

Performance Report

Smart Waikato Trust
For the year ended 31 March 2023

Prepared by Accounting Online Limited

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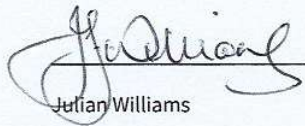
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Approval of Financial Report

Smart Waikato Trust For the year ended 31 March 2023

The Trustees are pleased to present the approved financial report including the historical financial statements of Smart Waikato Trust for the year ended 31 March 2023.

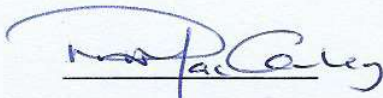
APPROVED



Julian Williams

Chairperson

Date 11 October 2023



Deb MacCauley

Trustee

Date 11 October 2023

Entity Information

Smart Waikato Trust For the year ended 31 March 2023

Legal Name of Entity

Smart Waikato Trust

Entity Type and Legal Basis

Charitable Trust

Registration Number

CC41374

Entity's Purpose or Mission

Empowering young people and employers through real education and employment pathways.

Entity Structure

A team of trustees oversee the running and decisions of the trust.

Main Methods Used by Entity to Raise Funds

Smart Waikato Trust's primary source of funding is through receipt of grants. Additional sources of funding include:

- Contracted Services
- Sponsorship

Physical Address

26 Oakley Avenue, Claudelands, Hamilton, New Zealand, 3214

Postal Address

PO Box 166, Waikato Mail Centre, Hamilton, New Zealand, 3240

Board of Trustee

The Board of Trustees comprise of five Trustees and a Chief Executive:

- Julian Williams - Chairperson
- Deborah MacCauley - Trustee
- Grace Reid - Trustee
- Damian Sicely - Trustee
- Amy Hacker - Trustee
- Mary Jensen - Chief Executive

Statement of Service Performance

Smart Waikato Trust

For the year ended 31 March 2023

“Empowering young people and employers through real education and employment pathways”

Secondary School Employer Partnerships (SSEP)

Smart Waikato's Secondary School-Employer Partnerships (SSEP) are formal relationships where employer groups from priority sectors link into school faculties at Year 9/10 level, supporting contextualised learning at a curriculum level and introduces students to a wide range of careers.

Smart Waikato's role is to establish best practice, encourage school and employer participation and assist in the support and sustainability of SSEPs, offered in 34 Waikato secondary schools for the 2022 school year, with the following schools being actively involved despite COVID challenges:

- Fairfield College (Mathematics) (7th year)
- Cambridge High School (Science) (6th year)
- Ngaruawahia High School (Maths and Science) (6th year)
- Hillcrest High School (Science) (5th year)
- Matamata College (Maths) (5th year)
- Putaruru College (Project Based Learning) (5th year)
- Te Kuiti High School (Multiple subjects) (5th year)
- Hamilton Girls High School (Maths) (5th year)
- Hamilton Christian School (Multiple Subjects) (4th year)
- Hamilton Junior High School (Maths and Science) (4th year)
- Mercury Bay Area School (Business) (3rd year)
- Nga Taiatea Wharekura (Multiple Subjects) (3rd year)
- Onewhero Area School (Multiple Subjects) (3rd year)
- Tai Wananga (Project Based Learning) (3rd year)
- Waihi College (Science) (3rd year)
- Paeroa College (Maths) (3rd year)
- Raglan Area School (Maths) (3rd year)
- St John's College (STEM Subjects) (3rd year)
- Te Wharekura o Maniapoto (Multiple Subjects) (3rd year)

- Te Wharekura o Nga Purapura o Te Aroha (Multiple Subjects) (3rd year)
- Sacred Heart School for Girls (Maths and Science) (2nd year)
- Taumarunui High School (Multiple subjects) (2nd year)
- Te Kopuku High School (Multiple subjects) (2nd year)

The following schools have had to defer their activities to the next year;

- Te Wharekura o Manaia (Science) (2nd year)
- Thames High School (Business) (7th year)
- Waikato Diocesan School for Girls (Science and Project Based Learning) (6th year)
- Huntly College (Maths and Science) (6th year)
- Rototuna Junior High School (Business) (6th year)
- Forest View High School (Science and Technology) (5th year)
- Otorohanga College (Maths) (5th year)
- Tokoroa High School (Business) (5th year)
- Piopio College (Multiple Subjects) (5th year)
- Melville High School (Science) (4th year)
- Coromandel Area School (Science) (2nd year)

With the exception of our second and third year schools, all other schools are considered “graduate SSEP schools”, responsible for managing their own partnerships. However, it must be acknowledged that due to disruptions experienced over the past three years, some graduate schools require varying levels of support and assistance to effectively sustain these relationships.

