

Annual Report

ActionStation Aotearoa Limited
For the year ended 31 March 2020

Prepared by BW Miller Dean Limited

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Compilation Report

ActionStation Aotearoa Limited For the year ended 31 March 2020

Compilation Report to the Directors of ActionStation Aotearoa Limited.

Scope

On the basis of information provided we have compiled the financial statements of ActionStation Aotearoa Limited for the year ended 31 March 2020. Our work has been carried out to the professional standards promulgated by Chartered Accountants Australia and New Zealand, in particular Service Engagement Standard No. 2: Compilation of Financial Information. The financial statements have been prepared as a special purpose report in accordance with the principles of the Income Tax Act 2007 and the Tax Administration (Financial Statements) Order 2014, as detailed in Note 1 to the financial statements.

Responsibilities

You, the Directors, are responsible for the information contained in the financial statements and have determined that the accounting policies used are appropriate to meet your needs and for the purpose that the financial statements were prepared.

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

No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed by this firm and accordingly no assurance is expressed, however an independent audit has been performed by CKS Audit, and their report is attached.

Independence

We have no involvement with ActionStation Aotearoa Limited other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

Disclaimer

As mentioned earlier in our report, we have compiled the financial information based on information provided to us which has not been subject to an audit or review engagement. Accordingly, neither we, nor any of our employees accept any responsibility for the reliability, accuracy or completeness of the compiled financial information nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on the compiled financial information.

BW Miller Dean Limited,
Level 9, 94 Dixon Street,
Wellington

Dated: 15 April 2020

Directory

ActionStation Aotearoa Limited For the year ended 31 March 2020

Company Number / NZ Business Number

3730547 / 9429030784680

Nature of Business

Lobbying Service

Registered Office

Level 4 Ranchhod House, 39 Webb Street
Wellington

Shareholders

Action Station Aotearoa Incorporated	1
Total Shares	1

Directors

Laura O'Connell
Garth Nowland-Foreman - Appointed 02/11/2019
Marianne Elliot - Ceased 11/11/2019

Chartered Accountant

BW Miller Dean Limited,
Level 9, 94 Dixon Street,
Wellington

Directors' Report

ActionStation Aotearoa Limited For the year ended 31 March 2020

The Directors are pleased to present the approved financial report including the historical financial statements of ActionStation Aotearoa Limited for year ended 31 March 2020.

Directors Disclosures

There were no entries recorded in the Register of Interests.

Garth Nowland-Foreman was appointed 2 November 2019. Marianne Elliott resigned on 11 November 2019.

Laura O'Connell held office as Director during the year.

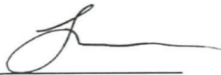
The Board of Directors received no notices from Directors wishing to use company information received in their capacity as Directors which would not have been ordinarily available.

Employee Remuneration

The Shareholders of the Company have exercised their right under Section 211(3) of the Companies Act 1993 and unanimously agreed that this annual report need not comply with paragraph (f) - (h) of Section 211(1) of the Act.

APPROVED

For and on behalf of the Board of Directors.



Garth Nowland-Foreman

07 / 07 / 2020
Date



Laura O'Connell

06 / 07 / 2020
Date

Statement of Profit or Loss

ActionStation Aotearoa Limited
For the year ended 31 March 2020

	NOTES	2020	2019 UNAUDITED
Revenue			
Donations		344,941	258,339
Grants		263,718	264,684
Interest Income		609	18
Third Party Services		-	5,532
Other Revenue		14,086	10,956
Total Revenue		623,354	539,529
Expenses			
ACC		672	824
Accounting		5,448	4,781
Administration Expenses		6,082	9,116
Audit		4,200	-
Bad Debts		-	405
Bank Fees		153	188
Campaign Expenses		52,915	62,161
Fundraising Costs		4,105	10,727
Governance		12,818	16,286
Insurance		1,932	2,230
Legal Fees		1,143	8,900
Minor Assets		905	2,596
Mobile Telephone & Internet		4,823	2,597
Payment Processing Fees		11,962	9,230
Rent		20,814	18,455
Salaries		440,695	334,459
Staff Expenses		19,933	17,714
Subscriptions		31,638	31,465
Total Expenses		620,239	532,134
Net Profit (Loss) Before Depreciation & Adjustments		3,115	7,395
Depreciation			
Depreciation		7,349	5,651
Loss on disposal of assets		153	1,375
Total Depreciation		7,503	7,026
Net Profit (Loss) Before Taxation		(4,388)	369
Taxation			
Tax Expense		965	705
Total Taxation		965	705
Net Profit (Loss) for the Year		(5,353)	(336)

The accompanying notes form part of these financial statements. These financial statements have been subject to audit, and should be read in conjunction with the attached report.



