
- PBE IPSAS 30 Financial Instruments: Disclosure

The impact of the adoption is to revalue investments to market value at balance date, refer to the policy on financial instruments

Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2021

Note 1 : Analysis of Revenue

Revenue Item	Analysis	This Year \$	Last Year \$
Donations and other similar revenue	Donations - Community Impact Fund	38,756	30,110
	Donations - Administration Costs	37,234	48,335
	Donations - Named Fund	1,977,190	810,042
	Donations - Pass Through	212,480	358,194
	Corporate Partnership Sponsorship	15,000	35,000
	Donor Club	32,000	-
	Distributed funds returned to HB Foundation	1,000	-
	Tindall Donation Funds Released	64,092	88,000
Total		2,377,752	1,369,681

Revenue Item	Analysis	\$	\$
Revenue from providing services	Fund Management Fees - MTG	250	250
	Total	250	250

Revenue Item	Analysis	\$	\$
Interest, dividends and other investment revenue	Interest	2,480	17,995
	Dividends	114,901	68,195
	Investment Revaluation	106,408	280,937
	Other Investment Income	129	1,112
Total		223,918	368,239



Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2021

Note 2 : Analysis of Expenses

Expense Item	Analysis	This Year \$	Last Year \$
Expenses Relating to Public Fundraising	Contractor Expenses - Development/ Communications	78,259	52,317
	Marketing and Promotion	5,186	8,104
	Total	83,445	60,421

Expense Item	Analysis	\$	\$
Volunteer and Contractor related costs	Contractor Expenses - Administration/ Finance	22,834	30,698
	Total	22,834	30,698

Expense Item	Analysis	\$	\$
Costs related to administration	Bank Charges	305	488
	Communication Expenses	288	288
	Computer, Website & Software Expenses	5,824	10,837
	General Expenses	1,057	258
	Insurance	2,398	1,419
	Investment/ Custodian Expenses	1,978	-
	Printing, Stationery & Postage	463	547
	Rent	7,401	1,566
	Subscriptions	1,820	1,614
	Travel, workshop, seminar exps	2,420	1,740
	Vehicle Expenses	5,998	-
	Total	29,952	18,757

Expense Item	Analysis	\$	\$
Grants and donations made	Distributions - Foundation Funds	131,906	96,818
	Distributions - Pass Through Funds	268,285	274,100
	Distributions - Tindall Funds	64,092	88,000
	Total	464,283	458,918

Expense Item	Analysis	\$	\$
Other Expenses	Depreciation	115	154
	Total	115	154



Hawke's Bay Foundation

Notes to the Performance Report

For the year ended
31 December 2021

Note 3 : Analysis of Assets and Liabilities

Asset Item	Analysis	This Year \$	Last Year \$
Bank accounts and cash	BNZ Cheque Account*	607,608	341,605
	Jarden Cash Management Account*	1,405,681	824,960
	Jarden Cash Management Account - MTG	243,289	178,373
	Petty Cash Account	199	294
	Total	2,256,777	1,345,232
Debtors and prepayments	Accrued Interest receivable	-	7,959
	Dividends receivable	-	730
	Total	-	8,689
Other current assets	Term Investments	-	161,338
	Total	-	161,338
Investments	Share Investments	4,520,206	3,256,009
	Total	4,520,206	3,256,009

*Note: A donation of \$1.3m was received just prior to balance date. As per our SIPO this donation will be invested in to equities in stages, and therefore a significant portion was still in cash at balance date.

Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2021

Note 3 : Analysis of Assets and Liabilities

Liability Item	Analysis	This Year	Last Year
		\$	\$
Creditors and accrued expenses	Accounts Payable	3,863	809
	Accrued interest payable	-	2,323
	Revenue in Advance		-
	Total	3,863	3,132
		\$	\$
Other current liabilities	MTG Funds Balance	243,290	239,711
	Total	243,290	239,711



Hawke's Bay Foundation

Notes to the Performance Report

For the year ended
31 December 2021

Note 4 : Property, Plant and Equipment

This Year					
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Computers (including software)	461			115	346
Total	461	-	-	115	346

Last Year					
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Depreciation and Impairment	Closing Carrying Amount
Computers (including software)	615	-		154	461
Total	615	-	-	154	461