There is an established SSEP resource centre and help desk for schools and employers available on the SmartNZ Website. It includes templates, presentations, videos, digital resources and lesson activities.

MPI licensed SSEP in Canterbury

2022 School year – Year 1 SSEP

- Middleton Grange – Year 10 Science
- Ellesmere College – Year 10 Maths and Science
- Mt Hutt College – Year 9 Maths and Science
- Darfield High School – Year 10 Science
- Oxford Area School – Year 9 & 10 Maths
- Hillmorton High School – Year 10 Science
- Papanui High – Year 10 Science

Smart Waikato Trust is the Regional Partner of **FutureForce® Careers Hub** website www.futureforce.nz, social media, print, Job Board and video – Waikato’s number one careers platform – “live”, engaging content.

With a “by young people, for young people” approach and trustworthy material overseen by local experts, FutureForce® has been used as a resource by Waikato Secondary Schools – students, teachers and whaanau – for more than a decade.

FutureForce® Careers Hub is available free as a predominantly digital platform, supported by engaging print products. Almost 33,000 people have utilised the platform to date, visiting a total of 72,804 times.

FutureForce® Social Media: continued to grow exponentially in the April 1st 2022 to March 31st 2023 period, with a Facebook reach of 105,895 (up 82.2%), Instagram reach of 42,710 (up 481.7%) and paid reach of 121,596 (up 190.4%).

FutureForce® MiniMag: 13,000 copies were printed and distributed free to secondary school students throughout the region via their careers teachers.

FutureForce® Job Board: at <https://futureforce.nz/job-board-2/> is a free platform featuring entry level work opportunities (including work experience, internships, cadetships, apprenticeships or employment).

FutureForce® Video: several videos featuring interviews with young Waikato employees across a variety of industry sectors were created.

The Lion Foundation Young Enterprise Scheme

Smart Waikato manages The Lion Foundation Young Enterprise Scheme (YES) in Waikato – King Country. YES is an experiential competition where senior secondary school students set up and run a real business, creating, promoting and selling a product or service, conducting market research, planning, budgeting, taking and managing risk and turning problems into opportunities.

- Our 2022 regional winner was *Bliss Enterprises* from Waikato Diocesan School for Girls
- 2023 saw the return of the Kickstart Timatanga event in the Wintec Atrium. 220 students registered to attend the event in February, alongside 42 business mentors for the Speed Coaching section of the event.
- 240 students across 15 Secondary Schools are registered to be involved in 2023.

Career Hauora

Career Hauora (empowering rangatahi to live their best life), was co-created and piloted at Hillcrest High School in 2022 and supported with funding from the Gallagher Trust, WEL Energy Trust, Lottery Board and Glenice and John Gallagher Foundation. Career Hauora:

- Integrates life skills and careers education into general learning
- Operates across a Year 9-13 framework
- Equips subject teachers with PD and resources
- Supplements and enhances the work of careers advisors in schools
- Includes Smart Waikato programmes such as SSEP and STEP
- Utilises Career Central as a platform for hauora conversations with students

Careers specialists have been contracted to write content for the Career Hauora resources and the Smart Waikato Team is developing digital content to supplement the resources e.g. video resources.

Feedback from students and teachers has been sought through online surveys and through focus groups throughout the year and incorporated into the development of the resource. Input from the wider community has also been gained from workshops and included in the content.

Funding was received from NZ Lotteries to extend this pilot in the region and will continue to be implemented at Hillcrest High School, and has now also been adopted at Fraser High School and Paeroa College. Career Hauora has also entered the Youth Development Sector, through the SPAN programme in partnership with Bluelight.

endorseMe® App

endorseMe® gives young people the opportunity to be endorsed for their employability skills by their mentors, employers, teachers and others working in the community, and to create a record of their skills, achievements and experiences.

