



**EXPLANATORY GUIDE A5 (EG A5)**  
**OPTIONAL TEMPLATE AND ASSOCIATED GUIDANCE NOTES FOR**  
**APPLYING PUBLIC BENEFIT ENTITY SIMPLE FORMAT REPORTING –**  
**ACCRUAL (NOT-FOR-PROFIT)**

**Issued by the New Zealand Accounting Standards Board**

November 2013 and incorporates amendments to 12 July 2018

**Relevant to reporting for periods beginning on or after 1 January 2019**

This Explanatory Guide provides a template and associated guidance notes for optional application by Tier 3 not-for-profit entities that are preparing a Performance Report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) (PBE SFR-A (NFP)).

This Explanatory Guide is an explanatory document and has no legal status.

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**OPTIONAL TEMPLATE FOR APPLYING  
PUBLIC BENEFIT ENTITY SIMPLE FORMAT REPORTING – ACCRUAL (NOT-  
FOR-PROFIT)**

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**[Name]**  
**Performance Report**  
For the year ended  
**[Financial Year End]**

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| <b>Non-Financial Information:</b>  |                      |
| Entity Information                 | [enter page numbers] |
| Statement of Service Performance   |                      |
| <b>Financial Information:</b>      |                      |
| Statement of Financial Performance |                      |
| Statement of Financial Position    |                      |
| Statement of Cash Flows            |                      |
| Statement of Accounting Policies   |                      |
| Notes to the Performance Report    |                      |

*[If the entity has an Independent Auditors Report or Independent Review Report - add this to your contents and attach to the Performance Report]*

**[Name]**  
**Entity Information**  
 "Who are we?", "Why do we exist?"  
 For the year ended  
**[Financial Year End]**

Guidance  
 Section 3

|     |                        |  |
|-----|------------------------|--|
| E11 | Legal Name of Entity:* |  |
|-----|------------------------|--|

|     |                                |  |
|-----|--------------------------------|--|
| E12 | Other Name of Entity (if any): |  |
|-----|--------------------------------|--|

|     |   |  |
|-----|---|--|
| E13 | Type of Entity and Legal Basis (if any):* |  |
|-----|---|--|

|     |                      |  |
|-----|----------------------|--|
| E14 | Registration Number: |  |
|-----|----------------------|--|

|     |                                |  |
|-----|--------------------------------|--|
| E15 | Entity's Purpose or Mission: * |  |
|-----|--------------------------------|--|

|     |                     |  |
|-----|---------------------|--|
| E16 | Entity Structure: * |  |
|-----|---------------------|--|

Required sections are marked with an asterisk "\*"

**[Name]**

**Entity Information**

"Who are we?", "Why do we exist?"

For the year ended

**[Financial Year End]**

Section 3

E17

Main Sources of the Entity's Cash and Resources:\*

|  |
|--|
|  |
|--|

E18

Main Methods Used by the Entity to Raise Funds:\*

|  |
|--|
|  |
|--|

E19

Entity's Reliance on Volunteers and Donated Goods or Services: \*

|  |
|--|
|  |
|--|

Required sections are marked with an asterisk "\*"

**[Name]**  
**Entity Information**  
 "Who are we?", "Why do we exist?"  
 For the year ended  
**[Financial Year End]**

|     |                          |
|-----|--------------------------|
| E10 | Additional Information:* |
|     |                          |

Required sections are marked with an asterisk.\*

|  |                        |
|--|------------------------|
| Section 3<br>E11   | <b>Contact details</b> |
| Physical Address:  |                        |
|  |                        |
| Postal Address:  |                        |
|  |                        |
| Phone/Fax:   |                        |
|  |                        |
| Email/Website:   |                        |
|  |                        |
| <div style="display: flex; align-items: center;"> </div> |                        |
|  |                        |
| <div style="display: flex; align-items: center;"> </div> |                        |
|  |                        |



**[Name]**  
**Statement of Service Performance**  
**"What did we do?", When did we do it?"**  
**For the year ended**  
**[Financial Year End]**

Guidance  
 Section 4  
 SSP1

Description of the Entity's Outcomes\*:

Required sections are marked with an asterisk "\*" Completion of the Actuals is required where practicable to do so.

SSP2

|  | Actual*   | Budget    | Actual*   |
|--|-----------|-----------|-----------|
| Description and Quantification (to the extent practicable) of the Entity's Outputs:* | This Year | This Year | Last Year |
|  |           |           |           |
|  |           |           |           |
|  |           |           |           |
|  |           |           |           |
|  |           |           |           |
|  |           |           |           |
|  |           |           |           |

SSP3

Additional Output Measures:

SSP4

Additional Information:

**[Name]**  
**Statement of Financial Performance**  
 "How was it funded?" and "What did it cost?"  
 For the year ended  
 [Financial Year End]

Guidance  
 Section 5

Note

Actual\*  
 This Year  
 \$

Budget  
 This Year  
 \$

Actual\*  
 Last Year  
 \$

Required sections are marked with an asterisk "\*"

|          | <b>Revenue</b>                                      |  |   |   |   |
|----------|---|--|---|---|---|
| SoFPer1  | Donations, fundraising and other similar revenue*   |  |   |   |   |
| SoFPer2  | Fees, subscriptions and other revenue from members* |  |   |   |   |
| SoFPer3  | Revenue from providing goods or services*           |  |   |   |   |
| SoFPer4  | Interest, dividends and other investment revenue*   |  |   |   |   |
| SoFPer5  | Other revenue                                       |  |   |   |   |
|          |   |  |   |   |   |
|          |   |  |   |   |   |
|          |   |  |   |   |   |
| SoFPer6  | <b>Total Revenue*</b>                               |  | - | - | - |
|          |   |  |   |   |   |
|          | <b>Expenses</b>                                     |  |   |   |   |
| SoFPer7  | Expenses related to public fundraising*             |  |   |   |   |
| SoFPer8  | Volunteer and employee related costs*               |  |   |   |   |
| SoFPer9  | Costs related to providing goods or services*       |  |   |   |   |
| SoFPer10 | Grants and donations made*                          |  |   |   |   |
| SoFPer11 | Other expenses                                      |  |   |   |   |
|          |   |  |   |   |   |
|          |   |  |   |   |   |
|          |   |  |   |   |   |
| SoFPer12 | <b>Total Expenses*</b>                              |  | - | - | - |
|          |   |  |   |   |   |
| SoFPer13 | <b>Surplus/(Deficit) for the Year*</b>              |  | - | - | - |



**[Name]**  
**Statement of Cash Flows**  
**"How the entity has received and used cash"**  
**For the year ended**  
**[Financial Year End]**

Guidance  
Section 7

| Actual*   | Budget    | Actual*   |
|-----------|-----------|-----------|
| This Year | This Year | Last Year |
| \$        | \$        | \$        |

Required sections are marked with an asterisk "\*"

|      |  |   |   |   |
|------|--|---|---|---|
|      |  |   |   |   |
| CF1  | <b>Cash Flows from Operating Activities*</b>                   |   |   |   |
|      | <b>Cash was received from:</b>                                 |   |   |   |
|      | Donations, fundraising and other similar receipts*             |   |   |   |
|      | Fees, subscriptions and other receipts from members*           |   |   |   |
|      | Receipts from providing goods or services*                     |   |   |   |
|      | Interest, dividends and other investment receipts*             |   |   |   |
|      | Net GST  |   |   |   |
| CF2  | <b>Cash was applied to:</b>                                    |   |   |   |
|      | Payments to suppliers and employees*                           |   |   |   |
|      | Donations or grants paid*                                      |   |   |   |
|      |  |   |   |   |
| CF3  | <b>Net Cash Flows from Operating Activities*</b>               | - | - | - |
|      |  |   |   |   |
|      | <b>Cash flows from Investing and Financing Activities*</b>     |   |   |   |
| CF4  | <b>Cash was received from:</b>                                 |   |   |   |
|      | Receipts from the sale of property, plant and equipment*       |   |   |   |
|      | Receipts from the sale of investments*                         |   |   |   |
|      | Proceeds from loans borrowed from other parties*               |   |   |   |
|      | Capital contributed from owners or members*                    |   |   |   |
| CF5  | <b>Cash was applied to:</b>                                    |   |   |   |
|      | Payments to acquire property, plant and equipment*             |   |   |   |
|      | Payments to purchase investments*                              |   |   |   |
|      | Repayments of loans borrowed from other parties*               |   |   |   |
|      | Capital repaid to owners or members*                           |   |   |   |
| CF6  | <b>Net Cash Flows from Investing and Financing Activities*</b> | - | - | - |
|      |  |   |   |   |
| CF7  | <b>Net Increase / (Decrease) in Cash*</b>                      | - | - | - |
| CF8  | <b>Opening Cash*</b>   | - | - | - |
| CF9  | <b>Closing Cash*</b>   | - | - | - |
|      |  |   |   |   |
|      | <b>This is represented by:</b>                                 |   |   |   |
| CF10 | Bank Accounts and Cash*  | - | - | - |
|      |  |   |   |   |

**[Name]**  
**Statement of Accounting Policies**  
**"How did we do our accounting?"**  
**For the year ended**  
**[Financial Year End]**

Guidance  
Section 8

AP1

**Basis of Preparation\***

[Name] 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.

AP2

**Goods and Services Tax (GST)\***

All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

**OR (Delete one not applicable to the entity)**

**Goods and Services Tax (GST)\***

[Name] is not registered for GST. Therefore amounts recorded in the Performance Report are inclusive of GST (if any).

AP3

**Income Tax**

[Name] is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

AP3

**Bank Accounts and Cash**

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

AP4

**[Name of Specific Accounting Policy]\***

AP4

**[Name of Specific Accounting Policy]\***

AP5

**Tier 2 PBE Accounting Standards Applied (if any)\***

AP6

**Changes in Accounting Policies\***

There have been no changes in accounting policies during the financial year (last year - nil)

**OR (Delete one not applicable to the entity)**

Required sections are marked with an asterisk "\*"

**[Name]**  
**Notes to the Performance Report**  
 For the year ended  
 [Financial Year End]

These are optional notes to allow the entity to provide a breakdown of the revenue and expense categories. Please ensure breakdowns provided agree to the amounts reported in the Statement of Financial Performance.

Guidance  
Section 5

**Note 1 : Analysis of Revenue**

|         | <b>Revenue Item</b> | <b>Analysis</b> | <b>This Year</b> | <b>Last Year</b> |
|---------|---------------------|-----------------|------------------|------------------|
| SoFPer1 | Fundraising revenue |                 | \$               | \$               |
|         |                     |                 |                  |                  |
|         |                     |                 |                  |                  |
|         |                     |                 |                  |                  |
|         |                     |                 |                  |                  |
|         |                     |                 |                  |                  |
|         | <b>Total</b>        |                 | -                | -                |

|         | <b>Revenue Item</b>                 | <b>Analysis</b> | <b>This Year</b> | <b>Last Year</b> |
|---------|-------------------------------------|-----------------|------------------|------------------|
| SoFPer1 | Donations and other similar revenue |                 | \$               | \$               |
|         |                                     |                 |                  |                  |
|         |                                     |                 |                  |                  |
|         |                                     |                 |                  |                  |
|         |                                     |                 |                  |                  |
|         |                                     |                 |                  |                  |
|         | <b>Total</b>                        |                 | -                | -                |

|         | <b>Revenue Item</b>                                | <b>Analysis</b> | <b>This Year</b> | <b>Last Year</b> |
|---------|--|-----------------|------------------|------------------|
| SoFPer2 | Fees, subscriptions and other revenue from members |                 | \$               | \$               |
|         |  |                 |                  |                  |
|         |  |                 |                  |                  |
|         |  |                 |                  |                  |
|         |  |                 |                  |                  |
|         |  |                 |                  |                  |
|         | <b>Total</b>                                       |                 | -                | -                |

|         | <b>Revenue Item</b>                      | <b>Analysis</b> | <b>This Year</b> | <b>Last Year</b> |
|---------|--|-----------------|------------------|------------------|
| SoFPer3 | Revenue from providing goods or services |                 | \$               | \$               |
|         |  |                 |                  |                  |
|         |  |                 |                  |                  |
|         |  |                 |                  |                  |
|         |  |                 |                  |                  |
|         |  |                 |                  |                  |
|         | <b>Total</b>                             |                 | -                | -                |

|         | <b>Revenue Item</b>                              | <b>Analysis</b> | <b>This Year</b> | <b>Last Year</b> |
|---------|--|-----------------|------------------|------------------|
| SoFPer4 | Interest, dividends and other investment revenue |                 | \$               | \$               |
|         |  |                 |                  |                  |
|         |  |                 |                  |                  |
|         |  |                 |                  |                  |
|         |  |                 |                  |                  |
|         |  |                 |                  |                  |
|         | <b>Total</b>                                     |                 | -                | -                |

|         | <b>Revenue Item</b> | <b>Analysis</b> | <b>This Year</b> | <b>Last Year</b> |
|---------|---------------------|-----------------|------------------|------------------|
| SoFPer5 | Other revenue       |                 | \$               | \$               |
|         |                     |                 |                  |                  |
|         |                     |                 |                  |                  |
|         |                     |                 |                  |                  |
|         |                     |                 |                  |                  |
|         |                     |                 |                  |                  |
|         | <b>Total</b>        |                 | -                | -                |

**[Name]**  
**Notes to the Performance Report**  
 For the year ended  
**[Financial Year End]**

These are optional notes to allow the entity to provide a breakdown of the revenue and expense categories. Please ensure breakdowns provided agree to the amounts reported in the Statement of Financial Performance.

