



**MCGUINNESS
INSTITUTE LIMITED**

Performance Report

FOR THE YEAR ENDED 31 MARCH 2022

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Entity Information

McGuinness Institute Limited For the year ended 31 March 2022

Legal Name of Entity

McGuinness Institute Limited

Entity Type and Legal Basis

NZ Limited Company

Registration Number

Company number: 1538950
NZ Business Number: 9429035262381
Charities Registration Number: CC21440

Entity's Purpose or Mission

A non-partisan think tank working towards a sustainable future, contributing foresight through evidence-based research and policy analysis.

Entity Structure

Chief Executive is Wendy McGuinness. Reporting to the CE is the Head of Research, Head of Events Management, Head of Design and Head of Administration. There are between 7 and 25 staff employed by the Institute at any one time.

Main Sources of Entity's Cash and Resources

Willis Bond and Company Limited is the core funder, but the Institute also collaborates with many other institutions.

Main Methods Used by Entity to Raise Funds

Main methods used 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 organisations and individuals (such as those that have attended workshops). Donated services include occupancy cost of \$81,793.95 from Willis Bond and Co. Limited.

Physical Address

Level 2, 5 Cable Street, Wellington, New Zealand, 6011

Postal Address

PO BOX 24222, Manners Street, Wellington, New Zealand, 6142

Approval of Performance Report

McGuinness Institute Limited
For the year ended 31 March 2022

The Director is pleased to present the approved performance report including the historical performance report of McGuinness Institute Limited for year ended 31 March 2022.

APPROVED



Wendy McGuinness

Date 30/03/2022

Statement of Service Performance

McGuinness Institute Limited For the year ended 31 March 2022

Description of Entity's Outcomes

- 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

Description and Quantification of the Entity's Outputs

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

Description of Outputs	Actual 31 March 2022	Actual 31 March 2021
Number of employees between age of 18 to 25	8	8
Total number of employees	8	8
Percentage of personnel that has worked at the Institute that has subsequently been employed in public policy	75%	16%

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

Description of Outputs	Actual 31 March 2022	Actual 31 March 2021
Number of participants at the 3 day workshop between the age of 18 to 25	0	0
Total workshop participants (including 1 day workshops)	19	0

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

Description of Outputs	Actual 31 March 2022	Actual 31 March 2021
Number of reports published during the year	0	1
Number of workshops held during the year	1	0
Number of working papers	12	13
Number of think pieces	3	3
Number of submissions and proposals	9	2

Statement of Financial Performance

McGuinness Institute Limited
For the year ended 31 March 2022

	NOTES	2022	2021
Revenue			
Donations, fundraising and other similar revenue	1	683,594	538,700
Revenue from providing goods or services	1	1,169	1,626
Total Revenue		684,763	540,326
Expenses			
Volunteer and employee related costs	2	422,160	296,982
Costs related to providing goods or service	2	223,992	192,301
Grants and donations made	2	-	11,000
Other Expenses	2	46,111	21,440
Total Expenses		692,263	521,723
Surplus/(Deficit) for the Year		(7,500)	18,603

Statement of Financial Position

McGuinness Institute Limited

As at 31 March 2022

	NOTES	31 MAR 2022	31 MAR 2021
Assets			
Current Assets			
Advances	3	45,962	38,960
Bank accounts and cash	3	4,958	11,139
Debtors and prepayments	3	16,822	16,023
Total Current Assets		67,742	66,121
Non-Current Assets			
Property, Plant and Equipment	4	43,313	33,582
Total Non-Current Assets		43,313	33,582
Total Assets		111,054	99,703
Liabilities			
Current Liabilities			
Creditors and accrued expenses	5	6,138	7,172
Employee costs payable	5	17,096	6,202
Loans	5	404,044	395,054
Total Current Liabilities		427,278	408,427
Total Liabilities		427,278	408,427
Total Assets less Total Liabilities (Net Assets)		(316,224)	(308,724)
Accumulated Funds			
Accumulated surpluses or deficits		(316,224)	(308,724)
Total Accumulated Funds		(316,224)	(308,724)

