

Auckland Foundation. Your Foundation.

ANNUAL REPORT
2017/18

**Auckland
Foundation**

**Giving through Auckland Foundation
is a unique and simple way to make
a difference in our city.**



Chair letter.



It is my pleasure and privilege to introduce the annual report of Auckland Foundation for 2017–18. This report marks my final year as Chair of the Auckland Foundation. It allows me to introduce my successor, Joy Marslin and her deputy Ian Short, who took over leadership of Auckland Foundation from 1 August 2018. Joy and Ian are a formidable leadership team who will guide the Foundation in its next phase of growth and development.

This report also allows me to reflect on the Foundation's progress since I was elected to the Chair in 2014. Over the last four years, the Foundation has:

- Rebranded and refreshed its mission;
- Achieved credibility as a highly professional donor services organisation;
- Increased its visibility and leadership in philanthropy in Auckland;
- Trebled the funds placed with the Foundation;
- Attracted bequest pledges valued at more than \$27 million;
- Launched local philanthropic initiatives such as the North Shore Fund; and

- Recognised the distinct role women play in philanthropy, with the highly successful launch of the Auckland Women's Fund.

These achievements have come about because of a common ambition on the part of the Foundation's Board and management team, that we should reach ambitious goals by 2020 for endowed funds under management, bequest commitments and philanthropic credibility. Those goals were set with our funding partner, Auckland Council. It recognises the worth of philanthropy in our city and of partnering with the Foundation to provide an efficient and trusted organisation, through which Aucklanders can support the causes that move them.

I particularly want to acknowledge and thank my fellow trustees (past and present), our Chief Executive Dellwyn Stuart and her highly professional management team, for their dedication to the Foundation's progress. The efficiency of the Foundation's management team makes any other professed “lean machine” seem a little chubby. To adopt a Churchillian note, never have so few done so much with so little.

A few months ago, I was interviewed for this year's NBR Rich List. This was not, I hasten to add, as one of those

whose wealth was being estimated, but about the way wealth is helping our society. I noted the experience of the Foundation in assisting those who want to give back, but do not know how. I suggested that there is a growing awareness that we all have a responsibility to do what we can to meet the needs of our society; governments – national and local – cannot do it alone. My main theme was that philanthropy is not just for Rich-Listers and that the idea that “my money isn't big enough to make a difference” is alien to the Foundation's philosophy. We have made great strides promoting communities of “small” donors, such as through giving circles. Most of the contributions to the Women's Fund are relatively modest. In combination, however, modest contributions can and do make a real difference.

On a larger scale, the baby-boomer generation is advancing in age. Many have achieved considerable financial success. Because of that, over the coming years New Zealand will see the largest intergenerational transfer of wealth ever to have occurred in our history. In some cases the transfer will be very large and in others, more modest. In each case, however, if a small part of the transferred value is established as an endowment, allowing for perpetual giving, the force for good will be enormous.

“Over the coming years New Zealand will see the largest intergenerational transfer of wealth ever to have occurred in our history.”

The Foundation's message to those whose families are now planning for that transition is that we can help you achieve your philanthropic aspirations by making it easy for you to give back. We will do so without seeking to profit from your generosity (as some others do) and on the basis that your family can retain as much continuing involvement in its philanthropic journey as it wants.

I have thoroughly enjoyed leading the Foundation during this exciting period of growth and development. Its progress augurs very well for the future. I am also very grateful for the personal opportunity the Foundation has given me to understand more deeply the “goodness of giving.”

Geoff Clews
CHAIRMAN



Letter from the CEO.



Giving is trending – it is the new cool – and it is deeply rewarding.

What a great time it is to be leading and developing Auckland Foundation. More and more people are seeking us out to ask for advice as they think about creating a giving programme, making a significant gift or building an endowment. Giving has become the thing to do.

Yes, wealth disparity is a real challenge globally, but we see increasing numbers of people who can give and want to give. They may have benefited from inheritance, sold a business, or simply reached a point in life where they recognise they have more than they need. The impulse for many is to share that good fortune and I am delighted to be part of a time in our history when this generosity, this consideration for others and legacy, is on the rise.

