

2023

HealthCare+
It's good to belong

Annual & Performance Reports



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Section 1: Notice of the Annual General Meeting

The Education Benevolent Society Incorporated

Annual General Meeting – 27th October 2023

The 34th Annual General Meeting of the Education Benevolent Society Incorporated (EBS) trading as HealthCarePlus will be held via Zoom on Friday 27th October 2023 at 2pm.

The business of the Annual General Meeting will be to:

- a. Confirm the minutes of the 2022 AGM.
- b. Receive, answer questions on, and adopt the Board Chair's and the Chief Executive's Reports.
- c. Receive and approve the 2023 Performance Report including Financial Statements.
- d. Appoint EBS's Auditors for the 2023- 2024 financial year.
- e. Confirm the Board for the 2023 – 2024 financial year.
 - i. Allan Vester, NZ Post Primary Teachers Association Te Wehengarua's (PPTA) Member Board Member's term expires as the 2023 AGM.
 - ii. The PPTA has indicated that they will re-confirm the reappointment of Allan Vester as their Member Board Member effective from the 2023 AGM.
- f. Conduct General Business

Full papers will be issued prior to commencement of the Annual General Meeting.

Section 2: Message from the Board Chair

In 2022-23 financial year the Society completed the third annual cycle of our “Grants for Good” programme. The provision of funding to support individuals, groups, and projects in the field of education, is now our “raison d’être” and so it is therefore appropriate that my initial reflections are focussed upon the work of our Grants Committee. I commend the members of that committee not only for their time and expertise but also for the professional way they’ve performed their role. We are indeed most fortunate in having retained a majority of the original committee members – an important factor in building and retaining knowledge about processes and outcomes.

The Board always expected that it would take some time for awareness of the “Grants for Good” programme to grow. COVID 19 and the associated lockdowns impacted negatively upon both the quantity and quality of this year’s applications. With lockdowns now over, and continued support from the Union Owners, we are confident that awareness of the programme will continue to grow.

In 2022 the Board set aside time to renew the Strategic Plan. We ended up with a document looking out to 2025 to build a framework to guide our activities and investments during the immediate future. A key outcome of that renewal process was the understanding that if we were going to be successful in improving our union’s members financial, physical, and mental wellbeing, then we needed to commit to developing the technological capability to achieve this. I want to acknowledge the strength of the HealthCare Plus staff members to that commitment. They’re a small but very talented team totally focused on success and growth.

The recipe for long term sustainability and growth for our “Grants for Good” programme is based upon two vital ingredients. Firstly, a steady flow of growth from our invested funds, and secondly revenue generated over and above that required to run the Society and its marketing activities. In 2022-23, despite continued volatility in global markets, our invested fund returned \$207,580. This compared favourably with the loss of \$925,986 recorded for the 2021-22 financial year. Our on-going work in developing new revenue streams in conjunction with our business partners has continued to gain momentum during the past year. Our goal of becoming the Union Owners’ preferred membership benefits provider has formed the basis of fruitful discussions with numerous groups during the past 12 months, and we’ve been buoyed by their positive responses to our ideas.

Regulatory change continues to impact our Society. The passing of the Incorporated Societies Act 2022, and the Charities Amendment Act 2023 will necessitate some minor changes being made to our constitution. Our business partners in the financial services industry continue to be impacted by increases to compliance and to other regulatory-related costs and complexities. Such changes are proving especially onerous for small not-for-profit organisations that have limited resources and/or capital raising ability.

We’re grateful for the support and encouragement received from our Union Owners and especially for the strength of the relationships existing between our own staff and that of the union’s national offices. We remain totally committed to supporting our Union Owners by providing their members with real added value via our new membership benefits programme.

Special thanks to all Board and Committee members, to our staff, and to our business partners. Thank you specifically for your commitment, your energies, and your enthusiasm during the past twelve months. You should feel justifiably proud of your efforts as we seek further success.

Section 3: Message from the Chief Executive

As a charity the aim is to maximise the social impact that the Society can achieve with limited financial resources. The examples in the attached Statement of Service Performance illustrates the significant contribution that the Society is having on providing targeted charitable educational grants. Reading these should make the Union Owners and HealthCarePlus's members proud of the positive social impact that HealthCarePlus is making to Aotearoa New Zealand.

The 2023 financial year saw the Society achieve several significant milestones. Over the last number of years, the focus has been on building the digital marketing capability in terms of both people and technology to enable us to significantly increase leads and sales, whilst providing a bespoke member experience. We are now seeing tangible benefits from the investment as the year has again set new records across, membership, revenue, and sales.

As a membership business member growth and engagement is critical. The growth of membership is directly related to the support and co-operation that we receive from each of our Member Owners and in particular their marketing and communications teams. This year saw Full Membership grow by 5% to 13,679 and this is now at the highest level since 2012. Associate Membership grew by 61% to 5,792. There is now a combined membership of just under 20,000 members that have elected to be part of HealthCarePlus.

This year also saw a continuation of the increase in the range of member only products, services, and special offers. These will continue to increase the attractiveness of the offer to the Union Owner's members, reduce the reliance on hospital insurance commission, and increase the income that is available to support our charitable cause. Once again during the year investment markets were subject to significant volatility however at year end, the invested fund showed a positive result.

