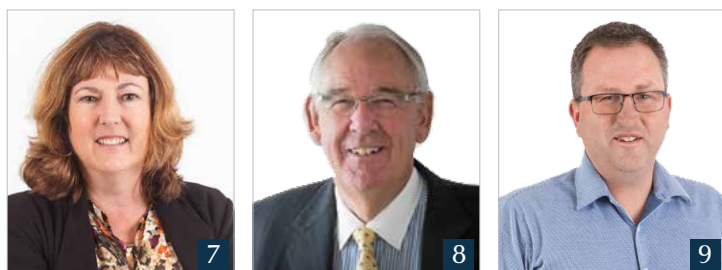




ANNUAL REPORT

30 JUNE 2017

ACORN FOUNDATION BOARD OF VOLUNTARY TRUSTEES



1. Glenn Keaney, *Chair*
2. Andy Cameron
3. Nancy Hogg
4. Jane Nees
5. Peter Tinholt
6. Anthony Ririnui
7. Lesley Jensen
8. Graeme Horsley
9. Michael Attwood

STAFF



1. Nicky Wilkins, *General Manager*
2. Margot McCool, *Operations Manager*
3. Tracey Watters, *Marketing Manager*
4. Estelle Steinmann, *Administration Officer*

KEY CORPORATE PARTNERS



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CHAIR & GENERAL MANAGER'S REPORT

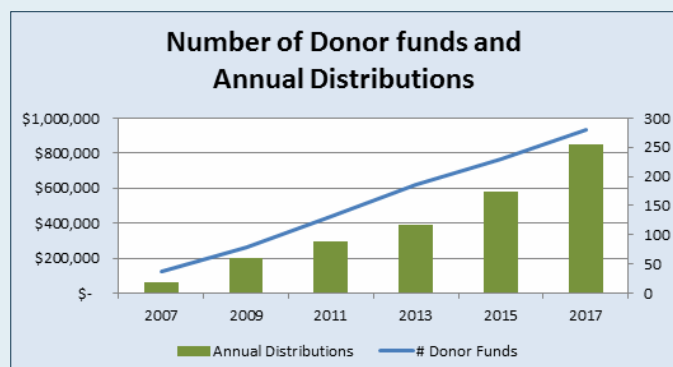


Ten years ago the Acorn Foundation had 38 endowment funds; \$1.9m invested and distributed \$63,000. The Acorn Foundation has grown to 279 endowment funds; \$18.6m invested and has distributed \$854,000 this year.

However, our accomplishments are so much more than that!

Some highlights of the last year include:

- Distributions this year on behalf of 58 endowment funds.
- \$84,450 given in scholarships to 62 local students.
- Facilitated the collaboration of 18 local organisations working in the Alcohol and Drug Addiction sector to form a new collective highlighting and advocating for more funding to address the methamphetamine problem in the Bay of Plenty.
- Worked with Tauranga Women's Refuge, Bay of Plenty Sexual Assault Support Services (BOPSASS) and Shakti Women's Refuge to fund a newly created Frontline advocate role for three years.
- Lesley Jensen (trustee) and Margot McCool (Operations Manager) attended the Community Foundations of Canada conference in Ottawa which provided some invaluable learnings and international connections.



As Acorn grows, the demands on our staff also grow. We are pleased to welcome Tracey Watters who has been employed as a Marketing Manager to assist management.

We are delighted to see Community Foundations developing across New Zealand and now covering 14 regions. With the support of The Tindall Foundation and Craigs Investment Partners, Community Foundations of NZ has employed Eleanor Cater to assist this voluntary board.



*“When a person plants a tree under which they will never sit,
then you know civilisation has come to that land.”*

Greek Philosopher

INVESTMENTS TO 30 JUNE 2017

The investment return to 30 June 2017 for Acorn’s funds with Craigs Investment Partners was 6.08%. This brings the annualised compound return for the last ten years to 6.48%.

ANNUAL RETURNS		
YEAR END	ACTUAL	BENCHMARK
30/06/2017	6.08%	5.89%
30/06/2016	6.79%	7.03%
30/06/2015	12.91%	11.85%
30/06/2014	8.03%	6.84%
30/06/2013	12.05%	9.81%
30/06/2012	4.24%	4.41%
30/06/2011	9.48%	10.49%
30/06/2010	7.17%	8.94%
30/06/2009	-0.18%	-0.35%
30/06/2008	-0.93%	-1.01%

We are currently conducting our second Vital Signs research report and are pleased to be working with the Geyser Community Foundation and the Eastern Bay Community Foundation, to facilitate a Bay of Plenty wide project. Results from this research will be made available in February 2018 and this will again provide evidence based research to prioritise our funding.

In May 2018 we are celebrating our 15th birthday with a dinner at the Trinity Wharf hotel. We appreciate how important these milestones are and look forward to honouring our donors, supporters and our community.

Thank you again to all those people who have given their time and money over the years to establish the Acorn Foundation as a trusted philanthropic leader.

Glenn Keane – Chair

Nicky Wilkins – General Manager

HIGHLIGHTING SOME OF THE GREAT WORK HAPPENING IN OUR COMMUNITY



The Vital Signs® report has enabled us to prioritise our funding into specific areas identified by the community as needing greater resource. Here we highlight some organisations doing a great job in three of the Vital Signs® categories.

BELONGING & ENGAGEMENT

LIVE FOR MORE CHARITABLE TRUST

“Learning to surf has helped me remember it’s never too late to make a change, and what I can make out of my future... instead of drugs, alcohol, violence, gangs.” These are the words of a recent 18 year old graduate of the Live for More Tai Wātea programme.

Live for More is a charitable trust based in Tauranga using surf therapy to reach troubled young men and empowering them to turn their lives around. These young men, ranging from

17-25 years old, are caught up in a lifestyle of drugs, alcohol, crime, gangs, prison and violence. They often have had very difficult lives and the majority have experienced a significant amount of trauma. More than half have previously attempted suicide or been suicidal, and a third have spent time in prison. Tai Wātea meaning “Waves of Freedom”, gives the young men the opportunity to re-engage with positive people and healthy activities, allowing them to see their potential, giving their lives meaning and purpose.

Another graduate said “Surfing has taught me to take good opportunities and ride them just like the waves. It has taught me how to LIVE FOR MORE.”

Acorn funding is supporting Live for More, so that they can continue to provide the clinical support and counselling to these young men, turning them into positive productive members of our community.

Funding made possible through the Rei Preston-Thomas & Tauranga Police CIB Charitable Trust funds.



GETTING STARTED

HAWAIKI RISING VOYAGING TRUST

Through ocean experiences and traditional Polynesian voyaging waka, Hawaiki Rising aims to increase young New Zealanders' understanding of and appreciation for Māori culture, traditions, knowledge and worldview. They provide a platform where all cultures can interact positively and learn elements of kaupapa Māori and experience sailing on a traditional voyaging waka.

Hawaiki Rising's focus is on young New Zealanders, providing 8-day Youth Development Voyages for 14-19 year olds. The programme works to develop confident and resilient youth who are connected to their environment, culture, community, whānau and self-identity. Ultimately participation in these programmes aims to give the participant an increased knowledge and understanding of kaupapa waka; developed social skills to manage and sustain positive relationships with others through teamwork and healthy interactions; an increased understanding of, and a sense of responsibility for the natural environment. By the end of the programme they will be able to demonstrate integrity, sincerity and respect towards kaupapa Māori. They will have learnt the art of leadership through problem solving, conflict resolution

and establishing positive relationships. Cultural identity is important to these youth to enable our history to be preserved and allow them to develop a sense of belonging.

