



World Vision of New Zealand Trust Board

General Purpose Financial Report

For the year ended 30 September 2023

**WORLD VISION OF NEW ZEALAND TRUST BOARD**  
**TRUSTEES' RESPONSIBILITY STATEMENT**  
**For the year ended 30 September 2023**

The Trustees are responsible for ensuring that the general purpose financial report, which comprises the financial statements and service performance information, fairly presents the financial position of World Vision of New Zealand Trust Board (the "Trust", "WVNZ") as at 30 September 2023 and its service performance, financial performance and cash flows for the year ended on that date.

The Trustees consider that the financial statements of the Trust have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Trustees believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Trust and facilitate compliance with New Zealand generally accepted accounting practice.

The Trustees consider they have taken steps to safeguard the assets of the Trust and prevent fraud and other irregularities.


The Trustees have pleasure in presenting the audited Statement of Service Performance set out on pages 7 - 8 and financial statements set out on pages 9 - 16 for the year ended 30 September 2023.

The Board of Trustees of World Vision of New Zealand Trust Board authorised this general purpose financial report for issue on 22 November 2023.

For and on behalf of the Board



Trustee



Trustee



## Independent auditor's report

To the Trustees of World Vision of New Zealand Trust Board

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### Our opinion

In our opinion the accompanying general purpose financial report of World Vision of New Zealand Trust Board (the Trust) presents fairly, in all material respects, the financial position of the Trust as at 30 September 2023, and its service performance, financial performance and cash flows for the year ended on that date in accordance with Public Benefit Entity Standards issued in New Zealand (PBE Standards).

### What we have audited

The general purpose financial report which comprises:

- The financial statements, including:
  - the statement of financial position as at 30 September 2023;
  - the statement of comprehensive revenue and expenses for the year then ended;
  - the statement of changes in trust funds for the year then ended;
  - the statement of cash flows for the year then ended; and
  - the notes to the financial statements, which include significant accounting policies and other explanatory information.
- The service performance information for the year ended 30 September 2023.

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### Basis for opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and International Standards on Auditing (ISAs). The audit of the service performance information was conducted in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised) (ISAE (NZ) 3000 (Revised)).

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the general purpose financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Our independence and quality management

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) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board and the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We apply Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

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**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, but does not include the general purpose financial report and our auditor's report thereon. The other information we obtained prior to the date of this auditor's report comprised the five-year summary and the trustees' responsibility statement. The remaining other information is expected to be made available to us after that date.

Our opinion on the general purpose financial report does not cover the other information and we do not and will not express any form of audit opinion or assurance conclusion thereon.

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Trustees and use our professional judgement to determine the appropriate action to take.

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**Other matter**

The service performance information presented for the corresponding year ended 30 September 2022 is unaudited.

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**Responsibilities of the Trustees for the general purpose financial report**

The Trustees are responsible, on behalf of the Trust, for the preparation and fair presentation of the general purpose financial report in accordance with PBE Standards, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial statements and service performance information that is free from material misstatement, whether due to fraud or error.

The Trustees are also responsible, on behalf of the Trust, for identifying performance measures and/or descriptions to report in the general purpose financial report that are a faithful representation of the Trust's service performance and that are relevant, understandable, timely, comparable and verifiable.

In preparing the general purpose financial 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.

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**Auditor's responsibilities for the audit of the general purpose financial report**

Our objectives are to obtain reasonable assurance about whether the general purpose financial 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), ISAs or ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this general purpose financial report.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the general purpose financial report, including performing procedures to obtain evidence about and evaluating whether the service performance information is a faithful representation of the Trust's service performance and that is relevant, understandable, timely, comparable and verifiable.

As part of our audit, we 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.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements and service performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Obtain an understanding of the process applied by the Trust to select what and how to report its service performance.
- Evaluate whether the service performance criteria are suitable so as to result in service performance information that is in accordance with the applicable financial reporting framework.
- Conclude on the appropriateness of the use of the going concern basis of accounting by those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 financial statements and service performance information, including the disclosures, and whether the financial statements and service performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during the audit.



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**Who we report to**

This report is made solely to the Trustees, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trustees, as a body, for our audit work, for this report or for the opinions we have formed.

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

For and on behalf of:

A handwritten signature in black ink, appearing to read 'Richard Day'.

Chartered Accountants  
22 November 2023

Auckland

# WORLD VISION OF NEW ZEALAND TRUST BOARD

## STATEMENT OF SERVICE PERFORMANCE

### For the year ended 30 September 2023

#### Who we are and why do we exist?

World Vision is an international christian emergency relief, community development and advocacy organisation dedicated to working with children, families and communities to overcome poverty and injustice. Grounded in our Christian faith we partner with communities around the world to equip children and communities to tackle the root causes of poverty. We do this through proven long-term development and short-term relief practices aligned to child well-being outcomes. These include child protection, water and sanitation, education, health and nutrition and livelihoods.