During the year the Board developed the new Strategic Plan 2022-2025. To execute the plan HealthCarePlus will transition from being predominantly an insurance marketing business to a full membership business with the objective of becoming the Union Owner's preferred membership benefits provider.

As the Society does not produce any products or services our member experience is reliant on our business partners ability to deliver as promised. Currently our key partners are UniMed as the underwriter of the HealthCarePlus branded health insurance products, and Monument our financial advice partner. During the year both organisations have made significant investments in both technology and people, and to continue to provide our members with a high-quality member experience. With the expansion of our products and services, new organisations will be encouraged to partner with HealthCarePlus.

I would like to thank the Board and in particular the Chair for their support and guidance. The Board's decision to exit the insurance business has proven to be the right one. As predicted in 2018, recently proposed increases by the Reserve Bank to the health insurer solvency, and ever-increasing compliance costs, has made that business model unsustainable. This would also have had significant financial and reputational consequences for the Union Owners.

And finally, we could never have achieved what we have without the amazing work of the small but highly effective HealthCarePlus team along with the support from the finance team at Pocock Tong Trass, and our specialist advisers. So, I would like to thank you all for your support.

Section 4: Strategic Plan 2022 – 2025

EBS Strategic Plan – 2022 to 2025



Section 5: Our Year in Numbers



30,942

(27,698*)

HealthCarePlus
MEMBERS
(including families)

24,809

(24,098*)

Full Members
(including families)

6133

(3600*)

Associate Members

\$1,179,490

(\$901.973*)

Total Revenue

45%

% of NZEI Members

19.7%

% of PPTA Members

19.5%

% of PSA Members

7%

% of TEU Members

0.3%

% of ISEA Members

0.3%

% of HASA Members

8.2%

% of Others

HealthCarePlus Partners



1585

(1015*)

Goodtoknow Webinar
Registrations



615,789

(413,224*)

Emails Sent



\$5,976,860

(5,304,410*)

Worth of Primary health
support to our Members

OUR YEAR IN NUMBERS

01/07/2022 - 30/06/2023

HealthCare+
It's good to belong



\$74,905

(138,743*)

Of Funding Support through our 'Grants for Good' Program

Unfortunately, a COVID outbreak during the application processes impacted on this year's grant EOI's and Applications

11

(35*)

EOI's

42

(55*)

Applications Received

1

(3*)

Group Grants

12

(8*)

Individual Grants

Grants for Good Impact - Feedback from Grantees

“

Initial performance indicates that student attendance overall is up 13 per cent in the project-based learning class. Even more exciting is that Māori attendance is up by 23 per cent compared to overall school attendance.

”

Michael Waller - Westland High School - 2022 Grantee

“

The students of Awhina were no longer so isolated. Our basketball hoop has become the cool place to hang out at lunchtimes, bringing crowds of students to Awhina. Our students have rapidly made friends with mainstream students, who love to include them in their lunchtime fun.

”

Katie Ayrton - Upper Hutt College - 2022 Grantee

“

Neurodivergent students may have distinct needs, as they can be dealing with anxiety around socialisation, issues with time management or even being challenged by the colours used in teaching resources. The funding can help us do the groundwork to prove that what we are doing is helpful for the people we are trying to help.

”

Kathryn McGuigan - Massey University's School of Psychology - 2022 Grantee

“

The kids have really enjoyed the physical activities and team-building survival skills. They've been mountain-biking and orienteering, and at the end of the year they will attend a camp, and walk the Sunrise Track in the Ruahine Forest Park.

”

Rob Pratt - Pukehou School principal - 2022 Grantee

(*) Prior Year

Section 6: Statement of Corporate Governance

The Society is registered, under the Incorporated Societies Act 1908 and its charitable status is regulated by Charities Services. Its Constitution is the foundation of the Society. The Society adheres to frameworks, processes and policies designed to ensure good governance.

Section 6.1. The Board – Appointment and Tenure

The Society is governed by a Board of six Directors all appointed by the Member Union owners. The Board consists of four Member Board Members appointed to represent the four largest Member Unions, and two Independent Board Members. Board Members are appointed for a maximum term of three years and at the end of that term, they are eligible for re-election. The role of the Board as stated in the Constitution (s.9.1.) is “The governance and management of the Society.”

Section 6.2. Governance Framework

External

The Society operates primarily under the Incorporated Societies Act 1908 and Charities Act 2005. Both these Acts have recently been replaced, and there is a transition period before they will impact on the Society. The new legislation will require minor amendments to the Constitution and re-registration under the new Incorporated Societies Act 2022.

Internal

The Society operationalises its governance via the “Risk Management Framework, Processes and Policies.” The policies are reviewed on a scheduled basis to ensure that they are fit for purpose and comply with current legislation and best practice. When required, they are amended, and updated via the appropriate governance processes.

Section 6.3. Board Meetings

The Board meets every two months subject to requirements. The Board’s focus during the year was on maintaining strong governance and tight financial controls as Aotearoa New Zealand emerged from COVID. Traditionally the Society has adopted an annual planning and budget cycle due to the recent significant change to the business model, and disruption from COVID. With both COVID and the transition over provided the Board with an appropriate environment for the Society to adopt a longer planning cycle.