Acorn funding will assist Hawaiki Rising Voyaging Trust to deliver more successful voyages.

Funding made possible through the Rei Preston-Thomas fund.



ENVIRONMENT

BAY CONSERVATION ALLIANCE

There are a vast number of small community-based conservation groups found throughout New Zealand working hard on key issues facing our natural environment, such as animal pest control, native tree planting and habitat restoration. Most of these groups struggle with administration, fundraising and volunteer burnout.

Bay Conservation Alliance was established in 2016 with a focus on providing support and help to these groups to expand the existing work of its members and to develop new, larger, and more complex conservation projects.

They will work closely with councils, DOC, iwi and other organisations to help preserve and enhance our amazing native wildlife and natural environment.

The immediate goal is the creation of an organisation that can assist largely volunteer-run ecological restoration/conservation community groups by providing a professional support team tasked with 'taking the load' off volunteers so that they can get on with practical field work.

The Bay Conservation Alliance is in its infancy and Acorn funding is supporting the organisation's start up costs.

Funding made possible through the Jeffrey Friis fund.



GETTING STARTED

OPEN HOME FOUNDATION BAY OF PLENTY

The Open Home Foundation in the Bay of Plenty has a team of Social Workers and Support Workers who run a number of specialised services to support families in need. These services range from providing much needed out of home respite for children with disabilities, to finding and training Foster Families to provide care for children who cannot live at home.

One of the key services the foundation is contracted to provide is a Family Reunification program. This intensive program supports the safe transition of children back to their whānau after they have been in care. Family reunification can see an Open Home Foundation Social Worker work with whānau for up to 10 hours per week, on the issues that first resulted in the child being removed from their care. Once safe, the child will be transitioned back to the whānau slowly. This program has seen many children reunited with whānau including some children who had been with Open Home Foundation foster parents for over 2 years.

The link between natural whānau and foster whānau can be difficult at times, however it is important. One Foster Parent shared that “becoming foster parents was always about being part of a child’s family, not about taking that child away from those relationships. Children love their parents and their siblings dearly. We wanted to provide a safe home to give kids a loving, stable family.”

Foster Parents are trained in responding to trauma related behaviour, as all children who come into care have been through trauma of some kind, and at times this trauma is so significant that it results in a child not being able to function as other children their age would. Practice Manager Sarah Lewis says “It takes a really special person to open their homes and hearts and support a child like this. Foster Parents are a vital part of Open Home Foundation, without them the foundation would not be able to do much of the work we do.”

Acorn funding will support the Open Home Foundation with their foster parent social worker wages.

Funding made possible through the Mervyn & Theresa Duncan fund.

BOB HAINE THE HAINE FAMILY FUND

Bob and Eileen Haine married in September 1943 and lived in the Bay of Plenty. They had five children - two boys and three girls - who went on to give them twelve grandchildren and ten great-grandchildren.

Both Bob and Eileen worked very hard throughout their lives. While Bob was away deep sea fishing, Eileen took care of the family, milked the cows, helped to develop and run the orchard, sewed clothes for the children and made do at times when there was little money.

After serving in the war, Bob came back with poor health but soon found his feet. He farmed, worked on the rabbit board, fished, made bricks, grew delicious mandarins and loved doing woodwork.

Bob and Eileen eventually retired to the Mount to enjoy their family and grandchildren.

The Haine Family Fund is a memorial to Bob and Eileen. The fund is for young people to learn, love and use all aspects of the outdoors. It is their hope that the recipients will develop into wonderful adults, parents and people of the world.



MARY SUTHERLAND

Mary was born in Napier and grew up in Otorohanga, where she completed her college education by correspondence. Mary started training as a nurse but gave this up after two years, which she said was one of the biggest mistakes of her life.

She spent a number of years looking after other people's children before travelling throughout New Zealand with her sister, working in the St Bedes, Dunedin, Napier and Auckland hospitals as domestic help.

Mary was the matron in Argyll House (the boarding house at Hamilton Boys High School) for 20 years until 1985.

Mary's hobbies included golf, swimming at the beach and gardening.

Mary worked with a special-needs child for 24 years who benefited from Riding for the Disabled. She loved "seeing the look on their faces when they got on the horses" and thought it was marvelous how the horses were able to understand the requirements of special-needs children.

A portion of Mary's fund supports Riding for the Disabled Hamilton, and the remainder is available for general distribution.

COMMUNITY GROUP FUNDS

24 AS AT 30 JUNE 2017

The following organisations have set up an endowment fund with Acorn that their supporters can contribute to. This will ensure a continuous income stream for these organisations in the future.

Alzheimers Society - Tauranga

Animal Rescue & Rehabilitation Centre (ARRC)

Avalon (BOP) Inc

BOP Classic Aircraft Trust (trading as Classic Flyers)

Bay of Plenty Rugby Union

Bay of Plenty Sailing Academy Trust - Sail for Life fund

Complex Chronic Illness Support (ME/CFS Support (BOP) Inc)

Creative Bay of Plenty

Diabetes Help Tauranga Incorporated

Get Smart Tauranga Trust

House of Science Tauranga Charitable Trust

Kidz Need Dadz

Merivale Community Incorporated

Motor Neurone Disease Association of NZ Inc

Mount Maunganui Lifeguard Service

Otanewainuku Kiwi Trust

Otumoetai Golf Club

Tauranga Boys' College Old Boys Association

Tauranga Moana Nightshelter Trust

Tauranga Performing Arts Competitions Society Inc

Tauranga Volunteer Coastguard

Tauranga Women's Collective Inc

YMCA Tauranga

Youth Development Trust Western BOP

You can donate directly to any of these endowment funds, or to the Acorn Vital Grants Fund, on our website www.acornfoundation.org.nz/donate

"Acorn really adds value and that is what we call a partnership. Acorn adds the value we want to our lives and the value we want for our community."

