



Annual Report

1 APRIL 2019 – 31 MARCH 2020



Contents

Mission and vision	3	Audit report	23
Entity information	5		
Chairwoman's report	6	Financial statements	
Recent developments	8	Statement of comprehensive income	26
Statement of service performance	9	Statement of financial position	27
About us	20	Statement of changes in equity	28
Financial highlights	21	Statement of cash flows	29
Our supporters	22	Notes to the financial statements	30



Our mission

**To enable people
to look after the
waterways and
coastlines they love.**

Established in 2009, the Sustainable Coastlines Charitable Trust is a registered New Zealand charity. We achieve our mission by delivering and supporting clean-up events, riparian planting and restoration activities, education programmes and training workshops around Aotearoa.

Read on for a summary of our impacts from FYE 31 March 2020.



sustainable
coastlines

Our vision

· ONEONE KŌREKOREKO ·

Beautiful
Beaches

· SUSTAINABLE COASTLINES ·

We love our coasts and oceans and want them litter-free. We clean up beaches and deliver education to prevent litter, particularly single-use plastics.

· WAIORA ·

Healthy
Waters

· SUSTAINABLE COASTLINES ·

Our rivers need our help. We restore waterways by planting trees, educating people on the problems facing freshwater, and enabling communities to scale-up local solutions.

· TĀNGATA WHAKAHOHO ·

Inspired
People

· SUSTAINABLE COASTLINES ·

We deliver inspiring events, behaviour-focused education and training to enable people to look after the places they love.



Entity information

Sustainable Coastlines Charitable Trust

Nature of business

Registered charity

Registered office and postal address

55 Madden Street, Auckland 1010

Charities registration No.

CC46615

Date of registration

3 November 2009

Auditors

William Buck

Solicitors

TGT Legal

Board of Trustees

Emma Dent

Craig Fisher

Paul Trotter

Alex Asher

Samantha Walmsley-Bartlett

Abbie Reynolds

Stu Potter

Leadership Team

Samuel Judd (until July 2020)

Camden Howitt

Ryley Webster (until Feb 2020)

Fletcher Sunde

Stephanie Vercoe



Chairwoman's report

1 APRIL 2019 – 31 MARCH 2020

Sustainable Coastlines is now twelve years into its journey to enable people to look after the places that we love. With the help of our incredible supporters, our impacts continue to grow.

One of the highlights of the year was the public launch on 17 September 2019 of our newest programme, Litter Intelligence, after it kicked off in May 2018 through Ministry for the Environment funding. Having established an excellent base of over 100 beach litter monitoring sites across the country — and hitting a milestone of 3,000 citizen scientists in January — our team is now identifying more remote areas that can contribute to our nationwide monitoring effort.

Working alongside the Ministry for the Environment and Stats NZ, Litter Intelligence helped to create two major

wins for environmental reporting in New Zealand. I'm pleased to say that for the first time ever, citizen science data and marine litter data appeared in official government reporting when our data was published in Our Marine Environment in October 2019. Litter Intelligence has also informed national-level Sustainable Development Goal reporting efforts, and contributed to the Office of the Prime Minister's Chief Science Advisor's 'Rethinking Plastics' review.

Artificial intelligence refinements are steadily being incorporated thanks to our ongoing partnership with Microsoft. Through this partnership we made major leaps in technology and profile for the cause, with our team demonstrating Litter Intelligence to ministers at Parliament House and our co-founder Camden Howitt presenting our technology

alongside Microsoft CEO Satya Nadella at a major industry event in November 2019. This work aims to significantly scale our monitoring efficiency and accuracy, giving our citizen scientists the ability to identify litter types through photographs and providing even more powerful data collection tools.

Another highlight was our ability to upscale our waterway restoration work by working with valued supporters. Our Love Your Water tour, sponsored by ANZ, planted trees in more regions than ever before thanks to our wonderful volunteers. A key planting in collaboration with our partner APL saw 13,000 trees planted in Cambridge to support the Ngāti Hauā Mahi Trust and celebrate Matariki.

Our collaboration with Meridian Energy

1. Our Marine Environment Report: <https://www.mfe.govt.nz/publications/environmental-reporting/our-marine-environment-2019>

2. SGD reporting: <https://www.mfat.govt.nz/en/peace-rights-and-security/work-with-the-un-and-other-partners/new-zealand-and-the-sustainable-development-goals-sdgs/nzunvr2019/>



Chairwoman's report

1 APRIL 2019 – 31 MARCH 2020

saw the development of a mixed planting model. This model uses fast-growing exotic trees for effective carbon capture, underplanted with native trees that will eventually form the dominant canopy. This model helps to clean waterways and increase biodiversity, while allowing New Zealand businesses to offset their carbon emissions here rather than buying off-shore credits.

Another key collaboration we have is with Vector, who plan to create an 'urban forest' in South Auckland's Puhinui Reserve, planting two trees for every tree they cut down to protect Auckland's powerlines. In implementing this we engage a variety of community groups and schools, leveraging the collaboration for education and capacity development.

Our relationships with iwi / hapū, community groups and schools continue

to grow through our outreach programmes. At Waitangi this year we launched the Ko Waitangi Te Awa Trust, a project to create jobs and clean up the Waitangi catchment. The launch was attended by marae representatives as well as MPs Eugenie Sage and James Shaw.

We also delivered beach clean-ups across the country in collaboration with key partners. Our DIY programme has been ramping up thanks to support from our partner Hirepool in creating a new DIY Hero of the Month competition to incentivise community groups to take part in DIY clean-ups.

In February this year, our general manager Ryley Webster moved on after almost nine years at Sustainable Coastlines to take on a role as operations manager at Volunteer Services Abroad.

He is succeeded by long-term team member Fletcher Sunde as interim general manager.

Our experienced team, now sixteen-strong, continues to deliver impact across the country and innovates to scale up our programmes and engage new communities in looking after our waterways and coastlines. None of this would be possible without the ongoing commitment and support from our sponsors, donors and volunteers, and we extend a big thank you to all of our supporters.