Guidance  
Section 5

**Note 2 : Analysis of Expenses**

SoFPer7

|  |                 | This Year | Last Year |
|--|-----------------|-----------|-----------|
| <b>Expense Item</b>                    | <b>Analysis</b> | \$        | \$        |
| Expenses related to public fundraising |                 |           |           |
|  |                 |           |           |
|  |                 |           |           |
|  |                 |           |           |
|  |                 |           |           |
|  |                 |           |           |
|  |                 |           |           |
| <b>Total</b>                           |                 | -         | -         |

SoFPer8

|                                      |                 | This Year | Last Year |
|--------------------------------------|-----------------|-----------|-----------|
| <b>Expense Item</b>                  | <b>Analysis</b> | \$        | \$        |
| Volunteer and employee related costs |                 |           |           |
|                                      |                 |           |           |
|                                      |                 |           |           |
|                                      |                 |           |           |
|                                      |                 |           |           |
|                                      |                 |           |           |
|                                      |                 |           |           |
| <b>Total</b>                         |                 | -         | -         |

SoFPer9

|  |                 | This Year | Last Year |
|--|-----------------|-----------|-----------|
| <b>Expense Item</b>                          | <b>Analysis</b> | \$        | \$        |
| Costs related to providing goods or services |                 |           |           |
|  |                 |           |           |
|  |                 |           |           |
|  |                 |           |           |
|  |                 |           |           |
|  |                 |           |           |
|  |                 |           |           |
| <b>Total</b>                                 |                 | -         | -         |

SoFPer10

|                           |                 | This Year | Last Year |
|---------------------------|-----------------|-----------|-----------|
| <b>Expense Item</b>       | <b>Analysis</b> | \$        | \$        |
| Grants and donations made |                 |           |           |
|                           |                 |           |           |
|                           |                 |           |           |
|                           |                 |           |           |
|                           |                 |           |           |
|                           |                 |           |           |
|                           |                 |           |           |
| <b>Total</b>              |                 | -         | -         |

SoFPer11

|                     |                 | This Year | Last Year |
|---------------------|-----------------|-----------|-----------|
| <b>Expense Item</b> | <b>Analysis</b> | \$        | \$        |
| Other expenses      |                 |           |           |
|                     |                 |           |           |
|                     |                 |           |           |
|                     |                 |           |           |
|                     |                 |           |           |
|                     |                 |           |           |
|                     |                 |           |           |
| <b>Total</b>        |                 | -         | -         |

**[Name]**  
**Notes to the Performance Report**  
 For the year ended  
 [Financial Year End]

These are optional notes to allow the entity to provide a breakdown of the asset and liability categories. Please ensure breakdowns provided agree to the amounts reported in the Statement of Financial Position

Guidance  
Section 6

**Note 3 : Analysis of Assets and Liabilities**

|         |                          |                 | This Year | Last Year |
|---------|--------------------------|-----------------|-----------|-----------|
| SoFPos1 | <b>Asset Item</b>        | <b>Analysis</b> | <b>\$</b> | <b>\$</b> |
|         | Bank accounts and cash   |                 |           |           |
|         |                          |                 |           |           |
|         |                          |                 |           |           |
|         |                          |                 |           |           |
|         | <b>Total</b>             |                 | -         | -         |
| SoFPos2 | <b>Asset Item</b>        | <b>Analysis</b> | <b>\$</b> | <b>\$</b> |
|         | Debtors and prepayments  |                 |           |           |
|         |                          |                 |           |           |
|         |                          |                 |           |           |
|         |                          |                 |           |           |
|         | <b>Total</b>             |                 | -         | -         |
| SoFPos3 | <b>Asset Item</b>        | <b>Analysis</b> | <b>\$</b> | <b>\$</b> |
|         | Inventory                |                 |           |           |
|         |                          |                 |           |           |
|         |                          |                 |           |           |
|         |                          |                 |           |           |
|         | <b>Total</b>             |                 | -         | -         |
| SoFPos4 | <b>Asset Item</b>        | <b>Analysis</b> | <b>\$</b> | <b>\$</b> |
|         | Other current assets     |                 |           |           |
|         |                          |                 |           |           |
|         |                          |                 |           |           |
|         |                          |                 |           |           |
|         | <b>Total</b>             |                 | -         | -         |
| SoFPos7 | <b>Asset Item</b>        | <b>Analysis</b> | <b>\$</b> | <b>\$</b> |
|         | Investments              |                 |           |           |
|         |                          |                 |           |           |
|         |                          |                 |           |           |
|         |                          |                 |           |           |
|         | <b>Total</b>             |                 | -         | -         |
| SoFPos8 | <b>Asset Item</b>        | <b>Analysis</b> | <b>\$</b> | <b>\$</b> |
|         | Other non-current assets |                 |           |           |
|         |                          |                 |           |           |
|         |                          |                 |           |           |
|         |                          |                 |           |           |
|         | <b>Total</b>             |                 | -         | -         |



**[Name]**  
**Notes to the Performance Report**  
 For the year ended  
**[Financial Year End]**

Guidance  
Section 6

**Note 3 : Analysis of Assets and Liabilities**

These are optional notes to allow the entity to provide a breakdown of the asset and liability categories. Please ensure breakdowns provided agree to the amounts reported in the Statement of Financial Position.

|          | <b>Liability Item</b>                       | <b>Analysis</b> | <b>This Year</b> | <b>Last Year</b> |
|----------|---|-----------------|------------------|------------------|
| SoFPos12 | Creditors and accrued expenses              |                 | \$               | \$               |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          | <b>Total</b>                                |                 | -                | -                |
| SoFPos13 | Employee costs payable                      |                 | \$               | \$               |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          | <b>Total</b>                                |                 | -                | -                |
| SoFPos14 | Unused donations and grants with conditions |                 | \$               | \$               |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          | <b>Total</b>                                |                 | -                | -                |
| SoFPos15 | Other current liabilities                   |                 | \$               | \$               |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          | <b>Total</b>                                |                 | -                | -                |
| SoFPos17 | Loans                                       |                 | \$               | \$               |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          | <b>Total</b>                                |                 | -                | -                |
| SoFPos18 | Other non-current liabilities               |                 | \$               | \$               |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          |   |                 |                  |                  |
|          | <b>Total</b>                                |                 | -                | -                |

**[Name]**  
**Notes to the Performance Report**  
 For the year ended  
 [Financial Year End]

Guidance Note 4 : Property, Plant and Equipment

|             | This Year                       |           |                 |   |                          |                    | PPE7 - PPE8                   |  |
|-------------|---------------------------------|-----------|-----------------|---|--------------------------|--------------------|-------------------------------|--|
|             | Opening Carrying Amount*        | Purchases | Sales/Disposals | Current Year Depreciation and Impairment* | Closing Carrying Amount* | Current Valuation* | Source and Date of Valuation* |  |
| PPE1 - PPE6 | Asset Class*                    |           |                 |   |                          |                    |                               |  |
|             | Land*                           | -         |                 |   | -                        |                    |                               |  |
|             | Buildings*                      | -         |                 |   | -                        |                    |                               |  |
|             | Motor Vehicles*                 | -         |                 |   | -                        |                    |                               |  |
|             | Furniture and fixtures*         | -         |                 |   | -                        |                    |                               |  |
|             | Office equipment*               | -         |                 |   | -                        |                    |                               |  |
|             | Computers (including software)* | -         |                 |   | -                        |                    |                               |  |
|             | Machinery*                      | -         |                 |   | -                        |                    |                               |  |
|             | Heritage assets                 | -         |                 |   | -                        |                    |                               |  |
|             | <b>Total</b>                    | -         | -               | -   | -                        |                    |                               |  |

|             | Last Year                       |           |                 |   |                          |  |
|-------------|---------------------------------|-----------|-----------------|---|--------------------------|--|
|             | Opening Carrying Amount*        | Purchases | Sales/Disposals | Current Year Depreciation and Impairment* | Closing Carrying Amount* |  |
| PPE1 - PPE6 | Asset Class*                    |           |                 |   |                          |  |
|             | Land*                           |           |                 | -   | -                        |  |
|             | Buildings*                      |           |                 |   | -                        |  |
|             | Motor Vehicles*                 |           |                 |   | -                        |  |
|             | Furniture and fixtures*         |           |                 |   | -                        |  |
|             | Office equipment*               |           |                 |   | -                        |  |
|             | Computers (including software)* |           |                 |   | -                        |  |
|             | Machinery*                      |           |                 |   | -                        |  |
|             | Heritage assets                 |           |                 |   | -                        |  |
|             | <b>Total</b>                    | -         | -               | -   | -                        |  |

|      |  |
|------|--|
| PPE9 | <b>Significant Donated Assets Recorded - Source and Date of Valuation*</b> |
|      |  |
|      |  |
|      |  |
|      |  |

|       |   |
|-------|---|
| PPE10 | <b>Significant Donated Assets - Not Recorded*</b> |
|       |   |
|       |   |
|       |   |
|       |   |

Required sections are marked with an asterisk "\*"

**[Name]**  
**Notes to the Performance Report**  
 For the year ended  
 [Financial Year End]

Guidance

**Note 5: Accumulated Funds**

| This Year              |   | Capital<br>Contributed by<br>Owners or<br>Members* | Accumulated<br>Surpluses or<br>Deficits* | Reserves* | Total* |
|------------------------|---|--|--|-----------|--------|
| <b>Description*</b>    |   |  |  |           |        |
| <b>Opening Balance</b> |   | -  | -  | -         | -      |
| SofPos22               | Capital contributed by owners or members* | -  |  |           | -      |
|                        | Capital returned to owners or members*    | -  |  |           | -      |
| SofPos23               | Surplus/(Deficit)*                        |  | -  |           | -      |
|                        | Distributions paid to owners or members*  |  | -  |           | -      |
| SofPos24               | Transfer to Reserves*                     |  | -  | -         |        |
|                        | Transfer from Reserves*                   |  | -  | -         |        |
| <b>Closing Balance</b> |   | -  | -  | -         | -      |

| Last Year              |   | Capital<br>Contributed by<br>Owners or<br>Members* | Accumulated<br>Surpluses or<br>Deficits* | Reserves* | Total* |
|------------------------|---|--|--|-----------|--------|
| <b>Description*</b>    |   |  |  |           |        |
| <b>Opening Balance</b> |   | -  | -  | -         | -      |
| SofPos22               | Capital contributed by owners or members* |  |  |           | -      |
|                        | Capital returned to owners or members*    |  |  |           | -      |
| SofPos23               | Surplus/(Deficit)*                        |  | -  |           | -      |
|                        | Distributions paid to owners or members*  |  | -  |           | -      |
| SofPos24               | Transfer to Reserves*                     |  | -  | -         |        |
|                        | Transfer from Reserves*                   |  | -  | -         |        |
| <b>Closing Balance</b> |   | -  | -  | -         | -      |

Required sections are marked with an asterisk "\*"

AF1-AF3

| Breakdown of Reserves |                     | Actual*   | Actual*   |
|-----------------------|---------------------|-----------|-----------|
| Name*                 | Nature and Purpose* | This Year | Last Year |
|                       |                     | \$        | \$        |
|                       |                     |           |           |
|                       |                     |           |           |
|                       |                     |           |           |
|                       |                     |           |           |
|                       |                     |           |           |
| <b>Total</b>          |                     | -         | -         |

**[Name]**  
**Notes to the Performance Report**  
 For the year ended  
 [Financial Year End]

Guidance

**Note 6 : Commitments and Contingencies**

|           |   |                                | At balance date<br>This Year* | At balance date<br>Last Year* |
|-----------|---|--------------------------------|-------------------------------|-------------------------------|
| Section 9 | <b>Commitment*</b>                                    | <b>Explanation and Timing*</b> | \$                            | \$                            |
| CC1       | Commitments to lease or rent assets*                  |                                |                               |                               |
| CC2       | Commitment to purchase property, plant and equipment* |                                |                               |                               |
| CC3       | Commitments to provide loans or grants*               |                                |                               |                               |

**OR (Delete one not applicable to the entity)**

**Commitments**

There are no commitments as at balance date (Last Year - nil )

Required sections are marked with an asterisk "\*"

Guidance

|          |                       |                     | At balance date<br>This Year* | At balance date<br>Last Year* |
|----------|-----------------------|---------------------|-------------------------------|-------------------------------|
| Guidance | <b>Contingency*</b>   | <b>Explanation*</b> | \$                            | \$                            |
| CC4      | Contingent liability* |                     |                               |                               |
| CC5      | Guarantees provided*  |                     |                               |                               |

**OR (Delete one not applicable to the entity)**

**Contingent Liabilities and Guarantees**

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

**[Name]**  
**Notes to the Performance Report**  
 For the year ended  
 [Financial Year End]

Guidance  
Section 9

Notes 7-12

Note 7: Other

O1-03 Significant Grants and Donations with Conditions which have not been Recorded as a Liability\*

| Description* | Original Amt* | Not Fulfilled Amt* | Purpose and Nature of the Condition(s)* |
|--------------|---------------|--------------------|---|
|              |               |                    |   |
|              |               |                    |   |
|              |               |                    |   |
|              |               |                    |   |
|              |               |                    |   |

O4-05 Goods or Services Provided to the Entity in Kind\*

| Description* | Amount* |
|--------------|---------|
|              |         |
|              |         |
|              |         |
|              |         |
|              |         |

O6-07 Assets Used as Security for Liabilities\*

| Nature and Amount of Borrowing* | Nature and Amount of Asset Used as Security* |
|---------------------------------|--|
|                                 |  |
|                                 |  |
|                                 |  |
|                                 |  |
|                                 |  |

O8-09 Note 8: Assets Held on Behalf of Others\*

| Description of the Assets Held* | Name of Entity of Whose Behalf Assets are Held* |
|---------------------------------|---|
|                                 |   |
|                                 |   |
|                                 |   |
|                                 |   |
|                                 |   |

O10-012 Note 9: Related Party Transactions\*

| Description of Related Party Relationship* | Description of the Transaction (whether in cash or amount in kind)* | This Year              | Last Year              | This Year           | Last Year           |
|--|---|------------------------|------------------------|---------------------|---------------------|
|  |   | \$                     | \$                     | \$                  | \$                  |
|  |   | Value of Transactions* | Value of Transactions* | Amount Outstanding* | Amount Outstanding* |
|  |   |                        |                        |                     |                     |
|  |   |                        |                        |                     |                     |
|  |   |                        |                        |                     |                     |
|  |   |                        |                        |                     |                     |
|  |   |                        |                        |                     |                     |

Required sections are marked with an asterisk “\*”

**[Name]**  
**Notes to the Performance Report**  
 For the year ended  
 [Financial Year End]

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 Section 9

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OR *(Delete one not applicable to the entity)*

**Related Party Disclosures:**

There were no transactions involving related parties during the financial year. (Last Year - Nil)

013-015

**Note 10: Events After the Balance Date\***

This Year

| Nature of Event* | Estimate of Financial Effect* | Effect, if any on the entity's ability to continue operating* |
|------------------|-------------------------------|---|
|                  |                               |   |
|                  |                               |   |

OR *(Delete one not applicable to the entity)*

**Events After the Balance Date:**

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

016

**Note 11: Ability to Continue Operating\***

017

**Note 12: Correction of Errors\***

018

**Additional Information**

**GUIDANCE NOTES TO THE OPTIONAL TEMPLATE FOR APPLYING PUBLIC BENEFIT ENTITY SIMPLE FORMAT REPORTING – ACCRUAL (NOT-FOR-PROFIT)**

**Contents**

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**Icon Definitions:**



Tip - helpful suggestions



Important – critical piece of information

This is a sample of the optional template for public benefit entities. It is not intended to be used as a basis for preparing financial statements. Please refer to the relevant legislation for more information.