Dave & Susan Campbell

ACORN DONORS PROVIDING DISTRIBUTIONS TO THE COMMUNITY

58 AS AT 30 JUNE 2017

Ada Neilson

Adrienne Coad

Bay of Plenty Medical Students Scholarship

Betty Shaw

Bob & Pat Page

Bob Granger

Bob Sutherland

Brian & Janet Currie

Cashmore Family

Christine Tustain

Claudia Jarman

Clive and Patricia Toop

Cooney Lees Morgan

D&R Godfrey

David & Susan Campbell

Douglas & Louise Caird

Edna Brown

Elvira Macrae

Emergency Services Club

Eva Trowbridge

Frank McGrogan

Garth & Sara Laing

Gary & Marlene Ware

Geoff & Chris Olsen

Giving Circle First XI

Giving Circle Sally's Angels

Graeme & Judy Clarke

Jack & Marlies O'Reilly

Jann Medlicott

Jeanne Round

Jeffrey Friis

Joan Chappell-Mathias

John & Phillipa Laing

Keith & Rona Hunt

Ken & Irene Holdaway

Lorna Wootton

Malcolm & Coral George

Mary Sutherland

Mervyn & Theresa Duncan

Murray & Gay Read-Smith

Noeline Campbell

Patricia Roadley

Peggy & Erick Kershaw

Ray & Elva Shepherd

Rei Preston-Thomas

Robin & Anne Scoular

Roy & Mary McGowan

Tauranga Help

Tauranga Police CIB Charitable Trust

Ted Wadsworth

Tinholt Family

7 Anonymous

These organisations were chosen by our donors

ORGANISATION	DONOR	
Acorn Administration	K&I Holdaway	\$ 16,310
Alzheimers Society - Tauranga	First XI Giving Circle	\$ 2,333
Amnesty International Tauranga	G&M Ware	\$ 836
Arthritis Foundation of NZ - WBOP	B Shaw	\$ 11,481
Asthma & Respiratory Management BOP	A Coad	\$ 786
Bay Conservation Alliance	J Friis	\$ 11,600
Bay of Plenty Sailing Academy Trust	Sail for Life Fund	\$ 3,059
Blind Foundation Tauranga	J&P Laing, J&M O'Reilly, P Roadley, R&E Shepherd	\$ 17,569
BOP Classic Aircraft Trust	Endowment Fund	\$ 2,117
Camp Quality New Zealand	Emergency Services Club Fund	\$ 9,480
Cancer Society Tauranga	M&E Kershaw	\$ 5,604
CanTeen Tauranga	Emergency Services Club Fund	\$ 2,370
CCS Disability Action - BOP	A Coad, R&E Shepherd	\$ 6,896
Complex Chronic Illness Support	Endowment Fund	\$ 2,175
Diabetes Help Tauranga	Endowment Fund	\$ 9,311
Heart Foundation Tauranga	E&M Kershaw, R&E Shepherd	\$ 11,715
Motor Neurone Disease Association of NZ	Endowment Fund	\$ 5,867
Mount Maunganui Lifeguard Service	P Roadley	\$ 1,751
NZ Book Awards Trust	Anon	\$ 52,000
NZ Society of Genealogists	Anon	\$ 2,082
Otanewainuku Kiwi Trust	J Friis	\$ 1,000
Otorohanga District and Community Charitable Trust	Anon	\$ 9,859
Pacific Leprosy Foundation	J&M O'Reilly	\$ 1,986
Philips Search & Rescue Trust	A Neilson, K&R Hunt, Anon	\$ 7,259
Red Cross WBOP	J&M O'Reilly	\$ 1,986
Riding for the Disabled Waikato	M Sutherland	\$ 409
Royal Forest & Bird Protection Society Tauranga	J Friis, P Roadley, G&M Ware	\$ 3,587
Salvation Army Tauranga	D&L Caird, J Chappell-Mathias, J&P Laing, E Trowbridge	\$ 39,066
Save the Children New Zealand	D&L Caird	\$ 3,132
Scholarship - Arts	J Medlicott	\$ 2,000
Scholarship - BOP Clinical School	BOP Medical Scholarship	\$ 4,532
Scholarship - Dale Carnegie	R&M McGowan	\$ 15,000
Scholarship - Engineering	B&P Page	\$ 46,000
Scholarship - Mt Maunganui College	R&M McGowan	\$ 5,000
Scholarship - Otumoetai College	R&A Scoular	\$ 10,500
Scholarship - Outward Bound	B Granger, J&P Laing, G&C Olsen, Anon	\$ 16,955
Scholarship - Sport BOP	C Tustain	\$ 1,647
Scholarship - Tauranga Boys' College	R&A Cashmore	\$ 10,000
Scholarship - Waikato University	E Trowbridge	\$ 3,000
Scholarship - Waikato University	T Wadsworth	\$ 3,000
SPCA - Tauranga	E&M Kershaw	\$ 5,604
SPCA - Te Kuiti	Anon	\$ 9,859
St Columba Presbyterian Church	R&E Shepherd	\$ 6,111
St John - Katikati	J Friis	\$ 6,800
St John - Mount Maunganui	J&M O'Reilly	\$ 1,986
St John - Otorohanga	Anon	\$ 9,859
St John - Tauranga	K&R Hunt, R&M McGowan, R&E Shepherd	\$ 8,866
St John -Te Puke	Anon	\$ 16,113
Tauranga (BOP) Hearing Association	D&R Godfrey	\$ 2,186
Tauranga Art Gallery	C Jarman	\$ 1,060
Tauranga Performing Arts Competitions	C Tustain	\$ 1,500
Tauranga Volunteer Coastguard	Endowment Fund	\$ 5,881
Te Puke Volunteer Fire Brigade	Anon	\$ 2,989
The Parkinsonism Society Tauranga	G&J Clarke, J Friis	\$ 7,981
Waipuna Hospice	D&L Caird, K&R Hunt, G&C Olsen, J Round, R&E Shepherd	\$ 45,149
YMCA Tauranga	Endowment Fund	\$ 2,028
Youth Art Workshops Trust	Cooney Lees Morgan Fund	\$ 552
		TOTAL \$495,784