Emma Dent
Sustainable Coastlines
Chairwoman





Recent developments

31 MARCH – 10 JUNE 2020

Due to the global pandemic, Level 4 lockdown was brought into force on 24 March. Our team worked hard to adapt to the changing landscape. We cancelled many of our scheduled clean-ups, including Pit Stop's large-scale Wellington clean-up that was due to take place on 4 April.

As an organisation whose main purpose and funding comes via events, we were exceptionally grateful to receive the government's wage subsidy. We shifted our focus to engaging people through online communication and planning for post-lockdown events — a move that has set us in good stead.

Mid May saw the launch of our new website, which not only better reflects our personality, programmes and kaupapa, but also embeds smart volunteer registration and communication technology. It also hosts new memberships and recurring donations tools, areas of key fundraising development post-Covid.

We also welcomed two new board members, Abbie Reynolds and Stu Potter, who add new skills and a wealth of experience to our board, now seven-strong.

In big news for our team, in late May, our co-founder Sam Judd announced his departure from Sustainable Coastlines to establish Te Mahere Whakauka (The Hope Project). Sam has led and built the charity into a high-impact and much-loved organisation and leaves it stronger than ever before. We're excited to have a new ally in Te Mahere Whakauka and look forward to working closely with Sam on collaborative projects.



Statement of service performance

1 APRIL 2019 – 31 MARCH 2020

This year our focus on long-term solutions to plastic pollution is evident. While our clean-up activities appear to have dropped, the vast majority of these are reported under 'Litter Intelligence' as each litter survey consists of a beach clean-up. These survey numbers, along with participants and workshops, have increased dramatically.

We still enjoyed significant engagement with the public through our 'Love Your Coast' clean-ups. Two stand out as engaging large numbers of the public and delivering impressive impact. Our partner Hirepool enabled us to travel to Christchurch to deliver a large-scale multi-beach clean-up, and assistance from The Warehouse Group allowed us to do the same for Auckland's Waitakere beaches.

We had 114 events take place at The Flagship, with 65 hires provided free for non-profit groups. This saved the community group and non-profit sector

an estimated \$32,500 on venue hires (based on the rates we charge corporate customers).

At The Flagship we have held events ranging from art exhibitions and workshops promoting mental health to the C-Prize for environmental innovation and the launch of the government's Rethinking Plastics in Aotearoa initiative, hosting Prime Minister Jacinda Ardern. The Flagship has firmly cemented itself as a hub for environmental action and community engagement.

The 18% increase in education presentations and 100% increase in training workshops again reflects our focus on long-term solutions. More people are being equipped with skills to look after local areas into the future. Despite a drop in visitor numbers to The Flagship, we continue to deliver education in the manner we always have: through grass-roots community engagement.

As per last year, we notice another major increase in tree-planting efficiency: more trees planted through fewer events. Our restoration events continue to scale up, with a 64% increase in participants and an 89% increase in trees planted. We planted a total of 70,369 trees, our largest annual effort to date.

We have enabled 24,146 hours of volunteer work that is actively regenerating our environment and have recorded a 173% increase in enabled events, a major success in our efforts to scale-up our successes around Aotearoa.

The impacts we present here are those that best reflect our work to achieve our mission of enabling people to look after their waterways and coastlines, and deliver our vision of Beautiful Beaches, Healthy Waters, and Inspired People. We also provide a comparison against previously reported figures and commentary to show how and where our impacts have changed over time.



sustainable coastlines

We have removed nearly three-and-a-half shipping containers worth of litter from our beaches in the last year. Litter removed since our inception equates to more than 1.5 million litres; equivalent to more than 45 shipping containers' full of rubbish.



Sumner Beach, Christchurch
29 February, 2020

Cleaning our beaches

1 APRIL 2019 – 31 MARCH 2020

105,335

LITTER CLEANED UP (LITRES)

▲ 10%
ON LAST YEAR





Our shifting focus to long-term solutions to plastic pollution is evident in these numbers. A drop in numbers in this category is more than made up for with Litter Intelligence clean-ups and participants. Litter Intelligence metrics, plus further impact delivered by enabling others through our training and capacity development work is on the pages that follow.



Spinnaker Reserve, Auckland
4 July, 2019

Cleaning our beaches

1 APRIL 2019 – 31 MARCH 2020



16,789

LITTER CLEANED UP (KILOGRAMS)

▼ 15% ON LAST YEAR

164

CLEAN-UP ACTIVITIES

▼ 36% ON LAST YEAR
Excludes 302 litter surveys, reported on later

6,046

CLEAN-UP PARTICIPANTS

▼ 35% ON LAST YEAR
Excludes 3,456 participants in litter surveys, reported on later

10,605

CLEAN-UP HOURS

▼ 39% ON LAST YEAR
Excludes 2,918 hours from litter surveys, reported on later



Tree-planting activities reduce nutrient run-off, stabilise riverbanks (reducing erosion), create habitats for native biodiversity and clean our air. More trees also mean positive impact on climate change.

This figure includes native shrubs alongside trees, which sequester less carbon than trees but provide important benefits for water quality, habitat creation and mahinga kai (a cultural health indicator).

Note: We support and enable local projects to achieve scale and our partners may also leverage this impact themselves.