Our vision statement: "OUR VISION FOR EVERY CHILD, LIFE IN ALL ITS FULLNESS, OUR PRAYER FOR EVERY HEART, THE WILL TO MAKE IT SO".

World Vision of New Zealand Trust Board (WVNZ) as a member of the global World Vision partnership raises funds for development and relief programs internationally aimed at improving the lives of children, families and communities in need. All resources that are raised and are intended for ministry outside of New Zealand are remitted through World Vision International (WVI), with the exception of direct project funding under approved bilateral agreements. We also support World Vision entities to administer and monitor multilateral grants from overseas organisations.

#### What we deliver

##### We raise money for international development and relief programmes that support children and communities.

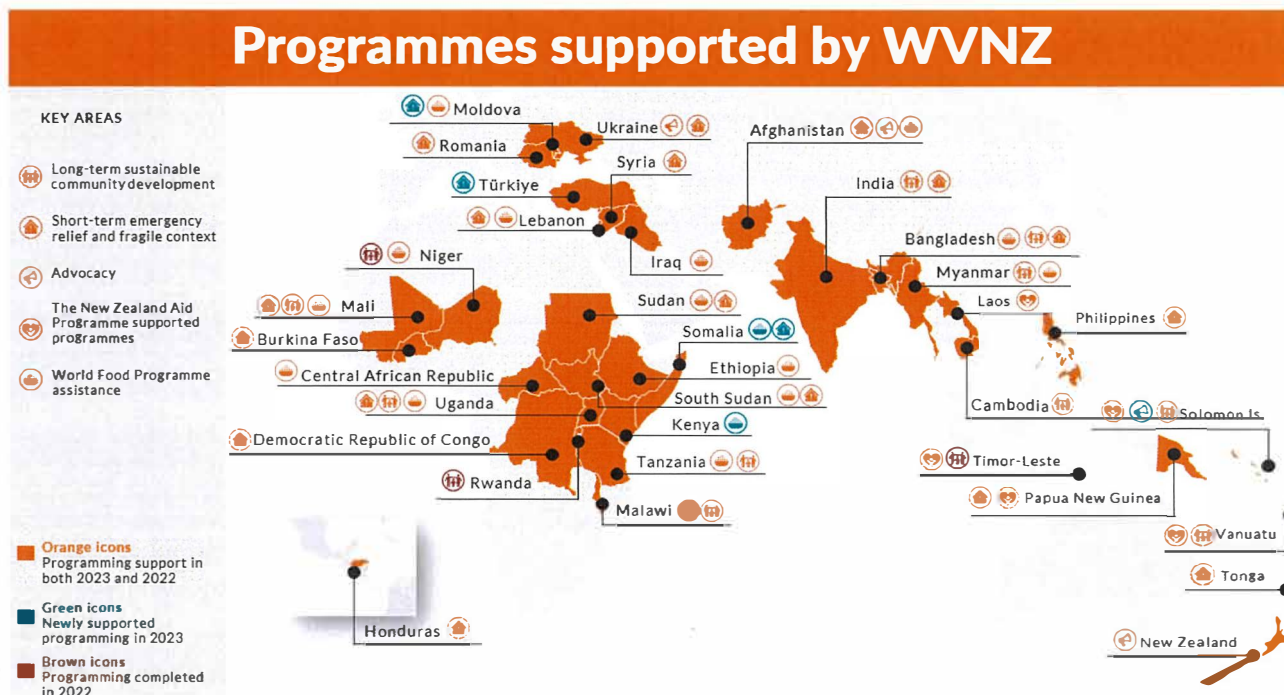
The work we do is made possible by the generosity of private and grant donors. In 2023 we raised \$34,778k (2022: \$36,129k) in donations from the New Zealand public and \$43,888k (2022: \$37,358k) in grant income. Total income was \$79,760k (2022: \$74,055k).

We have been actively responding to emergency crises around the world. Through our humanitarian appeals, we have raised \$1,621k to support emergency relief efforts including the Türkiye/Syria earthquake and the Vanuatu cyclone (2022: \$3,586k for the Ukraine crisis).

We have partnered with the New Zealand Ministry of Foreign Affairs and Trade's NZ Aid Programme to deliver \$5,078k (2022: \$3,655k) of programming related to key areas of child protection, water and sanitation, education, health and nutrition and livelihoods.

We have partnered with The World Food Programme and other non-government grant institutions including UNHCR, UNICEF, and UHOCHA to deliver \$36,732k of grant programming in 2023 (2022: \$30,289k).

