

**ROYAL NEW ZEALAND PLUNKET TRUST**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**ROYAL NEW ZEALAND PLUNKET TRUST**

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**ROYAL NEW ZEALAND PLUNKET TRUST**  
**STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Notes	2022 \$000	2021 \$000
<b>Income</b>			
Contract Income	5	86,050	81,195
Sponsorship/Donations/Grants Income	6	5,975	7,941
Donated Goods and Services from Sponsors and Service Providers		942	1,881
Gain on Disposal of Assets	8	2,637	138
Other Income		<u>838</u>	<u>1,234</u>
<b>Total Income</b>		<b>96,442</b>	<b>92,389</b>
<b>Expenses</b>			
Employee Costs		70,880	71,168
Donated Goods and Services from Sponsors and Service Providers		942	1,881
Information, Communication and Technology		4,460	4,623
Property and Equipment		4,293	4,389
Travel		3,249	3,180
Marketing and Promotion Costs		725	955
Education		171	177
Administration		665	919
Interest Expense		128	159
Professional Fees	7	948	1,302
Depreciation and Amortisation	9,11	3,417	3,921
Loss on Disposal of Assets		<u>110</u>	<u>238</u>
<b>Total Expenses</b>		<b><u>89,988</u></b>	<b><u>92,912</u></b>
<b>OPERATING SURPLUS / (DEFICIT) FOR THE PERIOD</b>		<b>6,454</b>	<b>(523)</b>
Net Change in Fair Value of Available for Sale Financial Assets		<u>(16)</u>	<u>19</u>
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE PERIOD</b>		<b><u>6,438</u></b>	<b><u>(504)</u></b>

The notes are an integral part of these financial statements.

**ROYAL NEW ZEALAND PLUNKET TRUST**  
**STATEMENT OF CHANGES IN NET ASSETS/EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Notes	Accumulated Revenue and Expense 2022 \$000	Accumulated Revenue and Expense 2021 \$000
<b>EQUITY OPENING BALANCE</b>		<u>30,570</u>	<u>31,074</u>
<b>Movements for the Period</b>			
Operating Surplus / (Deficit) for the Period		6,454	(523)
Net Change in Fair Value of Available for Sale Financial Assets		<u>(16)</u>	<u>19</u>
<b>EQUITY CLOSING BALANCE</b>		<u>37,008</u>	<u>30,570</u>

The notes are an integral part of these financial statements.

**ROYAL NEW ZEALAND PLUNKET TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

	Notes	June 2022 \$000	June 2021 \$000
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	12	15,200	1,878
Receivables		1,411	1,425
Government Contract Exchange Receivable		66	5,952
Prepayments		755	1,137
Inventory		61	119
Income Accrued		186	1,147
Properties Held for Sale	10	<u>0</u>	<u>1,284</u>
<b>TOTAL CURRENT ASSETS</b>		<b><u>17,679</u></b>	<b><u>12,942</u></b>
 <b>NON CURRENT ASSETS</b>			
<b>Property, Plant and Equipment</b>	<b>9</b>	<b><u>35,204</u></b>	<b><u>35,876</u></b>
<b>Intangible Assets</b>	<b>11</b>	<b><u>6,503</u></b>	<b><u>7,652</u></b>
<b>Investments</b>			
Fixed Interest Investments		33	82
Shares in Listed Companies		<u>125</u>	<u>115</u>
		<b><u>158</u></b>	<b><u>197</u></b>
<b>TOTAL NON CURRENT ASSETS</b>		<b><u>41,865</u></b>	<b><u>43,725</u></b>
<b>TOTAL ASSETS</b>		<b><u>59,544</u></b>	<b><u>56,667</u></b>

The notes are an integral part of these financial statements.