Our worlds are becoming increasingly echo chamber like – whether that's through the suburb we live in where we see only people like us, or through a stream of algorithm driven content that reinforces a narrow experience of the world. Through giving, people are discovering a way to break out of that sameness and connect authentically with the diversity that is our wonderful city. They are experiencing rewards from their generosity that are unexpected, deeper and a source of great personal joy.

Giving effectively is not an easy thing to do. Every generous

person, family or business brings different values and experiences to the table that shape their motivations and goals in giving. I have never met a donor who isn't concerned about ensuring they get the most impact from their generosity. I'm regularly asked about charity administrative costs, and try to shape the conversation to one around impact. Outcomes and impact is the lens we look through. Efficiency is important, but we find that it is equally telling to look at effectiveness. You can be very efficient, and not be delivering a positive impact!

Increasingly we are working alongside other advisors as their philanthropic partner. It is wonderful to have the opportunity to provide deep local insights, and tap into our extensive knowledge on effective giving that gives rise to smart charitable approaches that are as rewarding for the donor as they are for the people who benefit from the outcomes.

We are a charity whose whole purpose is to encourage and facilitate effective giving – giving that has real and enduring positive impact. Because we're not seeking to benefit financially from what we do, we are often the preferred partner - expert, trusted, independent - happy to work in a team with other specialist advisors delivering the best for the donor.

Thank you for a year of growth, of learning, and for being a valued part of our community.

Dellwyn Stuart
CEO

Our vision.

A vibrant and generous Auckland.

The mission we're on.

We encourage, enable and celebrate generosity – connecting good people with great charitable opportunities, building a lasting legacy for the future.

What we do.

Encourage and celebrate generosity.

We help generous Aucklanders build a charitable legacy and give well today. We bring people and great causes together, and celebrate the impact generosity can have in our lives and city.

- Successful launch of the Women's Fund – a new special interest fund to encourage women's generosity and direct more charitable funds to girls and women.
- Three new funds welcomed into the Foundation.
- Annual programme of more than five events for prospective donors.
- Growing our reach and positioning as an expert on giving with an active media programme.

We make giving easy, efficient and effective.

Auckland Foundation is a not for profit organisation with expertise in giving well and deep knowledge on what is happening in our city. With simple structures and expert advice we give peace of mind to donor's - they know their gift makes a positive impact. We take care of all the compliance and administration, allowing donors to focus on their giving.

- Significant focus on working alongside advisors – accountants, lawyers, bankers, wealth managers – as a specialist philanthropic advisor.
- Building our reputation as Auckland's best connected and most experienced philanthropic advisor.
- Continued focus on efficiency and flexibility to meet a wide variety of donor needs.
- Philanthropy Advice service developed to strengthen our partnership with professional advisors.

Strengthen Auckland's communities.

Our unique donor advised approach brings new sources of funds into our communities from a wide range of possible sources. We enable active citizenship and participation in the shape of our city.

- Almost \$1 million in donations to charitable causes our donors are passionate about.
- 89 community groups received grants.
- 15 young Aucklanders supported with scholarships from our fund holders.
- 38 community groups funded throughout Auckland in our Grassroots funding programme.
- We encourage and celebrate giving in all its forms including volunteers. We have more than 30 volunteers engaged directly in our work.



~\$1M
Donations to charitable causes our donors are passionate about.



89
Community groups received grants.



\$5–15k
The amount of savings estimated when establishing a fund with Auckland Foundation, rather than establishing a stand-alone charity.



The involved family.

Business legends, John and Leonie Hynds, are alumni of Manurewa High School. They saw an opportunity to help today's students at their old school, and established a scholarship programme and ambitious goals to establish a school-based Business Academy. They got started in 2014 and the Business Academy is going from strength to strength.

There is now a dedicated maker space on site, consistently high results in international Future Problem Solving competitions, Young Enterprise programme participation and trades skills development. Getting students equipped to fully leverage their talents and potential in the work place is a major focus. There are partnerships in place with a variety of local businesses and universities and a focus on early education with their support of Talking Matters.

John, Leonie and Robyn Hynds are hands on, engaged in the school community and believe this is the best way to really make progress happen. Auckland Foundation makes it easy by providing a simple way for them to both give today and build an enduring fund for the future of Manurewa's children.