Harbourview-Orangihina Park,
Auckland
15 September, 2019



70,369

TREES PLANTED ALONGSIDE WATERWAYS

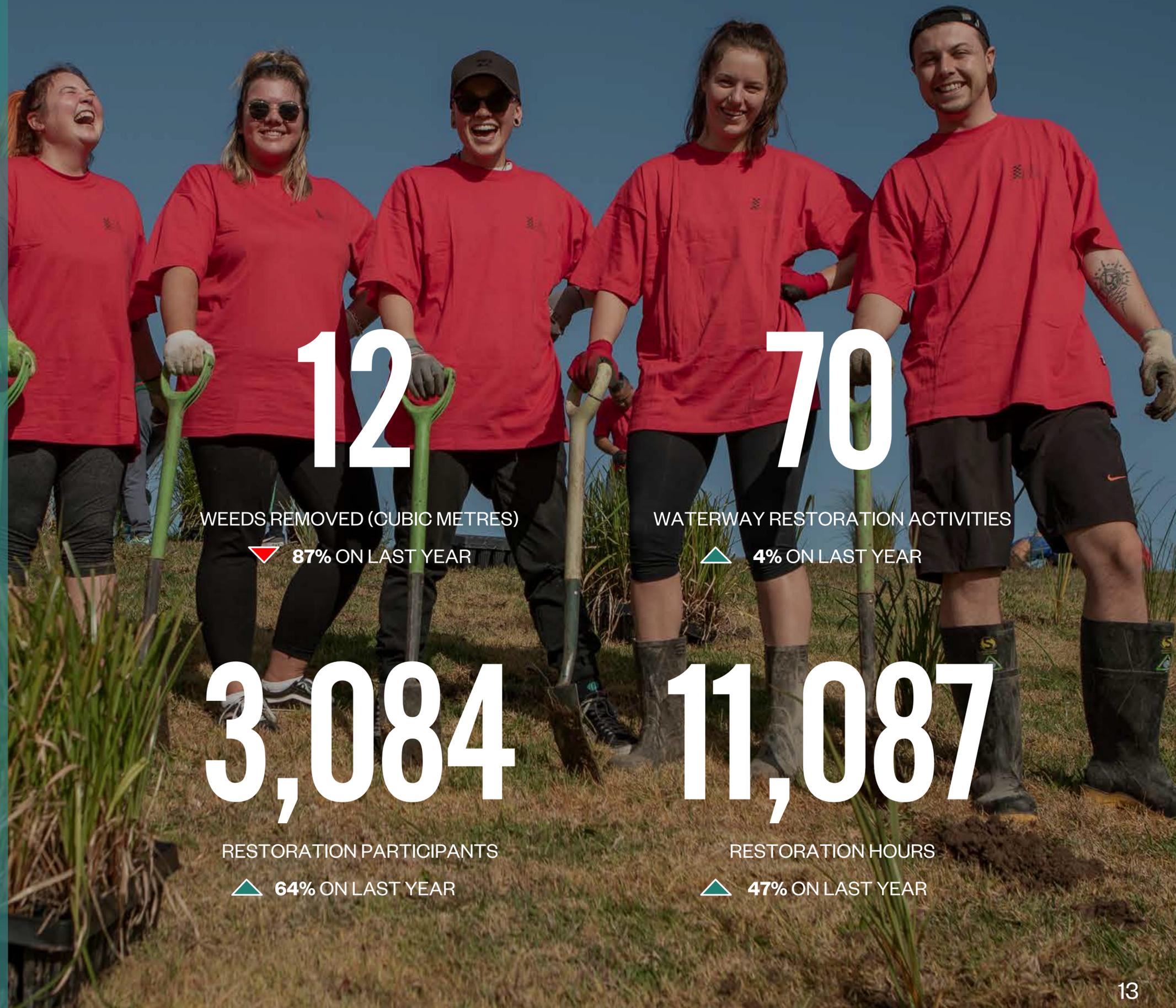
▲ 89%
ON LAST YEAR



Tree planting activities are always collaborative, but these results represent only the trees planted directly through events led by Sustainable Coastlines. Read on for impact achieved where we have used our skills and experience to help other community groups on tree planting projects.



Trimdon Reserve, Auckland
19 September, 2019



12

WEEDS REMOVED (CUBIC METRES)

▼ 87% ON LAST YEAR

70

WATERWAY RESTORATION ACTIVITIES

▲ 4% ON LAST YEAR

3,084

RESTORATION PARTICIPANTS

▲ 64% ON LAST YEAR

11,087

RESTORATION HOURS

▲ 47% ON LAST YEAR



Our education programmes inspire people to look after the places they love, and this core metric remains a crucial part of our work. Numbers have dropped from previous years reflecting our movement to a quality over quantity approach. More presentations to fewer attendees means smaller audience sizes for better engagement with our education activities.

Spreading the word

1 APRIL 2019 – 31 MARCH 2020

14,372

PRESENTATION ATTENDEES

▼ 20%

ON LAST YEAR



Trimdon Reserve, Auckland
19 September, 2019



We cannot solve the challenges we work on alone. Through training programmes and immersive environmental experiences at The Flagship Education Centre, we reach thousands of people and exponentially scale up our impacts.



Harbourview-Orangihina Park,
Auckland
15 September, 2019

Spreading the word

1 APRIL 2019 – 31 MARCH 2020

274

EDUCATIONAL PRESENTATIONS

▲ 18% ON LAST YEAR

3,055

VISITORS TO THE FLAGSHIP
EDUCATION CENTRE

▼ 42% ON LAST YEAR

84

TRAINING WORKSHOPS

▲ 100% ON LAST YEAR



sustainable coastlines

Litter Intelligence activities have grown significantly in the last year as we focus more on long-term solutions to the plastic pollution problem. We now have a solid base of citizen scientists around the country who monitor litter on their local beach to provide a better understanding of the problem.



Litter Intelligence.

Data. Insights. Action.



Kulim Park, Tauranga
20 February, 2020

Training citizen scientists

1 APRIL 2019 – 31 MARCH 2020

302 3,456

LITTER SURVEYS

▲ 619% ON LAST YEAR

PARTICIPANTS IN
CITIZEN SCIENCE

▲ 392% ON LAST YEAR

73

CITIZEN SCIENCE WORKSHOPS

▲ 329% ON LAST YEAR



The Flagship events

1 APRIL 2019 – 31 MARCH 2020

Events hosted at The Flagship provide an income stream for our organisation, and the hires we provide for free save other non-profits a significant amount. This year we saw a drop in events as our team is spending more time on the road engaging with communities at a grass-roots level.