Statement of Changes in Equity

ActionStation Aotearoa Limited
For the year ended 31 March 2020

	2020	2019 UNAUDITED
Equity		
Paid-up Capital		
Opening Balance	50	50
Total Paid-up Capital	50	50
Retained Earnings		
Opening Balance	2,323	4,095
Increases		
Profit for the Period	(5,353)	(336)
Retained Earnings	-	(1,437)
Total Increases	(5,353)	(1,772)
Total Retained Earnings	(3,030)	2,323
Total Equity	(2,980)	2,373

The accompanying notes form part of these financial statements. These financial statements have been subject to audit, and should be read in conjunction with the attached report.



Balance Sheet

ActionStation Aotearoa Limited As at 31 March 2020

	NOTES	31 MAR 2020	31 MARCH 2019 UNAUDITED
Assets			
Current Assets			
Cash and Bank			
Kiwibank Business Online Call Account		70,014	-
Kiwibank Business Edge Account		44,848	37,352
BNZ Account		10,212	59,019
Total Cash and Bank		125,074	96,370
Trade and Other Receivables		-	21,258
Prepayments		2,661	-
GST Receivable		2,927	3,311
Total Current Assets		130,663	120,940
Non-Current Assets			
Fixed Assets as per Schedule		8,291	10,428
Total Non-Current Assets		8,291	10,428
Total Assets		138,953	131,367
Liabilities			
Current Liabilities			
Trade and Other Payables		9,474	18,520
Income Tax Payable		1,496	1,005
Employee Entitlements		18,422	16,586
Income Received in Advance		107,959	92,884
Funds held in trust for other parties		4,582	-
Total Current Liabilities		141,934	128,995
Total Liabilities		141,934	128,995
Net Assets		(2,980)	2,373
Equity			
Retained Earnings		(3,030)	2,323
Paid-up Capital		50	50
Total Equity		(2,980)	2,373

Garth Nowland-Foreman



Laura O'Connell



Date 07 / 07 / 2020

The accompanying notes form part of these financial statements. These financial statements have been subject to audit, and should be read in conjunction with the attached report.



Notes to the Financial Statements

ActionStation Aotearoa Limited For the year ended 31 March 2020

1. Statement of Accounting Policies

Reporting Entity

These are the financial statements of ActionStation Aotearoa Limited. ActionStation Aotearoa Ltd operates as a non-profit limited liability company incorporated under the Companies Act 1993, the sole shareholder of which is an incorporated society, ActionStation Aotearoa Incorporated. Neither are registered charities, but the non-profit status of the society is confirmed in its Constitution. ActionStation Aotearoa Limited is engaged in the business of Lobbying Service.

Basis of Preparation

The financial statements of ActionStation Aotearoa Limited have been prepared in accordance with *A Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs)* published by Chartered Accountants Australia and New Zealand. The financial statements have been prepared for the benefit of ActionStation Aotearoa Limited, and to assist in assessing obligations to the Commissioner of Inland Revenue.

Measurement Base

The financial statements of ActionStation Aotearoa Limited have been prepared using accrual accounting on an historical basis, except as noted otherwise below.

The information is presented in New Zealand dollars.

Revenue Recognition

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

Donations are recognised on receipt by the company from online payment providers or direct credit to the company's account. An income in advance liability is recorded where donations are for specific purposes or campaigns in a future period.

Grant revenue is recognised in the year the activities associated with the grant's purpose have been performed (or related expenditure incurred). An income in advance liability is recorded at year-end where a constructive obligation exists to perform specific activities or incur specific expenditure related to a grant."

Foreign Currency Translation

Transactions in foreign currencies are converted at the New Zealand rate of exchange ruling at the date of the transaction.

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

Specific Accounting Policies

a) Fixed Assets & Depreciation

The entity has the classes of fixed assets as shown in the Property, Plant & Equipment note. All fixed assets are recorded at cost or valuation less accumulated depreciation.

Depreciation of the assets has been calculated at the maximum rates permitted by the Income Tax Act 2007. The rates used are as follows:

Computer Equipment & Mobile Phones 50 - 67%



Website 50%
 Furniture 13%

b) Goods & Services Tax

These financial statements have been prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable which are shown inclusive of GST.

c) Receivables

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

d) Taxation

Income tax is accounted for using the taxes payable method. The income tax expense charged to the Statement of Profit or Loss is the estimated tax payable in the current year, adjusted for any differences between the estimated and actual tax payable in prior years.

2. Audit

The 2019 financial statements, and therefore these comparative figures disclosed in these financial statements, have not been audited.

3. Contingent Liabilities

At balance date there are no known contingent liabilities (2019: \$nil).

4. Securities & Guarantees

There was no overdraft as at balance date nor was any facility arranged.

5. Related Parties

a) ActionStation Aotearoa Limited is a wholly-owned subsidiary of ActionStation Aotearoa Incorporated. There were no transactions between the parent and subsidiary during the year (2019: nil).

b) A Director of ActionStation Aotearoa Limited was employed by the company during the year who received a salary on an arms-length basis.

c) Webb St NGO Cluster Incorporated - ActionStation Aotearoa Limited is a member of the Incorporated Society and rents office space from it. The total rent paid during the year was \$12,600 excluding GST (2019: \$6,300). At balance date, \$1,050 excluding GST is payable to Webb St NGO Cluster Incorporated.