## Section 1 : Introduction

These guidance notes are written in plain language to assist in the application of the *Public Benefit Entity Simple Format Reporting Standard – Accrual (Not-For-Profit)(PBE SFR-A (NFP))*.

In these guidance notes we call the Standard the “*Tier 3 not-for-profit standard*”.

Please note that the Standard is the definitive source of requirements. Throughout these guidance notes there are references back to the Standard.



Cross references are provided in the tables under the PBE-SFR-A (NFP) column.

### Purpose of the templates

The templates are for not-for-profit entities that are eligible for, and elect to, apply the *Tier 3 not-for-profit standard*.

**⚠ The use of the templates and accompanying guidance notes is optional. They have no legal status.**

All entities may build their own Performance Reports and some entities will already have reports that can be modified to meet the requirements of the *Tier 3 not-for-profit standard*.

### Basis of accounting

The templates use the accrual method of accounting.

Under the accrual basis, revenue and expenses are recorded when they are earned or incurred rather than when cash is received or paid. Financial statements prepared under the accrual basis include adjustments for the timing of the revenue or expenses. They include items such as: debtors (money owed to entity), creditors and accruals (money owed by entity), and depreciation. Financial statements prepared in this manner more fairly represent the financial performance and financial position of the entity.

### Completion of the templates

The templates conform to the *Tier 3 not-for-profit standard* and completing the templates properly will achieve compliance with this Standard.

### How to use the templates

The templates have been designed to cover most circumstances that are likely to apply to Tier 3 not-for-profit entities. However, the governing body must take care that it provides any additional information necessary to give a true and fair view of the entity’s activities, financial performance and financial position. If there are other matters that are significant and necessary to include for users, which are not specifically provided for in the template, then further details should be given by means of additional notes.

### Non-financial information

Non-financial information is vital to understanding the performance of not-for-profit entities. Reporting by Tier 3 not-for-profit entities is therefore required to comprise an integrated “**Performance Report**” that contains both financial and non-financial information.

Effective performance reports can help:

- Build an entity’s reputation;
- Make a case for support; and
- Be a vital means of reaching new donors, partners and volunteers.

The Performance Report prepared by not-for-profit entities should address the following questions:

- “Who we are?”: an overview of the entity.
- “Why do we exist?”: why the entity was established and what it seeks to achieve (outcomes);
- “What did we do?”: what the entity did during the financial year in providing goods or services (outputs);
- “What did it cost?”: what it cost to provide the goods or services, and to run the entity;
- “How was it funded?”: the sources of revenue used to pay for its activities in providing goods or services;
- “When did we do it?”: the period covered by the report, and a comparison of information with previous reporting periods;
- “How did we do our accounting?”: the accounting policies applied;
- “What do we need to continue operating?”: the ability of the entity to continue achieving its objectives and operate in the foreseeable future. This question can be answered by looking at the Performance Report as a whole.



In line with the objective to provide an integrated Performance Report the *Tier 3 not-for-profit standard* template has been developed.

This is available as an Excel® spread sheet that can be completed electronically and a PDF® file that can be printed out and filled in by hand.

The template includes the following:

### **Entity information**

- “Who are we?”
- “Why do we exist?”

### **Statement of Service Performance**

- “What did we do?”
- “When did we do it?”

### **Statement of Financial Performance**

- “How was it funded?”
- “What did it cost?”
  - Did the entity make a surplus or deficit for the financial year?

### **Statement of Financial Position**

- “What do we need to do to continue?”
  - What the entity owns;
  - What the entity owes.

### **Statement of Cash Flows**

- “How was it funded?”
- “What did it cost?”
  - How the entity has received cash;
  - How the entity has used cash.

### **Statement of Accounting Policies**

- “How did we do our accounting?”

### **Notes to the Performance Report**

- Additional information that is important to users’ understanding of the Performance Report.

## Section 2 : General

### Reporting entity

An entity's Performance Report should incorporate all the activities of the entity. The Performance Report includes all branches or other operating units, if the entity is structured into more than one unit.

When preparing a Performance Report, an entity is required to identify its interests in other entities and assess whether any of those interests result in the other entity meeting the definition of a controlled entity, an associate or a joint venture. Refer to paragraphs 4.1 to 4.6 of the Tier 3 not-for-profit standard for the requirements on how to account for these interests.

### Reporting Period

The templates are for a 12 month period. If the entity's reporting period is other than for 12 months, for example, where an entity is formed, ceases or changes its balance date, include an explanation in the entity's accounting policies, and change the column headings to reflect this.

### Reporting currency

All amounts must be presented in New Zealand dollars. If the entity has transactions or balances that are not in New Zealand dollars, it must translate amounts to New Zealand dollars as follows:

- Transactions are to be translated using the exchange rate on the date the revenue, expense or cash flow occurs; and
- Monetary asset and liability balances are to be translated using the exchange rate at balance date.

Amounts should be rounded to the nearest dollar. A higher level of rounding (for example \$000) can be used if relevant.

### Comparative information

Except when the *Tier 3 not-for-profit standard* permits or requires otherwise, comparative information is to be reported in respect of the previous period for all amounts reported.

### No offsetting of amounts reported

All amounts included in the financial reports are the gross amounts - expenses are not netted off against revenue and assets are not netted off against liabilities.

### Consistency of presentation

Except when the *Tier 3 not-for-profit standard* permits or requires otherwise, the presentation and classification of items should not be changed from one period to the next unless there has been a significant change in the entity's operations.

### Cross-referencing

It is important that the Performance Report is internally consistent. The statements that make up the Performance Report include cross-references to the Notes to the Performance Report.

### Plans/budgets

The template has a column for "budget this year" and this is to report the budget (or plan) for the year the actual information relates to. Completion of the budget column is entirely optional.

### Ability to continue operating

The Performance Report is to be prepared on the assumption that the entity will continue its operations for the foreseeable future (normally considered to be a minimum of 12 months from balance date). If this is not the case, please refer to the Standard for an explanation of the extra requirements that must be followed.

### First time application of the Tier 3 not-for-profit standard

As entities will come from different reporting backgrounds, Appendix B of the Standard provides assistance to make it as easy as possible for an entity to prepare its first Performance Report under the *Tier 3 not-for-profit standard*.

### Consolidated performance report

The *Tier 3 not-for-profit standard* requires a controlling entity to prepare a consolidated performance report. Refer to paragraph 4.2 of the *Tier 3 not-for-profit standard*.




Need help with controlled entities? Refer to Explanatory Guide A9 *Financial Reporting by Not-for-profit Entities: Identifying Relationships for Financial Reporting Purposes*.

### Section 3 : Entity Information

#### “Who are we?” and “why do we exist?”



Background information should be presented to help the reader to understand the entity and the environment in which it operates.


The level of detail provided in the report is likely to be dependent on the size and complexity of the entity and be proportionate to the needs of the users of the report.

 The sections that are required to be completed have an asterisk “\*” after them. All other sections are optional.

| Row | Section                                  | PBE SFR-A (NFP) Ref | Explanation  |
|-----|--|---------------------|--|
| EI1 | Legal name of entity*                    | A37(a)              | The name of the entity as appears on the Charities Register. If the entity is not a registered charity, it will be the name that appears on the entity’s founding documents (for example, its trust deed). |
| EI2 | Other name of entity (if any)            |                     | If the entity is known by another name then that name can be included here.  |
| EI3 | Type of entity and legal basis (if any)* | A37(a)              | Enter the type of entity and whether or not it has a legal basis, for example, the entity may be a trust, incorporated society or a company. The entity may also be a registered charity.                  |
| EI4 | Registration number                      |                     | The entity’s registration number from the Charities Register (or any other relevant number, such as the entity’s company number) can be entered here if you wish.  |

| Row | Section  | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation   |
|-----|--|------------------------------|---|
| EI5 | The entity's purpose or mission (the key difference the entity is trying to make)* | A37(b)                       | <p>Include here the entity's mission statement.</p> <p>For many entities their governing legislation, a constitution, a trust deed, or other founding document will set out the entity's mission.</p> <p>Examples of mission statements:</p> <p>“Reducing the incidence and impact of cancer in New Zealand.”</p> <p>“Providing health services to the homeless in the greater Wellington area”</p> <p>“Foster participation in, and to promote, football in West Auckland”</p> <p>“To make New Zealand a nation of active, healthy children”</p> |

| Row | Section   | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation  |
|-----|---|------------------------------|--|
| EI6 | Entity structure*<br><br> A description of the structure of the entity's operations (including governance arrangements). | A37(c)                       | <p>Describe the structure and leadership of the entity; focus on how the entity's structure supports the entity in achieving its mission.</p> <p>Describe the governance structure, including any committees, the means of electing or appointing members of the committee, and other factors such as diversity and community representation.</p> <p>Describe the relationship of the entity to any other body, for example:</p> <ul style="list-style-type: none"> <li>➤ affiliation with an umbrella group;</li> <li>➤ external related parties; and</li> <li>➤ any other entity with which it co-operates in the pursuit of its objectives.</li> </ul> <p>Examples of the relationship of the entity to another body include:</p> <ul style="list-style-type: none"> <li>➤ "The society is one of seven affiliated organisations, the other members being Auckland, Waikato/Bay of Plenty etc. Each division is an autonomous entity. While there are main areas of activity carried out by all divisions, each division is free to fulfil its local role as it sees fit."</li> <li>➤ "The Divisions elect a board that comprises a representative from each division and a president to provide the governance supervision of the Society".</li> <li>➤ "Working with others we can achieve more than we do as a single group. Partnerships with a range of other agencies provides the basis for six key, collaborative projects ..."</li> </ul> <p> The entity may insert its organisational chart here.</p> |
| EI7 | The main sources of the entity's cash and resources*  | A37(d)                       | <p>Describe the entity's main funding sources, for example, revenue from government to provide goods or services, revenue from investments, revenue from donations and grants. Include in here any critical reliance on funding.</p> <p>For example: "The entity's activities are funded by donations, grants from philanthropic organisations, bequests and legacies. Administration costs are met by revenue from a small investment portfolio..."</p>   |

| Row  | Section   | PBE SFR-A (NFP) Ref | Explanation  |
|------|---|---------------------|--|
| EI8  | The main methods used by the entity to raise funds*   | A37(e)              | Where the entity is an active fundraiser, the entity should describe the fundraising methods used, for example: whether or not the entity uses a third party for its fundraising, whether the entity holds the same fundraising events every year, for example an annual public appeal.  |
| EI9  | The entity's reliance on volunteers and donated goods or services*<br><br> The entity is not required to quantify volunteer contributions. | A35(f)              | The Standard does not require volunteer services or goods or services in kind to be recorded in the Performance Report of the entity.<br><br>However, the Standard requires entities that rely on volunteers and goods in kind to provide an explanation of the part that volunteers or the goods in kind play in the entity.<br><br>For example: "The entity relies on gifts of volunteer time and expertise to complete work in many essential roles such as national governance (board and committees), fundraising, administration and accounting" |
| EI10 | Additional information*   | A37(g)              | Include here any additional information that is considered essential to the users' overall understanding of the entity.  |
| EI11 | Contact details   |                     | The entity's contact details can be inserted here if you wish.   |

## Section 4 : Statement of Service Performance

### “What did we do?” and “When did we do it?”

The purpose of the Statement of Service Performance is to report the activities of the entity over the past year. The reporting of goods or services delivered is a key part of the Performance Report and a powerful opportunity for the entity to tell its story, especially as it relates to achieving its mission.

A Statement of Service Performance is also important in fulfilling the accountability obligations to provide goods or services to others when the entity receives grants from funders, or contracts with the government or other bodies.


Service performance reporting is most effective when the entity has a budget/plan at the beginning of the year which can be reported against at the end of the year.

The Statement of Service Performance is not expected to include a detailed account of everything the entity does. Rather, it should include the significant matters in relation to the performance of the entity to enable users to gain an understanding of why goods or services are delivered by the entity, and provide a basis for assessing the effectiveness and efficiency of the goods or services delivered by the entity.

Service performance reporting is based around two elements:

- (a) Outcomes: what the entity is seeking to achieve in terms of its impact on society;
- (b) Outputs: the goods or services that the entity delivered during the year.

The Statement of Service Performance in the template is presented in a tabular form with a space for optional information below the table. However, some entities may find that graphical presentation is more user friendly and may wish to use a combination of charts, tables and pictures to highlight their performance for the year.