Interest and engagement in *endorseMe®* is high across schools, youth services providers and employers throughout New Zealand including:

- The YEP Licence to Work programme
- schools in the Waikato regions
- organisations such as Corrections, Pasifika groups, alternative education, tertiary and employers in Waikato

Smart Transitions

Smart Transitions offers subsidised specialist support to businesses keen to develop entry-level work opportunities for young people, including work experience, cadetships, apprenticeships, internships and jobs. Smart Transitions partners with employers to connect them with secondary school students and other young people via their Gateway and careers teachers or work brokers. Work opportunities are communicated through Smart Waikato's social media and strong networks to youth, teachers and support personnel. Applications are shared with employers to process according to their usual HR practice.

Regional/National Leadership

Chief Executive Mary Jensen is a Manu Taki of the Waikato Wellbeing Project, alongside Te Waka, Kaute Pasifika and Blue Light to lead the target of "Reducing (particularly for Maaori and Pasifika) the NEET rate of 15-24 year olds from 12.6% to less than 5% by 2030.

Mary is also a member of the NZ Industry Stakeholder Group of the Hanga Aro Rau (Manufacturing, Engineering and Logistics) Workforce Development Council, representing the Waikato region.

Statement of Financial Performance

Smart Waikato Trust

For the year ended 31 March 2023

| | NOTES | 2023 | 2022 |
|--|-------|------------------|----------------|
| Revenue | | | |
| Donations, fundraising and other similar revenue | 1 | 322,419 | 503,476 |
| Revenue from providing goods or services | 1 | 197,083 | 203,419 |
| Interest, dividends and other investment revenue | 1 | 4,699 | 850 |
| Other revenue | 1 | 43,603 | 85,462 |
| Total Revenue | | 567,804 | 793,208 |
| Expenses | | | |
| Costs related to providing goods or service | 2 | 662,210 | 622,765 |
| Depreciation | 2 | 10,208 | 13,009 |
| Total Expenses | | 672,418 | 635,774 |
| (Loss)/Surplus for the Year | | (104,614) | 157,434 |

This statement is to be read in conjunction with the accounting policies and notes to the performance report.

Statement of Financial Position

Smart Waikato Trust As at 31 March 2023

| | NOTES | 2023 | 2022 |
|---|-------|----------------|----------------|
| Assets | | | |
| Current Assets | | | |
| Bank accounts and cash | 3 | 426,375 | 474,313 |
| Investment | | 91,170 | 89,601 |
| Debtors and prepayments | 3 | 75,746 | 38,819 |
| Total Current Assets | | 593,290 | 602,733 |
| Property, Plant & Equipment | | 17,872 | 23,729 |
| Total Assets | | 611,163 | 626,462 |
| Liabilities | | | |
| Current Liabilities | | | |
| Creditors and accrued expenses | 4 | 60,603 | 74,935 |
| Goods and services tax | | 18,245 | 1,571 |
| Grants Received in Advance | 4 | 199,631 | 112,659 |
| Total Current Liabilities | | 278,480 | 189,165 |
| Total Liabilities | | 278,480 | 189,165 |
| Total Assets less Total Liabilities (Net Assets) | | 332,683 | 437,297 |
| Accumulated Funds | | | |
| Accumulated Funds | 5 | 332,683 | 437,297 |
| Total Accumulated Funds | | 332,683 | 437,297 |

This statement is to be read in conjunction with the accounting policies and notes to the performance report.

Statement of Cash Flows

Smart Waikato Trust

For the year ended 31 March 2023

| | 2023 | 2022 |
|---|-----------------|----------------|
| Cash Flows from Operating Activities | | |
| Cash was received from: | | |
| Donations, fundraising and other similar receipts | 329,095 | 605,155 |
| Receipts from providing goods or services | 284,055 | 295,478 |
| Interest, dividends and other investment receipts | 4,699 | 850 |
| Net GST | 16,674 | 28,229 |
| Total Cash was received from: | 634,523 | 929,712 |
| Cash was applied to: | | |
| Payments to suppliers and employees | 676,542 | 613,479 |
| Total Cash was applied to: | 676,542 | 613,479 |
| Total Cash Flows from Operating Activities | (42,019) | 316,233 |
| | 2023 | 2022 |
| Cash Flows from Investing and Financing Activities | | |
| Cash was applied to: | | |
| Payments to acquire property, plant and equipment | 4,351 | 4,584 |
| Payments to purchase investments | 1,569 | 655 |
| Total Cash was applied to: | 5,920 | 5,239 |
| Total Cash Flows from Investing and Financing Activities | (5,920) | (5,239) |
| | 2023 | 2022 |
| Total Cash Flows from Operating and Investing Activities | | |
| Net Cash Flows | (47,939) | 310,994 |
| Total Total Cash Flows from Operating and Investing Activities | (47,939) | 310,994 |
| | 2023 | 2022 |
| Cash Balances | | |
| Net Increase / (Decrease) in Cash | (47,939) | 310,994 |
| Opening Cash | 474,313 | 163,318 |
| Total Cash Balances | 426,374 | 474,312 |
| | 2023 | 2022 |
| This is represented by: | | |
| Bank Accounts and Cash | 426,374 | 474,312 |

