

Performance Report

The Federation of New Zealand Seniornet Societies Inc
For the year ended 31 December 2018

Prepared by BW Miller Dean Limited

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Compilation Report

The Federation of New Zealand Seniorsnet Societies Inc For the year ended 31 December 2018

Compilation Report to the Board of The Federation of New Zealand Seniorsnet Societies Inc.

Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of The Federation of New Zealand Seniorsnet Societies Inc for the year ended 31 December 2018.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

Responsibilities

The Board are solely responsible for the information contained in this financial report and have determined that the accounting policies used are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed by us and accordingly no assurance is expressed.

An independent audit of this performance report was undertaken by Moore Stephens Wellington Audit.

Independence

We have no involvement with The Federation of New Zealand Seniorsnet Societies Inc other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

Disclaimer

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement by us. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on this financial report.



BW Miller Dean Limited

Level 5, 203-209 Willis Street

Dated: 6 March 2019

Entity Information

The Federation of New Zealand Senionet Societies Inc For the year ended 31 December 2018

Legal Name of Entity

The Federation of New Zealand Senionet Societies Inc

Entity Type and Legal Basis

Registered as a Charity under the Charities Act 2005 and Incorporated Society under the Incorporated Societies Act 1908.

Registration Number

CC20914

Entity's Purpose or Mission

The Federation is a community training network that supports and motivates people aged 50+ to enjoy and use technology in their everyday lives.

The purpose of the Federation is entirely to support and serve the New Zealand based SeniorNet Learning Centres and their members. It seeks funding and distributes the funding to its Learning Centres and provides networking opportunities by way of regional and national symposiums. It provides a national presence, a single point of contact for clients commercial and government organisations.

Entity Structure & Governance

The society is governed by a board of 9 officers.

On the board:

Dorothy Davies

Duncan Fuller

Grant Sidaway

Pat van der Mass

Raymond McDonald

Harvey Porteous

Rex Fowler

Ross Taylor

Jean Roulston

Main Sources of Entity's Cash and Resources

The society receives cash or resources from:

Grants / Sponsorships

Donations

Subscriptions

Advertising

Group Insurance

Symposium attendance charges

Main Methods Used by Entity to Raise Funds

The society applies for grants from various organisations, holds symposiums , advertises and receives sponsorships.

Entity's Reliance on Volunteers and Donated Services

The societies operations rely heavily on the generosity of the committee with the amount of donated time provided.

Additional Information

Independent Auditor Moore Stephens Wellington Audit

Banker ASB

Contact Information

Office: Address: Level 7, Change House ,150 Featherston Street, Wellington

Postal Address: P.O. Box 9406, Marion Street, Wellington 6011

Phone: 0211787837

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Approval of Performance Report

The Federation of New Zealand Seniorsnet Societies Inc For the year ended 31 December 2018

The Board are pleased to present the approved performance report including the historical financial statements of The Federation of New Zealand Seniorsnet Societies Incorporated for year ended 31 December 2018.

APPROVED



Raymond McDonald

Chair

Date 17 April 2019



Grant Sidaway

Executive Officer

Date 17 April 2019

Statement of Service Performance

The Federation of New Zealand Senionet Societies Inc For the year ended 31 December 2018

Description of Entity's Outcomes

Mission: to support and serve the New Zealand based SeniorNet Learning Centres and their members,

to seek funding and distribute this to the Learning Centres,

to provide networking opportunities by way of regional and national symposiums,

to provide a National presence, a single point of contact for clients, commercial and government organisations.