Hawke's Bay Foundation

Notes to the Performance Report

For the year ended
31 December 2021

Note 5: Accumulated Funds

This Year				
Description	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	-	158,897	4,369,988	4,528,885
Surplus	-	2,001,291	-	2,001,291
Transfer to Reserves	-	(2,007,660)	2,007,660	-
Closing Balance	-	152,528	6,377,648	6,530,176

Last Year				
Description	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	-	150,389	3,209,274	3,359,663
Surplus	-	1,169,222	-	1,169,222
Transfer to Reserves	-	(1,160,714)	1,160,714	-
Closing Balance	-	158,897	4,369,988	4,528,885

Breakdown of Reserves

Name	Nature and Purpose	This Year \$	Last Year \$
Endowment Funds Capital Protection Reserve	This reserve comprises two elements: 1. An amount to preserve the real value of endowment fund capital against annual inflation. 2. A reserve to smooth the effects of market volatility reflected in unrealised gains from investment holdings.	890,863	886,494
Distribution Reserve	Distributable Income - the amount of annual income allocated for distribution.	183,459	140,310
Pass Through Distribution Reserve	Funds donated with the intention that the funds be fully paid out to charitable purposes.	126,660	182,465
Endowment Funds Capital	Donated funds held in perpetuity.	5,176,668	3,160,722
Administration Funds	Funds held for the running of the Foundation and not held for charitable distribution purposes.	152,528	158,897
Total		6,530,178	4,528,888

Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2021

Note 6 : Commitments and Contingencies

Commitments

HB Foundation has entered into a lease agreement to rent premises at 209 Queen St E, Hastings until 3 May 2023 at an annual rental of \$9,867pa incl gst.

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (Last Year - nil)

Hawke's Bay Foundation

Notes to the Performance Report

For the year ended
31 December 2021

Notes 7-9

Note 7 - Goods or Services Provided to the Entity in Kind:

Amounts included where known.

Description	This Year	Last Year
Crowe Horwath – Audit services	5,000	5,000
Bay Buzz - advertising	x	x
Jarden	x	x
Lift the Load	x	x
Lucy Dobbs – Marketing, PR, Comms		x
MCA Associates – Investment oversight	x	x
NZ Digital - Website		x
Sharesight		x
Willis Legal	x	x

Note 8 - Related Party Disclosures:

Wineworks Hawke's Bay and Hawke's Bay Foundation are related through Trustee Jules Nowell-Usticke - a shareholder of Wineworks Hawke's Bay.	Wineworks Hawke's Bay have created an Endowment Fund within Hawke's Bay Foundation.
Trustee Jules Nowell-Usticke was a member of a committee that managed and promoted an event to publicise the Foundation at no cost to the Foundation.	The 'Night of Us' event resulted in a number of donations to Endowment Funds.
Sam Howard is an investment advisor with Jarden. He is also a Trustee of Hawke's Bay Foundation.	Jarden provide investment services to Hawke's Bay Foundation at no cost.
Kevin Callinicos is a partner of Willis Legal. He is also a Trustee of Hawke's Bay Foundation.	Kevin provides legal services to Hawke's Bay Foundation at no cost.
Craig Hay is a Trustee of MTG Foundation. He is also a Trustee of Hawke's Bay Foundation	Hawke's Bay Foundation manages funds on behalf of MTG Foundation.
In their personal capacity, Trustees may provide donations to Hawke's Bay Foundation	

Note 9 - Events After the Balance Date:

This Year: There have been no events that have occurred after balance date that would have a material impact on the Performance Report.



Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2021

Note 10 - Distribution Recipients

The following distributions were made during the year ended 31 December 2021:

Recipient	Purpose for donations over \$5,000	HB Foundation		Tindall	Pass Through	Total
		Untagged	Tagged			
Age Concern Hawke's Bay		3,000				3,000
Age Concern Napier		2,000				2,000
Akld Rowing Association					7,500	7,500
Anxiety New Zealand Trust		2,000				2,000
Arts Inc. Heretaunga Incorporated		2,500				2,500
Autism NZ Inc.		1,000				1,000
Barnardos NZ				8,000		8,000
Big Brothers Big Sisters				6,000		6,000
Birchleigh Polo					1,500	1,500
Birthright Child and Family Trust				8,000		8,000
Brain Injury Association HB		2,000				2,000
Cancer Society HB		4,000				4,000
Catholic Church Hastings					5,000	5,000
CHB Parents Centre			2,874		1,000	3,874
Christian Lovelink Napier Hastings		908		1,092		2,000
Citizens Advice Bureau Napier				6,000		6,000
CONNECT Youth and Community Development		338	2,874			3,212
Creative Arts Napier Inc.			1,412			1,412
Crombie Scholarship Recipients			13,824		10,176	24,000
Cystic Fibrosis of NZ		1,500				1,500
Dementia Hawke's Bay		2,000				2,000
English Language Partners		2,000				2,000
Environmental Education for Resource		472	676			1,148
Epic Ministries Inc.		4,000				4,000
Family Works HB	Salaries for counsellors	5,000				5,000
Flaxmere Boxing Academy					8,789	8,789
Graeme Dingle Foundation				3,000		3,000
Hastings Art and Culture Trust		1,500				1,500
Hastings Citizen's Advice Bureau Incorporated				4,000		4,000
Hastings RDA		2,000				2,000
Hawke's Bay Youth Trust		3,500				3,500
Hayseed Trust		3,000				3,000
HB Foundation					3,216	3,216
HB Youth Trust					2,765	2,765
Heretaunga Women's Centre				5,000		5,000
Hockey Scholarship					7,500	7,500
Inspire in Education				3,000		3,000
Kenzie's Gift Trust		1,000				1,000
Leg Up Trust		4,000				4,000
Lifelink/Samaritans Inc.		2,000				2,000

Hawke's Bay Foundation
Notes to the Performance Report
For the year ended
31 December 2021

Note 10 - Distribution Recipients

The following distributions were made during the year ended 31 December 2021:

Recipient	Purpose for donations over \$5,000	HB Foundation		Tindall	Pass Through	Total
		Untagged	Tagged			
Mercy Parklands					15,180	15,180
Napier Family Centre				8,000		8,000
Napier Group RDA		2,000				2,000
Nat Foundation for Deaf and Hard of Hearing		1,000				1,000
Nourished for Nil Ltd.	Wages for Sustainability Officer	5,000			25,000	30,000
NZ Council of Victims Support Groups		4,000				4,000
NZ Indoor Rowing					2,875	2,875
NZ RSA					3,000	3,000
Ophthalmic Trust			5,000			5,000
Outward Bound					5,000	5,000
Parenting Place Charitable Trust				4,000		4,000
Parkinsons Charitable Trust		1,000				1,000
Paul Hunter Centre		3,000				3,000
PN Diocese Sacred Heart					25,000	25,000
Prima Volta Charitable Trust		3,500			100,000	103,500
Radio Kidnappers Trust		1,000				1,000
Raukatauri Music Therapy Trust		4,000				4,000
Re-Source			500			500
Royal NZ Plunket Trust		3,000				3,000
Sacred Heart College					35,000	35,000
Sherwood Primary School			1,916			1,916
Sweet Louise		1,000				1,000
Takapau Community Health Centre		3,500				3,500
Taradale Primary School			7,046			7,046
Te Mata Park Trust		1,000				1,000
The Cranford Hospice Trust	Salaries for Family Support Team	5,000	2,067			7,067
Thermals For Children		1,000				1,000
Tranzit Coachlines					382	382
Whanganui Collegiate Foundation					9,400	9,400
Wharariki (Flax) Trust				8,000		8,000
Whatever It Takes Trust Inc.	Running two Lighthouses and rent for Napier	5,000				5,000
		93,718	38,188	64,092	268,285	464,283



INDEPENDENT AUDITOR'S REPORT

To the Trustees of Hawke's Bay Foundation

Opinion

We have audited the performance report of Hawke's Bay Foundation (the Trust) on pages 2 to 19, which comprises the entity information, the statement of service performance, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 31 December 2021, the statement of financial position as at 31 December 2021, and the statement of accounting policies and other explanatory information.

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; and
- b) the performance report on pages 2 to 19 presents fairly, in all material respects:
 - the entity information for the year ended 31 December 2021;
 - the service performance for the year ended 31 December 2021; and
 - the financial position of the Trust as at 31 December 2021, 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 and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). 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 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* 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.

Trustees' Responsibilities for the Performance Report

The Trustees 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 report

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

In preparing the performance report, the Trustees are responsible for assessing the 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 the Trustees 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 (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 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 (Revised), 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, 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 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 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 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 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.

Restriction on Use

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



Crowe New Zealand Audit Partnership

CHARTERED ACCOUNTANTS

Dated at Hastings this 11th day of April 2022