Statement of Accounting Policies

Smart Waikato Trust

For the year ended 31 March 2023

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (as applicable for tier 3 reporting entities) 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 accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Smart Waikato Trust is 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, bank balances, deposits held at call with banks and other short term highly liquid investments with original maturities of 90 days or less.

Accounts Receivable:

Receivables are valued at net realisable value. An estimate is made for doubtful debts based on a review of all outstanding amounts at year end. Bad debts are written off during the period in which they are identified.

Accounts Payable:

Accounts Payable represents liabilities for goods and services provided to the Trust prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities.

Revenue is accounted for as follows:

Sponsorship and Grants:

Sponsorship and Grant income is accounted for depending on whether or not it has a "use or return" condition attached. Where no use or return conditions are attached, the revenue is recorded as income when the cash is received. Where income includes a use or return condition, it is initially recorded as a liability on receipt. The income is then subsequently recognised within the Statement of Financial Performance as the performance conditions are met.

Revenue from providing goods and services:

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that the economic benefits will flow to the Entity and the revenue can be reliably measured.

Interest Income:

Interest income is recognised on an accrual basis.

Changes to Accounting Policies

There have been no changes in accounting policies.

Notes to the Performance Report

Smart Waikato Trust

For the year ended 31 March 2023

| | 2023 | 2022 |
|---|----------------|----------------|
| 1. Analysis of Revenue | | |
| Donations, fundraising and other similar revenue | | |
| Sponsorship | 61,160 | 53,200 |
| Grants - WEL Energy | 30,000 | 60,000 |
| Grants - Philanthropic | 43,000 | 15,000 |
| Grants - New | - | 183,000 |
| Grants - Lotteries | 124,574 | 16,426 |
| Grants - DV Bryant | 20,000 | 30,000 |
| Govt Grant - COGS | 13,685 | - |
| Trust Waikato | 30,000 | 145,850 |
| Total Donations, fundraising and other similar revenue | 322,419 | 503,476 |
| Revenue from providing goods or services | | |
| Contracted Services | 191,296 | 142,816 |
| Future Force Advertising | (1,111) | 59,403 |
| Seminars & Training | 6,898 | 1,200 |
| Total Revenue from providing goods or services | 197,083 | 203,419 |
| Interest, dividends and other investment revenue | | |
| Interest Income | 4,699 | 850 |
| Total Interest, dividends and other investment revenue | 4,699 | 850 |
| Other revenue | | |
| Other Revenue | 43,603 | 85,462 |
| Total Other revenue | 43,603 | 85,462 |
| | 2023 | 2022 |

2. Analysis of Expenses

| | | |
|---|---------|---------|
| Costs related to providing goods or services | | |
| Advertising | 495 | 653 |
| Bank Fees | 110 | 80 |
| Catering & Events | 4,410 | (119) |
| Computer Expenses | 10,193 | 11,974 |
| Consulting & Accounting | 7,243 | 20,637 |
| Contractors | 64,437 | 45,985 |
| Entertainment | 269 | - |
| Freight & Courier | 9 | - |
| General Expenses | 4,881 | 3,827 |
| Insurance | 2,900 | 2,437 |
| Legal expenses | - | 1,690 |
| Light, Power, Heating | 1,578 | 2,241 |
| Management Services | 400,663 | 468,728 |
| Marketing & Promotions | 24 | 199 |