 The sections that are required to be completed have an asterisk “\*” after them. All other sections are optional.

| Row  | Section                | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation  |
|------|------------------------|------------------------------|--|
| SSP1 | Describe the outcomes* | A41(a)                       | <p>A description of the outcome(s) that the entity is seeking to achieve or influence through the delivery of its goods or services. The outcomes are likely to be closely related to the mission/purpose reported in the entity information section of the Performance Report. The main difference is that the mission/purpose is usually stated in broad or general terms and applies over the life of the entity. By contrast, the description of the outcomes in the Statement of Service Performance should be more specific and focused on what the entity is seeking to achieve over the short to medium term.</p> <p>For example, looking at some of the mission statements we used as examples in the entity information section:</p> <p>Mission Statement:</p> <ul style="list-style-type: none"> <li>➤ “Reducing the incidence and impact of cancer in New Zealand.”</li> </ul> <p>Example of possible outcomes:</p> <ul style="list-style-type: none"> <li>➤ “Improve the early detection of cancer to reduce incidence and mortality”; and</li> <li>➤ “Improve quality of life for those with cancer”.</li> </ul> <p>Mission Statement:</p> |

| Row   | Section                | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation  |               |                   |                  |                   |                           |    |    |    |                     |            |            |            |               |                   |                  |                   |                            |  |  |  |          |  |  |  |   |       |       |   |  |     |     |   |
|---|------------------------|------------------------------|--|---------------|-------------------|------------------|-------------------|---------------------------|----|----|----|---------------------|------------|------------|------------|---------------|-------------------|------------------|-------------------|----------------------------|--|--|--|----------|--|--|--|---|-------|-------|---|--|-----|-----|---|
|   |                        |                              | <p>➤ “Providing health services to the homeless in the greater Wellington area”.</p> <p>Example of possible outcomes:<br/>To improve the health and wellbeing of homeless focusing on the Upper Hutt region of the greater Wellington area.</p>  |               |                   |                  |                   |                           |    |    |    |                     |            |            |            |               |                   |                  |                   |                            |  |  |  |          |  |  |  |   |       |       |   |  |     |     |   |
| SSP2  | Describe the outputs.* | A41(b)                       | <p>Include in here a description of the goods or services (outputs) delivered, together with quantity measures to the extent practicable.</p> <p>Other measures, such as quality and timeliness of delivery, are optional.</p> <p>The template allows the entity the option of providing its budget for this year.</p> <p>Please note that the quantity measure is not necessarily in dollar terms. It is normally the number of services provided or numbers of goods produced.</p> <p>Examples describing and quantifying outputs are shown in the tables below:</p> <p>Example 1:</p> <table border="1" data-bbox="691 1025 1484 1234"> <thead> <tr> <th>Description:*</th> <th>Actual This Year*</th> <th>Budget This Year</th> <th>Actual Last Year*</th> </tr> </thead> <tbody> <tr> <td>Guide Dogs - Puppies bred</td> <td>50</td> <td>45</td> <td>40</td> </tr> <tr> <td>New work placements</td> <td>1,652 jobs</td> <td>3,500 jobs</td> <td>3,200 jobs</td> </tr> </tbody> </table> <p>An entity may have more than one quantity measure for a particular service that it delivers.</p> <p>If the entity makes grants or donations to the community it could include details of these grants and donations in its Statement of Service Performance. It may wish to provide the sector the grant/donations were made to, and briefly describe the purpose of the grant (see example 2).</p> <p>Example 2:</p> <table border="1" data-bbox="691 1615 1484 1986"> <thead> <tr> <th>Description:*</th> <th>Actual This Year*</th> <th>Budget This Year</th> <th>Actual Last Year*</th> </tr> </thead> <tbody> <tr> <td colspan="4">Sector: Emergency/Disaster</td> </tr> <tr> <td colspan="4">Purpose:</td> </tr> <tr> <td>Number of Christchurch residents provided with blankets and food.</td> <td>5,000</td> <td>5,000</td> <td>0</td> </tr> <tr> <td>Number of Christchurch children provided with counselling.</td> <td>200</td> <td>200</td> <td>0</td> </tr> </tbody> </table> | Description:* | Actual This Year* | Budget This Year | Actual Last Year* | Guide Dogs - Puppies bred | 50 | 45 | 40 | New work placements | 1,652 jobs | 3,500 jobs | 3,200 jobs | Description:* | Actual This Year* | Budget This Year | Actual Last Year* | Sector: Emergency/Disaster |  |  |  | Purpose: |  |  |  | Number of Christchurch residents provided with blankets and food. | 5,000 | 5,000 | 0 | Number of Christchurch children provided with counselling. | 200 | 200 | 0 |
| Description:*   | Actual This Year*      | Budget This Year             | Actual Last Year*  |               |                   |                  |                   |                           |    |    |    |                     |            |            |            |               |                   |                  |                   |                            |  |  |  |          |  |  |  |   |       |       |   |  |     |     |   |
| Guide Dogs - Puppies bred   | 50                     | 45                           | 40   |               |                   |                  |                   |                           |    |    |    |                     |            |            |            |               |                   |                  |                   |                            |  |  |  |          |  |  |  |   |       |       |   |  |     |     |   |
| New work placements   | 1,652 jobs             | 3,500 jobs                   | 3,200 jobs   |               |                   |                  |                   |                           |    |    |    |                     |            |            |            |               |                   |                  |                   |                            |  |  |  |          |  |  |  |   |       |       |   |  |     |     |   |
| Description:*   | Actual This Year*      | Budget This Year             | Actual Last Year*  |               |                   |                  |                   |                           |    |    |    |                     |            |            |            |               |                   |                  |                   |                            |  |  |  |          |  |  |  |   |       |       |   |  |     |     |   |
| Sector: Emergency/Disaster  |                        |                              |  |               |                   |                  |                   |                           |    |    |    |                     |            |            |            |               |                   |                  |                   |                            |  |  |  |          |  |  |  |   |       |       |   |  |     |     |   |
| Purpose:  |                        |                              |  |               |                   |                  |                   |                           |    |    |    |                     |            |            |            |               |                   |                  |                   |                            |  |  |  |          |  |  |  |   |       |       |   |  |     |     |   |
| Number of Christchurch residents provided with blankets and food. | 5,000                  | 5,000                        | 0  |               |                   |                  |                   |                           |    |    |    |                     |            |            |            |               |                   |                  |                   |                            |  |  |  |          |  |  |  |   |       |       |   |  |     |     |   |
| Number of Christchurch children provided with counselling.        | 200                    | 200                          | 0  |               |                   |                  |                   |                           |    |    |    |                     |            |            |            |               |                   |                  |                   |                            |  |  |  |          |  |  |  |   |       |       |   |  |     |     |   |




| Row                         | Section                    | PBE SFR-A (NFP) Ref        | Explanation   |               |                   |                  |                   |                       |  |  |  |                             |     |     |     |                      |   |   |   |
|-----------------------------|----------------------------|----------------------------|---|---------------|-------------------|------------------|-------------------|-----------------------|--|--|--|-----------------------------|-----|-----|-----|----------------------|---|---|---|
| SSP3                        | Additional output measures | A43(a)                     | <p>You may include here any additional output measures that are relevant to users' understanding of what the entity did during the financial year.</p> <p>For example:</p> <ul style="list-style-type: none"> <li>➤ The entity may wish to provide information on the quality and timeliness of delivery of its services; and</li> <li>➤ The entity may wish to provide quantification of the contributions from volunteers in terms of hours or full-time staff equivalents.</li> </ul> <p>Examples of qualitative measures are shown in the table below:</p> <table border="1"> <thead> <tr> <th>Description:*</th> <th>Actual This Year*</th> <th>Budget This Year</th> <th>Actual Last Year*</th> </tr> </thead> <tbody> <tr> <td colspan="4">Counselling Services:</td> </tr> <tr> <td>Overall client satisfaction</td> <td>78%</td> <td>85%</td> <td>75%</td> </tr> <tr> <td>Number of complaints</td> <td>3</td> <td>0</td> <td>5</td> </tr> </tbody> </table> | Description:* | Actual This Year* | Budget This Year | Actual Last Year* | Counselling Services: |  |  |  | Overall client satisfaction | 78% | 85% | 75% | Number of complaints | 3 | 0 | 5 |
| Description:*               | Actual This Year*          | Budget This Year           | Actual Last Year*   |               |                   |                  |                   |                       |  |  |  |                             |     |     |     |                      |   |   |   |
| Counselling Services:       |                            |                            |   |               |                   |                  |                   |                       |  |  |  |                             |     |     |     |                      |   |   |   |
| Overall client satisfaction | 78%                        | 85%                        | 75%   |               |                   |                  |                   |                       |  |  |  |                             |     |     |     |                      |   |   |   |
| Number of complaints        | 3                          | 0                          | 5   |               |                   |                  |                   |                       |  |  |  |                             |     |     |     |                      |   |   |   |
| SSP4                        | Additional information     | A43(b)<br>A43(c)<br>A43(d) | <p>You may include here an explanation of the actual performance achieved against the entity's budget (if provided); the entity may comment on factors within its control (for example a decision made to provide additional services) and also those factors outside the entity's control (for example, the effect of the global recession on the entity).</p> <p>Following on from the Example 1 above:</p> <p>Guide Dog puppies bred – the budget was exceeded due to the very generous donation of 5 puppies from Mr Frank.</p> <p>New work placements – the budget was not achieved due to economic conditions and reduced central government support.</p>   |               |                   |                  |                   |                       |  |  |  |                             |     |     |     |                      |   |   |   |

## Section 5 : Statement of Financial Performance


The purpose of the Statement of Financial Performance is to report all revenue and expenses of the entity for the financial year. The Statement provides users with information about the entity’s financial performance, including its revenue, expenses and the resulting surplus or deficit generated during the financial year.

### Revenue “How was it funded?”

 The Standard includes a helpful table on when to record revenue and how to measure it (*Table 1: Recording of Specific Types of Revenue*).



The *Tier 3 not-for-profit standard* does not require volunteer time or goods or services donated to the entity (goods or services in kind) to be recorded as revenue. However, the entity has the option of doing so if it wishes.


The *Tier 3 not-for-profit standard* requires that in order to make information about revenue understandable to users, revenue must be aggregated and separately presented in categories. The Standard sets out some minimum categories that must be separately reported when the category is applicable and significant to the entity. The template has been developed using these minimum categories but allows for these to be disaggregated or additional categories to be added. The template also allows for breakdowns of revenue categories to be provided in the Notes to the Performance Report.


 Be consistent with classifications.




The electronic version of the template includes drop down lists with suggested breakdowns of the minimum revenue categories. The user of the template can edit these lists by clicking on the “Lists” (highlighted in green) worksheet.

 SoFPer – Statement of Financial Performance.



 Cells that are highlighted  contain formulas, and will automatically calculate in the electronic version of the template once the detail has been entered into the template.

 If the entity adds any additional rows into the template, please remember to check the formulae to ensure all rows are included in the totals.

 The sections that are required to be completed have an asterisk “\*” after them. All other sections are optional.


| Row     | Category   | PBE<br>SFR-A<br>(NFP)<br>Ref      | Explanation  |
|---------|--|-----------------------------------|--|
| SoFPer1 | Donations, fundraising and other similar revenue *<br><br> Remember to include bequests, legacies and pledges.<br><br> Remember to include significant donated assets with a readily obtainable value.<br><br> Some grants received from government (both central and local) or other agencies are in substance a contract for delivery of goods or services and should not be included in this category but in SoFPer3:Revenue from providing goods or services. | A54-A58<br><i>Table 1</i>         | <b>Donations</b><br><br>Include in here all the grants (exclude those that are in substance a fee/contract for goods or service delivery) and donations/koha that the entity has received.<br><br>Grants are funds received from statutory, voluntary, or philanthropic agencies established with the primary purpose of giving grants. The most common grant agencies include the government (including local government), charitable trusts and foundations and businesses. These organisations give grants to meet their own objectives and strategies, such as government policy, community development, or supporting the local community.<br><br>The entity may wish to report a breakdown of grants and donations received by donor or grantor in the Notes to the Performance Report.                                      |
| SoFPer1 | Donations, fundraising and other similar revenue*  | A63-A67<br><i>Figure 1</i><br>A65 | <b>Donations that have conditions attached</b><br><br>Some donations and grants have conditions attached. Sometimes these can be of a general nature, for example to be used for specific purposes of the entity, and the entity is not legally required to return the money if it is not used for that purpose. Other donations and grants can be received on a “use or return” basis, for example when the entity is required to either use the donation as specified by the donor or return the donation to the donor.<br><br>Where revenue has conditions attached, it is necessary to determine whether those conditions lead to a liability. Revenue that has a “use or return” condition shall initially be recorded as a liability until the conditions have been met, at which point the revenue should then be recorded. |