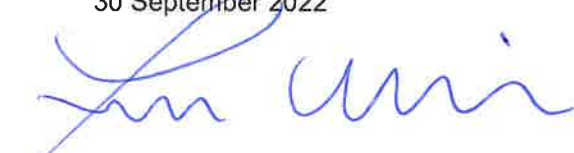
**ROYAL NEW ZEALAND PLUNKET TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

	Notes	June 2022 \$000	June 2021 \$000
<b>EQUITY</b>			
<b>TRUST'S FUNDS</b>			
General Funds and Reserves		<u>37,008</u>	<u>30,570</u>
<b>TOTAL FUNDS HELD</b>		<b><u>37,008</u></b>	<b><u>30,570</u></b>
<b>CURRENT LIABILITIES</b>			
Payables		3,138	4,676
Accruals		531	854
Employee Entitlements	13	5,767	5,117
Income Received in Advance	14	11,591	13,937
Finance Leases	15	<u>557</u>	<u>503</u>
<b>TOTAL CURRENT LIABILITIES</b>		<b><u>21,584</u></b>	<b><u>25,087</u></b>
<b>TERM LIABILITIES</b>			
Finance Leases	15	388	428
Make Good Provision		<u>564</u>	<u>582</u>
<b>TOTAL TERM LIABILITIES</b>		<b><u>952</u></b>	<b><u>1,010</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>59,544</u></b>	<b><u>56,667</u></b>

The notes are an integral part of these financial statements.

For and on behalf of the Royal New Zealand Plunket Trust:

30 September 2022

  
**Fran Wilde**  
**Chairperson**

  
**Alex Skinner**  
**RAAC Chairperson**

# ROYAL NEW ZEALAND PLUNKET TRUST

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 \$000	2021 \$000
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>			
Cash Receipts		100,444	89,771
Interest and Dividends Received		28	24
Interest Paid		(0)	(3)
Cash Paid to Employees and Suppliers		<u>(86,864)</u>	<u>(88,335)</u>
<b>NET CASH INFLOWS / (OUTFLOWS) FROM OPERATING ACTIVITIES</b>		<b><u>13,608</u></b>	<b><u>1,457</u></b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Property Plant and Equipment		2,716	380
Proceeds from Sale of Investments		54	480
Acquisition of Intangibles		(346)	(777)
Acquisition of Property Plant and Equipment		(1,920)	(325)
Acquisition of Investments		<u>(31)</u>	<u>(2)</u>
<b>NET CASH INFLOWS / (OUTFLOWS) FROM INVESTING ACTIVITIES</b>		<b><u>473</u></b>	<b><u>(244)</u></b>
<b>CASHFLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of Finance Lease Liabilities		<u>(759)</u>	<u>(1,125)</u>
<b>NET CASH INFLOWS / (OUTFLOWS) FROM FINANCING ACTIVITIES</b>		<b><u>(759)</u></b>	<b><u>(1,125)</u></b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>13,322</b>	<b>88</b>
Add Cash at Beginning of Period		<u>1,878</u>	<u>1,790</u>
<b>CASH AT END OF PERIOD</b>	12	<b><u>15,200</u></b>	<b><u>1,878</u></b>

The notes are an integral part of these financial statements.

# ROYAL NEW ZEALAND PLUNKET TRUST

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$000	2021 \$000
<b>RECONCILIATION OF SURPLUS/(DEFICIT) TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Surplus / (Deficit) for Period</b>	<b><u>6,454</u></b>	<b><u>(523)</u></b>
<b>Items not Involving Cash Flows</b>		
Depreciation and Amortisation	3,417	3,921
Interest on Finance Leases	128	155
Foreign Exchange Loss on Investments	2	0
Loss on Sale of Assets	21	0
Gain on Sale of Property Plant and Equipment (Classed as Investing)	<u>(1,423)</u>	<u>(0)</u>
	<b><u>2,145</u></b>	<b><u>4,076</u></b>
<b>Impact of Changes in Working Capital Items</b>	<b><u>5,009</u></b>	<b><u>(2,096)</u></b>
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b><u>13,608</u></b>	<b><u>1,457</u></b>

# ROYAL NEW ZEALAND PLUNKET TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2022

#### 1. REPORTING ENTITY

The Royal New Zealand Plunket Trust (the 'Trust') is a not-for-profit organisation registered under the Charities Act 2005, domiciled in New Zealand, and is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013). The Trust's registered office and principal place of business is the Plunket Support Office based at 40 Mercer Street, Wellington.