The caring business.

In 2013 sKids business owner Dawn Engelbrecht was looking for a way that the growing business might develop a more proactive social strategy within their school communities. As a provider of structured out of school care for primary aged children, they wanted to give back to the communities that sustained their business, but do so in a way that didn't distract them with the administration burden of running a charitable foundation.

Auckland Foundation was able to provide a plug in solution that lets them focus on the giving and their communities' needs.

The Kiwi Kids Education Fund was established to give back to the community in all sorts of ways from supporting a sKids family struggling to put food on the table to donating funds to a fire-damaged school. Through the Kiwi Kids Education Fund, little by little, they are changing the world for Kiwi kids and their families.



Youth giving back.

Youthfund is a wonderful example of what can be achieved when young people give back to the community – and support and empower their peers.

The focus of Youthfund is supporting youth-initiated projects and events. All ideas must be submitted by someone who is 14 – 24 years, must encourage promote positive change, and must benefit young people. The emphasis is firmly on helping young people with a great idea that will benefit the community, and need a small amount of money and some organisational help to get it off the ground.

With its board made up entirely of young volunteers also aged 14 to 24, Youthfund truly is led for youth by youth, with Auckland Foundation proud to be providing support in the background.

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The community that thrives.

Peninsula Arts Inc. has a simple goal: to enrich the lives of people on the Te Atatū Peninsula through creative engagement.

A registered charity since 2013, it has the guiding principle that the arts play an essential, vital role in ensuring a healthy and connected community. The organisation has added to an already vibrant community, through delivering the Harbourview Sculpture Trail and other local arts events.

However, when it came to thinking about how its work could be continued long-term, Peninsula Arts realised there was an opportunity to collaborate with local businesses, residents and funders. Toi Te Atatū was set up as a result; an endowment to support arts and culture in Te Atatū Peninsula.

By resettling as a sub-fund of Auckland Foundation, Toi Te Atatū is a great example of a community coming together to ensure that locals will benefit from the arts not just today, but forever.



Easy.
Efficient.
Effective.
And Local.

We love working with generous people who want to contribute to a better Auckland – a better world.

Whether it's youth programmes, assistance for new immigrants, targeted help to meet education challenges, or more public art – we make it easy, efficient and effective to give with impact.





Founder of the

+ Women's Fund

The strength of women and the dreams of girls.

In November 2017 Auckland Foundation launched the Women's Fund movement in New Zealand with the creation of a dedicated fund here in Auckland.

We also issued a call to other regions to support women's giving habits and get more funds to projects aimed at helping mitigate the disadvantage many girls and women still face.

The launch was followed up with a very successful Women Give Summit in March this year. The one day event was sold out and attracted attendees from all over New Zealand. The day focused on what makes women's giving different and how women can affect change with their generosity.

The Fund is playing a leading role in convening the sector. It has created the Women + coalition which sees the leaders of Women's organisations meet regularly, share plans and challenges, and plan collective action where appropriate. The goal of the group is to amplify the impact and speed up change. The cross sector discussions have also given the Women's Fund a broad understanding of the sector quickly and where focus is needed.

In this the 125th anniversary year of women winning the right to vote, the fund has been working towards supporting today's suffragists – those women working at a community level to help others and make change happen.

Many funders do not apply a gender lens to the way they look at their funding – yet statistics around girls and women remain stubbornly behind those of men in many areas. In New Zealand and around the world, women still carry a disproportionate burden of poverty.

Overseas research notes that only about 10c in the philanthropic dollar is getting to the not for profit groups that are specifically focused on helping girls and women.

The Women's Fund aims to get more funds to women and girls and to encourage other funders to consider the benefits of applying a gender lens to their giving, to create greater impact and greater equity in outcomes.

From a blank canvas, generous women have come together and created a fresh and focused entity and energy for change.

In the global context of a renewed determination to remove the last vestiges of gender based discrimination, the Women's Fund provides a very real way to contribute and be directly involved in creating a different outcome for disadvantaged women and girls. If you have an interest in the challenges girls and women face, then this will be the easiest and most effective way to contribute and make a difference.