 The C-Prize, Wynyard Quarter
17 October, 2019

114

EVENTS AT THE FLAGSHIP

▼ 27% ON LAST YEAR

65

FREE HIRES TO NON-PROFITS

▼ 41% ON LAST YEAR

\$32,500

VALUE TO NON-PROFITS

▼ 41% ON LAST YEAR



sustainable coastlines

This category reflects the impacts delivered through our ramped-up efforts to support others through our 'DIY' programme, our Ambassador Programme, and through organisations that we support by putting our resources and time into helping them deliver their own events.

Enabling others

1 APRIL 2019 – 31 MARCH 2020

325

ENABLED EVENTS

▲ 173% ON LAST YEAR

7,017

ENABLED PEOPLE

▲ 86% ON LAST YEAR

14

ENABLED EDUCATION PRESENTATIONS

▼ 62% ON LAST YEAR

845

ENABLED EDUCATION ATTENDEES

▼ 44% ON LAST YEAR



This year we have changed what we report on with regard to enabled trees planted. We no longer report on trees that were planted by Pūniu River Care, an organisation that we helped establish and enable. We consider them to be a fully fledged social enterprise in their own right, planting over 500,000 seedlings each year — a true success story in this space.

Enabled impacts

1 APRIL 2019 – 31 MARCH 2020

3,246

TREES PLANTED
ALONGSIDE WATERWAYS

▼ 98% ON LAST YEAR

40,777

LITRES OF LITTER REMOVED
FROM BEACHES

NEW CATEGORY



About us

SUSTAINABLE COASTLINES CHARITABLE TRUST • CC46615

Sustainable Coastlines is a multi award-winning charity on a mission to enable people to look after the coastlines and waterways they love. To deliver on this mission, we coordinate and support large-scale coastal clean-up events, riparian planting and restoration activities, education programmes, public awareness campaigns and training workshops.

Through our work cleaning up beaches and restoring freshwater ecosystems, we work with local communities to develop capacity to solve these issues long-term. We work collaboratively with a range of demographics around New Zealand, bringing together local and central government, community groups, NGOs, businesses, schools, universities and the general public to address marine and freshwater pollution.

We are passionate about creating solutions for environmental challenges through ground-breaking collaborative projects.

Sustainable Coastlines was founded in 2008 by three young New Zealanders in the Galápagos Islands. Two of the co-founders,

Sam Judd and James Bailey, returned to New Zealand to formalise the organisation, and Sustainable Coastlines was first formed as an incorporated society in March 2009. It was subsequently registered as a charitable entity under the Charities Act 2005 in April 2009.

The Sustainable Coastlines Charitable Trust was formed to facilitate a change in structure for the organisation from an Incorporated Society into a Charitable Trust, providing a stronger legal structure. It was incorporated in April 2010 under the Charitable Trusts Act 1957 and the Trust was then registered as a charitable entity in May 2011 under the Charities Act 2005.

We are proud to have created jobs in the charitable sector, predominantly through raising our own funding through social enterprise activities that allow us to deliver on our charitable purpose while raising money. Our charity's team comprises fourteen highly skilled professionals from diverse backgrounds that complement each other to create a productive, effective and enjoyable workplace.

We are governed by a Board of Trustees who act in an advisory capacity to our Leadership Team in all matters concerning the interests and management of the charity. Our five Trustees are professionals who donate time to the cause to ensure efficient and streamlined decision-making during this high-growth phase. The Chairperson of the Board of Trustees is responsible for the management, development and effective performance of the Board and provides leadership to the Board for all aspects of their work.

We are regularly called upon by universities, schools, community organisations, conference organisers and international development organisations (including various offices of the United Nations) to assist with developing capacity to boost the performance of waste minimisation and water quality in New Zealand and overseas.

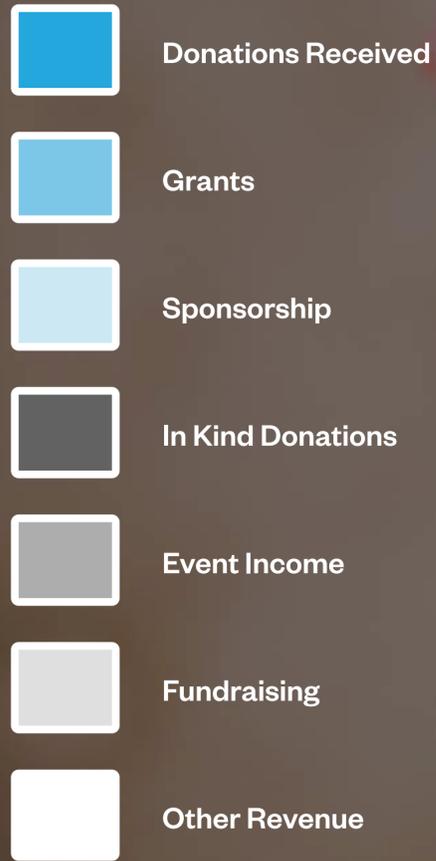
Sustainable Coastlines is strictly apolitical; we do not advocate or lobby. We simply build solutions for people of all ages, backgrounds and sectors, creating open-source results and resources to equip communities to look after their own environment.