| Row     | Category  | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation   |
|---------|---|------------------------------|---|
| SoFPer1 | Donations, fundraising and other similar revenue*   | A54-A58<br><i>Table 1</i>    | <p><b>Fundraising revenue</b></p> <p>If the entity has undertaken an activity where it has gone out to the general public, or its local community to raise money to support its cause it will need to include the <b>gross</b> amount received here.</p> <p>The gross amount is the amount before deducting any direct fundraising expenses/costs; these costs are required to be reported separately under expenses. (Row SoFPer7).</p> <p>Fundraising activities undertaken by an entity often involve an exchange of goods or services for cash, although this is not always at market rates, and the recipient may not take advantage of the good or service.</p>   |
|         |   |                              | <p>There are many and varied forms of public fundraising campaigns or types, some examples are listed below:</p> <ul style="list-style-type: none"> <li>➤ Annual Appeals – street collections/shopping malls/postal appeals;</li> <li>➤ Auctions - live/silent;</li> <li>➤ Bingo/casino nights;</li> <li>➤ Cake stalls/sausage sizzles;</li> <li>➤ Collection plates/boxes;</li> <li>➤ Draws/lotteries/raffles;</li> <li>➤ Fairs/festivals/galas;</li> <li>➤ Fundraising dinners/concerts;</li> <li>➤ Fundraising sales – chocolates/cookies/calendars;</li> <li>➤ Garage sales/jumble sales/car boot sales;</li> <li>➤ Sponsorship;</li> <li>➤ Quiz/trivia evenings;</li> <li>➤ Tournaments/sporting events; and</li> <li>➤ Walk-a-thon/bike-a-thon.</li> </ul> <p>The entity may wish to provide in the Notes to the Performance Report a breakdown of fundraising revenue by fundraising campaign or type.</p> |
| SoFPer2 | Fees, subscriptions and other revenue from members* | A54-A58<br><i>Table 1</i>    | <p>If an entity has a membership base include in here revenue received from those members.</p> <p>Examples of revenue from members:</p> <ul style="list-style-type: none"> <li>➤ Membership fees – Membership fees can be broken down in a way that is useful to users, for example, a sports club may find it useful to provide a breakdown by fee type i.e. seniors, juniors and students;</li> <li>➤ Donations, koha or offerings from members; and</li> <li>➤ Revenue from sales of goods or services to members for example, sales of club merchandise or bar sales.</li> </ul>  |


| Row     | Category   | PBE SFR-A (NFP) Ref       | Explanation  |
|---------|--|---------------------------|--|
|         |  |                           | <p>In some cases money received from members would not be revenue and therefore would not be recorded in the Statement of Financial Performance. Two notable examples are:</p> <ul style="list-style-type: none"> <li>➤ Loans from members – any loans would be shown in the Statement of Financial Position under borrowings (SoFPos17); and</li> <li>➤ Capital funds contributed by members – include in the Statement of Financial Position as funds contributed by owners or members (SoFPos22). These would be uncommon as the member would have to receive in return rights or a financial interest above those of other members.</li> </ul>   |
| SoFPer3 | <p>Revenue from providing goods or services*</p> <p> Some grants received from government (both central and local) or other agencies are in substance a contract for delivery of goods or services and should be included in this category.</p> | A54-A58<br><i>Table 1</i> | <p>Include here revenue from providing goods or services, for example:</p> <ul style="list-style-type: none"> <li>➤ Revenue from government contracts – the entity may have entered into a contract with the government to provide certain goods or services to the public. Most of these contracts will have performance levels which must be fulfilled;</li> <li>➤ Revenue from sales to the public – for example: course fees, fees for advice or counselling services, sale of books, kindergarten fees, playgroup fees, charity shop revenue;</li> <li>➤ Lease or rental revenue - for example, an entity may own a building and rent out some space to another entity; a marae may hire out its premises for a wedding; a conference held on the premises for a fee and;</li> <li>➤ Commission received – if the entity is a fundraising charity, i.e. one who undertakes fundraising on behalf of other not-for-profit entities on a percentage commission basis, it would include any commission received here.</li> </ul> |
| SoFPer4 | Interest, dividends and other investment revenue*  | A54-A58<br><i>Table 1</i> | <p>Include in here any revenue received from investments that the entity has, for example:</p> <ul style="list-style-type: none"> <li>➤ Interest – include gross interest earned on all bank accounts including any compounding interest on term investments;</li> <li>➤ Dividends – if the entity holds shares in a company, the entity may receive dividend revenue, could be six monthly or yearly; and</li> <li>➤ Other investment revenue.</li> </ul>   |
| SoFPer5 | <p>Other revenue</p> <p> Note that the <i>Tier 3 not-for-profit standard</i> permits disaggregation or additional revenue categories to be presented in the Statement of Financial Performance.</p>   | A59-A61<br><i>Table 1</i> | <p>Include in here any other revenue that the entity receives, for example:</p> <ul style="list-style-type: none"> <li>➤ Gain on sale/disposal of an asset. For example, if the entity has a motor vehicle recorded at \$10,000, and it sells the motor vehicle for \$12,000, the gain on sale of \$2,000 would be recorded here;</li> <li>➤ Insurance pay-outs.</li> </ul>  |

| Row     | Category                        | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation  |
|---------|---------------------------------|------------------------------|--|
|         |                                 |                              | <p>If the entity received money from an insurance claim for an asset that was damaged or lost, it would include the money received here; and</p> <ul style="list-style-type: none"> <li>➤ Royalties received.</li> </ul> |
| SoFPer6 | Total Revenue*<br><br>➤ formula |                              | Total of rows SoFPer1 to SoFPer5   |



## Expenses “What did it cost?”



 The standard includes a helpful table on when to record expenses and how to measure them (*Table 2: Recording of Specific Types of Expenses*).

The *Tier 3 not-for-profit standard* requires that in order to make information about expenses understandable to users, expenses must be aggregated and separately presented in categories. The Standard sets out some minimum categories that must be separately reported when the category is applicable and significant to the entity. The template has been developed using these minimum categories but allows for these to be disaggregated or additional categories to be added. The template also allows for breakdowns of expense categories to be provided in the Notes to the Performance Report.

 Be consistent with classifications.

The electronic version of the template includes drop down lists with suggested breakdowns of the minimum expense categories. The user of the template can edit these lists by clicking on the “Lists” (highlighted in green) worksheet.

| Row     | Category                                      | PBE SFR-A (NFP) Ref       | Explanation  |
|---------|---|---------------------------|--|
| SoFPer7 | Expenses related to public fundraising*       | A72-A76<br><i>Table 2</i> | <p>These are the direct costs that were incurred to generate the fundraising revenue listed in row SoFPer1.</p> <p> Remember to include any Honoraria paid to volunteers related to promotion and fundraising.</p> <p>Direct costs are those costs that were necessary to undertake the fundraising activity. For example: hiring of premises or equipment; promotion or marketing costs; prizes or other goods; fees or commissions.</p> <p>The <i>Tier 3 not-for-profit standard</i> does not require an apportionment of indirect costs and overheads.</p> <p>The entity may provide in the Notes to the Performance Report a breakdown of the net proceeds by fundraising event or activity if it considers this is useful information for users.</p>   |
| SoFPer8 | Volunteer and employee related costs*         | A72-A76<br><i>Table 2</i> | <p>If the entity employs staff enter all the related costs here:</p> <ul style="list-style-type: none"> <li>➤ Salaries and Wages; include any payments to temporary/relief staff;</li> <li>➤ Employer superannuation contributions for example, KiwiSaver; and</li> <li>➤ Other – ACC Levies, staff training, professional development and staff recruitment.</li> </ul> <p> Remember to include any Honoraria paid to volunteers for other services.</p> <p>The <i>Tier 3 not-for-profit standard</i> does not require volunteer time to be recorded as an expense. However entities may do so on an optional basis.</p> <p>Reimbursements for expenses incurred by the employee on behalf of the entity are not classified as employee costs, but are recorded under the appropriate category of expense relating to the reimbursement.</p> |
| SoFPer9 | Costs related to providing goods or services* | A72-A76<br><i>Table 2</i> | <p>Include in this row any costs related to providing goods or services (costs incurred in relation to the revenue category – “revenue from providing goods or services” (SOFP3)).</p>   |




| Row      | Category  | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation  |
|----------|---|------------------------------|--|
|          |   |                              | <p>For example, costs involved in delivering health services for pre-school children as contracted by the government.</p> <p>Most overhead or administrative costs of the entity are also in this category, for example:</p> <ul style="list-style-type: none"> <li>➤ Utilities (rent, rates, power, telephone);</li> <li>➤ IT (computer) costs;</li> <li>➤ Insurance, repairs &amp; maintenance;</li> <li>➤ Stationery;</li> <li>➤ Photocopying;</li> <li>➤ Postage/courier costs;</li> <li>➤ Software costs; and</li> <li>➤ Cleaning.</li> </ul> |
| SoFPer10 | <p>Grants and donations made*</p> <p> Remember to include those grants that have been approved for payment and the recipient has been advised.</p>   | A72-A76<br><i>Table 2</i>    | <p>Entities that distribute funds by way of grants or donations are required to disclose the grants paid separately from other operating expenses. Enter in this row the total of all grants and donations that the entity has made in this financial year.</p> <p>Where the making of grants and donations is a major activity of the entity, the <i>Tier 3 not-for-profit standard</i> allows the option of a sub-total showing the surplus/deficit before grants and donations made.</p>  |
| SoFPer11 | <p>Other expenses</p> <p> Note that the <i>Tier 3 not-for-profit standard</i> permits disaggregation or additional expense categories to be presented in the Statement of Financial Performance.</p> | A77-A79<br><i>Table 2</i>    | <p>Any other expenses incurred need to be included here:</p> <ul style="list-style-type: none"> <li>➤ Interest/debt servicing costs;</li> <li>➤ Depreciation;</li> <li>➤ Bad debts;</li> <li>➤ Other impairment charges (i.e. write down of assets);</li> <li>➤ Loss on sale or disposal of assets;</li> <li>➤ Affiliation fees – the entity may have to pay fees to its national body; and</li> <li>➤ Other – audit fees; sundry expenses.</li> </ul>   |



| Row | Category | PBE SFR-A (NFP) Ref | Explanation |
|-----|----------|---------------------|-------------|
|-----|----------|---------------------|-------------|

|          |                |                 |  |
|----------|----------------|-----------------|--|
| SoFPer11 | Other expenses | A107.1 & A107.2 | <p>Reversal of impairment charges</p> <p>Example – reversal of impairment charge for an item of property, plant and equipment:</p> <p>Entity A has an item of property, plant and equipment which it purchased for \$5,000 and decided to depreciate on a straight-line basis over 5 years. At the end of year 2 the entity recorded an impairment charge of \$1,500 and confirmed that the remaining useful life was still three years. The year 3 depreciation expense reflects the asset’s revised carrying amount allocated over the remaining life of 3 years. At the end of year 3 the entity reversed the impairment charge. The entity can reverse only \$1,000 of the original \$1,500 impairment charge. The asset cannot be recorded at more than the carrying amount, had the impairment not been recorded (see Column B).</p> |
|----------|----------------|-----------------|--|

|                                       | Column A<br>(With impairment charge) | Column B<br>(No impairment charge) |
|---------------------------------------|--------------------------------------|------------------------------------|
| Cost                                  | \$5,000                              | \$5,000                            |
| Year 1 depreciation (\$5,000/5 years) | (\$1,000)                            | (\$1,000)                          |
| Carrying amount                       | \$4,000                              | \$4,000                            |
| Year 2 depreciation                   | (\$1,000)                            | (\$1,000)                          |
| Year 2 impairment                     | (\$1,500)                            | \$0                                |
| Carrying amount                       | \$1,500                              | \$3,000                            |
| Year 3 depreciation (\$1,500/3 years) | (\$500)                              | (\$1,000)                          |
| Carrying amount                       | \$1,000                              | \$2,000                            |
| Reverse impairment                    | \$1,000                              | -                                  |
| Carrying amount                       | \$2,000                              | \$2,000                            |

| Row       | Category  | PBE SFR-A (NFP) Ref | Explanation   |  |                      |                |       |                                   |         |        |                                    |         |           |                                    |         |
|-----------|---|---------------------|---|--|----------------------|----------------|-------|-----------------------------------|---------|--------|------------------------------------|---------|-----------|------------------------------------|---------|
| SoFPer11  | Other expenses<br><br> Note land does not depreciate.<br><br> Assets under a certain value (usually \$500) are often expensed in the year of purchase.<br><br> Entities that are currently depreciating their assets using the IRD's tax depreciation rates can continue to do so, if they reflect a reasonable estimate of the asset's useful life. For example, the IRD depreciation rate of zero for buildings is not considered appropriate. | A77-A79<br>Table 2  | <p><b>Depreciation:</b> When the entity purchases a physical asset with a life greater than 12 months (for example, a motor vehicle) it will record it as an item of property, plant and equipment in its Statement of Financial Position. These physical assets reduce in value to the entity over time, for example, through use. To reflect this reduction in value the entity records an expense called depreciation. This has the effect of spreading the cost of the asset over its expected life. The <i>Tier 3 not-for-profit standard</i> allows the use of both the straight line and diminishing value methods of depreciation.</p> <p>Examples of calculating the depreciation expense:</p> <p><i>Example 1: Using straight line depreciation:</i></p> <p>The ABC charitable trust with a 31 March year end bought a car in September for \$7,500, the useful life of the car is 5 years (the simplified assumption is that there is no value at the end of the asset's life).</p> <p>Depreciation is calculated on the original cost price of the asset, and the same amount is claimed each year. If the entity is registered for GST, the cost excludes any GST it has already claimed in the entity's GST return.</p> <p>If an entity buys an asset part way through its financial year it claims depreciation for the number of months it has owned the asset.</p> <p>Based on the above example the depreciation expense to be recorded in the Statement of Financial Performance for the current year would be <math>(\\$7,500/5 \text{ years}) \times (6\text{mths}/12\text{mths})</math> equals \$750. Next year the depreciation expense for this asset would be \$1,500 <math>(\\$7,500/5 \text{ years})</math>.</p> <p><i>Example 2: Using diminishing value depreciation:</i></p> <p>Rather than calculating the amount of depreciation on the original cost price the entity calculates depreciation each year on the opening carrying value for example,</p> <p>Depreciate the motor vehicle at 30% DV</p> <table border="1"> <thead> <tr> <th></th> <th>Depreciation Expense</th> <th>Carrying Value</th> </tr> </thead> <tbody> <tr> <td>Year1</td> <td>30% of \$7,500 for 6 mths=\$1,125</td> <td>\$6,375</td> </tr> <tr> <td>Year 2</td> <td>30% of \$6,375 for 12 mths=\$1,913</td> <td>\$4,462</td> </tr> <tr> <td>Year 3...</td> <td>30% of \$4,462 for 12 mths=\$1,339</td> <td>\$3,123</td> </tr> </tbody> </table> |  | Depreciation Expense | Carrying Value | Year1 | 30% of \$7,500 for 6 mths=\$1,125 | \$6,375 | Year 2 | 30% of \$6,375 for 12 mths=\$1,913 | \$4,462 | Year 3... | 30% of \$4,462 for 12 mths=\$1,339 | \$3,123 |
|           | Depreciation Expense  | Carrying Value      |   |  |                      |                |       |                                   |         |        |                                    |         |           |                                    |         |
| Year1     | 30% of \$7,500 for 6 mths=\$1,125   | \$6,375             |   |  |                      |                |       |                                   |         |        |                                    |         |           |                                    |         |
| Year 2    | 30% of \$6,375 for 12 mths=\$1,913  | \$4,462             |   |  |                      |                |       |                                   |         |        |                                    |         |           |                                    |         |
| Year 3... | 30% of \$4,462 for 12 mths=\$1,339  | \$3,123             |   |  |                      |                |       |                                   |         |        |                                    |         |           |                                    |         |
| SoFPer11  | Other expenses  | A77-A79<br>Table 2  | <p><b>Bad debts:</b> At the end of the financial year the entity should review its debtors, that is, people who owe the entity money, to determine if it needs to write off/expense any or all of the debt. The entity would only do this where all attempts made to collect on the debt have failed, that is, there is no reasonable likelihood that the debt will be paid, or the debtor has gone into bankruptcy.</p>  |  |                      |                |       |                                   |         |        |                                    |         |           |                                    |         |

| Row      | Category                     | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation                       |
|----------|------------------------------|------------------------------|-----------------------------------|
| SoFPer12 | Total Expenses*<br>➤ formula |                              | Total of rows SoFPer7 to SoFPer11 |