Statement of Cash Flows

McGuinness Institute Limited
For the year ended 31 March 2022

	2022	2021
Statement of Cash Flows		
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	683,594	538,700
Receipts from providing goods or services	1,375	1,282
Payments to suppliers and employees	(668,126)	(504,765)
Donations or grants paid	-	(11,000)
Total Cash Flows from Operating Activities	16,843	24,217
Cash Flows from/(to) Investing and Financing Activities		
Proceeds from loans borrowed from other parties	1,987	(29,466)
Proceeds from sale of property, plant and equipment	-	-
Payments to acquire property, plant and equipment	(25,011)	(4,042)
Total Cash Flows from/(to) Investing and Financing Activities	(23,024)	(33,508)
Net Increase/ (Decrease) in Cash	(6,182)	(9,291)
Cash and cash equivalents at beginning of period		
Cash balance	11,139	20,429
Total Cash and cash equivalents at beginning of period	11,139	20,429
Cash and cash equivalents at end of period		
Cash balance	4,957	11,139
Total Cash and cash equivalents at end of period	4,957	11,139
Net change in cash for period	(6,182)	(9,291)

Statement of Accounting Policies

McGuinness Institute Limited For the year ended 31 March 2022

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.

The Entity's performance report is presented in accordance with PBESFR A (NFP) *Public Benefit Entity Simple Format Reporting - Accrual(Not-For-Profit)* (Tier 3 Framework).

Presentation Currency

The performance report is 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.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

As per the Income Tax Act 2007, and as the company holds the status of a registered charity, McGuinness Institute Limited is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

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

Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

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 the statement of financial performance 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% - 67%

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 the statement of financial performance in the year the asset is derecognised.

Notes to the Performance Report

McGuinness Institute Limited For the year ended 31 March 2022

	2022	2021
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Willis Bond & Co Limited	81,794	85,200
The McGuinness Foundation Trust	601,800	453,500
Total Donations, fundraising and other similar revenue	683,594	538,700
Revenue from providing goods or services		
Dolphin Poster	20	-
Nation Dates Book Sales	996	1,440
Other Revenue from providing goods or services	154	186
Total Revenue from providing goods or services	1,169	1,626
	2022	2021
2. Analysis of Expenses		
Volunteer and employee related costs		
ACC	670	2,057
Entertainment	5,254	5,016
i-payroll fees	1,537	1,632
Salaries	411,489	283,436
Staff gift	1,009	2,513
Travel - National	2,201	2,327
Total Volunteer and employee related costs	422,160	296,982
Costs related to providing goods or services		
Books Purchased	8,354	1,748
Client Gifts	3,091	1,573
Computer Expenses	16,995	11,932
Conference Expenses	159	186
Consulting & Accounting	12,827	13,220
Cost of Publication	16,914	12,237
Domain Names	1,980	3,390
Editing	13,909	15,404
General Expenses	1,506	-
Insurance	3,495	165
Light, Power, Heating	3,280	3,026
Long term insights briefing	79	-
Membership and Subscription Fees	12,650	11,951
NZKS/ Blenheim	1,069	-
Occupancy Costs	81,794	85,200
Office Expenses	4,776	5,326
Office Printer	15,792	12,091
Pharmacy	952	-

	2022	2021
Postage, Freight & Courier	2,345	725
Repairs and Maintenance	3,371	4,034
Security	787	-
Strategy Mapping Workshop	3,988	-
Sponsorships	5,000	-
Stationary and Medical	7,173	6,396
Telephone & Internet	1,708	3,698
Total Costs related to providing goods or services	223,992	192,301
Grants and donations made		
Donations	-	11,000
Total Grants and donations made	-	11,000
Other expenses		
Bank Fees	251	246
Depreciation	11,564	11,191
(Gain)/Loss on Disposal of Fixed Assets	3,717	-
Legal expenses	30,579	10,004
Total Other expenses	46,111	21,440
	2022	2021