The Trust is New Zealand's largest provider of support services for the development, health and wellbeing of children under five, and works together with families and communities. It is guided by its vision to make the difference of a lifetime in the first 1000 days of a child's life. The Trust is committed to becoming a pro equity organisation and to delivering all Whānau Āwhina Plunket services equitably by 2025.

#### 2. BASIS OF PREPARATION

##### a) Statement of Compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards (PBE Standards) and other applicable Financial Reporting Standards, as appropriate for Tier 1 not-for-profit public benefit entities. As a registered charity, the Trust is required to prepare financial statements in accordance with NZ GAAP as specified in standard XRB A1. The Trust has elected to report under the Tier 1 reporting standards.

The financial statements have been prepared on a going concern basis in accordance with the PBE Standards. In making this determination, the Trustees considered the confirmation from Te Whatu Ora of their intention to continue to fund the Trust. Should future funding not be at current levels the Trust may need to reconsider the services it provides.

These financial statements were authorised for issue by the Board on 30 September 2022.

##### b) Measurement Basis

The financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position, which are measured at fair value:

- Available for sale financial instruments
- Long-term employee benefits

##### c) Functional and Presentation Currency

The financial statements are presented in New Zealand dollars (\$) which is the Trust's presentation currency, rounded to the nearest thousand.

#### 3. USE OF JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



# ROYAL NEW ZEALAND PLUNKET TRUST

## **Judgements**

Judgements made in applying accounting policies that have had the most significant effects on the amounts recognised in the financial statements include the following:

- Recognition of Revenue – non-exchange revenue (conditions vs. restrictions)
- Valuation of Property, Plant and Equipment – realisable values of Property, Plant and Equipment
- Valuation of Intangible Assets – remaining useful economic lives of non-cash generating assets

## **4. SIGNIFICANT ACCOUNTING POLICIES**

The Trust has consistently applied the following significant accounting policies to all periods presented in these financial statements.

### **a) Revenue**

Revenue is recognised when the amount of revenue can be measured reliably and it is probable that economic benefits will flow to the Trust. Revenue is measured at the fair value of consideration received or receivable. The following specific recognition criteria in relation to the Trust's revenue streams must also be met before revenue is recognised.

#### ***i) Revenue from Exchange Transactions***

##### ***Contract Income***

Contract income is recognised in the period in which it relates, with any amounts owing at balance date being included as a current asset. A liability is recognised where contract income is received in advance of the provision of the services to which they relate and where there is an obligation to repay such funds if the services are not performed.

#### ***ii) Revenue from Non-Exchange Transactions***

Non-exchange transactions are those where the Trust receives an inflow of resources (i.e. cash and other tangible or intangible items) without giving approximately equal value in exchange. Funding received from non-exchange transactions is recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same funding received. Liabilities are recognised in relation to funding received when there is a resulting present obligation to perform or satisfy a condition (or milestone), and the failure of which will result in the refund of any funding that has been received in relation to the specified condition (or milestone). The following are the recognition criteria in relation to the Trust's non-exchange transactions.

##### ***Sponsorship, Donations and Grants Income***

The recognition of non-exchange revenue from *Sponsorship, Donations and Grants Income* depends on the nature of any stipulation attached to the inflow of resources received, and whether this creates a liability (i.e. use or return obligation) rather than the recognition of revenue.

##### ***Donated Goods and Services***

The Trust has recognised donated goods and services as revenue and expenses when their fair value can be measured with reliability. The recognition of donated goods and services increases both recorded revenue and expenses and has no impact on the deficit or surplus achieved. Donated services and other forms of assistance provided to the Trust are acknowledged elsewhere in the Annual Report. The donated goods and services received by the Trust include advertising, printing and promotion material, sample products and the use of equipment at no cost.

