



**THE MCGUINNESS
FOUNDATION TRUST**

Performance Report

YEAR ENDED 31 MARCH 2020

Contents

3	Entity Information
4	Approval of Performance Report
5	Statement of Service Performance
6	Statement of Financial Performance
7	Statement of Financial Position
8	Statement of Cash Flows
9	Statement of Accounting Policies
11	Notes to the Performance Report

Entity Information

The McGuinness Foundation Trust (Group) For the year ended 31 March 2020

'Who are we?', 'Why do we exist?'

Legal Name of Entity

The McGuinness Foundation Trust

Entity Type and Legal Basis

Charitable Trust

Registration Number

Charities Registration Number: CC10457

Entity's Purpose or Mission

To distribute donations in accordance with the strategic objectives set by the Trustees. Entity is a non-partisan think tank working towards a sustainable future, contributing foresight through evidence-based research and policy analysis.

Entity Structure

Trustees consisting of two members. Entity includes a subsidiary limited liability company named McGuinness Institute Limited.

Main Sources of Entity's Cash and Resources

Willis Bond is the core funder of both the entities. The subsidiary company also collaborates with many other institutions.

Main Methods Used by Entity to Raise Funds

Main methods to gather funds is through donations or cost-recovery of direct costs of workshops and other events.

Entity's Reliance on Volunteers and Donated Goods or Services

Reliance on donated services, as well as a good working relationship with a number of other parties that have an interest in a common goal. These include other organisations and individuals. Donated services include occupancy costs for McGuinness Institute Limited of \$79,563 from Willis Bond and Co. Limited.

Approval of Performance Report

The McGuinness Foundation Trust (Group) For the year ended 31 March 2020

The Trustees are pleased to present the approved financial report including the historical financial statements of The McGuinness Foundation Trust for year ended 31 March 2020.

APPROVED



Mark McGuinness

Trustee

Date 29.09.2020



Wendy McGuinness

Trustee

Date 29.09.2020

Statement of Service Performance

The McGuinness Foundation Trust (Group) For the year ended 31 March 2020

'What did we do?', 'When did we do it?'

Description of Entity's Outcomes

To distribute resources donated by philanthropists to individuals and organisations who's goals align with the strategic objectives set by the Trustees.

- To build public policy capability in 18-25 year olds through employment
- To build public policy capability in 18-25 year olds through workshops
- To prepare non-partisan research and policy advice on NZ's long term future

2020 2019

Description and Quantification of the Entity's Outputs

Dollar value of donations provided 108,900 51,850

To build public policy capability in 18-25 year old's through employment

Description of Outputs	Actual 31 March 2020	Actual 31 March 2019
Number of employees between age of 18 to 25	8	9
Total number of employees	9	19
Percentage of personnel that has worked at the Institute that has subsequently been employed in public policy	50%	33.3%

To build public policy capability in 18-25 year olds through workshops

Description of Outputs	Actual 31 March 2020	Actual 31 March 2019
Number of participants at the 3 day workshop between the age of 18 to 25	40	0
Total workshop participants (including 1 day workshops)	40	0

To prepare non-partisan research and policy advice on New Zealand's long term future

Description of Outputs	Actual 31 March 2020	Actual 31 March 2019
Number of reports published during the year	0	1
Number of workshops held during the year	1	0
Number of working papers	6	3
Number of think pieces	1	4
Number of submissions and proposals	12	6

Statement of Financial Performance

The McGuinness Foundation Trust (Group) For the year ended 31 March 2020

'How was it funded?' and 'What did it cost?'

	NOTES	2020	2019
Revenue			
Donations, fundraising and other similar revenue	1	864,563	727,911
Revenue from providing goods or services	1	1,489	1,777
Total Revenue		866,052	729,688
Expenses			
Volunteer and employee related costs	2	468,537	444,685
Costs related to providing goods or service	2	332,195	210,333
Grants and donations made	2	108,900	51,850
Other expenses	2	11,407	17,818
Total Expenses		921,038	724,686
Surplus/(Deficit) for the Year		(54,987)	5,002

Statement of Financial Position

The McGuinness Foundation Trust (Group)

As at 31 March 2020

'What the entity owns?' and 'What the entity owes?'

