

Performance Report

World Urban Parks Inc.

For the year ended 31 March 2019

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Society Directory

World Urban Parks Inc. For the year ended 31 March 2019

Incorporated Society Number

2619311

Date of Incorporation

23 February 2015

Bankers

BNZ

IRD Number

116-711-311

Chartered Accountants

BDO Wellington Limited

Auditor

Crowe Horwath New Zealand Audit Partnership

Registered Office

86 Customhouse Quay
Wellington 6011

Nature of Business

To provide a collective voice for all people and organisations engaged in green cities, open space, recreation, health and related activity



Crowe New Zealand Audit Partnership

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INDEPENDENT AUDITOR'S REPORT

To the Members of World Urban Parks Incorporated

Opinion

We have audited the special purpose performance report of World Urban Parks Incorporated (the "Society") on pages 8 to 14, which comprise the statement of financial position as at 31 March 2019 and the statement of financial performance, statement of cash flow and statement of movements in equity for the year then ended, and notes to the special purpose performance report, including a summary of significant accounting policies.

In our opinion, the accompanying special purpose performance report presents fairly, in all material respects, the financial position of the Society as at 31 March 2019, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) Standards.

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 Special purpose performance report* section of our report. We are independent of the Society 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, the Society.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution

We draw attention to Note 3 to the special purpose performance report, which describes the basis of accounting. The special purpose performance report is prepared to assist the Society for the purpose of reporting to its members. As a result, the special purpose performance report may not be suitable for another purpose. Our report is intended solely for the Society and should not be distributed to parties other than the Society and its members. Our opinion is not modified in respect of this matter.

Information Other Than the Special Purpose Performance Report and Auditor's Report

The Committee are responsible for the other information. Our opinion on the special purpose performance report does not cover the other information included in the annual report and we do not and will not express any form of assurance conclusion on the other information. At the time of our audit, there was no other information available to us.

In connection with our audit of the special purpose performance report, if other information is included in the annual report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the special purpose performance report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of our auditors'



report, we concluded that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of the Committee for the Special purpose performance report

The Committee are responsible on behalf of the entity for the preparation of the special purpose performance report in accordance with the accounting policies as disclosed in Note 3 of the special purpose performance report and for such internal control as the Committee determine is necessary to enable the preparation of special purpose performance report that are free from material misstatement, whether due to fraud or error.

In preparing the special purpose performance report, the Committee are responsible for assessing the Society'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 Committee either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Special Purpose Performance Report

Our objectives are to obtain reasonable assurance about whether the special purpose performance report as a whole is 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 decisions of users taken on the basis of these special purpose performance report.

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 special purpose performance report, 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 our 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 Society's internal control.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Committee and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society'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 special purpose performance report 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 Society to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the special purpose performance report, including the disclosures, and whether the special purpose performance report represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with the Committee 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 our audit.

A handwritten signature of the word "Crowe" in blue ink.

Crowe New Zealand Audit Partnership
CHARTERED ACCOUNTANTS

16 August 2019

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Approval of Financial Report

World Urban Parks Inc. For the year ended 31 March 2019

The Board Members are pleased to present the approved financial report including the historical financial statements of World Urban Parks Inc. for year ended 31 March 2019.

APPROVED



Name: Jayne Miller

Position: Chair, World Urban Parks

Date: August 14, 2019



Name: James Griffin

Position: Chair of the Governance Committee, World Urban Parks

Date: August 14, 2019

Statement of Financial Performance

World Urban Parks Inc. For the year ended 31 March 2019

	NOTES	2019	2018
Revenue			
Member fees - individuals		12,752	14,300
Member fees - organisations		110,286	91,941
M Awards Income		4,252	-
Conferences & seminars income		15,768	-
Donor Income		2,236	-
Other income		2,015	-
Interest income		62	191
Total Revenue		147,370	106,432
Total income		147,370	106,432
Expenses			
Accounting & audit fees		7,565	6,340
Awards programme expenses		4,010	76
Bad debts		14,902	5,505
Bank fees		1,844	2,734
Conferences & seminars		1,248	-
General expenses		1,511	431
Insurance		3,065	2,172
Management fee		97,032	77,089
Member fee collection		3,996	2,901
Other IT & software systems		3,022	1,109
Travel & accommodation		1,569	-
Administration expenses		31	-
Total Expenses		139,794	98,356
Net profit / (loss) before taxation		7,576	8,077
Taxation			
Income tax expense		2,121	1,013
Total Taxation		2,121	1,013
Net profit / (loss) after taxation		5,455	7,064



This statement should be read in conjunction with the Audit Report and Notes to the Financial Statements.

Statement of Movements in Equity

World Urban Parks Inc. For the year ended 31 March 2019

	2019	2018
Equity		
Retained Earnings		
Opening Balance	11,107	4,043
Net profit / (loss) for the year	5,455	7,064
Movement in Reserves		
Financial Reserve - transfer out	(748)	-
Systems Fund Reserve - transfer out	(4,707)	-
Total Movement in Reserves	(5,455)	-
Total Retained Earnings	11,107	11,107
Financial Reserve		
Opening Balance	-	-
Financial Reserve - transfer in	748	-
Total Financial Reserve	748	-
Systems Fund Reserve		
Opening Balance	-	-
Systems Fund Reserve - transfer in	4,707	-
Total Systems Fund Reserve	4,707	-
Total Equity	16,562	11,107
	2019	2018
Equity		
Financial Reserve	748	-
Systems Fund Reserve	4,707	-
Retained Earnings	11,107	11,107
Total Equity	16,562	11,107



This statement should be read in conjunction with the Audit Report and Notes to the Financial Statements.