| | 2023 | 2022 |
|---|----------------|----------------|
| Office Expenses | 923 | 1,097 |
| Petrol & Motoring Costs | 9,088 | 8,526 |
| Printing & Stationery | 6,889 | 25,149 |
| Professional Development | 873 | 5,398 |
| Rent | 17,770 | 15,340 |
| Subcontractor | 122,794 | 7,046 |
| Subscriptions | 1,377 | 976 |
| Telephone & Internet | 1,142 | 901 |
| Travel | 4,142 | - |
| Total Costs related to providing goods or services | 662,210 | 622,765 |
| Other expenses | | |
| Depreciation | 10,208 | 13,009 |
| Total Other expenses | 10,208 | 13,009 |

| | 2023 | 2022 |
|--|----------------|----------------|
| 3. Analysis of Assets | | |
| Bank accounts and cash | | |
| Westpac Bank | 363,427 | 412,030 |
| Business Online Saver | 62,947 | 62,284 |
| Total Bank accounts and cash | 426,375 | 474,313 |
| Investment | 91,170 | 89,601 |
| Property, Plant & Equipment | | |
| Computer Software | 60,122 | 55,771 |
| Less Accumulated Depreciation on Computer Software | (49,773) | (42,458) |
| Office Equipment | 1,881 | 1,881 |
| Less Accumulated Depreciation on Office Equipment | (490) | (226) |
| Motor Vehicles | 17,261 | 17,261 |
| Less Accumulated Depreciation on Motor Vehicles | (11,129) | (8,501) |
| Total Property, Plant & Equipment | 17,872 | 23,729 |
| Debtors and prepayments | | |
| Trade Debtors | 75,616 | 38,689 |
| Taxation Receivable | 130 | 130 |
| Total Debtors and prepayments | 75,746 | 38,819 |

4. Analysis of Liabilities

| | | |
|---|----------------|----------------|
| Creditors and accrued expenses | | |
| Trade Creditors | 60,603 | 74,935 |
| Grants Received in Advance | 199,631 | 112,659 |
| Total Creditors and accrued expenses | 260,234 | 187,594 |

| | 2023 | 2022 |
|------------------------------------|------------------|----------------|
| 5. Accumulated Funds | | |
| Accumulated Funds | | |
| Opening Balance | 437,297 | 279,863 |
| (Loss)/Surplus for the year | | |
| (Loss)/Surplus for the year | (104,614) | 157,434 |
| (Loss)/Surplus for the year | (104,614) | 157,434 |
| Total Accumulated Funds | 332,683 | 437,297 |
| Total Accumulated Funds | 332,683 | 437,297 |

6. Commitments

There are no commitments as at 31 March 2023. (2022: nil)

7. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 March 2023. (2022: nil)

8. Related Party Transactions

Brella Projects Limited provides management and administration services to the Trust 2023: \$409,222 (2022: \$485,592). The director of Brella Projects Limited is also an officer of Smart Waikato.
Balance owed at year end of \$45,455 (2022: \$51,752).

FutureForce NZ is the regional partner of Smart Waikato, which develops the social media contents of the Trust 2023: \$46,824 (2022: nil). The director of FutureForce NZ is also an officer of Smart Waikato.
Balance owed at year end of nil (2022: nil).

9. Subsequent Events

There are no events occurring after balance date or at 31 March 2023.

**INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT
TO THE TRUSTEES OF SMART WAIKATO TRUST**

Report on the Financial Statements

We have reviewed the performance report of Smart Waikato Trust ("the Trust"), 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 March 2023, the statement of financial position as at 31 March 2023, and the statement of accounting policies and other explanatory information.

Trustees' Responsibility for the Financial Statements

The Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-for-Profit) and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with International Standard on Review Engagements (New Zealand) (ISRE (NZ)) 2400, *Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity*. ISRE (NZ) 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE (NZ) 2400 is a limited assurance engagement. It consists primarily of making inquiries of management and others within the entity involved in financial and accounting matters, applying analytical procedures, and evaluating the sufficiency and appropriateness of evidence obtained. A review also requires performance of additional procedures when the practitioner becomes aware of matters that cause the practitioner to believe the financial statements as a whole may be materially misstated.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these financial statements.

We believe that the evidence we have obtained in our review is sufficient and appropriate to provide a basis for our conclusion.

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are not suitable;
- b) the accompanying performance report does not fairly present, in all material respects,
 - the entity information for the year ended 31 March 2023;
 - the service performance for the year then ended; and
 - the financial position of the Trust as at 31 March 2023, 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.



Director
PKF Hamilton Audit Ltd
Hamilton
New Zealand
11 October 2023