	NOTES	31 MAR 2020	31 MAR 2019
Assets			
Current Assets			
Bank accounts and cash	3	21,020	46,176
Debtors and prepayments	3	17,134	14,346
Total Current Assets		38,154	60,522
Non-Current Assets			
Property, Plant and Equipment	4	40,731	41,357
Total Non-Current Assets		40,731	41,357
Total Assets		78,885	101,879
Liabilities			
Current Liabilities			
Creditors and accrued expenses	5	11,136	12,369
Employee costs payable	5	8,911	14,363
Loans	5	393,760	355,083
Total Current Liabilities		413,807	381,815
Total Liabilities		413,807	381,815
Total Assets less Total Liabilities (Net Assets)		(334,922)	(279,936)
Accumulated Funds			
Opening Balance		(279,936)	(282,817)
Accumulated surpluses		(54,987)	2,881
Total Accumulated Funds		(334,922)	(279,936)

Statement of Cash Flows

The McGuinness Foundation Trust (Group) For the year ended 31 March 2020

	2020	2019
Statement of Cash Flows		
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	864,563	727,911
Receipts from providing goods or services	1,603	2,764
Payments to suppliers and employees	(808,701)	(669,231)
Donations or grants paid	(108,900)	(51,850)
Total Cash Flows from Operating Activities	(51,435)	9,594
Cash Flows from Investing and Financing Activities		
Proceeds from loans borrowed from other parties	36,802	(2,136)
Payments to acquire property, plant and equipment	(10,524)	(7,463)
Total Cash Flows from Investing and Financing Activities	26,278	(9,599)
Net increase/ (decrease) in cash	(25,157)	(4)
Cash and cash equivalents at beginning of period		
Cash balance	46,178	46,179
Total Cash and cash equivalents at beginning of period	46,178	46,179
Cash and cash equivalents at end of period		
Cash balance	21,021	46,175
Total Cash and cash equivalents at end of period	21,021	46,175
Net change in cash for period	(25,157)	(4)

Statement of Accounting Policies

The McGuinness Foundation Trust (Group) For the year ended 31 March 2020

'How did we do our accounting?'

Reporting entity

McGuinness Foundation Trust is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013).

This consolidated performance report for the year ended 31 March 2020 comprise McGuinness Foundation Trust ('the controlling entity') and its controlled entity McGuinness Institute Limited (together referred to as the 'Group') and individually as 'Group entities'.

Basis of Preparation

The group 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 group will continue to operate in the foreseeable future.

The Group financial statements are presented in accordance with PBESFR A (NFP) *Public Benefit Entity Simple Format Reporting - Accrual(Not-For-Profit)* (Tier 3 Framework).

Goods and Services Tax (GST)

The McGuinness Foundation Trust is not registered for GST, but the McGuinness Institute Limited is registered for GST. Therefore some amounts in the financial statements are stated both inclusive and exclusive of GST where appropriate, except for accounts receivable and payable, which are stated inclusive of GST

Presentation Currency

The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except where otherwise indicated.

Revenue Recognition

Donations are recorded as revenue when cash is received.

Sale of goods or services are recorded when the goods or services are sold.

Interest income is recorded as it is earned.

Other income is recorded as it is earned.

Income Tax

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

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Property, Plant and Equipment

Property, plant and equipment is stated at historical cost less any accumulated depreciation and impairment losses. historical cost includes expenditure directly attributable to the acquisition of assets and includes the cost of replacements that are eligible for capitalisation when these are incurred.

All other repairs and maintenance expenditure is recognised in profit or loss as incurred.

Depreciation is calculated on a diminishing value basis over the estimated useful life of the asset. The following estimated depreciation rates have been used:

Fixtures & Fittings 0% - 60%

Shelving & Storage 10% - 16%

The Library 20% - 24%

Computer Equipment 50%

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Notes to the Performance Report

The McGuinness Foundation Trust (Group) For the year ended 31 March 2020

	2020	2019
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Willis Bond & Co Limited	864,563	727,911
Total Donations, fundraising and other similar revenue	864,563	727,911
Revenue from providing goods and services		
Nation Dates Book Sales	35	695
Reports sold (incl online)	25	-
Other Revenue from providing goods and services	1,429	1,082
Total Revenue from providing goods and services	1,489	1,777
Total Analysis of Revenue	866,052	729,688
	2020	2019
2. Analysis of Expenses		
Volunteer and employee related costs		
ACC	1,961	2,227
Clothing expense	200	-
Entertainment	7,606	6,579
ipayroll fees	1,554	1,565
Salaries	440,420	401,555
Staff gift	2,003	-
Training and education	209	11,937
Travel - National	11,579	4,319
Travel - International	3,005	16,503
Total Volunteer and employee related costs	468,537	444,685
Costs related to providing goods or services		
Bad Debts	100	548
Client Gifts	1,183	1,476
Computer expenses	23,792	17,665
Conference expenses	2,223	-
Consulting and accounting	28,560	20,139
Cost of Publication	48,849	55,504
Domain names	6,637	7,981
Event - Navigating with Foresight	11,444	-
Event - Vanishing Stability	11,187	-
KiMuaNZ	78,010	-
Insurance	2,678	2,621
Light, power, heating	3,794	3,405
Membership and subscription fees	7,665	2,571
Occupancy costs	79,563	77,911
Office expenses	8,731	8,197