We supported 266 individual programmes in 34 countries around the world (2022: 255 programmes in 32 countries).

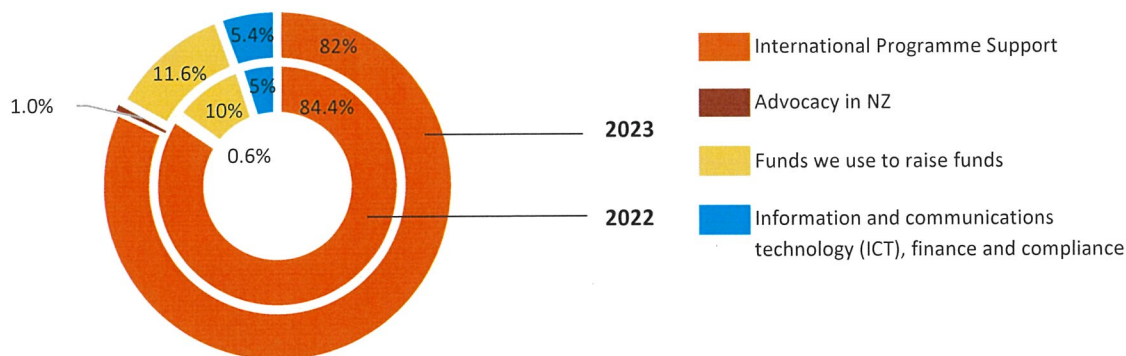


These statements should be read in conjunction with the accompanying notes.



WVNZ delivered 82.0% (2022: 84.4%) (target 80.3%) of our funds raised to our programmes. We remit all resources to WVI in accordance with agreed financial principles and procedures. WVNZ does not retain surplus funds.

### Income Allocation



### We advocate in New Zealand

World Vision New Zealand embraces the promotion of human transformation through the power of giving.

We are dedicated to promoting education for youth, with 38,981 (2022: 35,999) (target 50,000) young people participating in the 40 Hour Challenge event each year.

Our Modern Slavery campaign is focused for the enactment of modern slavery legislation in New Zealand by 2024, to ensure New Zealand businesses do not have slavery in their supply chains. Following public petitions, public consultation, research and participation in modern slavery leadership advisory groups, in July 2023, the New Zealand Government committed to drafting modern slavery legislation.

Responding to the outbreak of war in the Ukraine, our advocacy resulted in the introduction of a Special Ukraine Visa allowing 4,000 Ukrainian refugees to enter New Zealand. Further work to address the barriers to access the visa led to the New Zealand Government granting assurance in August 2023 that Ukrainians under the Special Ukraine Policy (2022) can remain in New Zealand and apply for residency.

Our research into the resettlement experiences of Afghan Nationals means we are advocating for consistent resettlement services for all people who seek refuge in New Zealand and an emergency resettlement model to be established.

In the Solomon Islands, our work aimed at advocating for increasing the legal age of marriage.

### Key judgements in selection, measurement and presentation

The Trustees exercise judgement in deciding how to select, measure, aggregate, and present service performance information. This judgement focuses on determining the most appropriate and meaningful performance measures that are of particular value for accountability and decision-making purposes. The Trustees have chosen to present the performance measures selected above, after consideration of the qualitative aspects and pervasive constraints of information. This included consideration of other information published in the entity's annual report, website and impact report.

The scope of our Statement of Service Performance is limited to our core services as World Vision of New Zealand Trust Board. We have not included activities that are outside our scope or delivered by other World Vision entities internationally or where pervasive constraints exist in measuring, collecting and reporting the impact of those activities in a cost effective and timely manner.

### Definitions

**Advocacy** is working with policymakers and the public at the national, regional, and global level to build awareness around poverty and to address the unjust systems that help perpetuate it.

**Individual programmes** refer to specific initiatives or programs implemented by WVNZ to address a particular issue or meet a specific need within a community or region. Each individual programme has its own objectives, target beneficiaries, activities, and timelines, and is implemented with the goal of contributing to the overall mission of World Vision in overcoming poverty and injustice.

**Long-term sustainable community development** refers to the systematic and participatory approach employed by WVNZ focusing on helping communities meet their legitimate needs such as clean water, education, healthcare, agricultural improvements and sanitation. These programmes run for an extended period – typically 10-15 years. The ultimate goal is to empower communities to become self-reliant, resilient, and capable of driving their own development.

**Short-term emergency relief** includes providing food, shelter and medical care to survivors of natural or manmade disaster.