3. Analysis of Assets

Advances		
McGuinness Foundation Trust	45,962	38,960
Total Advances	45,962	38,960
Bank accounts and cash		
Kiwibank 00 Account	222	6,769
Petty Cash Kiwibank 01 Account	810	827
Paypal Account	3,390	2,585
Petty Cash	536	958
Total Bank accounts and cash	4,958	11,139
Debtors and prepayments		
Accounts Receivable	138	344
Bond - iPayroll	12,000	12,000
GST Receivable	2,155	3,679
Prepayment	2,529	-
Total Debtors and prepayments	16,822	16,023
	2022	2021

4. Property, Plant and Equipment

Furniture & Fixtures		
Furniture and Fixtures	53,847	63,238

	2022	2021
Less Accumulated Depreciation on Furniture and Fittings	(43,265)	(52,444)
Total Furniture & Fixtures	10,582	10,794
Shelving & Storage		
Shelving & Storage	17,407	24,583
Less Accumulated Depreciation on Shelving & Storage	(10,682)	(15,534)
Total Shelving & Storage	6,725	9,048
The Library		
The Library	50,145	47,584
Less Accumulated Depreciation on The Library	(43,241)	(41,920)
Total The Library	6,904	5,665
Computer Equipment		
Computer Equipment	43,709	27,380
Less Accumulated Depreciation on Computer Equipment	(24,609)	(19,305)
Total Computer Equipment	19,101	8,075
Total Property, Plant and Equipment	43,313	33,582
	2022	2021

5. Analysis of Liabilities

Creditors and accrued expenses		
Accounts Payable	6,138	7,172
Total Creditors and accrued expenses	6,138	7,172
Employee costs payable		
Accruals	17,096	6,202
Total Employee costs payable	17,096	6,202
Loans		
Mackford Holdings No 5 Limited	404,044	395,054
Total Loans	404,044	395,054
	2022	2021

6. Accumulated Funds

Accumulated Funds		
Opening Balance	(308,724)	(327,327)
Accumulated surpluses	(7,500)	18,603
Total Accumulated Funds	(316,224)	(308,724)
Total Accumulated Funds	(316,224)	(308,724)

7. Commitments

There are no commitments as at 31 March 2022 (2021 - nil).

8. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 March 2022 (2021 - nil).

9. Going Concern

The Company has made a loss in the year of \$7,500 and has net liabilities of \$316,224.14.

The validity of the going concern assumption on which this performance report is prepared depends on the continued financial support of the shareholder and 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 Institute Limited, and will not call the loan unless they know that McGuinness Institute Limited is in a position to pay the loan and their creditors as they fall due within the foreseeable future.

10. Related Parties

Wendy McGuinness, who is a director of this company, is also a director of Mackford Holdings No 5 Limited, which has loaned funds to McGuinness Institute Limited during the year. The loan totalling, \$404,044 as at 31 March 2022 (2021: \$ 395,054) is interest free and repayable on demand.

Wendy McGuinness is also a trustee of the McGuinness Foundation Trust which owns 100% of this company. The McGuinness Institute received donations from the McGuinness Foundation Trust during the year totalling to \$601,800 (2021: \$ 453,500). The McGuinness Institute paid for expenses of the McGuinness Foundation Trust during the year totalling nil (2021: \$ 3,402).

Wendy McGuinness' husband is a director of Willis Bond & Company Limited. The McGuinness Institute received nil donations from Willis Bond & Company Limited during the year (2021: nil), and occupancy costs amounting to \$81,794 (2021: \$85,200).

11. Occupancy Costs

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

12. Events After the Balance Date

There were no events that occurred after balance date that would have a material impact on the Performance Report as at 31 March 2022 (2021 - nil).

13. COVID-19

COVID-19 has been a significant event for almost all entities in New Zealand. However, at 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.