### **b) Employee Entitlements**

A provision for employee entitlements is recognised for benefits earned by employees but not paid at reporting date. Employee benefits include salaries, wages, annual leave, long service leave and sick leave.

### **c) Property, Plant and Equipment (PP&E)**

Items of PP&E are stated at cost, less accumulated depreciation and impairment losses. The cost of PP&E is generally the purchase cost, together with any incidental costs of integration or acquisition.

# ROYAL NEW ZEALAND PLUNKET TRUST

## *Depreciation*

Depreciation is calculated so as to write off the cost amounts of PP&E, less any assigned residual value, on a straight-line basis over the expected useful economic lives of the asset.

The estimated useful lives or depreciation rates of assets are as follows:

- |                           |                  |
|---------------------------|------------------|
| • Buildings               | 50 years         |
| • Furniture and Equipment | 3 to 5 years     |
| • Computer Equipment      | 3 to 10 years    |
| • Leasehold Improvements  | 10 years         |
| • Motor Vehicles          | 25% per annum DV |

## **d) Intangible Assets**

Intangible assets are measured at cost less accumulated amortisation. These intangible assets comprise of information systems, which are amortised using the straight line method over a period of 3 -10 years as appropriate for each system.

The ePHR asset is accounted for as three separate components: the front-end application component had an expected useful life of three years; the back end and integration layer components have expected lives of 10 years.

Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Trust intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in surplus or deficit as incurred.

## **e) Receivables**

Receivables are recognised at the original invoice amount less impairment losses. Receivables are assessed for impairment at each balance date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Revenue and Expense.

## **f) Cash and Cash Equivalents**

Cash and cash equivalents comprise short term deposits with banks and bank and cash balances. Deposits are included when they have a maturity of three months when invested.

## **g) Impairment of Assets**

Management perform an annual assessment of financial assets for any indicators of impairment. Any impairment losses are recognised in "Other Financial Expenses" in the Statement of Revenue and Expense.

## *PP&E and Intangible Assets*

All PP&E and intangible assets are non-cash generating assets as they are not held with the primary objectives of generating a commercial return. The Trust assesses at each reporting date whether there is an indication of impairment. If any indication exists, the Trust estimates the asset's recoverable service amount, which is the higher of the non-cash generating asset's fair value less cost to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable service amount, the asset is considered impaired and is written down to its recoverable service amount.

## **h) Payables**

Trade and other payables are usually settled within 30 days. Given their short term nature, the carrying values are considered a reasonable approximation of their fair values.

## **i) Income Tax**

The Trust is wholly exempt from New Zealand income tax and gift duty having fully complied with all statutory conditions for these exemptions.

## **j) Goods and Services Tax**

The financial statements have been prepared so that all components are stated exclusive of GST, with the exception of receivables and payables, which are stated inclusive of GST.

# ROYAL NEW ZEALAND PLUNKET TRUST

## k) Accounting Standards Not Yet Effective

There are no new, revised or amended standards that have been issued but are not yet effective that would have a significant impact on the Trust's financial statements except as disclosed below,

### PBE FRS 48 Service Performance Reporting

This standard establishes requirements for Tier 1 and Tier 2 public benefit entities to select and present service performance information. This standard is effective for annual periods beginning on or after 1 January 2022. As a Tier 1 not-for-profit entity, the Trust will be required to present service performance information for the first time in its financial statements for the year ended 30 June 2023.

## 5. CONTRACT INCOME

	2022 \$000	2021 \$000
Ministry of Health	73,067	66,924
Ministry of Education	545	962
District Health Boards	7,931	8,171
Oranga Tamariki - Ministry for Children	2,378	2,320
Other Contracts	<u>2,129</u>	<u>2,818</u>
	<b><u>86,050</u></b>	<b><u>81,195</u></b>

The current core "Well Child Health" contract with Ministry of Health expires on 30 June 2023. Te Whatu Ora has provided the Trust with written confirmation of its intention to continue contracting Well Child Health services from Plunket. The increase includes a \$5,000,000 one off grant provided in recognition of past underfunding towards Working Capital.