**WORLD VISION OF NEW ZEALAND TRUST BOARD**  
**STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES**  
**For the year ended 30 September 2023**

	Note	2023 \$000	2022 \$000
<b>Revenue from New Zealand donors</b>			
Child sponsorship income		20,140	20,850
Private donations		13,017	11,693
Grant income	5	7,156	7,069
Humanitarian appeals		<u>1,621</u>	<u>3,586</u>
		41,934	43,198
Interest and other income		<u>1,094</u>	<u>568</u>
<b>Total revenue from New Zealand</b>		<b>43,028</b>	<b>43,766</b>
Multilateral grant income	2	36,732	30,289
<b>Total revenue</b>		<b><u>79,760</u></b>	<b><u>74,055</u></b>
<b>Relief and development project costs</b>	3	<b>66,149</b>	<b>62,942</b>
<b>Operating expenditure</b>			
Raising of funds		9,297	7,374
ICT, Finance and Compliance		<u>4,314</u>	<u>3,739</u>
	4	<b>13,611</b>	<b>11,113</b>
<b>Net surplus/(deficit)</b>		<u>-</u>	<u>-</u>
Other comprehensive revenue and expenses		-	-
<b>Total comprehensive revenue and expenses</b>		<u>-</u>	<u>-</u>
<b>Total operating expenditure as % of Total revenue</b>		<b>17.1%</b>	<b>15.0%</b>

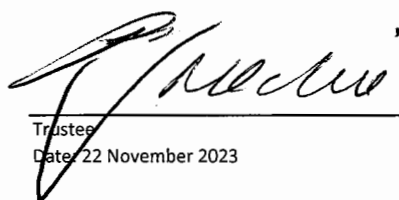
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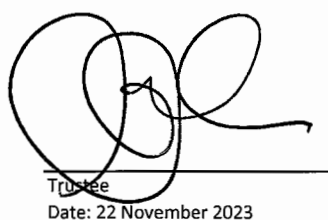
**WORLD VISION OF NEW ZEALAND TRUST BOARD**  
**STATEMENT OF FINANCIAL POSITION**  
**As at 30 September 2023**

		2023	2022
		\$000	\$000
<b>Current assets</b>			
Cash and cash equivalents	6	3,083	2,604
Term and secured deposits	7	2,705	3,583
Prepayments and other receivables		405	257
Funding remitted to WVI in advance	3	886	1,421
<b>Total current assets</b>		<b>7,079</b>	<b>7,865</b>
<b>Non-current assets</b>			
Property, plant and equipment	9	2,190	2,267
Intangibles	10	61	-
<b>Total non-current assets</b>		<b>2,251</b>	<b>2,267</b>
<b>Total assets</b>		<b>9,330</b>	<b>10,132</b>
<b>Current liabilities</b>			
Trade payables, accruals and other liabilities		2,099	1,975
Employee entitlements		732	673
Deferred grant income	5	1,623	2,608
<b>Total current liabilities</b>		<b>4,454</b>	<b>5,256</b>
<b>Trust funds</b>	8	<b>4,876</b>	<b>4,876</b>
<b>Total liabilities and trust funds</b>		<b>9,330</b>	<b>10,132</b>

**WORLD VISION OF NEW ZEALAND TRUST BOARD**  
**STATEMENT OF CHANGES IN TRUST FUNDS**  
**For the year ended 30 September 2023**

	2023	2022
	\$000	\$000
Trust funds at beginning of year	4,876	4,876
Total comprehensive revenue and expenses for the year	-	-
<b>Trust funds at end of year</b>	<b>4,876</b>	<b>4,876</b>

  
 Trustee  
 Date: 22 November 2023

  
 Trustee  
 Date: 22 November 2023

**WORLD VISION OF NEW ZEALAND TRUST BOARD**  
**STATEMENT OF CASH FLOWS**  
**For the year ended 30 September 2023**

	Note	2023 \$000	2022 \$000
Cash flows from operating activities:			
<i>Cash was provided from:</i>			
Donations		34,778	36,129
Grant income	5	6,382	7,437
Interest received		388	125
Revenue from exchange transactions		706	469
<i>Cash was disbursed to:</i>			
Field project costs overseas	3	(26,494)	(33,057)
Payment to suppliers and employees		(15,958)	(12,756)
<b>Net operating cash flows</b>		<b>(198)</b>	<b>(1,653)</b>
Cash flows from investing activities:			
Purchase of property, plant and equipment and intangibles	9	(201)	(276)
Decrease in Term Deposits		878	640
<b>Net investment cash flows</b>		<b>677</b>	<b>364</b>
<b>Net movement in cash and cash equivalents</b>		<b>479</b>	<b>(1,289)</b>
Cash and cash equivalents at beginning of the year	6	2,604	3,893
<b>Cash and cash equivalents at the end of the year</b>	<b>6</b>	<b>3,083</b>	<b>2,604</b>