These organisations were selected by the Acorn Distributions Committee

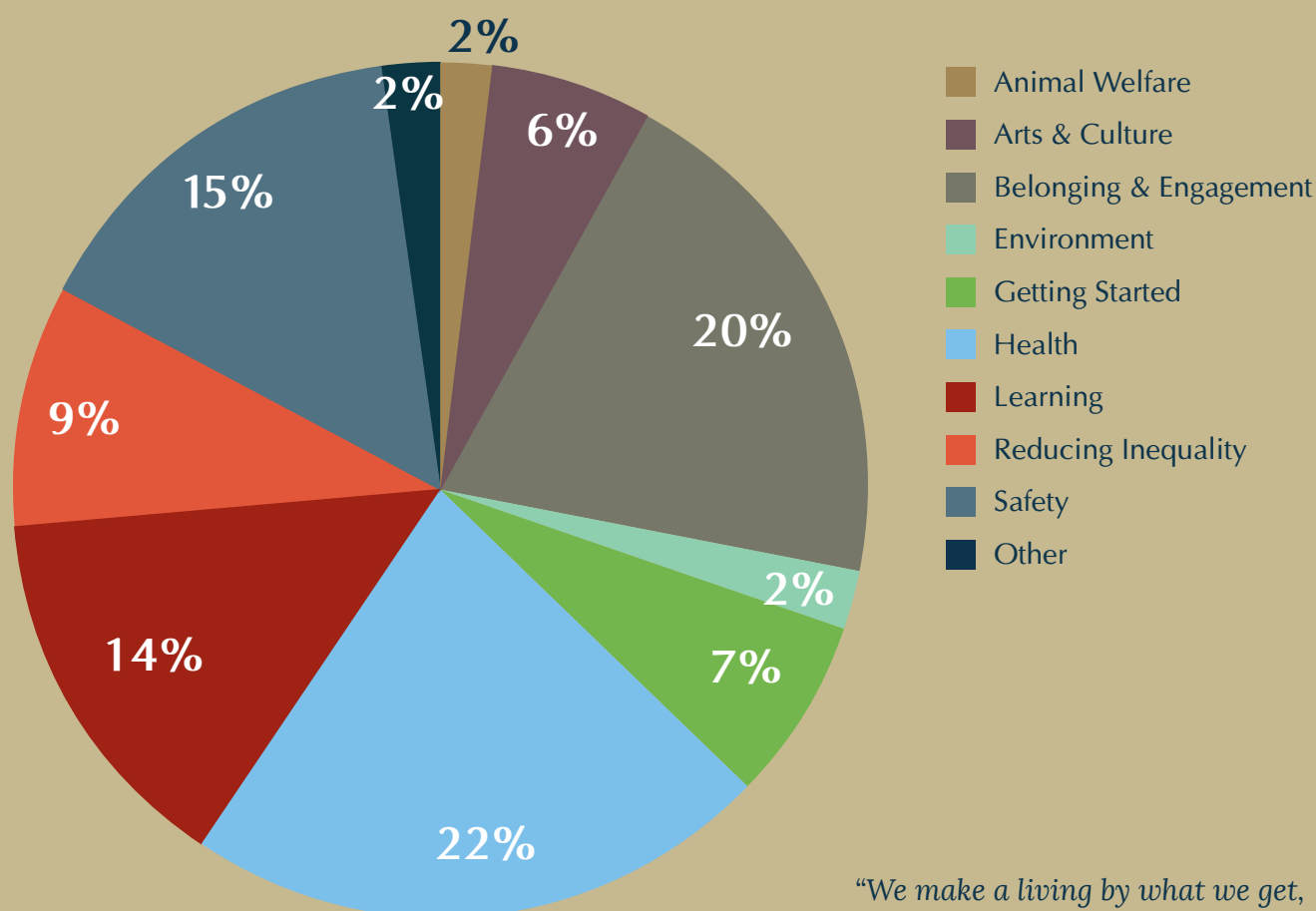
ORGANISATION	DONOR		
Socialink	P&C Toop	\$	5,000
Amped4Life Trust	J Chappell-Mathias, G&S Laing	\$	3,000
Anglican Care Waiapu	B Sutherland, P&C Toop	\$	15,000
Bay of Plenty Sailing Academy Trust	Sally's Angels Giving Circle	\$	2,000
Bellyful Tauranga	J Chappell-Mathias	\$	1,200
BOP Therapy Foundation	Anon	\$	3,000
Brave Hearts	J Chappell-Mathias, First XI Giving Circle, Anon	\$	7,333
Breakthrough Forum	J Chappell-Mathias	\$	10,000
Brookfield School	J Chappell-Mathias, B&J Currie	\$	3,485
Citizens Advice Bureau Whakatane	The Tindall Foundation	\$	5,000
Coastguard Maketu	D&S Campbell	\$	2,000
Cool Bananas Youthwork Trust	Anon	\$	3,000
Detour Theatre Trust	J Chappell-Mathias	\$	3,000
EmpowermentNZ Charitable Trust	The Tindall Foundation, D&L Caird	\$	8,000
Families Achieving Balance	J Chappell-Mathias	\$	5,000
Get Smart Tauranga Trust	J Chappell-Mathias	\$	5,000
Good Neighbour Aotearoa Trust	The Tindall Foundation	\$	5,000
Grief Support Services	J Chappell-Mathias	\$	3,000
Growing Through Grief - Te Puke	B Sutherland	\$	1,000
Habitat for Humanity (Tauranga) Ltd	The Tindall Foundation	\$	6,080
Hawaiki Rising Voyaging Trust	R Preston-Thomas	\$	2,000
Homes of Hope Charitable Trust	J Chappell-Mathias, M Sutherland	\$	3,000
House of Science Tauranga	PW Goodyear	\$	5,000
Institute for Child Protection Studies	J Chappell-Mathias	\$	3,000
Katikati Community Centre	The Tindall Foundation	\$	10,000
Katikati Maori Wardens	P&C Toop	\$	3,000
Kawerau And Districts Ageing in Place	The Tindall Foundation	\$	5,000
Kawerau Blue Light Ventures	The Tindall Foundation	\$	5,000
Kidz Need Dadz	The Tindall Foundation	\$	5,000
Life Education Trust WBOP	P&C Toop	\$	2,000
Live For More Charitable Trust	R Preston-Thomas, Tauranga Police CIB Charitable Trust Fund	\$	5,000
Merivale Community Centre	J Chappell-Mathias, F McGrogan, The Tindall Foundation	\$	10,000
Mockingbird Incorporated	J Chappell-Mathias, M&C George, J&P Laing	\$	5,000
Multicultural Tauranga	J Chappell-Mathias	\$	2,000
NumberWorks'nWords Tauranga	J&P Laing, J Round	\$	3,500
NZ Council of Victim Support Groups Inc	J Chappell-Mathias, A Coad	\$	2,000
Open Home Foundation BOP	M&T Duncan	\$	4,000
Ora Charitable Trust	L Wootton, Sally's Angels Giving Circle	\$	5,150
Otumoetai Toy Library	P&C Toop	\$	1,000
Pacific Island Community (Tauranga) Trust	J Chappell-Mathias, The Tindall Foundation	\$	10,000
Papamoa Toy Library	P&C Toop, L Wootton	\$	1,000
Parent to Parent Coastal BOP	E Brown	\$	2,000
People First New Zealand	J Chappell-Mathias	\$	2,000
Royal NZ Plunket Society BOP	L Wootton	\$	4,000
Safe Surfer	First XI Giving Circle, P&C Toop	\$	4,333
St Peters House	J Chappell-Mathias, M&T Duncan, B Sutherland	\$	8,000
Starjam Charitable Trust	E Brown, J Chappell-Mathias	\$	2,000
Tauranga Christian Community Trust	J Chappell-Mathias, Anon	\$	8,000
Tauranga Community Housing Trust	P&C Toop	\$	4,000
Tauranga Moana Nightshelter Trust	J Chappell-Mathias, M&G Read-Smith	\$	10,000
Tauranga Riding for the Disabled	E Macrae	\$	2,104
Tauranga South Community Patrol	P&C Toop	\$	1,000
Tauranga Volunteer Coastguard	P&C Toop	\$	2,000
Tauranga Women's Collective, Shakti Ethnic Women's Refuge, BOPSASS	Acorn Vital Impact Fund, J Chappell-Mathias, B Sutherland, P&C Toop, Tauranga Help, Tauranga Police CIB Charitable Trust Fund, E Trowbridge, Anon	\$	61,400
Te Aranui Youth Trust	P&C Toop	\$	4,000
Te Puke Toy Library	D&L Caird, B Sutherland	\$	2,000
The Clothing Project	The Tindall Foundation	\$	5,000

The Health and Educational Martial Arts Charitable Trust	P&C Toop, R Preston-Thomas	\$ 3,000
The Parenting Place	J Chappell-Mathias	\$ 2,000
The Search Party Charitable Trust	B Sutherland	\$ 5,000
Tumanako Hou Trust Whakatane	The Tindall Foundation	\$ 5,000
Volunteering Bay of Plenty	B Sutherland	\$ 3,000
Waihi Beach Community Centre	P&C Toop	\$ 2,000
Welcome Bay Community Centre	J Chappell-Mathias	\$ 8,000
Western Bay Heritage Trust	R Preston-Thomas	\$ 2,000
Whakatane Menz Shed	The Tindall Foundation	\$ 5,000
Whanau Awhina Women's Refuge	The Tindall Foundation	\$ 5,000
Youth Development Trust Western BOP	D&S Campbell, J Chappell-Mathias, Tinholt Family Fund, P&C Toop	\$ 7,508
Youth Encounter Ministries Trust	B Sutherland	\$ 2,000

TOTAL \$359,094

GRAND TOTAL FOR 2017 GRANTS \$854,879

2017 DISTRIBUTIONS BY VITAL SIGNS® CATEGORIES



*"We make a living by what we get,
but make a life by what we give."*

Winston Churchill

ACORN FOUNDATION
PERFORMANCE REPORT
FOR THE YEAR ENDED 30 JUNE 2017



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Lellman Wearne Limited
Certified Practising Accountants
15 September 2017

**ACORN FOUNDATION
DIRECTORY & ACKNOWLEDGEMENTS
AS AT 30 JUNE 2017**

Year of Formation	2003
Trustees	Glenn Keaney - Chair Peter Tinholt - Deputy Chair Andrew Cameron Nancy Hogg Jane Nees Anthony Ririnui Lesley Jensen Graeme Horsley Michael Attwood
Staff	Nicky Wilkins - General Manager Margot McCool - Operations Manager Estelle Steinmann - Administration Manager Tracey Watters - Donor & Communication Manager
Charities Commission Number	CC10784
Contact Details	P.O Box 13604 Tauranga Phone: 07 579 9839 Email: officeadmin@acornfoundation.org.nz
Accountant	Lellman Wearne Limited P.O. Box 87 Tauranga
Auditor	Ingham Mora P.O. Box 222 Tauranga
Bank	Bank of New Zealand Limited Tauranga

Acknowledgements

The Acorn Foundation is very grateful to the following people and organisations who gave their time and resources generously during the year:

Craigs Investment Partners: Discounted fund management and sponsorship.