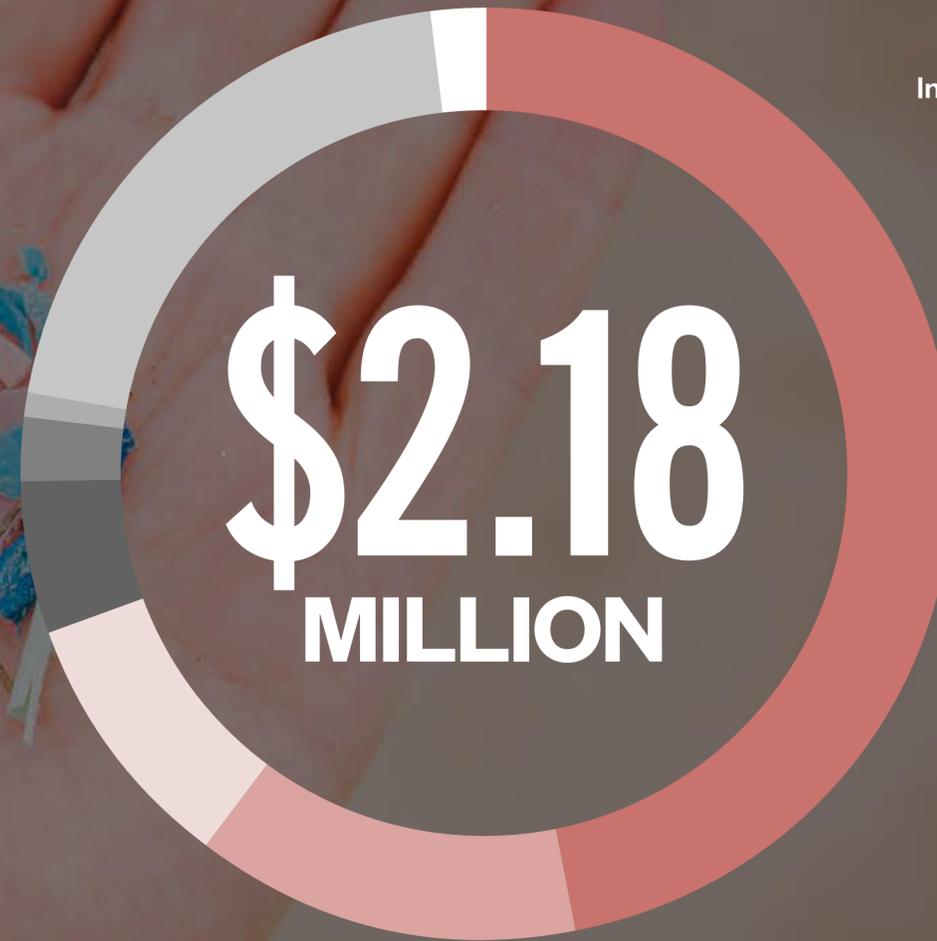
Financial highlights

1 APRIL 2019 – 31 MARCH 2020

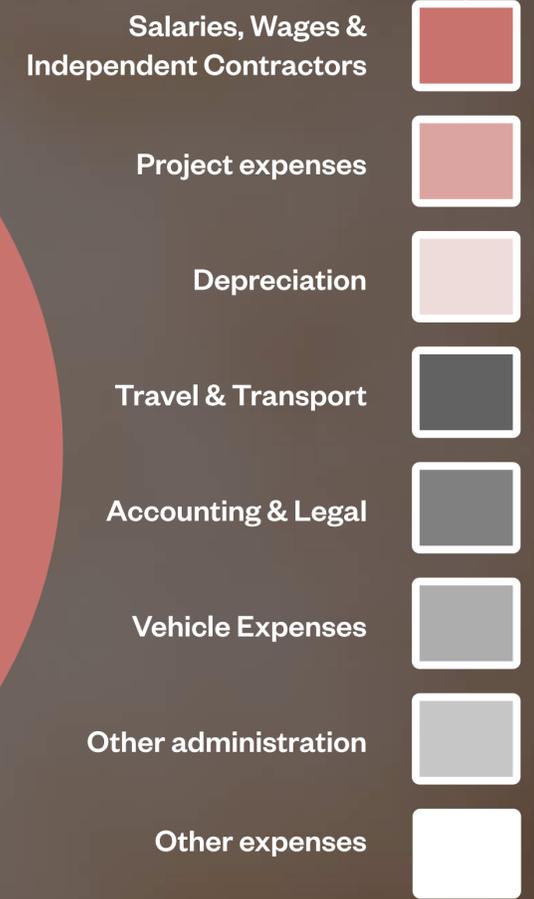
Costs include the both the delivery of services for beneficiaries as well as the administration of the trust.



Income



Expenses



Thank you to the team at JZR Accountants & Consultants for preparing our annual accounts, and to William Buck for conducting our audit. Our full Financial Statements and Auditor's Report can be downloaded at www.register.charities.govt.nz/Charity/CC46615

Thanks to our friends

PARTNERS



GOLD SPONSORS



SILVER SPONSORS



BRONZE SPONSORS



SUPPORTERS



Sustainable Coastlines Charitable Trust

Independent auditor's report to the Trustees

Report on the Performance Report

Opinions

We have audited the financial report of Sustainable Coastlines Charitable Trust (the entity), which comprises the statement of financial position as at 31 March 2020, the statement of service performance, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the statement of accounting policies and other explanatory information.

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

- 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 accompanying financial report gives a true and fair view of:
 - i) the service performance for the year then ended; and
 - ii) the financial position of Sustainable Coastlines Charitable Trust as at 31 March 2020 and of its financial performance, and cash flows for the year then ended.

in accordance with Public Benefit Entity International Public Sector Accounting Standards Reduced Disclosure Regime (IPSAS RDR).

Basis for Qualified Opinion

Donations are significant sources of income for the entity and are disclosed in the statement of comprehensive income amounting to \$396,000. It is impractical to establish controls over the collection of donations prior to the income being recorded in the entity's financial records. Accordingly, the evidence available to us regarding revenue from these sources was limited to amounts already recorded in the entity's financial records, and our audit procedures with respect to donation income were restricted to these amounts. We are therefore unable to express an opinion as to whether the donation income recognised by the entity is complete.

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 the entity 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 entity.

ACCOUNTANTS & ADVISORS

Level 4, 21 Queen Street
Auckland 1010, New Zealand
PO Box 106 090
Auckland 1143, New Zealand
Telephone: +64 9 366 5000
williambuck.co.nz

William Buck Audit (NZ) Limited

Other Matter

The financial statements of the entity for the year ended 31 March 2019 were audited by another auditor who expressed a qualified opinion on those statements on 30 September 2019.