**Surplus/ Deficit**

| Row      | Category                         | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation            |
|----------|----------------------------------|------------------------------|------------------------|
| SoFPer13 | Surplus/(Deficit) *<br>➤ formula |                              | SoFPer6 less SoFPer12. |

## Section 6 : Statement of Financial Position

### Assets and Liabilities ”What the entity owns?” and “What the entity owes?”

The Statement of Financial Position (also called a balance sheet) reports the assets, liabilities and accumulated funds of the entity at a set point in time (the balance date). It can be laid out in lots of different ways, including:

- Total Assets less Total Liabilities (Net Assets) equals Total Accumulated Funds (template version); or
- Total Assets equals Total Liabilities plus Accumulated Funds.



The standard includes helpful tables on when to record assets and liabilities and how to measure them:

- *Table 3: Recording of Specific Types of Asset; and*
- *Table 4: Recording of Specific Types of Liability.*

Assets and liabilities are to be classified into current and non-current. Current assets are those which are intended to be converted into cash within 12 months of balance date and current liabilities are those which are due to be settled (paid) within 12 months of balance date.

The *Tier 3 not-for-profit standard* requires that in order to make information about assets and liabilities understandable to users, assets and liabilities must be aggregated and separately presented in categories. The Standard sets out some minimum categories that must be separately reported when the category is applicable and significant to the entity. The template has been developed using these minimum categories but allows for these to be disaggregated or additional categories to be added. The template also allows for breakdowns of asset and liability categories to be provided in the Notes to the Performance Report.

The electronic version of the template includes drop down lists with suggested breakdowns of the main asset and liability categories. The user of the template can edit these lists by clicking on the “Lists” (highlighted in green) worksheet.



SoFPos – Statement of Financial Position.











Cells that are highlighted  contain formulas, and will automatically calculate in the electronic version of the template once the detail has been entered into the template.



If the entity adds any additional rows into the template, please remember to check the formulae to ensure all rows are included in the totals.





The sections that are required to be completed have an asterisk “\*” after them. All other sections are optional.

| Row     | Category  | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation  |
|---------|---|------------------------------|--|
| SoFPos1 | Bank accounts and cash*   | A93<br><i>Table 3</i>        | This is the total of all bank accounts and cash held by the entity.  |
|         | The movement in this balance for the year is what is shown in the entity’s Statement of Cash Flows. |                              | Include the following: <ul style="list-style-type: none"> <li>➤ Cheque account balances;</li> <li>➤ Savings account balances;</li> <li>➤ Petty Cash; and</li> <li>➤ Cash floats</li> </ul> <p>Any bank overdraft balances are to be reported in row SoFPos11 as a current liability.</p> |


| Row     | Category   | PBE SFR-A (NFP) Ref       | Explanation   |
|---------|--|---------------------------|---|
| SoFPos2 | Debtors and prepayments*<br> Refer SoFPer11 regarding bad debt expense. | A94-A95<br><i>Table 3</i> | <p>Debtors, also called accounts receivable, are amounts owed to the entity by others, for example, amounts due in relation to providing goods or services to an individual or another entity.</p> <p> Does the entity have any subscription or registration fees owing to it?</p> <p> Has the entity issued invoices for which payment has not been received?</p> <p> Is the entity owed a refund of GST from the IRD?</p> <p>Prepayments are any significant amounts paid in advance, such as insurance or rent. For example, an entity with a balance date of 30 June paid its annual insurance premiums of \$2,400 on the 1<sup>st</sup> of March. In its Performance Report for the 30<sup>th</sup> June it would show 8 months of the premium as a prepayment (\$1,600).</p> <p>Include the following:</p> <ul style="list-style-type: none"> <li>➤ Accounts receivable/debtors;</li> <li>➤ Prepayments;</li> <li>➤ GST receivable; and</li> <li>➤ Other receivables, for example, interest receivable.</li> </ul> |
| SoFPos3 | Inventory*<br> Only record purchased inventory.                       | A96<br><i>Table 3</i>     | <p>Include here any inventory/stock at the end of the financial year, for example, goods held for resale.</p> <p>Inventories may include:</p> <ul style="list-style-type: none"> <li>➤ food or clothing held for distribution;</li> <li>➤ stocks held in opportunity and charity shops;</li> <li>➤ information brochures printed for the entity but not yet distributed;</li> <li>➤ goods purchased for resale;</li> <li>➤ consumable stores;</li> <li>➤ maintenance materials;</li> <li>➤ spare parts for plant and equipment; and</li> <li>➤ work-in-progress, such as educational/training course materials under development.</li> </ul>  |
| SoFPos4 | Other current assets   | A102                      | <p>Include in here any other current assets not disclosed above.</p> <ul style="list-style-type: none"> <li>➤ Short term deposits, less than 12 months to maturity.</li> </ul>  |
| SoFPos5 | Total current assets<br>➤ formula  |                           | Total of rows SoFPos1 to SoFPos4  |

| Row      | Category                              | PBE SFR-A (NFP) Ref | Explanation  |
|----------|---------------------------------------|---------------------|--|
| SoFPos6  | Property, plant and equipment*        | A97<br>Table 3      | <p>Property, plant and equipment is tangible assets with useful lives of 12 months or more that are used by the entity to undertake its activities, including:</p> <ul style="list-style-type: none"> <li>➤ Land;</li> <li>➤ Buildings;</li> <li>➤ Motor vehicles;</li> <li>➤ Furniture and fixtures;</li> <li>➤ Office equipment;</li> <li>➤ Computers (including software);</li> <li>➤ Machinery; and</li> <li>➤ Heritage assets.</li> </ul> <p> If a significant asset is donated to the entity (for example, a property), the entity is required to record the asset and depreciate it.</p> <p> Note land does not depreciate.</p> <p> Most property, plant and equipment is measured at cost. If, however, the entity considers that a current value of some assets, for example, land and buildings is useful information for users of their Performance Report, the entity may choose to disclose that current value including the date and source of that value.</p> <p>Significant donated assets with useful lives of 12 months or more are recorded in the Statement of Financial Position at readily obtainable values such as rateable or government valuations.</p> <p>Heritage assets, for example, historical buildings and monuments, archaeological sites, conservaton areas and nature reserves, collections of art and/or artifacts are to be treated in the same manner as other property, plant and equipment.</p> <p>Refer to SoFPer11 for information about how to calculate depreciation on the entity's fixed assets.</p> |
| SoFPos7  | Investments*                          | A98<br>Table 3      | <p>Investment assets are held in order to generate revenue or gains to fund future activities. These can include:</p> <ul style="list-style-type: none"> <li>➤ stocks and shares;</li> <li>➤ investment property; and</li> <li>➤ cash held in investment portfolios.</li> </ul>  |
| SoFPos8  | Other non-current assets              | A102                | <p>This row is completed if an entity has other types of non-current assets that do not fall within property, plant and equipment or investments. For example:</p> <ul style="list-style-type: none"> <li>➤ Purchased intangible assets, for example: trademarks or patents .</li> </ul>   |
| SoFPos9  | Total non-current assets<br>➤ formula |                     | Total of rows SoFPos6 to SoFPos8.  |
| SoFPos10 | Total assets*<br>➤ formula            |                     | This is total of SoFPos5 plus SoFPos9.   |

| Row      | Category   | PBE SFR-A (NFP) Ref               | Explanation   |
|----------|--|-----------------------------------|---|
| SoFPos11 | Bank overdraft*<br> Note this is the amount of the actual overdraft not the overdraft facility. | A119(a)<br><i>Table 4</i>         | If the entity has a bank account that is overdrawn as at balance date it should record that bank account as a current liability.  |
| SoFPos12 | Creditors and accrued expenses*  | A120-<br>A122<br><i>Table 4</i>   | Creditors are amounts owing by the entity to suppliers for goods or services received (that will be settled within 12 months).<br>An entity must record an accrual for costs incurred but not yet paid. Examples are accrued rent, accrued interest.<br>Include here: <ul style="list-style-type: none"> <li>➤ Trade and other payables;</li> <li>➤ Accrued expenses; and</li> <li>➤ GST payable.</li> </ul>  |
| SoFPos13 | Employee costs payable*  | A122<br><i>Table 4</i>            | Employee costs payable are amounts owing to, but not yet paid to employees. Include here: <ul style="list-style-type: none"> <li>➤ Wages and salaries earned but not yet paid;</li> <li>➤ Holidays earned but not yet taken (holiday pay accrual);</li> <li>➤ ACC contributions owing;</li> <li>➤ PAYE owing to Inland Revenue; and</li> <li>➤ Contributions to superannuation schemes (for example, KiwiSaver) collected by not yet paid over.</li> </ul>                            |
| SoFPos14 | Unused donations and grants with conditions*   | A63-A67<br>A123<br><i>Table 4</i> | Unused donations and grants with conditions attached are donations or grants that have a “use or return” condition attached to them. This creates a binding obligation on the entity that is recorded as a liability. This category includes unused revenue for service delivery contracts (that is, grants for the provision of a specified service) that have a “use or return” condition attached.   |
| SoFPos15 | Other current liabilities  |                                   | Any other current liabilities   |
| SoFPos16 | Total current liabilities<br>➤ formula   |                                   | Total of rows SoFPos11 to SoFPos15.   |
| SoFPos17 | Loans*   | A124<br><i>Table 4</i>            | Include in this row: <ul style="list-style-type: none"> <li>➤ Loans, for example a term loan from the entity’s bank; and</li> <li>➤ Amounts lent by members to the entity that need to be repaid.</li> </ul>  The entity may wish to include in the Notes to the Performance Report the following information in relation to any loans: interest rates, security, repayments dates, and covenants. |

| Row      | Category   | PBE SFR-A (NFP) Ref             | Explanation  |
|----------|--|---------------------------------|--|
| SoFPos18 | Other non-current liabilities  | A133-<br>A135<br><i>Table 4</i> | Include in this row any provisions. A provision is a liability of uncertain timing or amount, for example, an entity's lease of office premises may contain conditions that require the premises to be renovated at the end of the lease. The <i>Tier 3 not-for-profit standard</i> sets out the conditions that must be met before a provision should be recorded.  |
| SoFPos19 | Total non-current liabilities<br>➤ formula   |                                 | This is the total of rows SoFPos17 and SoFPos18.   |
| SoFPos20 | Total liabilities*<br>➤ formula  |                                 | SoFPos16 plus SoFPos19.  |
| SoFPos21 | Total assets less total liabilities*<br>➤ formula  |                                 | Row SoFPos10 less SoFPos20.  |
| SoFPos22 | Capital contributed by owners or members* (if any)   | A140-<br>A141                   | <p>Include in here any contributions made by owners/members that establish a financial interest in the entity, less any contributed capital returned to owners/members.</p> <p> Membership fees are not capital contributed by members.</p>   |
| SoFPos23 | Accumulated surpluses or (deficits) *  | A142<br>A147                    | <p>These are the total of all the surpluses or (deficits) from the commencement of the entity, excluding other distributions paid to owners/members in their capacity as owners/members (if any); and amounts transferred to other reserves.</p> <p>Accumulated surpluses are unrestricted funds and are expendable at the discretion of the governing body of the entity in furtherance of the entity's objectives.</p> |
| SoFPos24 | Reserves*<br><br> All transfers to reserves can only be for amounts that have already been recorded in the Statement of Financial Performance and therefore are in accumulated surpluses or (deficits). | A143<br>A148                    | <p>Include in here reserves that the entity has. Note 5 requires a breakdown of these reserves and a narrative description of the restrictions or purpose.</p> <p> The entity would need to record a transfer from accumulated surpluses or (deficits) to reserves.</p>   |
| SoFPos25 | Total Accumulated Funds*<br>➤ formula  |                                 | <p>Sum of rows SoFPos22 to SoFPos24. The total accumulated funds must agree with row SoFPos21.</p> <p>The template contains a check cell to make sure the entity's Statement of Financial Position balances.</p>   |
| SoFPos26 | Approval and Issue of Performance Report<br><br> An entity may disclose the approval of the performance report on another component of the performance report, for                                      | A148.1<br>A148.2                | It is important that the governing body formally takes responsibility for the approval and issue of the final performance report. The template has space for the representatives of the governing body to date and sign the performance report.  |



| Row | Category  | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation  |
|-----|---|------------------------------|--|
|     | <p>example, on the bottom of the statement of service performance or by inserting a separate approval page.</p> |                              | <p> Usually two representatives sign the performance report, for example, the Chair and the Treasurer.</p> <p>It is common practice for the performance report and the audit/review report to have the same date.</p> |

## Section 7 : Statement of Cash Flows

### “How the entity has received and used cash”

Information about the cash flows of an entity is useful in providing users of reports with information for both accountability and decision-making purposes. Cash flow information allows users to ascertain how an entity has raised the cash required to fund its activities, and the manner in which that cash was used.