BNZ: Sponsorship.



**ACORN FOUNDATION
ENTITY INFORMATION
AS AT 30 JUNE 2017**

Legal Name of Entity:	Acorn Foundation
Type of Entity and Legal Basis	Charitable Trust, Registered Charity
Charities Commission Number	CC10784

Acorn's Purpose or Mission

Community Foundations are one of the fastest growing forms of philanthropy internationally and it is encouraging to see people who want to 'give where they live'. The Acorn Foundation's vision is to make the Western Bay of Plenty region a better place, forever.

Our mission is to inspire and enable generosity to benefit our local community, forever. We encourage people to consider leaving a gift in their will (and/or) during their lifetime to benefit this region. The capital remains intact, annual distributions are made from individual's endowment funds and the distributions are made locally.

At the heart of everything we do, is building strong communities. We have a unique ability to match people who care with causes that matter.

Entity Structure

The Acorn Foundation Board of Trustees (all voluntary positions) comprises up to nine Trustees, of whom:

- One is appointed by the Mayor of Tauranga City Council
- One is appointed by the Mayor of Western BOP District Council
- Two are appointed by the Waikato/Bay of Plenty District Law Society
- One is appointed by the Tauranga Chamber of Commerce
- Up to four are appointed by the other Acorn Board Trustees

Certain tasks are allocated to Committees, but ultimately the Board is responsible. There is an Investment Advisory Committee, a Distribution Committee and an Audit, Risk & Policy Committee, each of which have Trustee representation as well as specialist members as required.

The underlying investments are managed by Craigs Investment Partners, which acts in accordance with the SIPO, which is approved by the Trustees.



**ACORN FOUNDATION
ENTITY INFORMATION
AS AT 30 JUNE 2017**

Main Sources of the Entity's Cash and Resources

The main source of revenue is endowment fund donations from local donors to support their community. Donations are pooled and invested. The capital remains intact, and the investment income is used to make distributions annually to charities and community groups primarily in the Western Bay of Plenty.

When making distributions, Donor wishes are paramount. They can choose which groups to support, or leave the decision to our Trustees and Distributions Committee who decide each year where the distributions are best needed.

Donor's can:

- Leave a gift in their will and/or
- Donate during their lifetime and have the pleasure of seeing their money make a difference (and receive 33.3% tax credit).

Donors are invited to make an establishment donation towards the operating expenses of the Foundation and some donors choose to support Acorn's operations annually.

The other main source of revenue is from investments.

Main Methods Used by the Entity to Raise Funds

Other than endowment donations and investment income, the main source of funds is administration fees, general donations and funding from Corporate Partners.

The Foundation arranges the distribution of net annual income generated by the endowment fund. The Foundation receives an administration fee of 1% of the fund value for its services.

Corporate Partners provide substantial support each year, allowing the Acorn Foundation to administer the donor funds in the first instance, continue to build the profile of the Foundation and encourage other potential donors to set up a fund.

Entity's Reliance on Volunteers and Donated Goods or Services

Trustees and committee members are all volunteers. From time to time we receive donated items to use in our office. Various services are offered to the organisation in-kind or at a reduced rate (eg. Rent, accountancy services, legal services, audit services, website development, investment management, marketing).

Contact Details:

Physical Address	78 First Avenue Tauranga
Postal Address	P.O Box 13604 Tauranga
Phone	07 579 9839
Email	officeadmin@acornfoundation.org.nz
Website	www.acornfoundation.org.nz
Facebook	www.facebook.com/AcornFoundation
Twitter	www.twitter.com@acornfndnnz



ACORN FOUNDATION
STATEMENT OF SERVICE PERFORMANCE
FOR THE YEAR ENDED 30 JUNE, 2017

Description of the Entity's Outcomes:

1. Donors recognise Acorn for our expertise in all aspects of philanthropy and knowledge and understanding of the local community (e.g. Vital Signs).
2. All donors feel valued and appreciated, knowing that Acorn understands their individual visions and desires.
3. Increase the number of funds established from marketing.
4. Professional advisor firms endorsing Acorn.
5. Plan for Acorn's inevitable growth and staff accordingly.
6. Acorn is confident it is helping to address the key issues in the local community.

Description and Quantification (to the extent practicable) of the Entity's Outputs:	Actual This Year	Budget This Year	Actual Last Year
New donor funds established	30	28	28
Total endowment funds	279	284	252
Number of donors giving to their fund during their lifetime	25	35	23
Donations in the current year from living donors	\$767,946	\$600,000	\$883,926
Value of Funds Under Management (\$)	\$18,670,720	\$20,000,000	\$15,918,444
Number of donors making "pass through" donations	9	12	6
Value of pass through donations received	\$110,414	\$100,000	\$100,824
Number of community groups that receive Acorn Funding	105	Not Budgeted	88
Tagged Distributions from donor funds	\$370,411	Not Budgeted	\$224,145
Unrestricted distributions from donor funds	\$283,769	Not Budgeted	\$193,407
Value of pass through donations paid	\$95,314	Not Budgeted	\$104,424
Value of Tindall Foundation pass through distributions	\$75,104	Not Budgeted	\$82,531
Total Distributions	<u>\$824,598</u>		<u>\$604,507</u>

Additional Output Measures:

It is essential for the continued growth of the Acorn Foundation that all donors feel valued and appreciated, knowing that Acorn understands their individual visions and desires.

This is evidenced in the following comments from an Acorn donor. "What I really like about the Acorn concept, is your endowment is encapped for perpetuity, and your gift to the community goes on and on. That is the greatest thing you can do, to set up something that continues to give."

Acorn conducts a market research every 2 years among our target audience (40+) to measure the awareness and understanding of Acorn.



**ACORN FOUNDATION
INCOME STATEMENT**

FOR THE YEAR ENDED 30 JUNE, 2017


	Note	2017			2016		
		Endowment Account \$	Admin Account \$	Total \$	Endowment Account \$	Admin Account \$	Total \$
<u>Income</u>							
Donations Received	4 (a)	2,714,908	180,559	2,895,467	2,096,628	169,366	2,265,995
Interest, Dividends & Other Investment Income	4 (b)	902,117	7,514	909,631	840,701	8,228	848,929
Revenue From Providing Goods & Services	4 (c)	-	96,791	96,791	-	24,105	24,105
Administration Fee For Funds Under Management (1%)	4 (e)	-	165,943	165,943	-	143,587	143,587
Other Revenue		-	-	-	-	-	-
		3,617,025	450,807	4,067,832	2,937,329	345,286	3,282,615
<u>Less Expenses</u>							
Grants	5 (a)	734,180	-	734,180	367,552	-	367,552
Acorn 'Administration' Fee	4 (e)	165,943	-	165,943	143,587	-	143,587
Expenses Related To Public Fundraising	5 (b)	-	89,692	89,692	-	72,224	72,224
Volunteer & Employee Related Costs	5 (c)	-	169,283	169,283	-	160,282	160,282
Other Expenses	5 (d)	24,780	131,678	156,458	20,824	75,306	96,130
		924,903	390,654	1,315,557	531,963	307,812	839,775
Surplus (Deficit) For The Year		2,692,122	60,153	2,752,276	2,405,366	37,474	2,442,841