Information Other than the Financial Statements and Auditor's Report Thereon

The Trustees are responsible for the other information. The other information comprises the Chairwoman's 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 audit opinion or 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 Trustees

The Trustees are responsible on behalf of the entity for the preparation of the financial statements that give a true and fair view in accordance with Public Benefit Entity International Public Sector Accounting Standards, and for such internal control as the Trustees determined is necessary to enable the preparation of the financial statements that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the entity for assessing the entity'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 Trustees either intend to liquidate the entity 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 are as a whole 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.

A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:

<https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/>

This description forms part of our independent auditor's report.

Restriction on Distribution and Use

This report is made solely to the Trustees of the entity, as a body. Our audit work has been undertaken so that we might state to the Trustees those matters which 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 entity and the Trustees, as a body, for our audit work, for this report or for the opinions we have formed.



William Buck Audit (NZ) Limited
Auckland

14 September 2020

Statement of comprehensive income

for the year ended 31 March 2020

in New Zealand Dollars

	Note	2020 \$'000	2019 \$'000
Revenue	5	2,399	1778
Cost of goods sold		(7)	(2)
Gross surplus		2,392	1,776
Other income	6	-	3
Administration	7	(1,846)	(1,439)
Project expenses		(293)	(217)
Fundraising expense		(16)	(25)
Promotion		(17)	(9)
Other expenses	8	(2)	(8)
Surplus / (deficit) for the year		218	81
Total comprehensive income revenue and expense for the year		218	81

This statement is to be read in conjunction with the notes to the financial statements.

Statement of financial position

as at 31 March 2020

in New Zealand Dollars

	Note	2020 \$'000	2019 \$'000
Assets			
<i>Current asset</i>			
Cash and cash equivalents	9	623	229
Receivables		63	71
Prepayments		10	-
GST receivable		-	12
Total current assets		696	312
<i>Non-current assets</i>			
Intangible assets	10	337	198
Property, plant and equipment	11	459	641
Total non-current assets		796	839
Total assets		1,492	1,151
Liabilities			
<i>Current liabilities</i>			
Accruals		93	62
Trade payable		44	138
PAYE payable		23	-
GST payable		52	-
Income in advance		111	-
Total current liabilities		323	200
Total liabilities		323	200
Equity			
Accumulated revenue and expense		724	506
Revaluation surplus		445	445
Net assets / equity		1,169	951
Equity and Liabilities		1,492	1,151


Craig FISHER
Trustee

09/09/2020

Date



18/08/2020

Date

Emma DENT
Trustee

This statement is to be read in conjunction with the notes to the financial statements.

Statement of changes in equity

for the year ended 31 March 2020
in New Zealand Dollars

	Contributed capital	Revaluation Surplus	Accumulated revenue and expense	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 April 2018	-	445	425	870
Surplus	-	-	81	81
Total comprehensive income revenue and expense for the year	-	-	81	81
Transactions with trustees				
Contributions	-	-	-	-
Distributions	-	-	-	-
Total transactions with trustees	-	-	-	-
Balance at 31 March 2019	-	445	506	951
	Contributed capital	Revaluation Surplus	Accumulated revenue and expense	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 April 2019	-	445	506	951
Surplus	-	-	218	218
Total comprehensive income revenue and expense for the year	-	-	218	218
Transactions with trustees				
Contributions	-	-	-	-
Distributions	-	-	-	-
Total transactions with trustees	-	-	-	-
Balance at 31 March 2020	-	445	724	1,169

This statement is to be read in conjunction with the notes to the financial statements.

Statement of cash flows

for the year ended 31 March 2020
in New Zealand Dollars

	Note	2020 \$'000	2019 \$'000
Cash flows from operating activities			
Proceeds from grants, donations and bequests		1,541	1,179
Goods and services provided		830	411
Payments to suppliers and employees		(1,713)	(1,251)
Net cash from operating activities		658	339
Cash flows from investing activities			
Payments for development of intangible assets		(251)	(206)
Payments for purchase of property, plant and equipment		(13)	(127)
Net cash from investing activities		(264)	(333)
Net (decrease)/increase in cash and cash equivalents		394	6
Cash and cash equivalents at beginning of year		229	223
Cash and cash equivalents at the end of year		623	229

This statement is to be read in conjunction with the notes to the financial statements.

Notes to the financial statements

1 Reporting Entity

Sustainable Coastlines Charitable Trust ('the Entity') is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013). It is a registered charity (CC46615) with DIA Charities Services under the Charities Act 2005.

2 Basis of Preparation

a Statement of compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ('NZ GAAP'). They comply with *Public Benefit Entity Standards Reduced Disclosure Regime* ('PBE Standards RDR'), as appropriate for Tier 2 not-for-profit public benefit entities.

The Entity qualifies for lower financial reporting Tier but has elected to 'opt-up' into Tier 2.

These financial statements were authorised for issue by the Trustees on page 7.

b New accounting standards and interpretations

During the period the Entity has adopted the following new standards for the first time: PBE IAS 39 Employee Benefits. There was no effect on the current or prior periods from the adoption of this standard.

c Going concern

These financial statements have been prepared on a going concern basis. Please refer to note 15 for more detail.

d Basis of measurement

The financial statements have been prepared on the historical cost basis.

The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

e Functional and presentation currency

The financial statements are presented in New Zealand Dollars (\$), which is the Entity's functional currency. All financial information presented in New Zealand Dollars has been rounded to the nearest thousand.

Notes to the financial statements (continued)

3 Use of judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Statement of service performance reporting

In compiling the Entity's statement of service performance the governing body and management have made judgements in relation to which outcomes and outputs best reflect the achievement of our performance for our mission. The Entity delivers targeted outputs in accordance with our strategic plan and budget and we measure and monitor these on an ongoing basis. Our performance measures are designed to inform the ongoing impact that we deliver, in line with recognised measures of environmental reporting and best practice.