**WORLD VISION OF NEW ZEALAND TRUST BOARD**  
**RECONCILIATION OF SURPLUS/(DEFICIT) FOR THE YEAR TO NET OPERATING CASH FLOWS**  
**For the year ended 30 September 2023**

		2023 \$000	2022 \$000
<b>Surplus for the Year</b>		-	-
Adjusted for non-cash items:			
Depreciation and amortisation	4	216	287
Increase/ (decrease) in funding to be remitted to WVI		535	(2,489)
Movements in deferred income		(985)	(354)
Other working capital movements		36	903
<b>Net operating cash flows</b>		<b>(198)</b>	<b>(1,653)</b>

## **WORLD VISION OF NEW ZEALAND TRUST BOARD NOTES TO THE FINANCIAL STATEMENTS**

### **1. WVNZ financial statements**

These financial statements set out the performance, position and cash flows of World Vision New Zealand Trust Board (the "Trust", "World Vision New Zealand", "WVNZ") for the year ended 30 September 2023. The financial statements are presented in New Zealand Dollars rounded to the nearest thousand dollars and net of GST. The historical cost method has been observed in the preparation of WVNZ's financial statements.

#### **Reporting entity**

World Vision New Zealand ("WVNZ") is a Christian relief, development and advocacy organisation dedicated to working with children, families and communities to overcome poverty and injustice.

Vision and values:

"OUR VISION FOR EVERY CHILD, LIFE IN ALL ITS FULLNESS, OUR PRAYER FOR EVERY HEART, THE WILL TO MAKE IT SO"

The World Vision of New Zealand Trust Board (the "Trust") is a charitable trust established in October 1974 by a Deed of Trust and subject to the provisions of the Charitable Trusts Act 1957. The Trust is registered under the Charities Act 2005 and its registration number is CC25984.

The Trust is not liable for income taxation as it is a charitable organisation as defined by the Income Tax Act 2007.

#### **Basis of preparation**

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("GAAP"). They comply with Public Benefit Entity Accounting Standards ("PBE Standards") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with GAAP, the Trust is a public benefit Not-For-Profit entity and is applying Tier 1 Not-For-Profit- PBE Standards on the basis that it does not have public accountability and is defined as large.

The following new standards and amendments to standards have been adopted by the Trust during the year:

- i. PBE FRS 48: Service performance reporting (see impact below);
- ii. PBE IPSAS 41: Financial instruments (see impact below)

#### **Impact of adoption of 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 that is useful for accountability and decision-making purposes in the general purpose financial report. Presentation of service performance information together with financial statements enables users to make assessments of the entity's performance.

This standard is effective for annual periods beginning on or after 1 January 2022. As a Tier 1 public benefit Not-For-Profit entity, this is the first time the Trust will present service performance information alongside its financial statements in the general purpose financial report for the year ended 30 September 2023.

#### **Impact of adoption of PBE IPSAS 41: Financial Instruments**

The PBE IPSAS 41: Financial instruments changes the classification of certain financial assets and liabilities, which has not had a material impact on the result of the Trust. However, the Trust has been required to update its disclosures and change the wording of its accounting policy in accordance with the new standard.

The financial statements have been prepared on a going concern basis.

The accounting policies have been applied consistently with prior periods. There are no accounting standards that are expected to have a material impact on these financial statements, and that have been issued but are not yet effective.

The financial statements have been approved by the Board of Trustees who do not have power to amend the financial statements once issued.

The financial assets and liabilities are categorised as 'financial asset at amortised cost' and 'financial liabilities at amortised cost', respectively.

All non-financial assets are non-cash generating.

There were no contingent liabilities or capital commitments at reporting date (2022: none).

There were no amendments to the Deed of Trust during the 2023 financial year.

#### **Revenue from exchange transactions**

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

All other income is recognised as revenue upon receipt.

#### **Revenue from non-exchange transactions**

Non-exchange transactions are those where the entity receives value from another entity (e.g. cash or other assets) without giving approximately equal value in exchange. For example, donations, grants, gifted goods in kind.

Inflows of resources from non-exchange transactions, other than services in-kind, that meet the definition of an asset are recognised as an asset only when:

- i. It is probable that the entity will receive an inflow of economic benefits or service potential; and
- ii. The fair value of can be measured reliably.

Revenue from New Zealand donors includes child sponsorship, private donations and humanitarian appeals and are recognised as revenue upon receipt.

Grant revenue includes grants given by the New Zealand Government, other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant have been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as deferred income and released to revenue as the conditions are fulfilled. Grant contributions to New Zealand costs are recognised as the applicable expenses are incurred.