**ACORN FOUNDATION
BALANCE SHEET
AS AT 30 JUNE 2017**

	Note	2017 \$	2016 \$
<u>Assets</u>			
<u>Current Assets</u>			
Bank Accounts & Cash	6 (a)	92,223	196,765
Debtors & Prepayments	6 (b)	23,074	7,547
Investments	6 (d)	578,367	-
Other Current Assets	6 (c)	64,381	49,437
		<u>758,045</u>	<u>253,749</u>
<u>Non-Current Assets</u>			
Investments	6 (d)	18,248,358	15,998,773
Property, Plant & Equipment	7	2,312	1,066
Intangible Assets	8	9,206	-
		<u>18,259,876</u>	<u>15,999,839</u>
Total Assets		<u><u>19,017,921</u></u>	<u><u>16,253,588</u></u>
<u>Liabilities and Equity</u>			
<u>Current Liabilities</u>			
Creditors & Accrued Expenses		13,375	22,553
Employee Costs Payable		10,677	9,437
Distributions Payable	6 (e)	65,000	55,000
Pass Through Funds		24,150	9,050
Tindall Grants In Advance		-	75,104
		<u>113,201</u>	<u>171,144</u>
<u>Non-Current Liabilities</u>			
Distributions Payable	6 (e)	234,000	164,000
		<u>234,000</u>	<u>164,000</u>
Total Liabilities		<u><u>347,201</u></u>	<u><u>335,144</u></u>
<u>Equity</u>			
Endowment Funds - Reserves	9	17,854,736	15,071,997
Endowment Funds - Distribution Reserves	9	486,064	576,681
Accumulated Surpluses	9	329,920	269,767
Total Equity		<u><u>18,670,720</u></u>	<u><u>15,918,444</u></u>
Total Liabilities and Equity		<u><u>19,017,921</u></u>	<u><u>16,253,588</u></u>

Signed for and on behalf of the Board:



Trustee



Trustee

18/9/2017

Date

18/9/2017

Date



**ACORN FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	2017	2016
		\$	\$
Cash Flows from Operating Activities			
Cash was received from:			
Donations Received		3,000,881	2,512,478
Interest, Dividends & Other Investment Income		606,512	628,028
Revenue From Providing Goods & Services		80,591	24,102
Net GST from IRD		-	152
		<u>3,687,984</u>	<u>3,164,760</u>
Cash was applied to:			
Grants		819,598	592,531
Expenses Related To Public Fundraising		97,492	76,072
Volunteer & Employee Related Costs		165,455	150,455
Other Expenses		156,774	93,788
Net GST to IRD		739	-
		<u>1,240,058</u>	<u>912,847</u>
Net Cash Flows from Operating Activities		<u>2,447,926</u>	<u>2,251,913</u>
Cash Flows from Investing Activities			
Cash was received from:			
Investments		950,327	150,000
		<u>950,327</u>	<u>150,000</u>
Cash was applied to:			
Investments		3,490,104	2,649,667
Property, Plant & Equipment Additions		2,611	963
Intangibles		10,080	-
		<u>3,502,796</u>	<u>2,650,631</u>
Net Cash Flows from Investing Activities		<u>(2,552,469)</u>	<u>(2,500,631)</u>
Cash Flows from Financial Activities			
Cash was received from:			
Loans Repaid		-	45,000
		<u>-</u>	<u>45,000</u>
Net Cash Flows from Financial Activities		<u>-</u>	<u>45,000</u>
Net Decrease in Cash Held		(104,543)	(203,716)
Cash at the Beginning of the Year		196,765	400,481
Cash at the End of the Year		<u>92,223</u>	<u>196,765</u>



ACORN FOUNDATION

NOTES TO THE PERFORMANCE REPORT FOR THE YEAR ENDED 30 JUNE 2017

1. STATEMENT OF ACCOUNTING POLICIES

(a) Reporting Entity

The Performance Report presented here is for Acorn Foundation: a non-profit organisation registered and incorporated under the Charitable Trusts Act 1957 and registered under the Charities Act 2005. Acorn Foundation was established under a trust deed dated 25 July 2003.

(b) Basis Of Reporting

Acorn Foundation 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.

2. PARTICULAR ACCOUNTING POLICIES

(a) Goods and Services Tax (GST)

The Performance Report has been prepared on a GST exclusive basis except for Debtors and Creditors which are shown GST inclusive. Where GST is not recoverable it is recognised as part of the asset cost or expensed as appropriate.

(b) Investments

Investments in listed equity and fixed interest securities are stated at fair value. This is an allowable departure from PBE SFR-A (NFP), based on the appropriate standard IPSAS 29 Financial Instruments. Upon initial recognition, attributable transaction costs are recognised in the Income Statement when incurred. Subsequent to initial recognition, investments in listed equity and fixed interest securities are measured at fair value, and changes therein are recognised in the Income Statement.

Non-quoted or unlisted securities are initially recognised at cost or, if donated, at fair value which is deemed as cost. After initial recognition, they are carried at lower of cost or net realisable value.

Purchases and sales of investments are recognised on the trade date or the date on which the Foundation commits to purchase or sell the asset.

(c) Revenue

Investment income – refer to policy (b) for movements in fair value of investments.

Dividend income is recognised on the date that the Foundation's right to receive payments is established.

Interest income is recognised as it accrues.

Donations are recognised on the date they are received.

(d) Distributions Expenditure and Distributions Payable

The Foundation makes discretionary distributions, some of which have been nominated by Donors of endowment funds. The distributions are recognised as an expense at the point at which the payment of the distribution has been approved by the Trustees and the recipient of the distribution does not have any further obligations to meet in order to receive the distribution.

Distributions payable are those distributions which have been approved, there are no further obligations to be met however the distribution has not been paid by the reporting date.

Where distributions have been approved in the current or previous years, but are subject to the fulfilment of certain conditions in future years, they are treated as contingent liabilities (note 3(b)).



ACORN FOUNDATION

NOTES TO THE PERFORMANCE REPORT FOR THE YEAR ENDED 30 JUNE 2017

(e) Endowment Funds Revenue

Endowment funds received are treated as other income and are recognised on the date they are received. Endowment fund balances are maintained as part of equity in the Balance Sheet.

(f) Acting as an Agent

Amounts paid on behalf of others (that is, as agent of another entity) are not treated as revenue and expenses of Acorn Foundation. Any fee that is earned for acting as the agent is treated as revenue. This occurs in relation to Tindall Foundation grants and other pass through funds where Acorn Foundation acts as an agent.

(g) Property, Plant & Equipment

Property, Plant & Equipment are recognised at cost less aggregate depreciation. Depreciation has been calculated over the estimated useful life of the assets. Gains and losses on disposal of fixed assets are taken into account in determining the operating result for the year.

(h) Intangible Assets

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets are not capitalised and expenditure is recognised in the Income Statement in the year in which the expenditure is incurred. Intangible assets are amortised on a systematic basis over their estimated useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired.

(i) Changes in Accounting Policies

There have been no changes in accounting policies during the financial year.

3. GENERAL NOTES

(a) Capital Expenditure

There are no commitments for capital expenditure at balance date (Last Year - nil).

(b) Contingent Liabilities

There are no contingent liabilities at year end (Last Year - nil).