6. Property, Plant & Equipment

2020	Cost	Accumulated Depreciation	Net Book Value
Computer Equipment & Mobile Phones - cost	21,856	14,381	5,725
Website -cost	19,110	17,238	1,872
Furniture - cost	769	75	694
Total 2020	41,735	31,694	8,291
2019	Cost	Accumulated Depreciation	Net Book Value
Computer Equipment & Mobile Phones - cost	16,542	9,858	6,685



Website - cost	22,410	15,367	3,743
Total 2019	38,952	25,225	10,428
	2020	2019	
7. Income Tax Expense			
Net Profit (Loss) Before Tax	(4,388)	369	
Tax Adjustments			
Other Tax Adjustments	7,836	2,148	
Total Tax Adjustments	7,836	2,148	
Taxable Profit (Loss)	3,448	2,518	
Tax Payable at 28%	965	705	
Income Tax Paid			
Withholding tax paid	171	4	
Total Income Tax Paid	171	4	
Outstanding from Prior Years			
Outstanding From Prior years	701	304	
Total Outstanding from Prior Years	701	304	
Income Tax Payable (Refund Due)	1,496	1,005	
	2020	2019	
8. Imputation Credit Account			
Imputation Credits	1,766	1,292	
Total Imputation Credit Account	1,766	1,292	

9. Funds Held in Trust for Other Parties

During the financial year, ActionStation Aotearoa received \$144,700 for external campaigns and projects. These include the campaign to protect Ihumaatao, the work to support Renae Maihi and the support of Kia Mau. These are not funds for ActionStation's in their operations use and so are held in the liability account Funds held in trust for other parties. As at 31 March 2020, most funds had been passed on to the relevant entities with a further \$4,582 to be passed on after year end.

10. Commitments

The entity leases desk space for \$12,600 per annum from the Webb Street NGO Cluster with no fixed term.

11. Ability to Continue Operating

While there is negative equity of \$2,980 at balance date and a budgeted deficit of \$76,998 for the 2020/21 financial year, the Directors consider the going concern assumption is appropriate on the basis that subsequent to balance date, funding has been generated that has significantly decreased the forecast deficit, and the company can continue to operate within its means.

12. Post Balance Date Events

On 11 March 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its COVID-19 alert level to level 4 and a nationwide lockdown commenced. The



lockdown has since been lifted after balance date, however there is still a level of uncertainty around the flow on effects of the disruption.

At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but it is not expected to be significant to the entity. (Last year - nil)."



INDEPENDENT AUDITOR'S REPORT***To the Shareholder of ActionStation Aotearoa Limited*****Opinion**

We have audited the financial statements on pages 6 to 12 of ActionStation Aotearoa Limited which comprise the balance sheet as at 31 March 2020, the statement of profit or loss, the statement of changes in equity, the statement of accounting policies and notes to the financial statements.

In our opinion, the accompanying financial statements on pages 6 to 12 present fairly, in all material respects, the financial position of ActionStation Aotearoa Limited as at 31 March 2020, and its financial performance for the year then ended in accordance with the Special Purpose Financial Reporting Framework for For-Profit Entities (SPFR for FPE) as published by Chartered Accountants Australia and New Zealand.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of ActionStation Aotearoa Limited in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, ActionStation Aotearoa Limited.

Emphasis of Matter - Special Purpose Framework

We draw attention to Note 1 on page 9 of the financial statements which describes the basis of preparation. The Directors have elected to use a special purpose framework being Special Purpose Financial Reporting Framework for use by for-profit entities ("SPFR for FPE") as published by Chartered Accountants Australia and New Zealand for the benefit of the company and to assist in assessing obligations to the Commissioner of Inland Revenue. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Matter - Comparative Figures Not Audited

The financial statements of the company for the year ended 31 March 2019 were not audited as stated in Note 2 on page 10, and as such the 2019 comparative figures disclosed are unaudited. Our opinion is not modified in respect of this matter.

Restriction on Responsibility

This report is made solely to the company's shareholder, in accordance with Section 207B of the Companies Act 1993. Our audit work has been undertaken so that we might state to the company's shareholder those matters 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 company and the company's shareholder, for our audit work, for this report, or for the opinion we have formed.

Other information

The Directors are responsible on behalf of the company for the other information. The other information comprises the Directory and Directors' Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based, on the work we have performed, 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.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible on behalf of the company for the preparation and fair presentation of the financial statements in accordance with Special Purpose Financial Reporting Framework for For-Profit Entities (SPFR for FPE), and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible on behalf of the company for assessing the company'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 Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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) 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 these financial statements.

As part of an audit in accordance with ISAs (NZ), 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, 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 my 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 company's internal control.

- conclude on the appropriateness of the use of the going concern basis of accounting by the company and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company'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 company to cease to continue as a going concern.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the company.

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

CKS Audit

CKS Audit
Palmerston North

7 July 2020