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Entity.

In addition the Entity also elected to early adopt the following standard PBE FRS 48 – Service Performance Reporting (refer to the Statement of Service Performance).

a Revenue

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

The following specific recognition criteria in relation to the Entity's revenue streams must also be met before revenue is recognised.

(i) Revenue from exchange transactions

Sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

Notes to the financial statements (continued)

4 Significant accounting policies (continued)

(ii) Revenue from non-exchange transactions

Grants and Donations

The recognition of non-exchange revenue from Grants and Donations, depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue.

Stipulations that are 'conditions' specifically require the Entity to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the 'conditions' are satisfied.

Stipulations that are 'restrictions' do not specifically require the Entity to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

Fundraising and Event Income

The Entity undertakes fundraising activities and runs events. Fundraising and event non-exchange revenue is recognised at the point at which cash is received.

Sponsorship

The Entity receives sponsorship revenue. While some value is provided to sponsors through them being able to use the Entity's logos and receiving promotion on the Entity's website the Trustees do not believe that the value is an equal value exchange transaction. As the value received by the sponsor cannot be accurately determined this revenue has been recognised as non-exchange revenue.

Sponsorship income is recognised on receipt as the cost to the Entity is largely incurred at the start of the sponsorship period and there is no clawback provision in the sponsorship agreement.

b Employee benefits

(i) Short-term employee benefits

Short-term employee benefit liabilities are recognised when the Entity has a legal or constructive obligation to remunerate employees for services provided within 12 months of the reporting date, and is measured on an undiscounted basis and expensed in the period in which employment services are provided.

c Finance income and finance costs

Finance income comprises interest income on financial assets. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method.

Finance costs comprise interest expense on financial liabilities.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether the foreign currency movements are in a net gain or net loss position.

d Financial instruments

The Entity initially recognises financial instruments when the Entity becomes a party to the contractual provisions of the instrument.

Notes to the financial statements (continued)

4 Significant accounting policies (continued)

d Financial instruments (continued)

The Entity derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Entity is recognised as a separate asset or liability.

The Entity derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

The Entity also derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Entity has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Entity classifies financial assets into the following category: *loans and receivables*.

The Entity classifies financial liabilities at *amortised cost*.

Financial instruments are initially measured at fair value, plus for those financial instruments not subsequently measured at fair value through surplus or deficit, directly attributable transaction costs.

Subsequent measurement is dependent on the classification of the financial instrument, and is specifically detailed in the accounting policies below.

(i) **Loans and receivables**

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and receivables.

Cash and cash equivalents represent highly liquid investments that are readily convertible into a known amount of cash with an insignificant risk of changes in value, with maturities of 3 months or less.

e Intangible assets

(i) **Website**

Development expenditure is capitalised if the expenditure can be measured reliably, the product is technically feasible, has future economic or service potential and the Entity has sufficient resources to complete the development. Otherwise it is recognised in surplus or deficit as incurred.

Website costs have a finite useful life. Website costs are capitalised and written off over the useful economic life of 2-3 years.

Notes to the financial statements (continued)

4 Significant accounting policies (continued)

e Intangible assets (continued)

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Intangible assets that have indefinite lives or are not yet available for use are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

f Property, plant and equipment

(i) **Recognition and measurement**

Items of property plant and equipment are initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

Items of property, plant and equipment are subsequently measured either under the:

- Cost model: Cost (or fair value for items acquired through non-exchange transactions) less accumulated depreciation and impairment.
- Revaluation model: fair value, less accumulated depreciation and accumulated impairment losses recognised after the date of the most recent revaluation.

Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Gains and losses on revaluation are recognised in other comprehensive revenue and expense and presented in the revaluation surplus reserve within net assets/equity. Gains or losses relating to individual items are offset against those from other items in the same class of property, plant and equipment, however gains or losses between classes of property, plant and equipment are not offset.

Any revaluation losses in excess of credit balance of the revaluation surplus for that class of property, plant and equipment are recognised in surplus or deficit as an impairment. All of the Entity's items of property plant and equipment are subsequently measured in accordance with the cost model, except for buildings which are subsequently measured in accordance with the revaluation model.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- The cost of materials and direct labour
- Costs directly attributable to bringing the assets to a working condition for their intended use
- When the Entity has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located
- Capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Notes to the financial statements (continued)

4 Significant accounting policies (continued)

f Property, plant and equipment (continued)

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

Upon disposal of revalued items of property, plant and equipment, any associated gain or losses on revaluation to that item are transferred from the revaluation surplus to accumulated surplus.

(ii) *Subsequent expenditure*

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Entity. Ongoing repairs and maintenance is expensed as incurred.

(iii) *Depreciation*

For plant and equipment, depreciation is based on the cost of an asset less its residual value, and for buildings is based on the revalued amount less its residual value. For significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately.

Depreciation is recognised in surplus or deficit on a diminishing value basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Entity will obtain ownership by the end of the lease term. Land is not depreciated. Assets under construction are not subject to depreciation.

The estimated depreciation rates are:

- | | |
|---------------------------------|--------------------------|
| • Education building | 20% DV & 5 years SL |
| • Leasehold improvements | 10 - 25% DV & 5 years SL |
| • Motor vehicles | 10 - 30% DV |
| • Office and computer equipment | 25 - 67% DV |

Depreciation methods, useful lives and residual values are reviewed at reporting date and adjusted if appropriate.

g Provisions

A provision is recognised if, as a result of a past event, the Entity has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

h Income tax

Sustainable Coastlines Charitable Trust is registered with DIA Charities Services as a charitable entity (CC46615), and due to this charitable status is exempt from income tax.

i Goods & Services Tax (GST)

Revenues, expenses and assets are recognised net of GST except for receivables and payables which are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the Statement of Financial Position.