## 6. SPONSORSHIP / DONATION / GRANT INCOME

	2022 \$000	2021 \$000
Sponsorship	1,550	1,454
Donations	2,640	2,537
Grants	<u>1,785</u>	<u>3,950</u>
	<b><u>5,975</u></b>	<b><u>7,941</u></b>

## 7. AUDITOR'S EXPENSES

	2022 \$000	2021 \$000
<i>Operating expenses include the following:</i>		
Auditor's Fees (for the audit of the financial statements)	69	62
Auditor's Fees (for the audit of the Early Childhood Centres)	<u>0</u>	<u>8</u>
	<b><u>69</u></b>	<b><u>70</u></b>

## 8. GAIN ON DISPOSAL OF ASSETS

	2022 \$000	2021 \$000
Gain on Disposal of Assets	<u>2,637</u>	<u>138</u>
	<b><u>2,637</u></b>	<b><u>138</u></b>

During the year, Plunket sold 16 properties where 13 resulted in a Gain on Disposal of \$2.6m.

# ROYAL NEW ZEALAND PLUNKET TRUST

## 9. PROPERTY PLANT AND EQUIPMENT

	Land and Buildings	Plant and Equipment	Total
	2022	2022	2022
	\$000	\$000	\$000
<b><u>Costs</u></b>			
Balance as at 1 July 2021	38,419	6,450	44,869
Additions	967	1,598	2,565
Disposals	<u>(2,023)</u>	<u>(150)</u>	<u>(2,173)</u>
<b>Balance as at 30 June 2022</b>	<b>37,363</b>	<b>7,898</b>	<b>45,261</b>
<b><u>Accumulated Depreciation and impairment deficits</u></b>			
Balance as at 1 July 2021	<u>3,893</u>	<u>5,100</u>	<u>8,993</u>
Depreciation	1,106	817	1,923
Disposals	<u>(733)</u>	<u>(126)</u>	<u>(859)</u>
<b>Balance as at 30 June 2022</b>	<b><u>4,266</u></b>	<b><u>5,791</u></b>	<b><u>10,057</u></b>
<b><u>Carrying Amounts</u></b>			
<b>At 1 July 2021</b>	<b><u>34,527</u></b>	<b><u>1,349</u></b>	<b><u>35,876</u></b>
<b>At 30 June 2022</b>	<b><u>33,097</u></b>	<b><u>2,107</u></b>	<b><u>35,204</u></b>

	Land and Buildings	Plant and Equipment	Total
	2021	2021	2021
	\$000	\$000	\$000
<b><u>Costs</u></b>			
Balance as at 1 July 2020	39,967	5,923	45,890
Additions	212	601	813
Disposals	(463)	(74)	(537)
Reclassification of Properties Held for Sale	<u>(1,297)</u>	<u>0</u>	<u>(1,297)</u>
<b>Balance as at 30 June 2021</b>	<b>38,419</b>	<b>6,450</b>	<b>44,869</b>
<b><u>Accumulated Depreciation and impairment deficits</u></b>			
Balance as at 1 July 2020	<u>2,749</u>	<u>4,039</u>	<u>6,788</u>
Depreciation	1,261	1,121	2,382
Disposals	(104)	(60)	(164)
Reclassification of Properties Held for Sale	<u>(13)</u>	<u>(13)</u>	<u>(13)</u>
<b>Balance as at 30 June 2021</b>	<b><u>3,893</u></b>	<b><u>5,100</u></b>	<b><u>8,993</u></b>
<b><u>Carrying Amounts</u></b>			
<b>At 1 July 2020</b>	<b><u>37,219</u></b>	<b><u>1,883</u></b>	<b><u>39,102</u></b>
<b>At 30 June 2021</b>	<b><u>34,527</u></b>	<b><u>1,349</u></b>	<b><u>35,876</u></b>