To implement this the Board held a strategic planning day and the outcome is a one page three-year Strategic Plan to cover the period from 2022 to 2025 (refer page 5). A key action item from the strategic plan is a commitment by the Society to become the Union’s preferred membership benefits provider. The Board also introduced a five-year budget cycle that covers, the previous two-years, the current year, and the next two-years. This longer-term view will enable the Board to make better informed financial decisions and appropriate investments to execute the Strategic Plan.

Section 6.4. Board Member names, duties, representing and attendance.

Financial Year Ended 30th June 2023

Name of Board Member	Title/Union/ Duties	Board Meetings	AGM	Board Training Days	Audit Risk and Investment Committee	Remuneration Committee
Darrell Ward	Member Board Member – NZEI Board Chair	6	1	2	3	5
Samantha Stephen	Member Board Member - TEU Deputy Chair - Chair Remuneration Committee	5	0	2	n/a	5
Allan Vester	Member Board Member - PPTA	5	1	2	3	5
Benedict Ferguson	Member Board Member -PSA	6	1	2	2	n/a
Daniel Mussett	Independent Board Member Chair Audit Risk and Investment Committee	5	0	2	3	n/a
Kristen Thompson	Independent Board Member	6	1	2	n/a	4

Section 6.5. Board Member Profiles

Darrell Ward, Member Board Member, Board Chair – and a member of the Audit, Risk, and Investment and Remuneration Sub-Committees - Representing NZEI Te Riu Roa, and a member of the Grants Committee – Representing the Board



Darrell worked as a teacher and principal in various Southland schools from 1971 until 2002. He became an EBS subscriber as a trainee teacher in 1968. Darrell was an elected member of NZEI's National Executive from 1990 until 2002. This included the role of National President and director of Education House Ltd. From 2002 until his retirement in 2012 he was employed by NZEI Te Riu Roa as Assistant Secretary at the National Office. In 2015 he was awarded Life Membership of NZEI Te Riu Roa.

Darrell has been a member of the Board since 2011. He brings to the board significant education union knowledge, leadership experience and a broad union network.

Samantha Stephen, Member Board Member, Deputy Chair, Chair of the Remuneration Sub-Committee -
Representing New Zealand Tertiary Education Union Te Hautu Kahurangi



Samantha Stephen is Assistant National Secretary Operations and oversees the support operations of the Tertiary Education Union Te Hautu Kahurangi o Aotearoa, managing a team essential to the smooth running of the organisation. After graduating with a Bachelor of Social Sciences from the University of Waikato, Samantha spent several years working in a community-based role for a non-profit organisation that offered preventative and rehabilitative support to offenders and their whanāu.

Samantha went on to work in events management where for nine years she was part of a team responsible for organising an annual event attended by over 45,000 New Zealanders. Samantha is an accomplished people manager and brings to the board a detail-oriented, problem-solving approach. Samantha has been a member of the Board since 2015.

Daniel Mussett, Independent Board Member Chair of Audit, Risk, and Investment Sub-Committee



Daniel joined the Board in October 2019 as an Independent Board member. Daniel is an independent investment professional, director, and a qualified actuary. He has experience working in both the health and not-for-profit sectors. He is one of the Board's two independent members, and is Chair of the Audit, Risk, and Investment Committee.

Daniel joined the Board with a view to using his investment, risk management, reserving and non-profit experience to help oversee the Society effectively. He is passionate about making a positive difference to EBS, supporting its impact in the community, and believes that effective governance is the best starting point.

Benedict Ferguson, Member Board Member, and member of Audit, Risk, and Investment Sub-Committee -
Representing New Zealand Public Service Association Te Pūkenga Here Tikanga Mahi



Benedict has been a member of PSA since he commenced work in Local Government 20 years ago. Benedict has held many elected roles with the PSA, including being elected to the PSA Executive Board in 2008 – 2012. In 2010 Benedict set up the very popular and successful PSA Youth network. In 2016 Benedict was again elected to the Executive Board and in 2020 was elected as President of the PSA a role he currently holds.

Benedict has been a member of HealthCarePlus since 2019 and joined the Board in March 2022.

Allan Vester, Member Board Member and member of the Audit, Risk, and Investment and Remuneration Sub-Committees – Representing NZ Post Primary Teachers Association Te Wehengarua



Allan Vester recently retired from being Principal of Edgewater Colleague a role that he held for 23 year and joined the Board in 2018. Allan joined EBS as a student teacher in 1975 and apart from a two-year break while he taught in the Cook Islands stayed a member right though his teaching career.

“As a PPTA member right through my teaching career I have always supported the work of the union. A healthy membership is important to the functioning of the profession and the union and EBS by offering high quality and affordable health insurance and other products and services, along with the “Grants for Good” programme gives teachers another reason to be a member. Of both the PPTA and HealthCarePlus.”

Kristen Thompson, Independent Board Member, and member of Remuneration Committee



Kristen Thompson is a lawyer with a background in employment, health and safety, and personal injury law, predominantly acting for unions and injured workers.

She has previously worked as a litigator and advisor to a number of not-for-profit incorporated societies and charities.

She has also worked as a health and safety policy analyst for the New Zealand Council of Trade Unions. She sits on a number of other boards, including WorkSafe Mahi Haumaru Aotearoa, the New Zealand Institute of Safety Management, and the Inspired Kindergarten Association. Kristen joined the Board in October 2021.