Multilateral grants are recognised as income when it has been confirmed by the WV partner that the conditions of the grant have been complied with. Multilateral grant income includes food and other commodities donated by the World Food Programme and other parties. WVNZ is involved in organising the distribution of these commodities, and the development of infrastructure to enable the distribution, to famine affected regions. WVNZ recognises income, for the donated items, at the value as determined by the World Food Program, once confirmation has been received that the commodities have been received and distributed.

All other receipts are accounted for as income or recoveries as they are received.

#### **Foreign currency**

All foreign currency transactions during the year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items held at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair values that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Exchange differences are recognised as profit or loss in the period in which they arise.

# WORLD VISION OF NEW ZEALAND TRUST BOARD

## NOTES TO THE FINANCIAL STATEMENTS

### Significant accounting estimates and judgements

#### Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to determine potential future use and value from disposal:

- The condition of the asset.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset.

Useful lives are reviewed annually for reasonableness.

#### 2. Multilateral grant income

	2023	2022
	\$000	\$000
Individual programmes refer to specific initiatives or programs implemented by WVNZ to address a parti		
World Food Programme food commodities	20,063	16,152
Other multilateral commodities	693	468
Multilateral grant cash income	15,976	13,669
	<u>36,732</u>	<u>30,289</u>

Multilateral grant income includes grants given by government entities, other charitable and philanthropic organisations, and businesses outside New Zealand.

#### 3. Relief and development projects costs

	2023	2022
	\$000	\$000
Opening balance	1,421	(1,068)
Available for relief and development	(66,149)	(62,942)
Dispositions		
Cash remitted overseas	26,494	33,057
Multilateral grants	36,732	30,289
New Zealand based programme support	1,629	1,639
New Zealand based education and advocacy	759	446
Total applied to relief and development projects	<u>65,614</u>	<u>65,431</u>
Closing balance	<u>886</u>	<u>1,421</u>

World Vision International ("WVI") assists WVNZ by facilitating the coordination, implementation and monitoring of overseas programmes to ensure the funds provided by donors are used to directly benefit people in need.

#### 4. Operating expenditure

Employee entitlements relating to salaries and wages, annual leave, health insurance, life insurance and KiwiSaver are recognised when they accrue to employees at the amount expected to be paid. All other expenses are recognised on an accrual basis.

	2023	2022
	\$000	\$000
People costs	6,878	6,126
Costs of raising funds	4,528	3,313
Depreciation, amortisation and disposal of assets	216	287
ICT Costs	895	716
Occupancy	366	279
Administration	172	221
Travel and accommodation	375	103
Consultancy	181	68
	<u>13,611</u>	<u>11,113</u>

Auditor remuneration has been disclosed as part of 'consultancy', refer below for breakdown.

#### Auditor remuneration - PwC

- Audit of financial statements	45	40
- Other services - performed by PwC	-	-
	<u>45</u>	<u>40</u>

**WORLD VISION OF NEW ZEALAND TRUST BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**

**5. Grant income**

	<b>Development Grant</b>		<b>Relief Grant</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Grant funding received in current year (excl. GST)	4,785	6,209	1,597	1,228
Less: administration and assessment costs	(901)	(1,127)	(153)	(111)
<b>Funding allocated to projects</b>	<b>3,884</b>	<b>5,082</b>	<b>1,444</b>	<b>1,117</b>
Deferred grant income	(1,289)	(2,050)	(334)	(558)
Prior year deferred grant income	2,050	2,674	558	288
<b>Grant income for the year</b>	<b>4,645</b>	<b>5,706</b>	<b>1,668</b>	<b>847</b>
<b>Allocation of grant income by country</b>				
Bangladesh	-	-	216	243
Kenya	-	-	450	-
Laos	636	382	-	-
Moldova	-	-	112	-
Myanmar	59	173	-	-
Papua New Guinea	744	605	87	334
Solomon Islands	1,405	1,325	2	-
Sudan	-	707	-	-
Timor Leste	446	238	-	153
Türkiye	-	-	119	-
Ukraine	-	-	499	117
Vanuatu	1,355	2,276	183	-
<b>Grant income for the year</b>	<b>4,645</b>	<b>5,706</b>	<b>1,668</b>	<b>847</b>

	<b>2023</b>	<b>2022</b>
	<b>\$000</b>	<b>\$000</b>
Subtotal - grant income (non-exchange transactions)	6,313	6,553
Add: admin income (exchange transactions)	843	516
<b>Total grant income</b>	<b>7,156</b>	<b>7,069</b>
<b>Total deferred grant income (non-exchange)</b>	<b>1,623</b>	<b>2,608</b>

Grant income includes grants given by the government entities, other charitable and philanthropic organisations, and businesses. Grant income is recognised when the conditions attached to the grant have been complied with. Where there are unfulfilled conditions, the corresponding amount is recognised as deferred income.