In making and evaluating decisions about the allocation of resources, such as the sustainability of the entity’s activities, users require an understanding of the timing and certainty of cash flows.

The Statement of Cash Flows identifies:

- The sources of cash inflows;
- The items on which cash was expended during the reporting period; and
- The cash balance as at the balance date.

The cash flows are classified into two categories: cash flows from operating activities; and cash flows from investing and financing activities.

Investing activities are the acquisition and disposal of long-term assets and investments not included in the cash balance. For example, purchase of property, plant and equipment; or investments. Financing activities comprises receipts and payments relating to borrowing by the entity (the principal amount only); and any capital contributions to/from owners or members (if any).


Operating activities are the activities of the entity that are not investing or financing activities. They include the normal operations of the entity, for example, providing goods or services.


Cash flows are to be prepared on a consistent basis with the other financial statements with respect to GST, net of GST (GST-exclusive) or on a gross basis (GST-inclusive).

 Remember the Statement of Cash Flows includes only the movement in **cash**.

 For most not-for-profit entities the Statement of Cash Flows is a summary of their cashbook for the financial year.

In order to make information understandable to users, cash flows from operating activities and from investing and financing activities must be aggregated and separately presented in categories. The Standard sets out some minimum categories that must be separately reported when the category is applicable and significant to the entity. The template has been developed using these minimum categories but allows for these to be disaggregated or additional categories to be added.

 If the entity adds any additional rows into the template, please remember to check the formulae to ensure all rows are included in the totals.

 The sections that are required to be completed have an asterisk “\*” after them. All other sections are optional.

| Row | Category                                 | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation   |
|-----|--|------------------------------|---|
| CF1 | Cash received from operating activities* | A158-<br>A161                | <p>Cash received from operating activities is derived primarily from the principal cash-generating activities of the entity.</p> <p>Minimum categories:</p> <ul style="list-style-type: none"> <li>➤ Donations, fundraising and other similar receipts;</li> <li>➤ Fees, subscriptions and other receipts from members;</li> <li>➤ Receipts from providing goods or services; and</li> <li>➤ Interest, dividends and other investment receipts</li> </ul> |

| Row | Category  | PBE SFR-A (NFP) Ref | Explanation   |
|-----|---|---------------------|---|
|     |   |                     | 💡 If the entity is not registered for GST there will be no entry required in the Net GST row.   |
| CF2 | Cash applied to operating activities*   | A158-<br>A161       | Cash payments in relation to the normal operations of the entity.<br>Minimum categories: <ul style="list-style-type: none"> <li>➤ Payments to supplier and employees; and</li> <li>➤ Donations or grants paid.</li> </ul>   |
| CF3 | Net cash flows from operating activities* <ul style="list-style-type: none"> <li>➤ Formula</li> </ul>               |                     | Total of the cash received from operating activities less cash applied to operating activities (Total CF1 less Total CF2).  |
| CF4 | Cash received from investing and financing activities*  | A165-<br>A169       | All cash received from investing and financing activities.<br>Minimum categories: <ul style="list-style-type: none"> <li>➤ Receipts from the sale of property, plant and equipment;</li> <li>➤ Receipts from the sale of investments;</li> <li>➤ Proceeds from loans borrowed from other parties; and</li> <li>➤ Capital contributed from owners or members.</li> </ul> |
| CF5 | Cash applied to investing and financing activities*   | A165-<br>A169       | All cash paid for investing and financing activities.<br>Minimum categories: <ul style="list-style-type: none"> <li>➤ Payments to acquire property, plant and equipment;</li> <li>➤ Payments to purchase investments;</li> <li>➤ Repayments of loans borrowed from other parties; and</li> <li>➤ Capital repaid to owners or members.</li> </ul>                        |
| CF6 | Net cash flows from investing and financing activities* <ul style="list-style-type: none"> <li>➤ Formula</li> </ul> |                     | Total of cash received from investing and financing activities less cash applied to investing and financing activities (Total CF4 less Total CF5).  |
| CF7 | Net increase (decrease) in cash* <ul style="list-style-type: none"> <li>➤ Formula</li> </ul>                        |                     | This is the total of rows CF3 and CF6.  |
| CF8 | Opening Cash* <ul style="list-style-type: none"> <li>➤ This year Formula</li> </ul>                                 |                     | This is the entity's cash at the start of the year; this will be the total of all the entity's bank accounts net of any bank overdraft amount.<br><br>⚠ This needs to agree with what the entity reported in the Statement of Financial Position for "bank accounts and cash" in the "Last Year" column (SoFPos1).  |
| CF9 | Closing cash* <ul style="list-style-type: none"> <li>➤ Formula</li> </ul>   | A170                | This is the entity's cash at the end of the year; this will be the total of all the entity's bank accounts net of any bank overdraft amount.<br><br>This is the total of rows CF7 and CF8.  |

| Row  | Category                             | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation   |
|------|--------------------------------------|------------------------------|---|
| CF10 | Bank accounts and cash*<br>➤ Formula | A170                         | <p>This figure is picked up from SoFPos1 and is the bank accounts and cash number the entity reported in its Statement of Financial Position.</p> <p>This is a cross-check to ensure that the entity’s Statement of Cash flows reconciles to the cash the entity reported in the Statement of Financial Position.</p> |


## Section 8 : Statement of Accounting Policies




### “How did we do our accounting?”


The Statement of Accounting Policies reports the specific policies and practices applied by an entity in preparing its Performance Report. This provides users with an understanding of the basis on which the Performance Report has been prepared.

The Statement of Accounting Policies is made up of two components:

- Accounting policies applied; and
- Changes in accounting policies.

 The sections that are required to be completed have an asterisk “\*” after them. All other sections are optional.

| Row | Category  | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation  |
|-----|---|------------------------------|--|
| AP1 | Basis of preparation*                               | A175-<br>A176                | <ul style="list-style-type: none"> <li>➤ The entity discloses that it has elected to apply the <i>Tier 3 not-for-profit standard</i> and the basis for its eligibility.</li> <li>➤ The entity discloses that all transactions are reported using the accrual basis of accounting; and</li> <li>➤ The Performance Report is prepared under the assumption that the entity will continue all, or a substantial part of, its operations in the foreseeable future and does not intend to stop operating either through its own decision or an external decision, for example that of a liquidator. When this assumption is no longer appropriate the <i>Tier 3 not-for-profit standard</i> requires an entity to note that fact and explain why in the Notes to the Performance Report.</li> </ul> <p> The entity also needs to consider whether different accounting policies are more appropriate if the going concern assumption doesn't apply.</p> |
| AP2 | Goods and Services Tax (GST)*                       | A177                         | <p>Select relevant policy.</p> <p>The <i>Tier 3 not-for-profit standard</i> permits the entity to prepare its Performance Report on either a GST-inclusive or a GST-exclusive basis, provided that GST is reported in a consistent way throughout the Performance Report.</p>  |
| AP3 | Income Tax  |                              | The entity may wish to include a note regarding its income tax status.   |
| AP3 | Bank accounts and cash                              |                              | Bank accounts and cash in the Statement of Cash Flows comprise petty cash, cheque or savings accounts, and deposits held at call at banks.   |
| AP4 | Specific accounting policies applied by the entity* | A178-<br>A180                | <p> The entity can also add any policies adopted additional to those listed.</p> <p> Remember to apply accounting policies consistently from one year to the next.</p>   |

| Row | Category  | PBE<br>SFR-A<br>(NFP)<br>Ref | Explanation  |
|-----|---|------------------------------|--|
| AP5 | Tier 2 PBE Accounting Standards applied* (if any)   | A180                         | Under the <i>Tier 3 not-for-profit standard</i> the entity may elect to apply the requirements of a Tier 2 PBE Standard that is part of the Tier 2 PBE Accounting Requirements in place of a requirement in the <i>Tier 3 not-for-profit standard</i> . Where this is the case, the entity must disclose the PBE Standard applied.   |
| AP6 | <p>Changes in accounting policies*</p> <p> The initial application of a policy to revalue assets would be a change in accounting policy.</p> | A183-<br>A184                | <p>Where there have been no changes to accounting policies during the reporting period, that fact must be reported.</p> <p>If an entity changes an accounting policy it will need to disclose the following:</p> <ul style="list-style-type: none"> <li>➤ Reason for the change</li> <li>➤ Description of the change in policy;</li> <li>➤ How and from when this change in policy has been applied; and</li> <li>➤ For the current period, for each financial line item affected, the amount as calculated under the previous accounting policy.</li> </ul> |



|              |   |   |
|--------------|---|---|
| <b>Total</b> | - | - |
|--------------|---|---|

### Note 3: Analysis of assets and liabilities

This is an **optional** note which allows the entity to provide a further breakdown of the asset and liability categories reported in the Statement of Financial Position.

| Asset Item                           | Analysis  | This Year                        | Last Year                        |
|--------------------------------------|---|----------------------------------|----------------------------------|
|                                      |   | \$                               | \$                               |
| (for example) Bank accounts and cash | Please select item from the drop down list provided. Go to the "Lists" (green) sheet to edit lists to make appropriate for your entity. | Please enter whole dollars only. | Please enter whole dollars only. |
|                                      |   |                                  |                                  |
|                                      |   |                                  |                                  |
|                                      |   |                                  |                                  |
|                                      |   |                                  |                                  |
|                                      |   |                                  |                                  |
| <b>Total</b>                         |   | -                                | -                                |

### Note 4: Property, plant and equipment\*








Also referred to as fixed assets.

The *Tier 3 not-for-profit standard* requires the following information in relation to Property, plant and equipment.

| Row  | Category   | PBE SFR-A (NFP) Ref | Explanation  |
|------|--|---------------------|--|
| PPE1 | Asset class*<br><br>Heritage assets are accounted for in the same manner as other property, plant and equipment. | A190(a)             | A class of property, plant and equipment is a grouping of assets of a similar nature or function. For example, land, buildings, equipment.<br><br>Delete any class not relevant to the entity.   |
| PPE2 | Opening carrying amount*<br><br>This is the carrying amount at the beginning of the financial year.              | A190(b)             | Last Year table – enter the entity’s opening carrying amounts for each asset class from your fixed asset register.<br><br>This Year table – the opening carrying amount for this year will pick up the closing carrying amount from last year.<br><br>The carrying amount of fixed assets is the cost less accumulated depreciation (and accumulated impairment losses (if any)), sometimes referred to as the book value. |
| PPE3 | Purchases of property, plant and equipment   |                     | Enter property, plant and equipment purchased by the entity this financial year.<br><br>Whilst not required by the Tier 3 not-for-profit standard, this column has been added into the template for the benefit of preparers and users.  |



| Row  | Category  | PBE SFR-A (NFP) Ref       | Explanation  |
|------|---|---------------------------|--|
| PPE4 | Sales/disposals of property, plant and equipment  |                           | <p>Enter property, plant and equipment sold by or disposed of by the entity this financial year.</p> <p> Whilst not required by the Tier 3 not-for-profit standard, this column has been added into the template for the benefit of preparers and users.</p>  |
| PPE5 | <p>Current year depreciation and impairment (if any) *</p> <p> Should equal depreciation plus impairment expense recorded in SoFPer11.</p> | A190(c)                   | <p>This is the depreciation expense for the year and should agree with what the entity has reported as its depreciation expense in the Statement of Financial Performance.</p> <p>If the entity needs to write off an asset because for example, it no longer has a use for it, the impairment/write down is to be recorded here.</p>  |
| PPE6 | <p>Closing carrying amount*</p> <p>➤ Formula</p> <p> This is the carrying amount at the end of the financial year.</p>                     | A190(d)                   | <p>This is:</p> <p>Opening carrying amount</p> <p>Plus Purchases of items of Property, plant and equipment;</p> <p>Less Sales of items of Property, plant and equipment; and</p> <p>Less Depreciation and impairment charges (if any).</p>   |
| PPE7 | Current valuation*  | A116                      | <p>The <i>Tier 3 not-for-profit standard</i> encourages entities to provide a current value of some assets if it considers it is useful information for users of their Performance Report.</p>   |
| PPE8 | Source and date of valuation*   | A191                      | <p>Where did the entity get its current value from? It could be from the following sources:</p> <ul style="list-style-type: none"> <li>➤ Rateable value;</li> <li>➤ Government value; or</li> <li>➤ Selling price of equivalent items of plant or equipment.</li> </ul> <p>The entity is also required to provide the date of the valuation, for example, a valuation from 10 years ago may not be that useful to the users of the Performance Report.</p> <p> There is no requirement in the <i>Tier 3 not-for-profit standard</i> for the entity to provide independent valuations of assets.</p> |
| PPE9 | Significant donated assets - recorded*  | A111-<br>A112<br><br>A191 | <p>Significant donated assets, for example, a building or a motor vehicle are to be recorded in the Statement of Financial Position at readily obtainable values such as rateable or government valuations.</p> <p>The <i>Tier 3 not-for-profit standard</i> requires that the source and date of the valuation for recording these assets in the Performance Report is disclosed in the Notes to the Performance Report.</p>  |

| Row   | Category  | PBE SFR-A (NFP) Ref | Explanation   |
|-------|---|---------------------|---|
| PPE10 | Significant donated assets not recorded*  | A192                | These are donated assets that are not recorded in the Performance Report, for example, highly specialised or heritage assets for which values are not readily obtainable.<br><br>The <i>Tier 3 not-for-profit standard</i> requires a description of the asset, categorised by class where appropriate. |
|       |  Including significant heritage assets not recorded. |                     |   |

### Note 5: Accumulated funds\*

The *Tier 3 not-for-profit standard* requires an entity to show the principal movements between the opening and closing balances for all categories of accumulated funds. It also requires details of the nature and purpose of each reserve.

| Row | Category            | PBE SFR-A (NFP) Ref | Explanation   |
|-----|---------------------|---------------------|---|
| AF1 | Name*               | A196                | The name of the reserve.<br>Example 1:<br>Japan tsunami relief reserve.<br><br>Example 2:<br>Mobility vehicle reserve.  |
| AF2 | Nature and purpose* | A196                | Provide details of the nature and purpose of the reserve:<br><br>Example 1:<br>All money received to date from the Japan tsunami fundraising appeal has been transferred into this reserve.<br><br>Example 2:<br>This money has been set aside to purchase a second mobility vehicle for use by the entity in its community programs. |
| AF3 | Amount*             | A196                | The balance of the reserve as at the balance date.  |

### Note 6: Commitments and contingencies\*



A commitment is an undertaking to commit substantial expenditure at a future date.