Outcome: To assist the Learning Centres in their support and motivation of people aged 50+ to enjoy and use technology in their everyday lives.

| | 2018 (\$) | 2018 OVERALL BUDGET (\$) (UNAUDITED) | 2017 (\$) |
|--|--------------|--|--------------|
| Description and Quantification of the Entity's Outputs | | | |
| Distribution of funding by way of Learner hour incentives payments to Learning Centres | 79,244 | 100,000 | 87,438 |

| | Delivery of regional and national symposiums | Delivery of technology presentations to Learning Centres and like-minded community groups |
|-------------------------|--|---|
| 2018 | 11 | 58 |
| 2018 Budget (Unaudited) | 10 | 50 |
| 2017 | 11 | 53 |

Statement of Financial Performance

The Federation of New Zealand Seniorsnet Societies Inc For the year ended 31 December 2018

| | NOTES | 2018 | 2017 |
|--|-------|----------------|-----------------|
| Revenue | | | |
| Donations, Grants, fundraising and other similar revenue | 1 | 238,875 | 193,955 |
| Fees, subscriptions and other revenue from members | 1 | 43,163 | 31,557 |
| Revenue from providing goods or services | 1 | 36,827 | 26,009 |
| Interest, dividends and other investment revenue | 1 | 343 | 356 |
| Total Revenue | | 319,209 | 251,877 |
| Expenses | | | |
| Volunteer and employee related costs | 2 | 122,046 | 153,740 |
| Costs related to providing goods or service | 2 | 20,527 | 8,162 |
| Grants and donations made | 2 | 79,244 | 87,438 |
| Other expenses | 2 | 48,568 | 38,231 |
| Total Expenses | | 270,384 | 287,571 |
| Surplus/(Deficit) for the Year | | 48,824 | (35,694) |

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| MOORE STEPHENS |
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This statement should be read in conjunction with the attached Audit Report and Notes to the Performance Report.

Statement of Financial Position

The Federation of New Zealand Seniorsnet Societies Inc As at 31 December 2018

| | NOTES | 31 DEC 2018 | 31 DEC 2017 |
|---|-------|----------------|----------------|
| Assets | | | |
| Current Assets | | | |
| Bank accounts and cash | 3 | 335,965 | 357,196 |
| Debtors and prepayments | 3 | 16,221 | 21,066 |
| Total Current Assets | | 352,186 | 378,262 |
| Total Assets | | 352,186 | 378,262 |
| Liabilities | | | |
| Current Liabilities | | 6,500 | 81,400 |
| Total Liabilities | | 6,500 | 81,400 |
| Total Assets less Total Liabilities (Net Assets) | | 345,686 | 296,862 |
| Accumulated Funds | | | |
| Accumulated surpluses or (deficits) | 5 | 345,686 | 296,862 |
| Total Accumulated Funds | | 345,686 | 296,862 |

MOORE
STEPHENS

This statement should be read in conjunction with the attached Audit Report and Notes to the Performance Report.

Statement of Cash Flows

The Federation of New Zealand Seniorsnet Societies Inc For the year ended 31 December 2018

| | 2018 | 2017 |
|---|----------------|----------------|
| Cash Flows from Operating Activities | | |
| Cash was received from: | | |
| Donations, grants, fundraising and other similar receipts | 166,657 | 201,356 |
| Fees, subscriptions and other receipts from members | 43,163 | 31,557 |
| Receipts from providing goods or services | 36,827 | 26,008 |
| Interest, dividends and other investment receipts | 343 | 356 |
| Total Cash was received from: | 246,990 | 259,277 |
| Cash was applied to: | | |
| Net GST | (598) | 15,775 |
| Payments to suppliers and employees | 190,695 | 195,774 |
| Donations or grants paid | 78,124 | 94,452 |
| Total Cash was applied to: | 268,221 | 306,001 |
| Total Cash Flows from Operating Activities | (21,231) | (46,724) |
| Net Increase/(Decrease) in Cash | (21,231) | (46,724) |
| | 2018 | 2017 |
| Cash Balances | | |
| Cash and cash equivalents at beginning of period | 357,196 | 403,920 |
| Cash and cash equivalents at end of period | 335,965 | 357,196 |
| Net Change in Cash for Period | (21,231) | (46,724) |

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This statement should be read in conjunction with the attached Audit Report and Notes to the Performance Report.

Statement of Accounting Policies

The Federation of New Zealand Seniors Societies Inc For the year ended 31 December 2018

Basis of Preparation

The entity 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 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 entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for sundry creditors and sundry debtors which are stated inclusive of GST.

Income Tax

The Federation of New Zealand Seniors Societies Incorporated is a registered charitable entity under the Charities Act 2005, and accordingly is exempt from income tax under sections CW41 and CW42 of the Income Tax Act 2007.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances.

Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used throughout the period. (Last year - Nil)

Revenue from Sale of Services

Revenue is recorded based on the stage of completion of the service at balance date. Grants and sponsorship are recorded as revenue as received unless there is an explicit "use or return" condition attaching to this income, in which case the amounts relating to the unspent revenue are recognised as a liability and released to income as the revenue is spent.

Revenue from Sale of Goods

Revenue is recorded when the goods are sold. If the purchaser pays before they receive their goods, the society records a liability. If the purchaser does not pay on receipt of the goods, the society records a debtor.

Notes to the Performance Report

The Federation of New Zealand Seniorsnet Societies Inc For the year ended 31 December 2018

| | 2018 | 2017 |
|---|----------------|----------------|
| 1. Analysis of Revenue | | |
| Donations, fundraising and other similar revenue | | |
| Donations | 8,982 | 4,500 |
| DeedVault | 10,000 | - |
| Lottery Grant Board Sponsorships | 75,000 | 75,000 |
| Noel Leeming | 12,865 | 11,931 |
| Ryman Healthcare Sponsorship | 40,663 | - |
| Vodafone | 41,365 | 52,524 |
| Westpac Sponsorship | 50,000 | 50,000 |
| Total Donations, fundraising and other similar revenue | 238,875 | 193,955 |
| Fees, subscriptions and other revenue from members | | |
| Subscriptions Received | 43,163 | 31,557 |
| Total Fees, subscriptions and other revenue from members | 43,163 | 31,557 |
| Revenue from providing goods or services | | |
| Advertising Revenue | 10,000 | - |
| Group Insurance | 22,467 | 22,624 |
| Pamphlet charges | 192 | 89 |
| Symposium Attendance | 4,168 | 3,295 |
| Total Revenue from providing goods or services | 36,827 | 26,009 |
| Interest, dividends and other investment revenue | | |
| Interest Received | 343 | 356 |
| Total Interest, dividends and other investment revenue | 343 | 356 |
| | 2018 | 2017 |

2. Analysis of Expenses

| | | |
|---|----------------|----------------|
| Volunteer and employee related costs | | |
| Executive Contract | 120,000 | 150,000 |
| Volunteer Reimbursements | 2,046 | 3,740 |
| Total Volunteer and employee related costs | 122,046 | 153,740 |
| Costs related to providing goods or services | | |
| Advertising & Marketing | 14,911 | 1,304 |
| Travelling Expenses | 5,616 | 6,858 |
| Total Costs related to providing goods or services | 20,527 | 8,162 |
| Grants and donations made | | |
| Grants to GST Registered Learning Centres | 17,036 | 21,111 |
| Grants to Non GST Registered Learning Centres | 62,209 | 66,327 |
| Total Grants and donations made | 79,244 | 87,438 |

Other expenses

| | | |
|-----------------------------|---------------|---------------|
| Accountancy Fees | 2,100 | 1,700 |
| Audit Fees | 4,400 | 4,300 |
| Bank Charges | 60 | 80 |
| Census Assistance | 9,073 | - |
| General Expenses | 319 | 95 |
| Insurance | 19,910 | 20,086 |
| Legal Expenses | 44 | 1,012 |
| Meeting Expenses | 9,775 | 8,858 |
| Regional Meeting | 2,886 | 2,100 |
| Total Other expenses | 48,568 | 38,231 |

2018 2017

3. Analysis of Assets

Bank accounts and cash

| | | |
|-------------------------------------|----------------|----------------|
| ASB Bank | 4,076 | 4,150 |
| ASB Saver Account | 331,890 | 353,047 |
| Total Bank accounts and cash | 335,965 | 357,196 |

Debtors and prepayments

| | | |
|--------------------------------------|---------------|---------------|
| Noel Leemings | 14,795 | 13,720 |
| Sundry Debtors | - | 5,790 |
| GST | 1,426 | 1,555 |
| Total Debtors and prepayments | 16,221 | 21,066 |