Section 6.6. Sub-Committees of the Board

The Board runs 2 Sub-Committees namely the Audit Risk and Investment Sub-Committee and the Remuneration Sub-Committee.

Audit Risk and Investment Sub-Committee (ARIC)

ARIC operates under its own Terms of Reference, and its primary responsibilities are to:

- Aid and advise the Board on financial accounting and reporting including the internal and external audit, and
- To manage the Society's risk control and compliance framework, and
- To develop, monitor, and report on the investment policy.

Remuneration Sub-Committee

The Remuneration Committee operates under its own Terms of Reference and its primary responsibilities are to:

- Assist the Board in fulfil its responsibilities relating to employment conditions and remuneration issues; and
- To establish and overview the Society's employment and industrial relations policy and direction, and
- To ensure that the Society's policies related to salary or wage negotiations, are appropriate, and
- To ensure that the Society's organisational structure supports the provision of effective and efficient business outcomes, and
- Provide oversight on the activities of the Grants Committee on behalf of the Board.

Section 6.7. Member Appointed Committee

Charitable Grants Committee (Grants Committee)

The Grants Committee operates under its own Terms of Reference and it:

- Is responsible for the selection of suitable candidates as grantees to receive the funds that the Board has approved for distribution as charitable education grants, and
- Consists of seven members, one appointed by each of the six Union owners, and the Board Chair.
- Has played a significant part in the successful launch and execution of the 'GrantsForGood' programme.

The Society does not financially reward the Grants Committee members for their time so their commitment to the Society needs to be acknowledged. Not only do they attend the four Grants Committee meetings where they rigorously evaluate the EoI's and applications, but they also commit significant time in their preparation for these meetings.

The Grants Committee members for this round including duties and representing are:

- Janet Quigley – Committee Chair, New Zealand Public Service Association Te Pukenga Here Tikanga Mahi
- Georgie Dansey – ISEA
- Sharn Riggs – New Zealand Tertiary Education Union Te Hautu Kahurangi
- Janice Shramka – NZEI Te Riu Roa
- Vernon Tile – NZ Post Primary Teachers Association Te Wehengarua
- Darrell Ward – Board Chair
- Shelley Weir – TIASA Te Hononga

Performance Report

Education Benevolent Society Incorporated
For the year ended 30 June 2023

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Entity Information

Education Benevolent Society Incorporated For the year ended 30 June 2023

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

Legal Name of Entity

Education Benevolent Society Incorporated

Entity Type and Legal Basis

Incorporated Society and Registered Charity.

Incorporation Number

441954

New Zealand Business Number

9429042622048

Charities Registration Number

CC57027

Entity's Purpose or Mission

To provide eligible union members (and their families) access to a uniquely generous and affordable healthcare scheme and use accumulated funds to generate a surplus to distribute to eligible New Zealanders as charitable education grants and give back to the community of Aotearoa New Zealand.

Entity Structure

Education Benevolent Society (the Society) is governed by six board members appointed by the six member Unions. There are four Member Board Members appointed by the Unions with the largest membership of the Society and two Independent Board Members.

The board members are as follows;

Darrell Ward - Chairperson, Member Board Member representing New Zealand Educational Institute - Te Riu Roa
Samantha Stephen - Deputy Chair, Member Board Member representing Tertiary Education Union - Te Hautū Kahurangi
Daniel Mussett - Independent Board Member
Kirsten Thompson - Independent Board Member
Benedict Ferguson - Member Board Member representing New Zealand Public Services Association - Te Pūkenga Here Tikanga Mahi
Allan Vester - Member Board Member representing New Zealand Post Primary Teachers Association - Te Wehengarua

Main Sources of Entity's Cash and Resources

Funding for Grants:

The fund of investment assets (the Fund) that generates the returns available for distribution under the 'Grants for Good' programme, was created from the reserves that the Society retained for RBNZ solvency requirements when it operated as a licensed insurer.

Funding for Operating Expenses:

The Society funds the bulk of the operating costs including the insurance marketing activities, and grants management, from the commission derived from insurance products and services, and from investment returns.

Main Methods Used to Raise Funds

The Society funds its activities through its insurance marketing activities.

Entity's Reliance on Volunteers and Donated Goods or Services

The Society has no reliance on volunteers, or donated goods or services.

Registered Address

Level 5, 50 Manners Street
Te Aro
Wellington

Auditor

KPMG

Banker

BNZ

Solicitor

Duncan Cotterill

Fund Manager

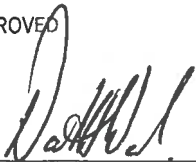
Mercer (N.Z.) Limited

Approval of Financial Report

Education Benevolent Society Incorporated For the year ended 30 June 2023

The Board is pleased to present the approved financial report including the historical financial statements of the Education Benevolent Society Incorporated for the year ended 30 June 2023.

APPROVED



Chairperson

Date 20/10/23



Chief Executive

Date 20/10/23

Statement of Service Performance

Education Benevolent Society Incorporated For the year ended 30 June 2023

Our Purpose

To support the advancement of education through the annual distribution of the Fund's surplus for the purposes of providing educational grants and scholarships, the provision and facilitation of professional development and training, and the facilitation of conferences for all eligible New Zealanders.