The total funding received from the New Zealand Aid Programme that is included in the above grant funding received was \$4,891k (2022: \$4,113k) and \$5,078k (2022: \$3,655k) was recognised as income for the year.

**6. Cash and cash equivalents**

Cash and cash equivalents are on-demand, highly liquid investments with original maturities less than 3 months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	<b>2023</b>	<b>2022</b>
	<b>\$000</b>	<b>\$000</b>
Cash at bank and on hand	3,083	2,604
	<b>3,083</b>	<b>2,604</b>

**7. Term and secured deposits**

Term deposits are interest-bearing investments placed with financial institutions with original maturities of more than 3 months. The interest income on term deposits is calculated using the effective interest method and is recognised in the statement of comprehensive revenue and expenses.

	<b>2023</b>	<b>2022</b>
	<b>\$000</b>	<b>\$000</b>
Term deposits	2,550	3,400
Secured deposit	155	183
	<b>2,705</b>	<b>3,583</b>

**Designated use of cash and term deposits (Note 6 and 7)**

	<b>2023</b>	<b>2022</b>
	<b>\$000</b>	<b>\$000</b>
Government grants deferred and committed to projects (Note 5)	1,623	2,608
Working capital to meet liabilities	4,165	3,579
	<b>5,788</b>	<b>6,187</b>



**WORLD VISION OF NEW ZEALAND TRUST BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**

**8. Trust funds**

The Trust's capital is its trust funds, which comprise accumulated comprehensive revenue and expenses.

The Trust manages its capital by prudently managing revenues, expenses, disbursements to World Vision programmes, assets and liabilities to ensure that WVNZ effectively achieves its objectives and purpose, while remaining a going concern.

The Trust is not subject to any externally imposed capital requirements.

**9. Property, plant and equipment**

Land is carried at cost and is not depreciated. Equipment includes computer hardware, motor vehicles, office equipment and furniture and fittings, and is carried at cost less accumulated depreciation. Buildings and equipment are depreciated on a straight-line basis over their estimated useful lives and reviewed annually for any indications of impairment.

	2023				2022			
	\$000				\$000			
	Land	Buildings	Equipment	Total	Land	Buildings	Equipment	Total
Opening net book value	795	1,346	126	2,267	795	1,327	85	2,207
Additions & Transfers	-	7	127	134	-	159	117	276
Disposals	-	-	-	-	-	-	-	-
Depreciation	-	(130)	(81)	(211)	-	(140)	(76)	(216)
Impairment	-	-	-	-	-	-	-	-
<b>Closing net book value</b>	<b>795</b>	<b>1,223</b>	<b>172</b>	<b>2,190</b>	<b>795</b>	<b>1,346</b>	<b>126</b>	<b>2,267</b>
<b>Cost</b>	<b>795</b>	<b>3,195</b>	<b>923</b>	<b>4,913</b>	<b>795</b>	<b>3,188</b>	<b>893</b>	<b>4,876</b>
<b>Accumulated depreciation</b>	<b>-</b>	<b>(1,972)</b>	<b>(751)</b>	<b>(2,723)</b>	<b>-</b>	<b>(1,842)</b>	<b>(767)</b>	<b>(2,609)</b>
<b>Net book value</b>	<b>795</b>	<b>1,223</b>	<b>172</b>	<b>2,190</b>	<b>795</b>	<b>1,346</b>	<b>126</b>	<b>2,267</b>
Estimated useful lives (years)	N/A	5-30 years	2-5 years		N/A	5-30 years	2-5 years	

**10. Intangibles**

Intangible assets acquired separately are measured on initial recognition at cost. They are amortised on a straight line basis over 3 years and assessed for impairment whenever there is an indication that the asset may be impaired.

Where direct costs, by way of salaries or support costs are incurred in relation to the development of software that will generate probable future economic benefits to WVNZ, these costs are capitalised as Work in Progress. They are not amortised until the asset is put in use and tested annually for impairment.

	2023				2022			
	\$000				\$000			
	Work in Progress	Computer Software	Website Development	Total	Work in Progress	Computer Software	Website Development	Total
Opening net book value	-	-	-	-	-	28	43	71
Additions	12	-	54	66	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Amortisation	-	-	(5)	(5)	-	(28)	(43)	(71)
Impairment	-	-	-	-	-	-	-	-
<b>Closing net book value</b>	<b>12</b>	<b>-</b>	<b>49</b>	<b>61</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cost</b>	<b>12</b>	<b>4,060</b>	<b>2,180</b>	<b>6,252</b>	<b>-</b>	<b>4,060</b>	<b>2,126</b>	<b>6,186</b>
<b>Accumulated depreciation</b>	<b>-</b>	<b>(4,060)</b>	<b>(2,131)</b>	<b>(6,191)</b>	<b>-</b>	<b>(4,060)</b>	<b>(2,126)</b>	<b>(6,186)</b>
<b>Net book value</b>	<b>12</b>	<b>-</b>	<b>49</b>	<b>61</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## WORLD VISION OF NEW ZEALAND TRUST BOARD

### NOTES TO THE FINANCIAL STATEMENTS

#### 11. Risk management

##### (a) Credit risk

Credit risk is the risk that a third party will default on its obligations to the Trust, causing it to incur a loss.