2018 2017

4. Analysis of Liabilities

Creditors and accrued expenses

| | | |
|---|--------------|--------------|
| Accrued Audit Fee | 4,400 | 4,300 |
| Accrued other expenses | 2,100 | 2,100 |
| Total Creditors and accrued expenses | 6,500 | 6,400 |

Unused donations and grants with conditions

| | | |
|---|----------|---------------|
| Unused donations and grants with conditions - Lottery Grant | - | 75,000 |
| Total Unused donations and grants with conditions | - | 75,000 |

2018 2017

5. Accumulated Funds

Accumulated Funds

| | | |
|-------------------------------------|----------------|----------------|
| Opening Balance | 296,862 | 332,556 |
| Accumulated surpluses or (deficits) | 48,824 | (35,694) |
| Total Accumulated Funds | 345,686 | 296,862 |

Total Accumulated Funds **345,686** **296,862**

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|---------------------------|
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6. Commitments

At balance date there were no known operating lease or capital purchase commitments. (Last year - Nil)

7. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 December 2018(Last year - Nil).

8. Goods or Services Provided to the Entity in Kind

The society relies heavily on the generosity of the committee with the amount of donated time provided. Without this, our services may not be provided.

The amount of time donated to the society cannot be valued as there are no equivalent paid positions within the organisation.

9. 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 (Last year - nil).

10. Ability to Continue Operating

The Federation of New Zealand Seniorsnet Societies Inc committee considers these financial statements are prepared on a going concern basis as adequate reserve funds are available to continue operations for at least 12 months . The society is actively looking for alternative funding streams.

11. Lottery Grant Board Sponsorship Revenue Recognition

In the year ended 31 December 2017 the society received \$90,000 (plus GST) (2016 \$80,000) from the lottery Grant Board covering the period from 20 September 2017 to 19 September 2018. A pro-rata portion of \$75,000 (2016 \$60,000) was recorded as Grant received in advance and was recognised as revenue in 2018.

| | 2018 | 2017 |
|---|----------------|----------------|
| 12. Related Party Transactions | | |
| Executive Contract | 120,000 | 150,000 |
| Total Related Party Transactions | 120,000 | 150,000 |

The society has a management contract with a member of the executive to manage the operations of the society. There is \$NIL owing/owed at balance date.

Independent auditor's report

To the Members of The Federation of New Zealand Seniornet Societies Incorporated

Opinion

We have audited the accompanying performance report of The Federation of New Zealand Seniornet Societies Incorporated, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 31 December 2018, the statement of financial position as at 31 December 2018, and the statement of accounting policies and notes to the performance report.

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 performance report presents fairly, in all material respects:
 - the entity information for the year then ended
 - the service performance for the year then ended, and
 - the financial position of The Federation of New Zealand Seniornet Societies Incorporated as at 31 December 2018, 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) issued by the New Zealand Accounting Standards Board.

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 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 performance report' section of our report.

We are independent of The Federation of New Zealand Seniornet Societies Incorporated 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 our capacity as auditor we have no relationship with, or interests in, The Federation of New Zealand Seniornet Societies Incorporated.

Committee's responsibilities for the performance report

The committee are responsible 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 on behalf of The Federation of New Zealand Seniornet Societies Incorporated 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 by the New Zealand Accounting Standards Board, and
- c) for such internal control as the committee 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 committee are responsible on behalf of The Federation of New Zealand Seniornet Societies Incorporated's for assessing The Federation of New Zealand Seniornet Societies Incorporated'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 committee either intend to liquidate The Federation of New Zealand Seniornet Societies Incorporated 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 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 the 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. 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 Federation of New Zealand Seniornet Societies Incorporated'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 committee and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on The Federation of New Zealand Seniornet Societies Incorporated'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 Federation of New Zealand Seniornet Societies Incorporated 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 represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the committee 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 report is made solely to the members of The Federation of New Zealand Seniorsnet Societies Incorporated. Our audit has been undertaken so that we might state to the members those matters we are required to state to them in an auditors' 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 members, for our audit work, for this report, or for the opinions we have formed.



Moore Stephens Wellington Audit | Qualified Auditors, Wellington, New Zealand
17 April 2019