Auckland Foundation is very proud to have started this movement and we look forward to seeing it grow in its impact and influence.



Helping established charities.

In New Zealand we have more charities per person than any other comparative jurisdiction. But what is the right amount? Is there a right amount?

The high number of charities can be seen as a testament to the ingenuity and diversity of New Zealanders in identifying and relieving the needs of the community.

However, the focus of discussion around numbers is often the administrative waste in having so many charities and the potential advantages in merging or using community foundations to advance charitable purposes.

In our conversations with trustees and donors in Auckland, we responded to an increasing concern in regard to efficiency by reviewing and understanding established charities and their needs. We are in the middle of a two year programme to connect with established trusts and foundations that are showing signs of a new approach to their administration. This is driven by a number of different challenges, which Auckland Foundation is well-placed meet.

One: Managing endowments

Overtime, established charities may have been fortunate to receive endowments through bequests and major gifts. Many recognise they don't have the capacity or capability to be a fund manager and don't want to be diverted from their core purpose. In addition they don't want to pay commercial rates to fund managers to take care of their investments.

The community foundation model is an excellent solution in this case – we use expert fund managers, but as a charity we don't seek to profit from the service. Managing endowments through Auckland Foundation is

straight forward, rewarding and reduces a Board's focus on what can be a complicated and expensive area of compliance.

Two: Succession planning

There are a large number of established foundations that were created by past generations, when community needs and interests were different. We are regularly meeting with trustees who recognise a different structure will be beneficial to carry the donor's wishes into the future. This may be driven by a lack of interest by the current generation, recognition that the administration has become burdensome, the lack of a governance succession plan, or a desire to merge or resettle to be better placed to meet today's needs.

Community foundations are well placed not only to advise on the different choices a Board might consider, but also have a flexible structure that allows established foundations to easily resettle. Auckland Foundation provides enduring governance, financial and investment management and administrative services. We have helped a number of established charities resettle and ensure they are well set up to meet future challenges.

The community foundation model is the fastest growing form of giving in the world. We are actively working to inform the market here in Auckland about the ease and efficiency of future proofing that we can provide through resettling established trusts and foundations.

If you are a trustee of a charity, or know of some facing challenges, connect them to Auckland Foundation for expert, no cost advice on their options for future sustainability.



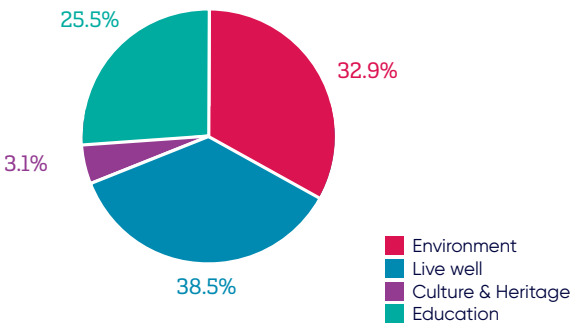
Growing in strength.

Grants made.

Auckland Foundation has continued to grow and facilitate more charitable funds being set aside to deliver impact in our communities. We have adjusted our mix of services in the year under review with less focus on consulting, and more time dedicated on long term growth of giving in Auckland.

Total revenue (including endowed funds) \$1,618,587
Total expenses decreased ~11% to just \$545,980.

2018 Financial Year – Grants Made



The full audited financial statements are available by emailing info@aucklandfoundation.org.nz or visiting the charities register - CC44688.

Almost one million dollars in grants were made on behalf of our donors in the 2017/18 year: \$944,205.

The largest proportion of those grants has gone to help all Aucklanders to live well in our city. These are projects that focus, for example, on youth development and services, migrant resettlement, families and children, and other well-being initiatives.

Our contribution to Auckland’s communities in grants over the past five years now totals: \$4,937,956.

- Auckland Foundation is proud to be a member of the Community Foundations of New Zealand.**
- Fastest growing form of philanthropy in the world today.
 - 17 Community Foundations in NZ and growing.
 - \$110m charitable funds under management in total.
 - \$19m + granted to NZ communities over the past 5 years.

Figures supplied from Community Foundations of New Zealand, 2018.





Helping Auckland's communities through the power of generosity.