Our Business Model

The Society has residual funds that were accumulated to meet regulatory solvency requirements imposed by RBNZ when the Society operated as a registered health insurer. Since the Society ceased being an insurer and became a charitable entity, the Fund is no longer needed to meet RBNZ's solvency requirements and is invested with the objective of generating ongoing returns that can be distributed as charitable educational grants.

The Society's fund-raising activity is the promotion of insurance products and services that generates commission income. This income is used to fund the Society's operations and charitable grants administration. The Society and its Members are committed to continue to grow this income as any surplus after operating expenses will grow the Fund.

Objective of the Fund

The Society has a Distribution Policy for Granting that determines the basis upon which annual amounts available for distribution from the Fund are calculated. The Society engages external professional advisers to assist with the modelling of the sustainability and expected long-term returns from the Fund. The intention of the Society is that the Fund will be able to deliver an inflation-adjusted annual amount for distribution as charitable grants over all investment cycles. Due to the volatile investment market post COVID, the Audit and Remuneration Committee recommended to the Board that the funds available for grants for the 2023 academic year be reduced to limit the long-term impact on the fund. In addition, COVID again impacted on the quantity of applications received and the number of grants approved.

For this year's round, the Grants Committee approved funding for thirteen grants (one group and twelve individual grants) to the value of \$90,173, for distribution during the 2023 academic year. However, due to an employer electing to fund two of six courses for a grantee, another grantee electing to cease studies after completing two courses, and the reversal of funds accrued but not paid in the 2022 financial year thirteen grants were paid out to the value of \$73,058 excluding GST.

Total Grants in 2023 – Thirteen Grants totalling \$73,058 (2022: Eleven Grants totalling \$138,743)

This year is the third round of our Grants For Good programme.

Group Grants- One Grant of \$12,313 and Reversal of the Accrual for One 2022 Grant of (\$6,071) totalling \$6,242. (2022: Three Grants totalling \$82,187)

The successful Group grant is noted below.

Group Grant – Diverse Minds @ Massey: Supporting tertiary students with well-being – Massey University - Kathy McGuigan (Lecturer)

Project Description

Tertiary education has increasingly served as a gatekeeper to employment opportunities, financial rewards, and their associated contributions to long-term health and well-being. Neurodivergence (encompassing autism, dyslexia, ADHD, and other differences) is currently associated with reduced well-being and completion rates within the tertiary sector. Our aim is to create a network of resources and events to increase awareness, allow physical and on-line safe spaces for meetings, and produce resources that support neurodivergent students and staff within our tertiary institution. Our intended outcomes are to create more inclusive and equitable learning spaces and increase student retention and success with the ultimate aim to decrease stress, anxiety and burnout. Supporting our neurodivergent students is therefore nurturing a more diverse population, unlocking future potential, and increasing the wellbeing while supporting academic success.

Grantee Feedback

"We knew there was a problem among these neurodivergent students and staff, and we wanted to build a community so that they don't feel alone as educators and students. While our disability services support neurodivergent students, we still see a lack of resources and awareness. We are committed to raising awareness and developing practical resources to aid their navigation through university life and optimise their opportunities for success. We have also been able to give two stipends to two neurodiverse students, who are working with us to identify and create great web-based resources to help future students. Neurodivergent students may have distinct needs, as they can be dealing with anxiety around socialisation, issues with time management, or even being challenged by the colours used in teaching resources. The funding can help us do the groundwork to prove that what we are doing is helpful for the people we are trying to help.

For us, it was a chance to think big and think outside what we could do. It was crucial to really be clear on what difference the money would make and then to map that against some measurable outcomes. For us, this funding is like the first step up the stairs. We've still got a long way to climb, but thanks to this funding, we're making a start, and we're making a difference," says Kathryn.

Individual Grants – Twelve Grants totalling \$66,816 (2022: Eight Grants totalling \$56,556)

Examples of Individual Grants - Small Projects were:

Awhina Learning Resource Centre Upper Hutt College – The Power of Basketball - Katie Ayrton (Teacher)

Project Description

"I am the Teacher in Charge of a Support Learning Unit (Awhina), we are based within a really supportive school environment at Upper Hutt College, however we have 2 major issues currently. Firstly, our students do not have somewhere to practice their Special Olympics skill of basketball, and secondly, they are struggling to maintain their equilibrium enough to study. Awhina students have high complex needs that range from students with numerous neurodiversities to intellectual and physical challenges. This combination of complex needs often results in complex behaviour problems, thus reducing the amount of time that the students are calm and settled enough to study. Being in a calm relaxed state to study is so important as learning cannot occur when a student is in an unregulated, heightened state. Most of the students are currently working hard on the NCEA qualification of New Zealand Certificate in Skills for Learning and Working, for Supported Learners (Level 1). The Awhina students take more time to learn, and cannot afford days lost to study due to being in a dysregulated state. Our students, like many, need plenty of time to relax and unwind between study sessions. Basketball had been their outlet until our old hoop finally collapsed. The project I am suggesting is the implementation of an outlet for the student's physical and psychological stresses in a manner that they have clearly shown they enjoy by their robust involvement in the Special Olympics activity of basketball."