(c) Related Party Disclosures

		30 June 2017	30-Jun-16	30 June 2017	30-Jun-16
		\$	\$	\$	\$
		Value of	Value of	Amount	Amount
		Transactions	Transactions	Outstanding	Outstanding
General Manager has significant influence over the trust, as they are involved in the strategic management of the trust	The general manager is employed by the trust and paid a part time salary.	73,000	71,015	5,169	7,067

Michael Attwood is a trustee and also a partner at Burley Attwood. Burley Attwood provided legal services in kind. The estimated total value of the work if charged at commercial rates is \$3,000.

Trustees regularly provide their time and skill to the oversight and operating of the trust at no charge.



ACORN FOUNDATION

NOTES TO THE PERFORMANCE REPORT FOR THE YEAR ENDED 30 JUNE 2017

(d) Events After Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report.

4. ANALYSIS OF REVENUE

30 June 2017 30 Jun 2016
\$ \$

(a) Donations Received

Endowment Funds Received	2,714,908	2,096,628
Donations - General	69,385	69,910
Corporate Donations	19,130	21,457
Establishment Donations	79,000	68,000
Legacy Trust	13,043	10,000
	<u>2,895,467</u>	<u>2,265,995</u>

(b) Interest, Dividends & Other Investment Revenue:

Investment Portfolio Increase (Decrease) in Value	288,175	195,876
Interest Received	370,737	359,141
Dividends Received	250,719	293,912
	<u>909,631</u>	<u>848,929</u>

(c) Revenue From Providing Goods & Services

Bay Trust Grants - Vital Signs Project	-	11,051
Other Vital Signs Project Revenues	96,791	-
Pass Through Funds Administration Fee	-	13,054
	<u>96,791</u>	<u>24,105</u>

(e) Administration Fee for Funds Under Management

The Acorn 'Administration Account' charge a 1% administration fee for funds under management which is deducted as an expense from the 'Endowment Account'.

5. ANALYSIS OF EXPENSES

30 June 2017 30 Jun 2016
\$ \$

(a) Grants

Current Year Distributions Approved	604,180	367,552
Multi Year Distributions Approved	130,000	-
	<u>734,180</u>	<u>367,552</u>

(b) Expenses Related To Public Fundraising

Promotion & Publicity	89,692	72,224
	<u>89,692</u>	<u>72,224</u>

(c) Volunteer & Employee Related Costs

Wages & Kiwisaver	169,283	160,282
	<u>169,283</u>	<u>160,282</u>



ACORN FOUNDATION

NOTES TO THE PERFORMANCE REPORT FOR THE YEAR ENDED 30 JUNE 2017

(d) Other Expenses

Audit Fee	3,780	4,230
Depreciation	1,366	499
Amortisation of Intangible Assets	874	-
Vital Signs Project*	51,000	7,571
Investment Portfolio Management Fee	24,780	20,824
Other Expenses	74,659	63,006
	<u>156,458</u>	<u>96,130</u>

*Acorn is coordinating a Vital Signs research project, in conjunction with the Eastern Bay of Plenty Community Foundation, the Geyser Community Foundation and other local funders. Key Research is conducting the research and analysis, with the results publicised in February 2018

6. ANALYSIS OF ASSETS & LIABILITIES

	2017 \$	2016 \$
(a) Bank Accounts & Cash		
Grants Account	70,152	112,173
Operations Account	22,071	20,899
Call Account	0	63,693
	<u>92,223</u>	<u>196,765</u>
(b) Debtors & Prepayments		
Debtors	18,630	-
Prepayments	3,365	2,658
GST Receivable	1,079	4,889
	<u>23,074</u>	<u>7,547</u>
(c) Other Current Assets		
Interest Receivable	64,381	49,437
	<u>64,381</u>	<u>49,437</u>
(d) Investments		
Fixed Interest Securities - NZ	7,294,350	5,978,946
Listed Property Equities - NZ	1,080,347	1,024,179
Listed Property Equities - Australia	381,478	234,595
Listed Property Equities - International	80,812	199,855
Listed Equities - NZ	2,774,961	2,189,705
Listed Equities - Australia	1,946,017	1,527,687
Listed Equities - International	1,411,826	1,240,401
Short Term Deposits - NZ	3,316,217	2,963,547
Short Term Deposits - Australia	1	148
Short Term Deposits - International	540,716	639,710
	<u>18,826,725</u>	<u>15,998,773</u>
Investments (current)	578,367	-
Investments (non-current)	<u>18,248,358</u>	<u>15,998,773</u>
	<u>18,826,725</u>	<u>15,998,773</u>
(e) Distributions Payable		
Robin & Anne Scoular Scholarship: Final Installment (i)	5,000	5,000
Youth Development Trust WBOP (ii)	-	50,000
Social Link (iii)	30,000	-
Tauranga Womens Collective Inc (iv)	100,000	-
St John Ambulance Te Puke (v)	164,000	164,000
	<u>299,000</u>	<u>219,000</u>
Distributions Payable - Current	65,000	55,000
Distributions Payable - Non-Current	<u>234,000</u>	<u>164,000</u>
Total	<u>299,000</u>	<u>219,000</u>



ACORN FOUNDATION

NOTES TO THE PERFORMANCE REPORT FOR THE YEAR ENDED 30 JUNE 2017

- (i) The Robin and Anne Scoular scholarship emolument is paid in two instalments each year, one paid following confirmation of enrolment and one at the start of the second semester, subject to the recipient successfully passing all papers in which he/she is enrolled at the tertiary institute, and continuing in fulltime tertiary study.
- (ii) On 18 August 2014, The Acorn Foundation approved a multi-year grant totalling \$120,000 to Youth Development Trust Western BOP (the Organisation) for the years 2015 to 2017. \$20,000 was paid in 2015, \$50,000 was paid in 2016 and \$50,000 in 2017.
- (iii) Multiyear funding to Social Link of \$10,000 per year for 2017 through to 2019 has been approved by the board.
- (iv) Multiyear funding to the Tauranga Womens Collective Inc of \$50,000 per year to be paid in August 2017 and August 2018 has been approved by the board.
- (v) These funds are to be made available to St Johns (Te Puke) in 2024, for the purchase of a replacement ambulance, on behalf of an Acorn Foundation donor.

7 PROPERTY, PLANT & EQUIPMENT

	Cost	Depn. Charged	Accumulated Depn.	Closing Book Value
Property, Plant & Equipment 2017	\$	\$	\$	\$
Office Equipment	6,086	1,366	3,774	2,312
Total Property, Plant & Equipment	<u>6,086</u>	<u>1,366</u>	<u>3,774</u>	<u>2,312</u>

	Cost	Depn. Charged	Accumulated Depn.	Closing Book Value
Property, Plant & Equipment 2016	\$	\$	\$	\$
Office Equipment	3,474	499	2,408	1,066
Total Property, Plant & Equipment	<u>3,474</u>	<u>499</u>	<u>2,408</u>	<u>1,066</u>

8 INTANGIBLE ASSETS

	Cost	Amortisation Charged	Accumulated Amortisation	Closing Book Value
Intangible Assets 2017	\$	\$	\$	\$
Website & Software	10,080	874	874	9,206
Total Intangible Assets	<u>10,080</u>	<u>874</u>	<u>874</u>	<u>9,206</u>

	Cost	Amortisation Charged	Accumulated Amortisation	Closing Book Value
Intangible Assets 2016	\$	\$	\$	\$
Total Intangible Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>



