

**New Zealand Federation of Multicultural Councils
Incorporated**

Performance Report

For the year ended 31 March 2016

The Executive Committee are pleased to present the approved performance report including the historical financial statements of New Zealand Federation of Multicultural Councils Incorporated for the year ended 31 March 2016.

New Zealand Federation of Multicultural Councils Incorporated

Entity Information

For the year ended 31 March 2016

ENTITY INFORMATION

Legal name of entity: New Zealand Federation of Multicultural Councils Incorporated (NZFMC)
Other name of entity (if any): Multicultural New Zealand (MNZ)
Type of entity and legal basis (if any): Registered Incorporated Society and Registered Charity
Registration number: 445336, CC36978

Mission Statement

To represent and support multicultural councils and ethnic, migrant, and refugee communities through leadership, partnership, capacity building and service delivery.

Entity Structure

New Zealand Federation of Multicultural Councils Inc. is an incorporated society which acts as an umbrella organisation for the ethnic communities of New Zealand. It is also a registered charity.

New Zealand Federation of Multicultural Councils Inc. is managed by an Executive Committee which is elected for a one year term. Executive Director manages the office on full-time with two part time staff. Other contractors and volunteers are contracted for specific roles and projects as required. Operating regionally around the country allows NZFMC to connect directly with both ethnic and mainstream communities. The Head Office also intersects with government and business leaders to build awareness and advocacy around the challenges faced by New Zealand's ethnic communities.

NZFMC works in collaboration with our strategic partners and associates; New Zealand Police, Ministry of Social Development, Victoria University Wellington - Centre for Applied Cross-Cultural Research(CACR), Network Waitangi Otautahi, Office of Ethnic Communities, Speech NZ, Neighbourhood Support New Zealand, Human Rights Commission, Families Commission, Communities Voices and Immigration NZ.

The members of the Committee are as follows:

President: Alexis LewGor

Vice President: Arish Naresh

Secretary: Nimala Nand

Treasurer: Dinesh Tailor

The Executive Committee meets quarterly.

The Main Sources of The Entity's Cash and Resources

NZFMC's main sources of income are from project targeted contestable grants and membership fees. Over the past year NZFMC has obtained grants from Ministry of Social Development, Office of Ethnic Communities Settling In and New Zealand National Commission for UNESCO. Others are such as Lottery Grants Board, Todd Foundation, Lion Foundation, Wellington City Council, Auckland City Council, Tindall Foundation, Pub Charity and membership fees. NZFMC relies on contestable grants and volunteers support to deliver its services.

Use of /Reliance on Volunteers and Donated Goods or Services

NZFMC has a volunteer Executive Committee for providing organization's direction, advising on decisions from strategy planning, current projects, policy and risk, monitoring accounting records. The organisation has a wide volunteer network for operating work and events held across New Zealand.

Contact Details:

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Email: info@antz.org.nz

Website: www.multiculturalnz.org.nz



New Zealand Federation of Multicultural Councils Incorporated
Statement of Service Performance
For the year ended 31 March 2016

Description of the Entity's Outcomes

A multicultural New Zealand where people of different cultures and beliefs live safely and in harmony.

Description and Quantification of Entity's Outputs

Key strategic objectives and outcomes of New Zealand Federation of Multicultural Councils aims to achieve, influence and deliver the 4 goals:

2016 2015

Goal 1: Leadership

To be the recognised collective voice of ethnic, migrant and refugee communities and to inform and advise government, organisations and the general public on multicultural policy and practice.

Promote for the achievement of greater representation of ethnic communities on School Boards of Trustees and local government in the 2016 elections (Number of people profiled)	3	
Build a strategic agenda for multiculturalism and multilingualism (Participants)	336	245
Contribute to the Tamaki Makaurau Auckland Strategic Action Plan and advocate for a community languages framework and national language policy (Number of meetings and engagements)	10	

Goal 2: Partnership

To develop and maintain productive partnerships and relationships with organisations sharing our objectives in order to maximise our impact

Increase the number of partnership projects	15	
Build an extensive national associates network with which we can share information, consult and cooperate on matters of common interest and concern (Participants)	70	
Develop a migrant service centre network including RMCs, independent migrant centres and Newcomers Networks (Centres)	20	

Goal 3: Capacity

To have the sustainable organisational capacity to represent, support and strengthen ethnic, migrant and refugee communities and to foster a genuine multicultural society

Conduct a rules review to recognize the evolving nature of governance and management arrangements and to reflect the strategic direction of the organization (Constitutional Review)	1	
Organize biannual regional meetings of RMCs in the Northern, Central and Southern regions in November (Participants)	118	
Grow the number of regional councils (Multicultural Whangarei)	1	
Establish regional development and support positions to assist in the establishment of new councils (Upper North Island Region) and Capacity Building Support for Hutt Multicultural Council	2	2
Support the network of coordinators employed by councils (Number of Centres on the Working Group Established)	6	

Goal 4: Service

To deliver products and services to ethnic, migrant and refugee communities, agencies and the general public that will support settlement, integration, safety, well-being, mutual understanding and harmonious relations.