## 10. PROPERTIES HELD FOR SALE

	2022	2021
	\$000	\$000
8 Henry Street, Queenstown	<u>0</u>	1,284
	<u>0</u>	<u>1,284</u>

# ROYAL NEW ZEALAND PLUNKET TRUST

## 11. INTANGIBLES ASSETS

Intangible assets comprise separately identifiable information systems;

	<b>2022</b>	<b>2021</b>
	<b>\$000</b>	<b>\$000</b>
<b>Period Ended 30 June</b>		
At 1 July 2021, Net of Accumulated		
Amortisation	7,652	8,421
Additions	345	777
Disposals	(0)	(7)
Amortisation Charge for the Period	(1,494)	(1,539)
	<u><b>6,503</b></u>	<u><b>7,652</b></u>
<b>At 30 June, Net of Accumulated Amortisation</b>		
<b>As at 30 June</b>		
Cost	18,695	21,394
Accumulated Amortisation and Disposals	(12,192)	(13,742)
Net Carrying Amount	<u><b>6,503</b></u>	<u><b>7,652</b></u>

Intangible assets predominantly relate to the resources required to establish a digital infrastructure. This includes; technical, policies, culture and processes to enable Plunket to improve its technology capability. This effort has provided Plunket with the following information systems; an Electronic Plunket Health Record (ePHR) database, automated accounts payable system, improved intranet and internet capability that amongst several features has provided enhanced social media connection with clients. The Intangible Assets have been progressively developed over the past five years. The Trust has recognised the effort of the cost of developing the above capability onto the balance sheet, as part of "intangible assets".

## 12. CASH AND CASH EQUIVALENTS

	<b>2022</b>	<b>2021</b>
	<b>\$000</b>	<b>\$000</b>
Forsyth Barr	114	82
BNZ	<u>15,086</u>	<u>1,796</u>
	<u><b>15,200</b></u>	<u><b>1,878</b></u>

The high cash balance mainly relates to the advanced funding of the Well Child contract from Ministry of Health (Note 14). This will be used to reduce the advanced funding in the coming months.

## 13. EMPLOYEE ENTITLEMENTS

	<b>2022</b>	<b>2021</b>
	<b>\$000</b>	<b>\$000</b>
Annual Leave	3,667	3,682
Salary and Wage Accrual	<u>2,100</u>	<u>1,435</u>
	<u><b>5,767</b></u>	<u><b>5,117</b></u>

## 14. INCOME RECEIVED IN ADVANCE

	<b>2022</b>	<b>2021</b>
	<b>\$000</b>	<b>\$000</b>
Contract Income – Ministry of Health	10,465	12,870
Other Contracts	323	296
Grants	<u>803</u>	<u>771</u>
	<u><b>11,591</b></u>	<u><b>13,937</b></u>

# ROYAL NEW ZEALAND PLUNKET TRUST

## 15. FINANCE LEASES

Finance lease liabilities are payable as follows:

	Future Minimum Lease Payments	Interest	Future Minimum Lease Payments	Interest
	2022 \$000	2022 \$000	2021 \$000	2021 \$000
Less than One Year	640	83	589	86
Between One and Five Years	420	32	460	32
More than Five Years	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total</b>	<b><u>1,060</u></b>	<b><u>115</u></b>	<b><u>1,049</u></b>	<b><u>118</u></b>

## 16. FINANCIAL INSTRUMENTS

The Trust is risk averse and seeks to minimise its exposure to risks associated with financial assets and liabilities.

The main risks arising from the Trust's financial instruments are equity price, interest rate risk, liquidity risk, and credit risk.

### Market Risk

A decrease of 100 basis points in interest rates at the reporting date would have (decreased) profit and loss by \$152,000. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

### Other Price Risk

Equity price risk arises from available-for-sale equity securities held by the Trust. It is estimated a 10% increase (decrease) in the market value of equity investments would have increased or decreased in Comprehensive Income by \$13,000. Investments are made in accordance with the Investment Policy, as endorsed by the Board. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

### Credit Risk

The Trust does not anticipate non-performance by counterparties and has no significant concentrations of credit risk. The Trust further minimises its credit exposure by using only registered banks and other nominated institutes approved by the Trust's Investment Policy.