	2020	2019
Postage, freight and courier	3,356	2,596
Repairs & Maintenance	3,923	-
Stationary	5,879	5,148
Telephone and internet	4,621	4,572
Total Costs related to providing goods or services	332,195	210,333
Grants and donations made		
Donations made	108,900	51,850
Total Grants and donations made	108,900	51,850
Other expenses		
Bank fees	206	238
Depreciation	11,150	10,425
(Gain)/loss on disposal of fixed assets	-	5,373
Legal expenses	-	1,782
Penalties	50	-
Total Other expenses	11,407	17,818
Total Analysis of Expenses	921,038	724,685
	2020	2019

3. Analysis of Assets

Bank accounts and cash		
McGuinness Foundation Trust	591	5,050
Kiwibank 00 account	16,617	38,623
Kiwibank 01 account	1,203	1,674
Paypal account	1,595	828
Petty Cash	1,014	-
Total Bank accounts and cash	21,020	46,176
Debtors and prepayments		
Bond - iPayroll	12,000	12,000
Accounts receivable	-	115
GST receivable	5,135	2,231
Total Debtors and prepayments	17,135	14,346
Total Analysis of Assets	38,155	60,522
	2020	2019

4. Property, Plant and Equipment

Furniture and Fixtures		
At cost	63,238	62,223
Less Accumulated Depreciation on Furniture and Fixtures	(50,698)	(48,399)
Total Furniture and Fixtures	12,540	13,824
Shelving and Storage		
At cost	24,583	24,583
Less Accumulated Depreciation on Shelving and Storage	(14,480)	(13,301)
Total Shelving and Storage	10,103	11,282

	2020	2019
The Library		
At cost	47,584	47,584
Less Accumulated Depreciation on The Library	(40,474)	(38,659)
Total The Library	7,110	8,926
Computer Equipment		
At cost	23,338	13,830
Less Accumulated Depreciation on Computer Equipment	(12,361)	(6,503)
Total Computer Equipment	10,977	7,327
Total Property, Plant and Equipment	40,731	41,357
	2020	2019

5. Analysis of Liabilities

Creditor and accrued expenses		
Accounts payable	11,136	12,369
Total Creditor and accrued expenses	11,136	12,369
Employee costs payable		
Accruals	8,911	14,362
Total Employee costs payable	8,911	14,362
Loans		
Mackford Holdings No.5 Limited	393,760	355,083
Total Loans	393,760	355,083
Total Analysis of Liabilities	413,807	381,815
	2020	2019

6. Accumulated Funds

Opening balance	(279,936)	(282,817)
Accumulated surpluses	(54,987)	5,002
Prior period adjustment	-	(2,121)
Total Accumulated Funds	(334,923)	(279,936)

7. Commitments

There are no commitments as at 31 March 2020 (Last year - nil).

8. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 March 2020 (Last year - nil).

9. Related Parties

Mark McGuinness, who is a Trustee, is also a director of Willis Bond & Company Limited. The Trust received donations from Willis Bond & Company Limited during the year to the total of \$785,000 (2019: \$650,000).

Wendy McGuinness, who is a Trustee, is also a director of the company McGuinness Institute Limited that is 100% owned by the Trust.

McGuinness Institute Limited did not receive donations from Willis Bond & Company Limited during the year (2019: \$nil), and occupancy costs amounting to \$79,563 (2019: \$77,911).

The Trustees' Mark McGuinness and Wendy McGuinness are also Directors of Mackford Holdings No.5 Limited. Mackford Holdings No.5 Limited has loaned funds to McGuinness Institute Limited during the year. The loan totaling \$393,760 as at 31 March 2020 (2019: \$355,084) is interest free and repayable on demand.

10. Occupancy Costs

During the year, as per prior years, Willis Bond & Company Limited made payments on behalf of McGuinness Institute Limited for occupancy costs encompassing rent, rates, landline and water cooler rental charges. These contributions by Willis Bond & Company Limited have been recognised as donations to the institute and the 'Occupancy Costs' are reported as a separate line item.

11. 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).

12. Ability to continue operating

The Trust has made a loss in the year of \$54,987 and has net liabilities of \$334,922.

The validity of the going concern assumption on which this performance report is prepared depends on the continued financial support of Mackford Holdings No.5 Limited.

A letter of support has also been received from Mackford Holdings No.5 Limited confirming that they will continue to support McGuinness Foundation Trust, and will not call the loan unless they know that McGuinness Foundation Trust is in a position to pay the loan and their creditors as they fall due within the foreseeable future.

If the support is withdrawn, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the amounts at which they are currently recorded in the Statement of Financial Position. In addition, the Trust may have to provide for further liabilities that may arise.

13. COVID-19

COVID-19 has been a significant event for almost all entities in New Zealand. However, as balance date the Company is not aware of any material threat to its validity as a going concern and has not experienced any significant impact to its financial position. As a precautionary action the Company is deciding to not hire any further employees until 2021 unless necessary.