Raise the national profile of regional council activities for Race Relations Day under the banner of Multicultural March (Number of RMCs profiled)	16	
Deliver the national intercultural training programme for NGOs (Participants)	0	51
Extend participation in the communities football cup to include regional football tournaments in all remaining regions (Number of Players and Volunteers participated)	330	310
Raise awareness of domestic violence in ethnic communities and what people can do to reduce it (Participants at Women Leadership Family Violence workshop and Safety of recent migrant and refugee in the community programme)	121	72



New Zealand Federation of Multicultural Councils Incorporated
Statement of Financial Performance
For the year ended 31 March 2016

	Note	2016 \$	2015 \$
Revenue			
Grants, donations, fundraising and other similar revenue	1	225,000	317,964
Fees, subscriptions and other revenue from members	1	3,832	10,670
Revenue from providing goods or services	1	43,643	34,177
Interest	1	1,395	1,300
Other revenue	1	1,779	6,718
Total revenue		275,649	370,829
Expenses			
Volunteer and employment related costs	2	72,218	92,347
Costs related to providing goods and services	2	185,397	231,742
Sponsorship paid	2	1,250	600
Other expenses	2	5,266	6,424
Fundraising expenses		-	-
Total expenses		264,131	331,113
Total surplus for the year		11,518	39,716



New Zealand Federation of Multicultural Councils Incorporated
Statement of Financial Position
As at 31 March 2016

	Note	2016 \$	2015 \$
Assets			
Current Assets			
Bank accounts and cash	3	130,835	102,810
Debtors and prepayments	3	7,625	6,375
Total current assets		138,460	109,185
Non-Current Assets			
Property, plant and equipment	4	5,288	6,872
Total non-current assets	4	5,288	6,872
Total Assets		143,748	116,057
Liabilities			
Creditors and accruals	3	12,556	15,854
Grants unused	3	78,390	58,917
Total Liabilities		90,946	74,771
Total Assets less Total Liabilities (Net Assets)		52,802	41,286
Accumulated Funds			
Opening Balance	5	41,284	1,568
Surpluses	5	11,518	39,716
Total Accumulated Funds		52,802	41,284



New Zealand Federation of Multicultural Councils Incorporated
Statement of Cash Flows
For the year ended 31 March 2016

Account	2016	2015
	\$	\$
Cash Flows from Operating Activities		
Receipts from customers	274,399	366,048
Payments to suppliers and employees	(253,365)	(333,066)
Cash receipts from other operating activities	-	-
Grants received in advance	19,471	(51,427)
Net movement in GST	(11,651)	(9,070)
Total Cash Flows from Operating Activities	28,854	(27,516)
Cash Flows from Investing Activities		
Proceeds from sale of property, plant and equipment	84	-
Payment for property, plant and equipment	(913)	-
Other cash items from investing activities	-	-
Total Cash Flows from Investing Activities	(829)	-
Cash Flows From Financing Activities		
Other cash items from financing activities	-	-
Total Cash Flows from Financing Activities	-	-
Net Cash Flows	28,025	(27,516)
Cash Balances		
Cash and cash equivalents at beginning of period	102,810	130,326
Cash and cash equivalents at end of period	130,835	102,810
Net change in cash for period	28,025	(27,516)



New Zealand Federation of Multicultural Councils Incorporated
Statement of Accounting Policies
For the year ended 31 March 2016

Basis of preparation

New Zealand Federation of Multicultural Councils Inc. 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 of 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.

Grants and Donations

Grants and Donations are not subject to restrictions or conditions are accounted for at the time of receipt.

Grants and donations that are subject to conditions, subject to binding terms imposed as funding for a particular activity, are recognised as income when it is likely that New Zealand Federation of Multicultural Councils Inc. will comply with the terms of the grant or donation. If New Zealand Federation of Multicultural Councils Inc. is unable to comply with the terms of the grant or donation and this is a condition of keeping the grant or donation, the grant or donation is recognised as a short-term liability until the conditions are fulfilled

Subscription Revenue is recognised as income in the year to which it relates

Reimbursed Expenses is recorded as income when the cash is received

Interest Income is recorded as income when the interest received

Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of GST except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

Income Tax

New Zealand Federation of Multicultural Councils Inc. is a charitable entity registered under the Charities Act 2005 on 30 June 2008 and is therefore exempt from income tax.