### Liquidity Risk

The Trust pays trade and other payables when they fall due.

# ROYAL NEW ZEALAND PLUNKET TRUST

## 17. RELATED PARTY DISCLOSURE

### Key Management Personnel – Remuneration

The total remuneration of members of the Board and the number of individuals receiving remuneration in this category are as follows.

	<b>2022</b>	<b>2021</b>
	<b>\$000</b>	<b>\$000</b>
• Trustee remuneration	102	103
• Number of persons	9 persons	9 persons

The total number of meeting days involving Board Members held during the period was 18.

The total remuneration of the senior management group and the number of managers, on a full-time equivalent basis, receiving remuneration in this category are:

	<b>2022</b>	<b>2021</b>
	<b>\$000</b>	<b>\$000</b>
• Senior Management	1,210	1,435
• Number of persons	8 persons	6 persons

## 18. CAPITAL COMMITMENTS AND LEASES

	<b>2022</b>	<b>2021</b>
	<b>\$000</b>	<b>\$000</b>
<b>Capital Commitments</b>		
Capital expenditure contracted for at the end of the reporting period but not yet incurred for property, plant and equipment	<u>0</u>	<u>0</u>
<b>Non-Cancellable Operating Leases</b>		
Due within One Year	2,771	2,612
Due One to Two Years	2,183	1,946
Due Two to Five Years	3,648	3,407
Over Five Years	<u>638</u>	<u>646</u>
	<b><u>9,240</u></b>	<b><u>8,611</u></b>

The Trust has entered into commercial leases for rental properties, motor vehicles, and photocopiers where it is not in the best interest of the Trust to purchase these assets. These leases have an average life of between 1 and 5 years with renewal terms included in the contracts.

## 19. CONTINGENT LIABILITIES

At the date of this report there are no known contingent liabilities for which the Trust may be liable.

## 20. COVID19 IMPACT ON PLUNKET

The Plunket Well Child service is considered essential and has continued to be delivered during various COVID19 lockdowns. The potential financial impact of these lockdowns has been mitigated by the Government continuing to pay our scheduled amounts regardless of delivery volumes during the lockdown periods. Plunket's fundraising has been impacted with events cancelled or deferred until a later date.





# Independent Auditor's Report

To the beneficiaries of Royal New Zealand Plunket Trust

## Report on the audit of the financial statements

### Opinion

In our opinion, the financial statements of Royal New Zealand Plunket Trust (the 'trust') on pages 1 to 14:

- i. present fairly in all material respects the trust's financial position as at 30 June 2022 and its financial performance and cash flows for the year ended on that date in accordance with Public Benefit Entity Standards (Not For Profit).

We have audited the accompanying financial statements which comprise:

- the statement of financial position as at 30 June 2022;
- the statements of comprehensive revenue and expense, changes in net assets / equity and cash flows for the year then ended; and
- notes, including a summary of significant accounting policies.



### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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 and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

Other than in our capacity as auditor we have no relationship with, or interests in, the trust.



### Use of this independent auditor's report

This independent auditor's report is made solely to the beneficiaries as a body. Our audit work has been undertaken so that we might state to the beneficiaries those matters we are required to state to them in the independent 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 beneficiaries as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.





## Responsibilities of the Trustees for the financial statements

The Trustees, on behalf of the trust, are responsible for:

- the preparation and fair presentation of the financial statements in accordance with generally accepted accounting practice in New Zealand (being Public Benefit Entity Standards (Not For Profit));
- implementing necessary internal control to enable the preparation of a set of financial statements that is fairly presented and free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.



## Auditor's responsibilities for the audit of the financial statements

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>

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



KPMG  
Wellington

30 September 2022