- Women's Fund · Auckland
- Choral Society · Auckland Writers Festival · First
- Foundation Scholarships · Forest and Bird Protection Society
- Foster Hope Charitable Trust · Harbour Cone Trust · HBC Youth Centre
- I Have a Dream Charitable Trust · Living Without Violence (Waiheke)
- Love Soup · Manukau Children's Team · Manurewa High School Music Scholarship
- Fiji Nature Conservation Trust · Forest and Bird · Fundacoín de Conservación Jocotoco · Giraffe
- Wildlife Conservation · Global Wildlife Conservation · Kea Conservation Trust · Lowveld Rhino Trust
- Orangutan Centre · Red Panda Network for Red Panda Conservation · Spider Monkey · Zoo Domestic · Zoo
- International · Waiuku Family Support Network · Whau ACE · Women's Centre Rodney · Northcote Toy Library
- North Shore Riding for the Disabled · Oxfam · Seasons North Shore · sKids Families Student Scholarships · The
- Korua Community Trust · The Rising Foundation · The Waiheke Resources Trust · Yes Disability Resource Centre
- Durrel Wildlife · Elephants Sri Lanka · Fauna Finders · Otara Health Charitable Trust · Outwest Youth Community
- Trust · PACT · Parent Port North · Parent Support Inc · Refugees as Survivors NZ · Rise Up Trust · Rising Foundation
- Shakti · Shanti Niwas Charitable Trust · Te Manawanui Trust · Te Puna O Waiorea · The Asian Network Inc. · The
- Toy Library Howick and Pakuranga · UMMA Trust · Ohana Young Parent Charitable Trust · Anderson Lloyd Firm
- Scholarship · Auckland Philharmonic Orchestra · CYPS Nepal · Eureka! Education Trust · Lauren Bennett · Lee
- Stevens · NZ Tempo Dance Festival · Phaplu School · Support and Research Nepal · The Liberty of Being Me
- Foundation · Tewa · Adult Literacy Franklin · African Scholarship Trust · Age Concern North Shore
- Asylum Seeker Support Trust · Tenants Protection Association · Auckland · Baby Start · Bays Youth
- Community Trust · Brainwave Trust · Brothers in Arms · CARE Waitakere Trust · Carol White
- Family Centre · Grief and Education Charitable Trust · Heart for Youth · Henderson
- Budget Service · Literacy Auckland North · Littlemore Trust
- NZ Ethnic Employment and Youth Development Trust
- Biodiversity Elephant Conservation Trust

Our Board.



GEOFF CLEWS (CHAIR)

With extensive legal and governance experience, Geoff has a reputation for focused and objective analysis, honest judgment, and strategic thinking. He is highly experienced in commercial, arts and public governance and we have been fortunate to have him at the helm of our Board for a number of years. He is well known for his love and support of the performing arts and is building a fund with Auckland Foundation to foster talent in this area.



JOY MARSLIN

Joy Marslin has had an extensive career in wealth and private banking. In addition to her role on the Board of Auckland Foundation, Joy is the Chair of Simplicity NZ Ltd, a Trustee of Assistance Dogs New Zealand Trust, a Director of the Impact Enterprise Fund, and Head of Investor Relations at New Ground Capital Ltd. Joy’s previous roles include Head of Private Wealth Management for Westpac and Head of Wealth for ANZ New Zealand. A board member since 2015, Joy will take up the Chair role in August 2018.



IAN SHORT

Ian Short has been a member of our Board since 2017. He takes up the role of Board Deputy Chair from August 2018, and is a member of the Audit and Risk Committee. Ian has spent the second half of his career to date helping establish and run organisations delivering innovative solutions for urban development and climate change. The first half was spent in finance in Wellington, London and New York. He is a Fellow of Chartered Accountants, Australia and NZ and a Chartered Member of the Institute of Directors.



MEL HEWITSON

A Chartered Member of the Institute of Directors, Mel Hewitson has been on the Auckland Foundation Board since 2015. She is a member of the Investment Advisory Committee and chairs the Governance Committee. Mel is a director of Heritage Trustee Company, trustee of Foundation North, and Chair of Centre for Social Impact. She also chairs the Nominating Committee for the Guardians of NZ Super Fund. Prior to her governance career, Mel held senior leadership roles across investment, risk and compliance in the financial sector, including at the Financial Markets Authority. Mel is a student of Te Reo Māori.