Accounts and Cash

cash in the Statement of Cash Flows comprise cash balances and bank balances (including original maturities of 90 days or less.

invoice amount less impairment losses.



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6

Property, plant and equipment

Plant and equipment are recorded at cost, less accumulated depreciation.

Depreciation

Items of property, plant and equipment are stated at cost, less accumulated depreciation and any impairment losses. Any donated assets are recorded at their fair value at the date of acquisition.

Depreciation is calculated on a diminishing value method using depreciation rates:

Office furniture and equipment	12% to 21.6%
Computer equipment	30% to 50%

Leases

Lease payments for operating leases are recognised as expense in the periods in which they are incurred.

New Zealand Federation of Multicultural Councils Inc. has signed a joint sublease of Suite 9, Anvil House. New Zealand Federation of Multicultural Councils Inc. further agreed to lease Suites 9 and 10 commencing January 2014. New Zealand Federation of Multicultural Councils Inc. will pay the full rental and cluster maintenance costs. There is a right of renewal for further terms of two years and 364 days commencing 26 September 2013 and 26 September 2016.

Changes in accounting policies

There have been no changes in accounting policies during the annual reporting period (last year – nil).



New Zealand Federation of Multicultural Councils Incorporated

Notes to the Performance Report

For the year ended 31 March 2016

Note 1 : Analysis of Revenue

Revenue Item	Analysis	2016	2015
		\$	\$
Grants, donations, fundraising and other similar revenue	Ministry of Social Development	54,697	19303
	Lottery Grants	87,609	65130.53
	Office of Ethnic Community	17,087	-
	UNESCO	11,795	5,704
	Umma Trust	1,944	-
	Todd Foundation	24,367	81,337
	Lion Foundation	20,000	13,043
	Pub Charity	-	1,845
	Department of Internal Affairs	-	8,615
	Ministry of Business, Innovation and	-	87
	Wellington Council	-	20,000
	GMP Dairy Ltd	-	1,739
	NZ Police	-	2,191
	The Electoral Commission	-	11,000
	Nikau Foundation	2,500	-
	Auckland Council	5,000	-
	Tindall Foundation	-	15,000
Adjustment from previous years	-	72,968	
Total		225,000	317,964
Fees, subscriptions and other revenue from members	Membership Subscription	3,600	3,262
	Reimbursed Expenses	232	7,408
	Total	3,832	10,670
Revenue from providing goods or services	NZCFC Registration	4,948	5,530
	NZCFC Sponsorship	34,454	13,696
	Community Dinner	373	113
	Book Sale	1,368	609
	Community Award	2,000	769
	Other Income	500	13,460
Total		43,643	34,177
Interest	Interest	1,395	1,300
	Total	1,395	1,300
Other revenue	Rental office desk	1,304	6,718
	Gain on disposal of Asset	474	-
	Total	1,779	6,718

New Zealand Federation of Multicultural Councils Incorporated
Notes to the Performance Report
For the year ended 31 March 2016

Note 2 : Analysis of Expenses

Expense Item	Analysis	2016 \$	2015 \$
Volunteer and employment related costs			
	Salaries	66,062	88,798
	Payroll Expenses	271	257
	ACC	452	(92)
	Kiwisaver	1,454	1,907
	Volunteer expenses	3979	1477
	Total	72,218	92,347
Costs related to providing goods and services			
	NZCFC Cup	54,457	44,633
	Migrant Coordinator Programme	13,659	-
	Migrant and Refugee Summit	1,115	-
	Capacity Building Project	12,447	48,637
	UNESCO Project	4,020	5,031
	CIR4 Stream One Project	9,000	-
	SMEE Business Forum	-	1,671
	25th Anniversary	-	4,587
	Election Education Programme	-	2,174
	Police Project	-	2,193
	Inter Cultural Training	-	19,031
	Women Council	4,147	-
	Senior Council	-	208
	Council Meeting	11,650	11,727
	Executive Meeting	6,283	5,566
	AGM Expenses	16,652	31,970
	Accounting Fees	299	350
	Bank Charge	141	145
	Legal Fees	3,900	248
	Bad Debt	-	411
	ERA	731	-
	External Meeting Expenses	7,495	4,852
	Insurance	621	1,952
	Office Equipment <\$100	36	-
	Marketing & Advertising	100	1,289
	Printing & Stationery	8,850	10,569
	Postage & Shipping	308	231
	Rent	14,204	14,364
	Staff Amenities	234	-
	Telephone, Fax, Internet	6,705	6,926
	Training & Development	1,419	3,910
	Website Hosting	789	1,200
	Books & Other resources	10	261
	Computer Repairs & Maintenance	1,500	98
	Others	4,625	7,508
	Total	185,397	231,742
Sponsorship Paid			
	Sponsorship paid	1,250	600
	Total	1,250	600
Other Expenses			
	Audit Fees	1,430	1,330
	Depreciation	2,413	4,036
	Loss on disposal assets	38	-
	Subscriptions & Membership Fees	1,386	1,058
	Total	5,266	6,424
Fundraising Expenses			
	Fundraising Expenses	-	-
	Total	-	-