The Trust is exposed to credit risk from cash and deposits held with financial institutions. The maximum credit exposure is best represented by the carrying amount in the Statement of financial position. The risk exposure is not considered significant, as the balances are with financial institutions with Board approved long-term credit ratings of no less than AA- as issued by Standard and Poor's Rating Agency.

Counterparties with credit ratings	2023	2022
Cash and cash equivalents, Term and secured deposits	\$000	\$000
AA-	<u>5,788</u>	<u>6,187</u>

##### (b) Foreign exchange risk

Foreign currency risk is the risk from movement in the New Zealand dollar against other currencies which WVNZ uses. The Trust does not have any material exposure to foreign exchange risk because we remit to WVI in NZD. WVI hedges foreign currency risk for field programming in USD.

##### (c) Interest rate risk

Interest rate risk is the risk that the value of its financial assets or liabilities will fluctuate as a result of changes in interest rates. The Trust's exposure is limited to deposits held at fixed interest rates.

##### (d) Liquidity risk

Liquidity risk is the risk that WVNZ will encounter difficulty raising liquid funds to meet commitments as they fall due. WVNZ manages liquidity risk by continuously monitoring forecast and actual cash flow requirements.

All financial liabilities are due within 6 months.

##### (e) Fair values

At reporting date, the carrying value of financial assets and liabilities approximates their fair value.

#### 12. Related party transactions

During the year the organisation provided cash funding to WVI of \$26,494k (2022: \$33,057k) and non-cash funding of \$36,732k (2022: \$30,289k).

Key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body comprising the Board of Trustees and members of the Senior Leadership Team.

WVNZ received \$48k in donations from key management personnel (2022: \$48k).

The Board of Trustees is comprised of 10 individuals, with total remuneration (including benefits) of \$0 (2022: \$0).

The Senior Leadership Team is comprised of 6 individuals, with total remuneration (including Kiwisaver and insurances) of \$1,246k (2022: \$1,155k).

No remuneration was provided to employees who are close family members of key management personnel (2022: nil).

#### 13. Contingent asset

In 2012 WVNZ was named a residual beneficiary of an estate. The assets of the estate are held in Trust and administered by its trustees. WVNZ expects to receive a final distribution from this Trust however, the assets are still to be sold so the exact timing and value of this distribution was not known at balance date. We estimate the value of this distribution to be between \$500k and \$1,200k (2022: \$500k and \$1,500k).

#### 14. Subsequent events

There are no events after balance date that would materially affect these financial statements.

**WORLD VISION OF NEW ZEALAND TRUST BOARD**  
**Five Year Summary (Unaudited)**

Revenue	2023	2022	2021	2020	2019
Revenue from New Zealand donors	\$000	\$000	\$000	\$000	\$000
Child sponsorship income	20,140	20,850	21,617	22,394	23,187
Private donations	13,017	11,693	15,661	12,430	12,210
Grant income	7,156	7,069	3,367	3,315	4,157
Humanitarian appeals	1,621	3,586	1,171	1,984	1,157
	41,934	43,198	41,816	40,123	40,711
Interest and other income	1,094	568	307	423	467
<b>Total revenue from New Zealand</b>	<b>43,028</b>	<b>43,766</b>	<b>42,123</b>	<b>40,546</b>	<b>41,178</b>
Multilateral grant income	36,732	30,289	30,846	29,505	26,276
<b>Total revenue</b>	<b>79,760</b>	<b>74,055</b>	<b>72,969</b>	<b>70,051</b>	<b>67,454</b>
Relief and development project costs	66,149	62,942	62,363	59,306	56,283
Operating expenditure					
Raising funds	9,297	7,374	7,019	7,144	7,279
ICT, Finance and Compliance	4,314	3,739	3,587	3,601	3,892
	13,611	11,113	10,606	10,745	11,171
<b>Net surplus/(deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive revenue and expenses	-	-	-	-	-
<b>Total comprehensive revenue and expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total operating expenditure as % of Total revenue</b>	<b>17.1%</b>	<b>15.0%</b>	<b>14.5%</b>	<b>15.3%</b>	<b>16.6%</b>