Grantee Feedback

"It was the students themselves who were asking for the basketball hoop initially. Previously they had been using an old, dilapidated netball hoop, so it was not ideal. Working with the Head of Faculty and Head of PE, we searched for grants to help fund such an item, knowing the standard school funding would not stretch as far as this expensive item. We were wanting a concreted-in structure that was hard-wearing and robust.

The results were almost instantaneous. The students started using it immediately and there was a definite change in atmosphere amongst the students. The students of Awhina were no longer so isolated. Our basketball hoop has become the cool place to hang out at lunchtimes, bringing crowds of students to Awhina. Our students have rapidly made friends with mainstream students, who love to include them in their lunchtime fun. We're always looking for ways to integrate the special needs students. It's all about achieving inclusivity and creating a flow of all students in and out of the unit," says Katie.

Pukehou School – Essential Life Skills - Rob Pratt (Principal)

Project Description

"Pukehou School is a full primary school. Our project is aimed at developing the confidence and improving the well-being of our Year 7-8 students so that they are better prepared for the sometimes difficult transition into adolescence and secondary education. To do this, we would participate in the William Pike Challenge (WPC) which is designed to develop confident, resilient, connected youth. It is a positive youth development programme which builds 21C skills that will not only serve the youth well during their learning journey but also in the future as they move into careers. By exposing our students to these opportunities, they will be more likely to unlock their potential.

Grantee Feedback

"We're slightly below the EQI [Equity index – the replacement to deciles] average of 489 for our region, so we're doing okay, but we still want to help our students to get out of their comfort zone and solve problems they never expected. We were lucky enough to attend the Central Hawkes Bay launch event where William Pike spoke. He swam in a relay against students, which was pretty special. He also told our students how he learnt to walk again with a prosthetic limb and how when you're faced with a challenge or change, stepping out of your comfort zone is one of the things that will determine whether you succeed or fail. The kids have really enjoyed the physical activities and team-building survival skills. They've been mountain-biking and orienteering, and at the end of the year they will attend a camp and walk the Sunrise Track in the Ruahine Forest Park. I would really recommend applying for a grant. The application process wasn't too hard to work through, and it's been a great way to help the students face adversities," says Rob.

Westland High School – Project Based Learning - Michael Waller (Principal)

Project Description

"Having identified a large group of students who are at risk of failing level 1 NCEA next year (this group is over representative of our Maori and male population), the aim of the grants was to effectively address the needs of these students, the intention is to run a project based literacy programme in 2023 using the young enterprise scheme strategies to work within the te whare tapa whā (health and well-being) model. The course will run over 4 terms with heavily scaffolded first term, group projects term 2 and students empowered to their own individual projects term 3-4."

Grantee Feedback

"Everything is on a budget – even down to the staples in the photocopier, so our grant from HealthCarePlus has made a world of difference. At the end of December 2022, I planted some chilli seeds, and by February the students were ready to look after them, researching how to get rid of the dreaded white fly, organising watering rosters, leaning on students with experience in gardening to lead the way. The students were responsible for everything from finding a glass supplier to hiring an industrial kitchen to make the chilli oil at scale.

They produced a business plan that said the investment that they were going to commit to, hives, suits, and equipment, would be better spent on upskilling them to be baristas. Once qualified, they'd be guaranteed weekend jobs, and the commercial-grade coffee machine we've bought instead means that they've starting to sell hot drinks to staff, visitors and at sporting fixtures on the weekends. Initial performance indicates that student attendance overall is up 13 per cent in the project-based learning class. Even more exciting is that Māori attendance is up by 23 per cent compared to overall school attendance" says Michael.

Individual – Hardship and Professional Development

The Society's 'Grants For Good' programme also supported nine other individuals (2022: six individuals) with grants to undertake tertiary studies in, Counselling, Dance Therapy, Education, Engineering, Health Science (Mental Health and Addiction), Professional Practice, Professional Supervision, and Psychology that ranged from Bachelor's degrees to Doctorates.

Statement of Financial Performance

Education Benevolent Society Incorporated

For the year ended 30 June 2023

'How was it funded?' and 'What did it cost?'

	NOTES	2023	2022
Revenue			
Revenue from providing goods or services	1	912,109	806,612
Interest, dividends and other investment revenue	1	235,018	8,018
Other revenue	1	32,364	87,342
Total Revenue		1,179,490	901,973
Expenses			
Employee related costs	2	678,857	648,995
Costs related to providing goods or service	2	298,028	280,423
Grants and donations made	2	73,058	138,743
Other Investment losses	2	-	925,986
Total Expenses		1,049,942	1,994,147
Surplus/(Deficit) for the Year		129,548	(1,092,174)

Statement of Financial Position

Education Benevolent Society Incorporated

As at 30 June 2023

'What the entity owns?' and 'What the entity owes?'