SUNEIL CONNOR

Chief Financial Officer at LINK International Group. Suneil Connor has a strong background in accounting. A Member of the NZ Institute of Chartered Accountants, and also the Institute of Directors, he joined our Board in 2016 and is Chair of the Audit and Risk Committee. Suneil is also on the board of directors for KiwiHarvest and sits on the Auckland Branch Committee of the Institute of Directors.



DOUG HANNA

Director at Terabyte Interactive, Doug Hanna has a sound background in and understanding of digital technologies across accounting, sales and marketing, e-commerce and customer engagement. In addition to being a board member of Auckland Foundation since 2017, Doug also sits on the board of TimeOut Charitable Trust.



KEN WHITNEY

After practicing as a lawyer for over 30 years, Ken Whitney established Antipodes Trust Group Ltd which is a specialist trust and superannuation fund manager. Ken joined the Auckland Foundation Board in 2017. A trustee of Foundation North for 8 years and Chair for 6 years, Ken has deep experience of both large and small philanthropic trust governance. In addition to his role on the Auckland Foundation Board, Ken is currently a board member of Philanthropy New Zealand and a trustee of the Auckland Health Foundation and Chisholm Whitney Charitable Trust.



AMOKURA PANOHO

Amokura PanoHo is Auckland Council’s Head of Te Toa Takitini and an expert in business strategy, governance and relationship management, and fostering social-cultural networks. With a specific focus on Maori economic development, tourism and the creative industries, she has built an extensive network across Iwi organisations, as well as Maori businesses and enterprises. Amokura joined the Board in 2016.



KENNETH LEONG

Kenneth Leong is a corporate advisor with a background in international business and corporate finance. His roles include being director of private businesses, and Principal-Asia Business at Crowe Horwath, where he advises senior businesspeople on their business dealings in New Zealand. He has a track record of facilitating business transactions across cultures, specialising in bridging the gap between Asian and New Zealand businesses. He is also the Chairman of ASEAN New Zealand Business Council. He has been an Auckland Foundation board member since 2016 and is a member of the Audit and Risk Committee.



ALISON SUTTON

Alison Sutton is the Director of Talking Matters, a campaign to increase focus and promote action on early oral language because of the important connections between early language and life success. Alison has been a researcher, evaluator and project developer in adult literacy and a community and social researcher for many years. Alison joined the Auckland Foundation Board in 2009.

We would like to acknowledge and thank Trustee Shaun Adams, who resigned during the year under review.



Generous partnerships.

Kiwis are some of most generous people in the world and this is a characteristic that touches our work throughout the year. We partner with a handful of businesses who rarely bill us at a commercial rate – some don't bill us at all! And, with other granting organisations who give to us so we can grow generosity here in New Zealand, they help us keep our cost base very low and our focus on our donors and the community.

DENHAM BRAMWELL

Legal experts
www.denhambramwell.co.nz

SPRUIK

Branding and design partner
www.spruik.co.nz

SOCIAL EFFECT

Communications gurus
www.socialeffect.org.nz

TINDALL FOUNDATION

Champion of the Community Foundation movement

And those treasured partners who recognise every charity has to cover its overheads:

AUCKLAND COUNCIL

BATON ROUGE AREA FOUNDATION

FOUR WINDS FOUNDATION

DUNCAN COTTERILL

CRAIGS INVESTMENT PARTNERS IN AUCKLAND

THE FRIENDS OF AUCKLAND FOUNDATION

Special thanks to cornerstone suppliers:

ASB

HARBOUR ASSET MANAGEMENT

RSM HAYES AUDIT

BELLINGHAM WALLACE

It takes a city to raise a community foundation.

Each year many people help us to be an effective giving partner in the Auckland community.

Thank you to every one of our granting panel members. You give up your time to review applications and guide us wisely from your area of expertise and deep knowledge of your community.

And a last thank you to all the people we have consulted over the year, tapping into their wisdom and experience, and leveraging their networks and reputations.

Contact us.

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**Auckland
Foundation**

aucklandfoundation.org.nz