Statement of Financial Position

World Urban Parks Inc. As at 31 March 2019

	NOTES	31 MAR 2019	31 MAR 2018
Assets			
Current assets			
Accounts receivable		20,741	24,328
Cash & cash equivalents	6	54,897	43,575
GST receivable		1,034	568
Total Current assets		76,672	68,472
Total Assets		76,672	68,472
Liabilities			
Current liabilities			
Accounts payable		23,131	8,088
Credit Card	6	955	-
Income tax payable	4	2,101	950
Income in advance		33,923	48,327
Total Current liabilities		60,110	57,365
Total Liabilities		(60,110)	(57,365)
Net assets		16,562	11,107
Equity			
Retained earnings		11,107	11,107
Financial Reserve	7	748	-
Systems Fund Reserve	7	4,707	-
Total Equity		16,562	11,107

This statement should be read in conjunction with the Audit Report and Notes to the Financial Statements.

Statement of Cash Flows

World Urban Parks Inc.
For the year ended 31 March 2019

	2019	2018
Statement of Cash Flows		
Cash Flows from Operating Activities		
Cash was provided from:		
Receipts from customers	136,491	88,675
Interest receipts	62	191
Income tax refunded	-	24
GST refunded	-	10,014
Total Cash was provided from:	136,553	98,904
Cash was applied to:		
Payments to suppliers	124,751	113,381
GST	465	-
Income tax paid	970	-
Total Cash was applied to:	126,186	113,381
Total Cash Flows from Operating Activities	10,367	(14,477)
Net Increase / (Decrease) in Cash	10,367	(14,477)
Cash Balances		
Opening	43,575	58,052
Net change in cash for period	10,367	(14,477)
Closing Cash Balances	53,942	43,575



This statement should be read in conjunction with the Audit Report and Notes to the Financial Statements.

Notes to the Financial Statements

World Urban Parks Inc. For the year ended 31 March 2019

1. Reporting entity

The financial statements presented here are for the entity World Urban Parks Inc., incorporated under the Incorporated Societies Act 1908.

2. Nature of business

The association is engaged to provide a collective voice for all people and organisations engaged in green cities, open space, recreation, health and related activity. The nature of the association's business has not changed during the year under review.

3. Statement of Accounting Policies

Basis of accounting

The entity has elected to apply Special Purpose Reporting and adopt recognition and measurement required by PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit). All transactions in the financial statements are reported using the accrual basis of accounting. The financial statements are prepared under the assumption that the entity will continue to operate in the foreseeable future.

Measurement base

The measurement base adopted is historical cost.

Accounts receivable

Accounts receivable are stated at expected realisable value.

Functional currency

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

Foreign currencies

Foreign currency transactions are converted to New Zealand dollars at the exchange rate ruling at the date of the transaction. At balance date foreign monetary assets and liabilities are translated at the closing rate and variations arising from these transactions are included in the statement of profit or loss.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, to the extent it is probable that the economic benefits will flow to the association and revenue can be reliably measured. Interest received is recognised as interest accrues, gross of refundable tax credits received.

Income tax

Provision is made for taxation after taking full advantage of all deductions and concessions permitted using the taxes payable method.



Goods and services tax

The financial statements are stated exclusive of goods and services tax (GST) except for accounts receivable and accounts payable, which are stated inclusive of GST.

	2019	2018
4. Income tax		
Net profit / loss per financial statements	7,576	8,077
Losses brought forward	-	(4,459)
Total taxable income (loss)	7,576	3,617
Taxation at 28%	2,121	1,013
Taxation movements		
Opening balance	950	(86)
RWT paid	(20)	(63)
Refund received	(950)	86
Total Taxation movements	(20)	(63)
Total taxation movements	(20)	(63)
Total taxation payable / (receivable)	2,101	950

5. Subsequent Events

There were no subsequent events at balance date.

	2019	2018
6. Cash & cash equivalents		
Cash & cash equivalents		
IFPRA bank account	-	1,699
WUP bank account	54,897	41,876
Total Cash & cash equivalents	54,897	43,575
Credit cards		
WUP Visa - Stephen Allan	(929)	-
WUP Visa - Neil McCarthy	(26)	-
Total Credit cards	(955)	-
Net Cash & cash equivalents	53,942	43,575



This statement should be read in conjunction with the Audit Report.

7. Financial Reserve & Systems Fund Reserve

The following reserves were set up during the year in line with the 2019 Account Directives. The below objectives disclose the nature and purpose of each reserve. Operating parameters determine the impact for accounting purposes for the financial year ended. Reference should be made to the Statement of Movements in Equity in regards to the opening balances, movements during year and their respective closing balances.

Financial Reserve

The Objective is:

- To develop a Financial (Cash) Reserve that allows for 6 months of base operational activities (NZ\$125,000).

The Operating Parameters are:

- 10% of all Membership Revenue above NZ\$250,000 per annum will be allocated to the Financial Reserve.
- 10% of all Donations will be allocated to the Financial Reserve.
- 5% of all Sponsorship will be allocated to the Financial Reserve.

Systems Fund Reserve

The Objective is:

- To hold funds for future systems expansions for membership services and to transfer the operating system from Google, to MS 365 and Zoom platform.

The Operating Parameters are:

- Expansion of the Membership Management System. This will require at least \$10,000 of one-off investment.
- Google, to MS 365 and Zoom platform. This will require an initial investment of \$3,000.
- The allocation of these funds will in future years will be guided by the Business System Strategy.
- Any excess Profits should be allocated to this account.



This statement should be read in conjunction with the Audit Report.