Notes to the financial statements (continued)

5 Revenue

	Note	2020 \$'000	2019 \$'000
Exchange revenue			
Merchandise		4	6
Non-exchange revenue			
Donations received		396	462
Grants		910	621
Sponsorship		523	239
In kind donations		161	126
Event income		290	210
Fundraising		110	108
Expense contributions		5	6
		<u>2,399</u>	<u>1,778</u>

6 Other income

Dividend received		-	1
Rent received		-	2
		<u>-</u>	<u>3</u>

7 Administration

Accounting and legal		(50)	(63)
Amortisation	10	(109)	(20)
Bad debts		-	(1)
Depreciation	11	(199)	(193)
Insurance		(9)	(16)
Motor vehicle		(42)	(35)
Power, phone and utilities		(15)	(13)
Rent		(40)	(34)
Salaries, wages and independent contractors		(1,057)	(791)
Travel and transport - International		(2)	(13)
Travel and transport - National		(119)	(123)
Other		(204)	(137)
Total		<u>(1,846)</u>	<u>(1,439)</u>

Salaries, Wages and Independent Contractor costs include the both the delivery of services for beneficiaries as well as the administration of the trust.

8 Other expenses

Foreign exchange loss		(2)	(8)
		<u>(2)</u>	<u>(8)</u>

9 Cash and cash equivalents

Bank accounts		623	229
Cash and cash equivalents in statement of cash flows		<u>623</u>	<u>229</u>

Notes to the financial statements (continued)

10 Intangible assets

	Note	Website \$'000	Total \$'000
Cost or valuation			
Balance as at 1 April 2019		221	221
Additions		248	248
Disposals		-	-
Balance as at 31 March 2020		469	469
Accumulated amortisation and impairment			
Balance as at 1 April 2019		23	23
Amortisation		109	109
Balance as at 31 March 2020		132	132
Net book value			
As at 31 March 2019		198	198
As at 31 March 2020		337	337

11 Property, plant and equipment

	Buildings \$'000	Leasehold improvements \$'000	Motor vehicles \$'000	Office and computer equipment \$'000	Total \$'000
Cost or valuation					
Balance as at 1 April 2019	497	357	135	59	1,048
Additions	-	6	-	11	17
Disposals	-	-	-	-	-
Balance as at 31 March 2020	497	363	135	70	1,065
Accumulated depreciation and impairment					
Balance as at 1 April 2019	198	129	38	42	407
Depreciation	99	71	19	10	199
Disposals	-	-	-	-	-
Balance as at 31 March 2020	297	200	57	52	606
Net book value					
As at 31 March 2019	299	228	97	17	641
As at 31 March 2020	200	163	78	18	459

12 Operating leases

	Note	2020 \$'000	2019 \$'000
Leases as lessee			
No later than one year		25	29
Later than one year but not later than five years		10	43
Later than five years		-	-
		35	72

The Entity has entered into operating leases for the use of land and buildings.

Notes to the financial statements (continued)

13 Related party transactions

Identity of related parties

The charitable trust has a related party relationship with its key management personnel being the Trustees and senior management.

Transactions with related parties

Transactions with related parties are settled in cash or in-kind. The Trustees provide their governance services on a pro bono basis.

Key management personnel remuneration

	2020		2019	
	Value of remuneration \$'000	Number of employees	Value of remuneration \$'000	Number of employees
Senior management	266	3	249	3

14 Commitments and contingencies

There were no commitments or contingencies at reporting date.

15 Going Concern

The Entity currently enjoys the support of, and is reliant on, revenue and funding from a variety of sources including donations from supporters, grants from the Government and others, corporate sponsorship, event income and other fundraising activities.

Covid-19 (also known as coronavirus) is now a pandemic affecting people, businesses and economies across the world. Measures to prevent, contain and delay its spread include travel restrictions, institutional and business closures, restrictions on gatherings and meetings, and quarantining, isolation and social distancing, resulting in many people working remotely and significant disruptions to ways an entity would normally operate. On 26 March 2020 the New Zealand Government put the country into a four-week lockdown and stated that only essential services were able to continue. This strict form of lockdown was followed by different tiers of progressively lighter restrictions. As such, some of the Entity's revenue streams have been temporarily curtailed with the varying degrees of lockdown.

The above conditions create a material uncertainty that may cast significant doubt on the Entity's ability to continue as a going concern. The financial statements have been prepared on a going concern basis and the Board of Trustees has had to assess whether circumstances likely to occur within one year from the date of approval of these financial statements support this basis of preparation. Management has already taken significant steps to reduce costs and actively communicated with relevant stakeholders to confirm their assurances of ongoing continued support. The Entity has what it believes to be a sufficient level of cash reserves which allows it to meet its short-term obligations as they fall due.

Cost reductions include deferment of recruitment for vacant roles, reduction in all areas of operating expenditure including restricting travel, a wage freeze, and deferment of all capital expenditure unless fully funded and deemed essential. The Entity applied and received the wage subsidy and continues to closely monitor developments including the applicability of any Government relief packages. Grant income from the Government funding for the establishment of the Litter Intelligence project still has a year to run from balance date which represents the single largest revenue item. Riparian planting and other contracted revenue generating activities are expected to be able to recommence almost fully in Level 1. This will also allow the recommencement of clean-up and education activities that will result in event income.

Notes to the financial statements (continued)

15 Going Concern (continued)

Management's analysis shows that the Entity could continue to operate with reduced income and expenditure and still meet its obligations from existing resources/reserves for a period of 12 months from approval of the financial statements. As a result of the above, and our modelling on the financial outcomes of them, the Board of Trustees has concluded the going concern basis remains appropriate for the preparation of these financial statements. However, the full long-term financial effect of this situation cannot be determined at the date of signing. Should Sustainable Coastlines be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in these financial statements. These financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the Entity be unable to continue as a going concern and meets its debts as and when they fall due.

16 Events after reporting date

There were no material events subsequent to balance date.