ACORN FOUNDATION

NOTES TO THE PERFORMANCE REPORT
FOR THE YEAR ENDED 30 JUNE 2017

9. EQUITY & RESERVES	Endowment Fund - Reserve (from Donors)	Endowment Fund - Distributions Reserve	Accumulated Surpluses	Total
	\$	\$	\$	\$
2017				
Opening Balance	15,071,997	576,681	269,767	15,918,444
Net Surplus	-	-	2,752,276	2,752,276
Transfer to Reserves	2,782,739	(90,617)	(2,692,122)	-
Closing Balance	17,854,736	486,064	329,920	18,670,720
2016				
Opening Balance	12,920,898	322,413	232,292	13,475,603
Net Surplus	-	-	2,442,841	2,442,841
Transfer to Reserves	2,151,099	254,267	(2,405,366)	-
Closing Balance	15,071,997	576,681	269,767	15,918,444



INDEPENDENT AUDITOR'S REPORT

To the Trustees of Acorn Foundation

Qualified Opinion

We have audited the performance report of Acorn Foundation ("the Trust") on pages 3 to 14, which comprises the entity information and the balance sheet as at 30 June 2017, the statement of service performance, income statement and statement of cash flows for the year then ended and a summary of significant 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 performance report presents fairly, in all material respects:
 - the entity information for the year then ended;
 - the service performance for the year then ended; and
 - the financial position of the Trust as at 30 June 2017 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) issued by the New Zealand Accounting Standards Board.

Basis for Qualified Opinion

The Acorn Foundation received income during the year from general donations of \$51,076. We were unable to obtain sufficient appropriate audit evidence regarding this income as, in common with other organisations of a similar nature, control over this income prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control. Consequently, we were unable to determine whether any adjustments to this income were necessary.

We conducted our audit of the income statement, balance sheet, 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). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of the Trust 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, Acorn Foundation.

Responsibilities of The Trustees for the Performance Report

The Trustees are responsible 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 on behalf of the entity 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 by the New Zealand Accounting Standards Board, and
- c) for such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible on behalf of the Trust for assessing the Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the 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) and ISAE (NZ) 3000 (Revised) 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 this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust'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 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 Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Trustees 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.

The engagement partner on the audit resulting in this independent auditor's report is Richard Dey.

Ingham Mora

INGHAM MORA

Tauranga

19 September 2017

ACORN'S PAST TRUSTEES

Bill Holland (Chair 2003 - 2011)

Ngawa Hall

Cheryl Adams

Vern Pain

Warwick (Tony) Mills

Peter Farmer

Katy Smith

Gary Gempton

John Gooch

Ross Paterson

Paul Washer

Dean Wearne

Richard Cashmore

Jan Hickson

Sally Morrison (Chair 2011 - 2014)

Tracy Rea

John Calder

Carolyn Port

Matt Tustin

ACORN'S DISTRIBUTIONS COMMITTEE 2017

Andy Cameron (Chair)

Nancy Hogg

Lesley Jensen

Peter Tinholt

Martin Steinmann

Theresa Tingey

Jo Gravit

Marina Kawe-Peautolu

ACORN'S INVESTMENT ADVISORY COMMITTEE 2017

Graeme Horsley (Chair)

Anthony Ririnui

Matt Tustin

Dean Camplin

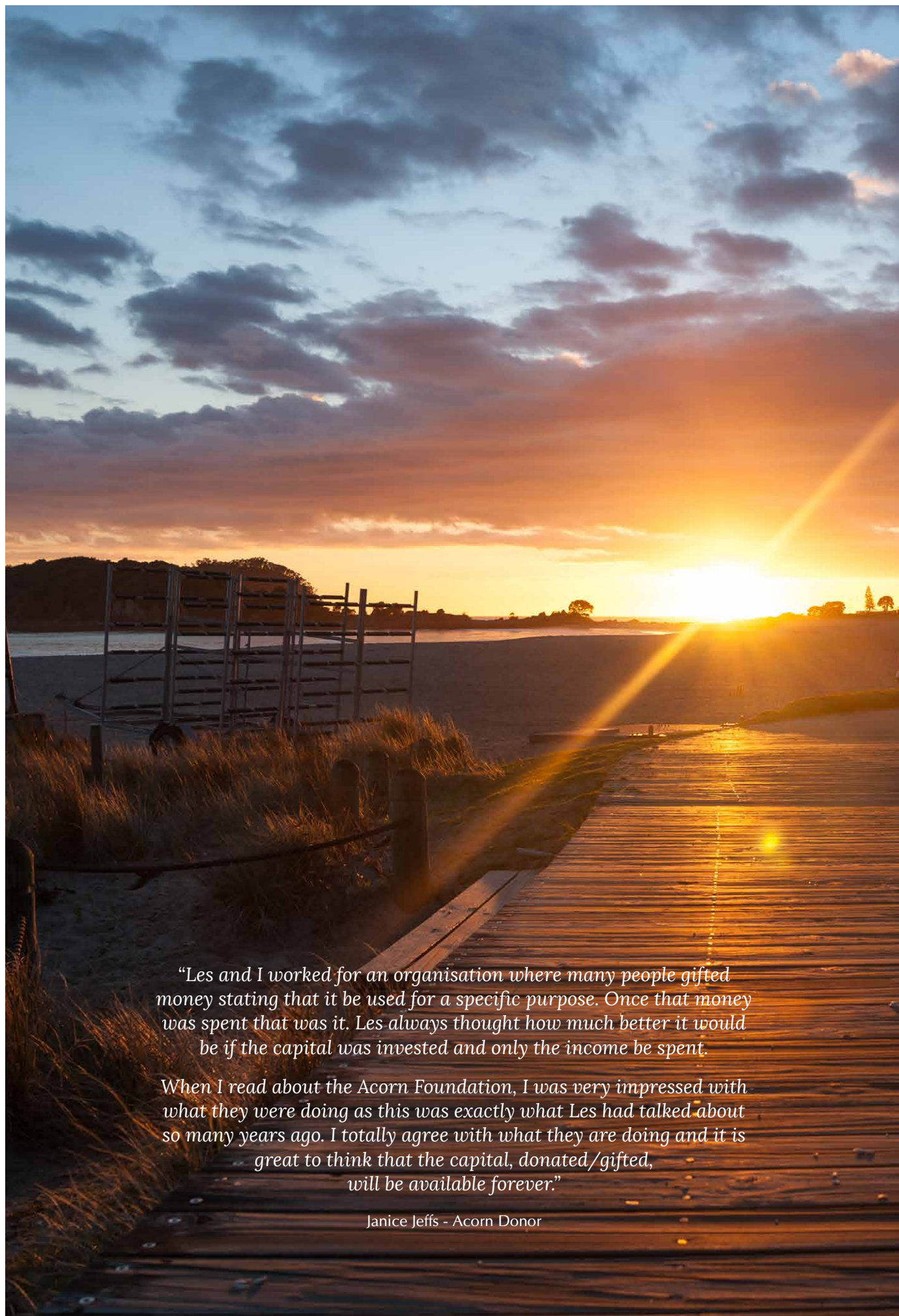
James Beale

Investment Manager: Craigs Investment Partners

WITH THANKS

The Acorn Foundation is very grateful to the inaugural trustees and those who have governed since. Also to those who volunteer their wisdom and experience on our Distributions and Investment Advisory committees. Thank you for your pro bono support and leadership.








“Les and I worked for an organisation where many people gifted money stating that it be used for a specific purpose. Once that money was spent that was it. Les always thought how much better it would be if the capital was invested and only the income be spent.

When I read about the Acorn Foundation, I was very impressed with what they were doing as this was exactly what Les had talked about so many years ago. I totally agree with what they are doing and it is great to think that the capital, donated/gifted, will be available forever.”

Janice Jeffs - Acorn Donor



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with causes that matter - Forever

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