New Zealand Federation of Multicultural Councils Incorporated
Notes to the Performance Report
For the year ended 31 March 2016

Note 3 : Analysis of Assets and Liabilities

		2016	2015
Asset Item	Analysis	\$	\$
Bank accounts and cash	ASB Cheque account 00 balance	27,128	59,848
	ASB Cheque account 04 balance	28	28
	ASB Saver account 50 balance	103,629	42,234
	Petty cash	50	700
	Total	130,835	102,810
Debtors and prepayments	Accounts receivables	7,625	6,375
	Total	7,625	6,375
Creditors and accruals	Payables and Accruals	9,356	1,003
	GST payable	3,200	14,851
	Total	12,556	15,854
Grants Unused	Lottery Grants	4,761	27,370
	Pub Charity	10,000	-
	Todd Foundation	63,411	7,779
	UNICEF	217	-
	Ministry of Social Development	-	10,697
	NZ Police	-	3,026
	UNESCO	-	10,045
	Total	78,390	58,917



New Zealand Federation of Multicultural Councils Incorporated
Notes to the Performance Report
For the year ended 31 March 2016

Note 4 : Property, Plant and Equipment

2016					
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Office furniture	3,765	-	46	781	2,938
Office equipment	3,107	913	38	1,632	2,350
Total	6,872	913	84	2,413	5,288

2015					
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Office furniture	4,759	-	-	994	3,765
Office equipment	6,149	-	-	3,042	3,107
Total	10,908	-	-	4,036	6,872

Note 5: Accumulated Funds

2016		
Description	Accumulated Surpluses or Deficits	
	Deficits	Total
Opening Balance	41,284	41,284
Surplus/(Deficit)	11,518	11,518
Closing Balance	52,802	52,802

2015		
Description	Accumulated Surpluses or Deficits	
	Deficits	Total
Opening Balance	1,568	1,568
Surplus/(Deficit)	39,716	39,716
Closing Balance	41,284	41,284

Note 6 : Commitments and Contingencies

Commitment	Explanation and Timing	At balance date	At balance date
		2016	2015
Commitments to lease or rent assets	In the next year	\$ 13,123	\$ 12,803

Lease agreement will be reviewed on September 2016

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (Last Year - nil)

Note 7: Other

Related Party Transactions:

There were no related party transactions (Last Year - nil)

Events after the balance date:

There were no events that have occurred after the balance date that would have a material impact on this Performance Report (Last Year - nil)





Accounting For Charities Trust

*"Empowering Charities with the knowledge and skills to
effectively manage their finances with confidence"*

NEW ZEALAND FEDERATION OF MULTICULTURAL COUNCILS INCORPORATED ("Multicultural NZ")

INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 MARCH 2016

To the Executive Committee of Multicultural NZ

Report on the Performance Report

We have audited the accompanying performance report of Multicultural NZ pages 1 to 11, 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 2016, the statement of financial position as at 31 March 2016, and the statement of accounting policies and other explanatory information.

The Responsibility of the Executive Committee for the Performance Report

The Executive Committee are responsible on behalf of the entity for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) the preparation and fair presentation of the performance report which comprises;
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For- Profit) issued in New Zealand by the New Zealand Accounting Standards Board; and

- (c) for such internal control as the Executive Committee determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the performance report based on our audit. We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 Revised). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the performance report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance report, including performing procedures to obtain evidence about and evaluating whether the reported outcomes and outputs and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the performance report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the performance report 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 entity's internal control. An audit also includes, evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the performance report.

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

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

Basis for Qualified Opinion

Controls over the recording of the relevant outputs identified to be reported in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) was limited during the period. Reporting of this information is a new requirement and the entity's controls have not been in operation throughout the period or to take into account comparative data. Because of this limitation, we have been unable to obtain sufficient audit evidence to support the reported outputs for the year and for the 2015 period. Consequently, we are unable to determine whether any adjustments to these amounts are necessary.

Qualified Opinion on the statement of service performance

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph:

- (a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- (b) the performance report on pages 1 to 11 presents fairly, in all material aspects:
 - the entity information for the year then ended;
 - the service performance for the year then ended; and
 - the financial position of Multicultural NZ as at 31 March 2016, 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).

Accounting for Charities Trust

ACCOUNTING FOR CHARITIES TRUST

15 June 2016

Wellington, NZ