	NOTES	30 JUN 2023	30 JUN 2022
Assets			
Current Assets			
Bank accounts and cash	3	325,770	370,941
Debtors and prepayments	3	197,135	232,840
Other Current Assets	3	600,000	600,000
Total Current Assets		1,122,904	1,203,782
Non-Current Assets			
Property, Plant and Equipment	5	20,454	9,485
Investments	3	7,883,500	7,675,920
Total Non-Current Assets		7,903,954	7,685,405
Total Assets		9,026,858	8,889,187
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	106,167	83,016
Employee costs payable	4	30,837	45,864
Total Current Liabilities		137,004	128,880
Total Liabilities		137,004	128,880
Total Assets less Total Liabilities (Net Assets)		8,889,854	8,760,306
Accumulated Funds			
Accumulated surpluses	6	8,889,854	8,760,306
Total Accumulated Funds		8,889,854	8,760,306

Statement of Cash Flows

Education Benevolent Society Incorporated For the year ended 30 June 2023

'How the entity has received and used cash'

	2023	2022
Cash Flows from Operating Activities		
Receipts from providing goods or services	902,477	808,080
Cash receipts from other operating activities	87,342	17,080
Payments to suppliers and employees	(962,806)	(926,958)
Donations or grants paid	(82,284)	(199,983)
Total Cash Flows from Operating Activities	(55,271)	(301,781)
Cash Flows from Investing and Financing Activities		
Interest, dividends and other investment receipts	25,110	6,311
Net (Purchases of)/Sales of investments	-	(100,000)
Payments to acquire property, plant and equipment	(15,011)	-
Total Cash Flows from Investing and Financing Activities	10,099	(93,689)
Net Increase/(Decrease) in Cash	(45,172)	(395,471)
Bank Accounts and Cash		
Opening cash	370,941	766,412
Closing cash	325,770	370,941
Net change in cash for period	(45,172)	(395,471)

Statement of Accounting Policies

Education Benevolent Society Incorporated For the year ended 30 June 2023

'How did we do our accounting?'

Basis of Preparation

The Society 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 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 Society will continue to operate in the foreseeable future.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Goods and Services Tax (GST)

The Society is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

No taxation has been provided for as the Society is a charity and has been exempt from income tax since receiving charitable status on 4 October 2019.

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.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Society and revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised:

Revenue from Providing Goods and Services

Revenue from providing goods and services is recognised as revenue in the year in which it relates, when it is probable that the future economic benefits will flow to the Society and the fair value of the revenue can be reliably measured.

Interest, Dividends and Other Investment Revenue

Interest, dividend and investment revenue is recognised in the Statement of Financial Performance as it is earned, on an accruals basis.

Other investment revenue comprises the unrealised/realised gain on the investment portfolio.

Other Revenue

Other revenue consists of a surplus share from UniMed due as at 30 June 2023. The surplus share is calculated based on a Surplus Share Agreement put in place at the time the Society transferred the insurance business to UniMed.

Property, Plant and Equipment

Recognition and measurement

All property, plant and equipment are stated at cost less accumulated depreciation, amortisation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Any gain or loss on disposal of an item of property, plant or equipment is recognised in surplus or deficit.

Depreciation

Depreciation is calculated on a straight line basis to write off the cost of items of property, plant and equipment less their residual values using the published IRD rates over their useful lives, and is recognised in surplus or deficit.

The depreciation rates associated with major classes of assets have been estimated as follows:

20% - Furniture & Fittings

40% - Computer Equipment (including software)

Employee Costs

Employee entitlements are measured at undiscounted nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not taken at balance date, and long service leave.

Grants Paid

The Society recognises grants in the period they are approved for distribution.

Tier 2 PBE Accounting Standards Applied

The Society has applied IPSAS 28: Financial Instruments: Presentation, IPSAS 29: Financial Instruments: Recognition and Measurement, and IPSAS 30: Financial Instruments: Disclosures for its investment balances. Investments are designated at fair value through surplus or deficit upon recognition. Directly attributable transaction costs are recognised in profit and loss as incurred. Financial assets at fair value through surplus or deficit are measured at fair value and changes therein, including any interest or dividend income, are recognised in profit or loss.

Notes to the Performance Report

Education Benevolent Society Incorporated For the year ended 30 June 2023

	2023	2022
1. Analysis of Revenue		
Revenue from providing goods or services		
Commission on Hospital Cover	865,405	793,313
Commission from other insurance products and services	46,704	13,299
Total Revenue from providing goods or services	912,109	806,612
Interest, dividends and other investment revenue		
Interest Received	27,437	8,018
Fair value gain on revaluation of investments	207,580	-
Total Interest, dividends and other investment revenue	235,018	8,018
Other revenue		
UniMed Surplus Share	32,364	87,342
Total Other revenue	32,364	87,342
	2023	2022

2. Analysis of Expenses

Employee related costs		
Board Member Fees	163,400	139,375
Employee Related Costs	7,499	5,507
Salaries	507,958	504,113
Total Employee related costs	678,857	648,995
Costs related to providing goods or services		
Professional Expenses		
Accounting Fees	38,865	34,240
Audit Fees	24,780	20,519
Auditors Fees - Non Audit Work	-	6,020
Board PLD	4,925	-
Consultants	-	13,955
Legal Services	8,563	18,122
Financial Services Council Membership	10,000	10,000
Philanthropy NZ Membership	1,071	1,020
Strategic Review and Implementation	5,198	-
Total Professional Expenses	93,401	103,877
Other Administration and overhead expenses		
Rent & Related Occupancy	31,312	29,950
Depreciation and Amortisation	10,243	14,686
Bank Charges	140	166
Computer Expenses	39,816	38,627
Office Administration	48,934	46,488