Although commitments, operating or capital are not yet recorded as liabilities, reporting them is essential for users of reports to gain a proper understanding of the entity's future viability.



The *Tier 3 not-for-profit standard* requires entities to report **significant** commitments.

Likewise it is important to report, and entities are required to report, contingent liabilities.



A contingent liability is a potential liability which depends on a future event occurring or not occurring. For example, if an entity is sued by a former employee for \$500,000 for age discrimination, the entity has a contingent liability. If the entity is found guilty, it will have a liability. However, if the entity is not found guilty, the entity will not have an actual liability.

| Row | Category   | PBE SFR-A (NFP) Ref | Explanation   |
|-----|--|---------------------|---|
| CC1 | Commitments to lease or rent assets                  | A197-<br>A198       | If the entity has any non-cancellable operating leases and rental agreements it needs to disclose its commitments under these agreements, including the timeframe of the commitment.  |
| CC2 | Commitment to purchase property, plant and equipment | A197-<br>A198       | If an entity has a firm intention at the end of the reporting period to purchase property, plant and equipment in the future it needs to disclose these commitments. A commitment generally arises when an order is placed or a contract signed.<br><br>Please provide the timing and amount.   |
| CC3 | Commitment to provide loans or grants                | A197-<br>A198       | Provide details of any loans or grants that the entity has committed to provide.<br><br>Please provide the timing and an amount.  |
| CC4 | Contingent liability                                 | A199-<br>A200       | Examples would be any claims, pending or threatened litigation.<br><br>For each class of contingent liability at the reporting date an entity must report: <ul style="list-style-type: none"> <li>➤ a brief description of the nature of the contingent liability;</li> <li>➤ a best estimate of the amount of the liability (where this can be estimated);</li> <li>➤ an indication of the uncertainties relating to the amount or the timing of any outflow of resources; and</li> <li>➤ the possibility of any reimbursement.</li> </ul> |
| CC5 | Guarantees provided                                  | A201                | The Standard requires disclosure of guarantees provided.<br><br>For each guarantee an entity must disclose: <ul style="list-style-type: none"> <li>➤ the nature of the guarantee;</li> <li>➤ the maximum amount of the guarantees provided to others; and</li> <li>➤ the likelihood of the entity being required to make payment under the guarantee.</li> </ul>  |

### Note 7: Other

#### Significant grants and donations with conditions which have not been recorded as a liability\*

Where the entity has (i) received a significant grant or donation (including donated assets) with conditions attached which have not been fulfilled at balance date, and (ii) the significant grant or donation was recorded as revenue because the conditions were not “use or return” conditions that resulted in the recording of a liability, the entity must disclose in the following:

| Row | Category                                | PBE SFR-A (NFP) Ref | Explanation   |
|-----|---|---------------------|---|
| O1  | Description of the grant or donation    | A188                | A description of the item concerned.  |
| O2  | Amount of the grant or donation*        | A188                | In the case of cash donations provide the amount of the grant or donation received and the amount for which conditions have not been fulfilled.<br><br>In the case of significant donated assets, details of the donated assets and, if recorded, the amount of the donated assets. |
| O3  | Purpose and nature of the condition(s)* | A188                | A description of the purpose and nature of the conditions of the grant or donation.   |

### Goods or services provided to the entity in kind\*

The *Tier 3 not-for-profit standard* does not require donated goods, services and assets (other than significant donated assets), including services provided by volunteers, to be recorded in the Performance Report. To compensate for this, the standard requires disclosure of significant donations in kind in the Notes to the Performance Report.

| Row | Category   | PBE SFR-A (NFP) Ref | Explanation   |
|-----|--|---------------------|---|
| O4  | Description of any significant goods or services provided to the entity in kind* | A189                | Provide a description of any significant goods or services provided to the entity in kind, for example, free professional services. |
| O5  | Amount   | A189                | A dollar quantification may be provided as an optional disclosure.  |

### Assets used as security for liabilities\*

If the entity has used any of its assets as security for borrowings, the entity must disclose the following:

| Row | Category                                     | PBE SFR-A (NFP) Ref | Explanation   |
|-----|--|---------------------|---|
| O6  | Nature and amount of borrowing*              | A194                | Provide the nature and amount of the borrowing that is secured. |
| O7  | Nature and amount of asset used as security* | A194                | The nature and amount of the asset(s) used as security.         |

**Note 8: Assets held on behalf of others\***

When an entity is holding assets on behalf of others, the following matters must be included:


| Row | Category  | PBE SFR-A (NFP) Ref | Explanation   |
|-----|---|---------------------|---|
| O8  | Description of assets held*                     | A195                | Provide a description of the assets which the entity holds on behalf of others. |
| O9  | Name of entity on whose behalf assets are held* | A195                | Provide the name of the entity on whose behalf the assets are held.             |

**Note 9: Related party transactions\***

Related party relationships exist throughout the not-for-profit sector. Disclosure of related party transactions is necessary for accountability purposes, and to enable users to better understand the entity's Performance Report.

Related parties comprise:



- People that have significant influence over the entity (such as officeholders, committee members, or others that are involved in the strategic management of the entity - whether employed or volunteer), and close members of their families; and
- Other entities that have significant influence over the entity.

 People are not related parties if they are only involved in the day-to-day running of the entity and have no involvement in the strategic decision making of the entity.

A related party transaction is a transfer of money or other resource between the reporting entity and a person or other entity that is closely associated to the reporting entity that has the ability to influence the reporting entity. This includes normal business transactions as well as transactions below the market price (including the provision of free goods or services).

The Tier 3 not-for-profit standard requires that an entity must report the following information about its transactions with a related party:


| Row | Category                                       | PBE SFR-A (NFP) Ref | Explanation   |
|-----|--|---------------------|---|
| O10 | Description of the related party relationship* | A207(a)             | <p>A description of who the related party is.</p> <p>Example 1, Mr Blog is a member of the governing body and also owns ABC Training Ltd.</p> <p>Example 2, Ms Moore is the daughter of the entity's chief operating officer.</p> |

| Row | Category   | PBE SFR-A (NFP) Ref | Explanation   |
|-----|--|---------------------|---|
| O11 | A description of the transaction (whether in cash or amount in kind)*<br><br> Remember to include free goods or services provided by related parties.<br><br> Remember to include any management fees paid to a related party. | A207(b)             | Include here a description of the transaction(s) with the related party and amounts paid, including transfers of resources for no consideration:<br><br>Example 1, ABC Training Limited was involved with the oversight of a new training programme for the entity. The total value of all transactions for the financial year was \$6,000 (Last Year \$5,000).<br><br>Example 2, Ms Moore sold her house to the entity at the government valuation of \$525,000. |
| O12 | Amounts due from or to*  | A207(c)             | Quantify amounts due from or to related parties at balance date:<br><br>Example 1, no amount was outstanding at balance date. (Last Year : Nil)<br><br>Example 2, \$20,000 is owing to Ms Moore as at balance date. (Last Year : Nil)   |

#### Note 10: Events after the balance date\*

The *Tier 3 not-for-profit standard* covers disclosure of events after the balance date and before the Performance Report is finalised for approval. The balance date is the date at the end of the entity's financial year end, for example, 31 March or 31 December.

The *Tier 3 not-for-profit standard* sets out those events that would require adjustments to be made to the Performance Report and those events that would not require adjustments to be made but that would be included in this section of the Notes to the financial statements.

 The *Tier 3 not-for-profit standard* does not require comparative information for events after the balance date.

For each significant non-adjusting event after the balance date the entity must report:

| Row | Category   | PBE SFR-A (NFP) Ref | Explanation   |
|-----|--|---------------------|---|
| O13 | Nature of the event*                                       | A208(a)             | Include a description of the event. For example, subsequent to 31 March 201X the entity was informed of a pending legal claim by one of its employees.  |
| O14 | Estimate of financial effect*                              | A208(b)             | Quantify the financial effect, or state that such an estimate cannot be made. In relation to the above example the entity may say that the claim has not been quantified.   |
| O15 | Effect, if any, on entity's ability to continue operating* | A208(c)             | Does the event have any impact on the assumption that the entity will continue all, or a substantial part of, its operations in the foreseeable future and does not intend to stop operating either through its own decision or an external decision, for example that of a liquidator? |


**Note 11: Ability to continue operating\***

Where the entity plans to stop operating within 12 months from balance date, or it is likely that the entity will be unable to continue operating, the entity shall report the following:

| Row | Category                       | PBE SFR-A (NFP) Ref | Explanation   |
|-----|--------------------------------|---------------------|---|
| O16 | Ability to continue operating* | A210-A211           | <p>The <i>Tier 3 not-for-profit standard</i> requires an entity to disclose if it is not intending to continue its activities in the foreseeable future. When the ability to continue operating is no longer appropriate the entity discloses in the Notes to the Performance Report:</p> <ul style="list-style-type: none"> <li>➤ a statement that the entity intends to stop operating or that it is unlikely the entity will be able to continue operating;</li> <li>➤ the reason why the entity intends to stop operating or why it may not be able to continue operating; and</li> <li>➤ the estimated effect of the entity's circumstances on the entity's assets and liabilities.</li> </ul> |

**Note 12: Correction of errors\***

When the entity corrects a significant prior period error, it shall report the following:

| Row | Category   | PBE SFR-A (NFP) Ref | Explanation  |
|-----|--|---------------------|--|
| O17 | Correction of errors*<br><br> The revision of an estimate does not relate to prior periods and is not a correction of an error. | A212                | <p>When an entity corrects a significant prior period error, it shall disclose:</p> <ul style="list-style-type: none"> <li>➤ a description of the error and how it was corrected; and</li> <li>➤ the line items and amounts that have been corrected.</li> </ul> |

**Additional information**

| Row | Category               | PBE SFR-A (NFP) Ref | Explanation  |
|-----|------------------------|---------------------|--|
| O18 | Additional information | A213                | Include any additional information that the entity considers necessary for users to understand the overall financial performance and position of the entity. |

## History of Amendments

EG A5 Optional template and associated guidance notes for applying Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) was issued in November 2013.

This table lists the pronouncements/board decisions establishing and substantially amending EG A5. The table is based on amendments issued as at 12 July 2018.

| <b>Pronouncements/ [Board decisions]</b>  | <b>Date issued</b> | <b>Early operative date</b>    | <b>Effective date (annual financial statements ... on or after ...)</b> |
|---|--------------------|--------------------------------|---|
| <i>Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit)</i> (PBE SFR-A (NFP)) | Nov 2013           | Early application is permitted | 1 April 2015  |
| <i>Interests in Other Entities</i> (Amendments to PBE SFR-A (NFP))                                | Sept 2014          | Early application is permitted | 1 April 2015  |
| <i>Amendments to Explanatory Guides 31 Dec 2017</i><br>[Board decisions]                          | Dec 2017           | N/A                            | 1 Jan 2018  |
| <i>2018 Omnibus Amendments to Tier 3 and Tier 4 PBE Accounting Requirements</i>                   | July 2018          | Early application is permitted | 1 Jan 2019  |

| <b>Table of Amended Paragraphs in EG A5</b>                    |                     |   |
|--|---------------------|---|
| <b>Paragraph affected</b>                                      | <b>How affected</b> | <b>By ... [date]</b>  |
| Template – Statement of Financial Position                     | Amended             | <i>2018 Omnibus Amendments to Tier 3 and Tier 4 PBE Accounting Requirements</i> [July 18] |
| Section 2: General – reporting entity                          | Amended             | <i>Interests in Other Entities</i> (Amendments to PBE SFR-A (NFP)) [Apr 15]               |
| Row SoFPer11   | Amended             | <i>Amendments to Explanatory Guides 31 Dec 2017</i> [Dec 17]                              |
| Row SoFPer11   | Amended             | <i>2018 Omnibus Amendments to Tier 3 and Tier 4 PBE Accounting Requirements</i> [July 18] |
| SoFPos26   | Added               | <i>2018 Omnibus Amendments to Tier 3 and Tier 4 PBE Accounting Requirements</i> [July 18] |
| Row O11  | Amended             | <i>Amendments to Explanatory Guides 31 Dec 2017</i> [Dec 17]                              |
| Row EI1  | Amended             | <i>Amendments to Explanatory Guides 31 Dec 2017</i> [Dec 17]                              |
| Row EI4  | Amended             | <i>Amendments to Explanatory Guides 31 Dec 2017</i> [Dec 17]                              |
| Row AP3  | Amended             | <i>Amendments to Explanatory Guides 31 Dec 2017</i> [Dec 17]                              |
| Row AP5  | Amended             | <i>2018 Omnibus Amendments to Tier 3 and Tier 4 PBE Accounting Requirements</i> [July 18] |
| Section 9: Notes to performance report, Note 9 related parties | Amended             | <i>2018 Omnibus Amendments to Tier 3 and Tier 4 PBE Accounting Requirements</i> [July 18] |