	2023	2022
Printing, stationery, advertising	74,182	46,630
Total Other Administration and overhead expenses	204,627	176,546
Total Costs related to providing goods or services	298,028	280,423
Grants and donations made		
Category 1 - Individual Grants Paid	66,816	56,556
Category 2 - Group Grants Paid	6,242	82,187
Total Grants and donations made	73,058	138,743
Other investment losses		
Fair value losses on revaluation of investments	-	925,986
Total Other investment losses	-	925,986
	2023	2022

3. Analysis of Assets

Bank accounts and cash		
BNZ Bank Accounts	325,770	370,941
Total Bank accounts and cash	325,770	370,941
Debtors and prepayments		
Accounts Receivable	87,163	77,531
Prepayments	72,738	65,425
Interest Accrued	4,869	2,542
Surplus Share Accrued	32,364	87,342
Total Debtors and prepayments	197,135	232,840
Other current assets		
BNZ Term Deposits with maturity > 90 days	600,000	600,000
Total Other current assets	600,000	600,000
Investments		
Multi-Asset Fund	7,883,500	7,675,920
Total Investments	7,883,500	7,675,920
	2023	2022

4. Analysis of Liabilities

Creditors and accrued expenses		
Accounts Payable	53,689	28,830
BNZ Credit Cards	2,794	2,590
GST	17,784	9,182
Accrued Expenses	31,900	42,414
Total Creditors and accrued expenses	106,167	83,016
Employee costs payable		
Accrued Wages	10,181	6,957

Accrued Holiday Pay	20,656	38,907
Total Employee costs payable	30,837	45,864

2023 2022

5. Property, Plant and Equipment

Furniture and Fittings

Furniture and fittings owned	54,249	54,249
Accumulated depreciation - furniture and fittings owned	(50,058)	(46,094)
Total Furniture and Fittings	4,192	8,155

Computer Equipment

Computer equipment owned	27,311	22,079
Accumulated depreciation - computer equipment owned	(21,322)	(22,079)
Total Computer Equipment	5,989	-

Computer Software

Computer software owned	36,380	22,980
Accumulated depreciation - computer software owned	(26,107)	(21,650)
Total Computer Software	10,273	1,330

Total Property, Plant and Equipment **20,454** **9,485**

2023 2022

6. Accumulated Funds

Accumulated Funds

Opening Balance	8,760,306	9,852,481
Current year earnings	129,548	(1,092,174)
Total Accumulated Funds	8,889,854	8,760,306

7. Related party transactions

There were no related party transactions during the year not transacted at arms length. (2022: Nil)

8. Commitments

The Society entered into an agreement to lease premises and storage at Level 5, 50 Manners Street from 1 July 2019. The lease commitment was for three years, two months at \$25,650 per annum expiring 31 August 2022. The Society has agreed to a further extension of two years to 31 August 2024 at \$27,185 per annum for the first year, and \$28,595 for the second year of the extension.

9. Grants for Good

In the 2023 financial year the Society paid \$73,058 (2022: \$138,743) to grant recipients.

10. Events after the reporting date

There were no events that have occurred after the reporting date that would have a material impact on the performance report. (2022: No events).



Independent Auditor's Report

To the members of Education Benevolent Society Incorporated

Report on the audit of the performance report

Opinion

In our opinion, the performance report of Education Benevolent Society Incorporated (the 'incorporated society') on pages 6 to 16 presents fairly, in all material respects:

- i. the incorporated society's financial position as at 30 June 2023 and its financial performance and cash flows for the year ended on that date;
- ii. the entity information as at 30 June 2023; and
- iii. the service performance for the year ended 30 June 2023 in accordance with the incorporated society's service performance criteria;

in accordance with PBE Simple Format Reporting Standard - Accrual (Not For Profit) issued by the New Zealand Accounting Standards Board.

We have audited the accompanying performance report which comprises:

- the statement of financial position as at 30 June 2023;
- the statements of financial performance, changes in equity and cash flows for the year then ended;
- notes, including a summary of significant accounting policies; and
- the statement of service performance on pages 6 to 16 and entity information on pages 3 and 4.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'), and the audit of the statement of service performance, in accordance with the New Zealand Auditing Standard 1 *The Audit of Service Performance Information* ('NZ AS 1'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the incorporated society in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (Including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) and NZ AS 1 are further described in the *Auditor's responsibilities for the audit of the performance report* section of our report.

Other than in our capacity as auditor we have no relationship with, or interests in, the incorporated society.



Use of this independent auditor's report

This independent auditor's report is made solely to the members as a body. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume



responsibility to anyone other than the members as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of the Directors for the performance report

The Directors, on behalf of the incorporated society, are responsible for:

- the preparation and fair presentation of the performance report in accordance with generally accepted accounting practice in New Zealand (being PBE Simple Format Reporting Standard - Accrual (Not For Profit)) issued by the New Zealand Accounting Standards Board;
- implementing necessary internal control to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error;
- service performance criteria that are suitable in order to prepare service performance information in accordance with generally accepted accounting practice in New Zealand (being PBE Simple Format Reporting Standard - Accrual (Not For Profit)); and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the performance report

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole, entity information and the statement of service performance is free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs NZ and NZ AS 1 will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate and collectively, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

A further description of our responsibilities for the audit of this performance report is located at the External Reporting Board (XRB) website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-18/>

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

KPMG
Wellington

20 October 2023