



Coastguard Northern Region

# 2012

Annual Report

THE CHARITY SAVING LIVES AT SEA



NORTHERN REGION

# Purpose

Saving Lives at Sea

# Vision

Everybody safe on the water. We will save lives through rescue, education, communication and example.

# Values

In everything we say and do, we will:

- Recognise the courage, commitment and humanity of our crews
- Strive to maintain our volunteer ethos
- Foster a culture of excellence and continuous improvement at every level of the organisation
- Encourage open and effective communication
- Continue to innovate - to push the boundaries of our organisation and find smarter ways to achieve our goals
- Ensure thorough and robust consultation throughout our organisation's development



## Roly Linstrom - President

The year just gone has been a challenging one coupled with almost constant change. In spite of the stresses brought

by that change, I have found the experience of my first year as President to be very rewarding.

This is in no small way attributable to the efforts made by the Board, our new CEO David Tommas and our dedicated Regional staff, who have pulled together with the common goal of betterment of service to our units, our volunteers and the thousands of boaties who support, and subsequently rely on us here at Coastguard Northern Region (CNR). It is our collective aim to provide our volunteers with the very best training and equipment we can give them so that they may continue to deliver to our members a service which is constantly researched for improvements and which by any measure applied, can be regarded as seeking to achieve world best practice standards.

The self examination we undertook in early 2011, and the subsequent restructure of our regional office has taken longer, been more expensive to complete and unsettled more than ever intended. However, with the need to consult widely and ensure that our people were fairly treated in the process, significant time and effort needed to be committed. With three different CEOs and two Presidents in 12 months there is little wonder that it has taken time to settle ourselves back into a routine. Now that this has happened, the results that have been achieved by our Regional team under David's leadership are serious justification for the undertaking.

David, whose wide commercial experience is evident in everything he does, has quickly gathered the team around him. They are working collaboratively by getting on with the cohesive drive we should expect from a leading regional office in a national organisation.

This year we have seen three new Naiad designed 9.5m Rescue Vessels built for our Auckland (Trillian Rescue Alpha), Hibiscus (Hibiscus Rescue 1) and Maraetai (Maraetai Rescue 1) units. All three units can be proud of their vessels, the community they live and work in and the assistance that they, and we, receive from the various funders who have backed not only these specific projects but also the wider and ongoing requirements that we have to fund. It is truly remarkable

that the work we do places us so highly in the consciousness of the public at large and they continue to come to our aid, as we do to theirs.

We at Coastguard Northern Region aim to be responsible users of funding that is made available to us. We remain grateful to the many funders who have continued to support us through the difficult times. Thank you all.

I would also like to thank Coastguard New Zealand (CNZ) for their continued support of the region. Like us, CNZ has a new CEO this year, Patrick Holmes - welcome Patrick. We continue to work together and face the challenges (or are they opportunities?) that we often find in front of us.

The promised upgrade of our Operations Room is underway. There is currently work in tandem with CNZ on a single IT platform for Coastguard which will involve new equipment. Still subject to funding, there is a project being scoped at present to allow for upgrade of the northern communications link. Planning is also underway for a replacement vessel for one of the region's most visible and hard working assets, Lion Foundation Rescue.

I thank the members of the Board, a difficult year and job well done. All office holders, in all units, each and every one of our thousand plus volunteers who educate, man radios, fly aircraft and take boats to sea in bad weather and the employers of volunteers who allow them to commit time to us, all have my sincere thanks. We do not take for granted the fact that voluntary service comes with a cost which is borne not solely by the volunteer. Lastly, I would like to thank those who are the most important link in the whole process, the wives, partners and families who share their loved ones with us. We simply could not do it without you!

I look forward to the next year with renewed vigour, reassured that we at Coastguard Northern Region have the major upheavals of recent times behind us, and are ready to face whatever challenges lie ahead of us.

**Roly Linstrom**  
President



## David Tommas - Chief Executive Officer

Whilst the year has been a challenging one for Coastguard Northern Region (CNR), it is immensely pleasing

to see that our 1,000 volunteers have continued to contribute at the highest level with a strong focus on assisting the communities that we serve around our coast. Without a doubt our core mission, 'Saving Lives at Sea', is always at the forefront of what we do and why we do it. More than ever we have assisted, educated and delivered key safety messages to many thousands of marine users across the entire Northern Region. I would like to extend my heartfelt thanks to each of our volunteers in giving up their valuable time to ensure that we remain one of New Zealand's most outstanding rescue services.

Supporting the activities of our CNR volunteers is a Regional office made up of 20 hard-working and dedicated staff. It has been an honour for me to work with and lead a team of great people. The Regional office has continued to bed-in and deliver key improvements that were sought as part of the organisational re-structure last year. I would like to thank each of our staff members personally for their support and contribution to the Region's success.

As we continue to build a world class organisation, supported by state of the art infrastructure, rescue vessels and aircraft; we must continue to remind ourselves of the constant need for reliable funding sources, and the important role that our partners play in the sustainability of these funding streams.

The past year represents the third year we have been supported via the Auckland Regional Amenities Funding Act (ARAFA). We have worked closely with the City of Auckland to ensure that the application of these funds provides significant benefits to the Auckland region and its marine users. These funds have provided ongoing support to units, enhancements within our Communications and SAR Response Area, and continued delivery of education and safety programmes to the Auckland community. Whilst we continue to maintain and develop a strong member base, the assistance that the ARAFA funding provides, allows us to continue

our operations at the highest possible levels. We are incredibly grateful for this funding, and would like to thank and acknowledge the support of the people of Auckland.

An organisation such as Coastguard has a strong need to continue to attract capital funding for a diverse range of projects such as, rescue vessel refurbishment and replacement, engines, electronics and the critical up-keep and expansion of important communications and weather reporting infrastructure. These projects would not be possible without the ongoing contributions from community funders operating in the key community areas that we serve and our acknowledgement in this report is a sign of our appreciation.

Our vessel replacement programmes have continued to ensure our operational excellence on the water, and I would like to pass on a message of congratulations from the CNR team to units at Maraetai, Hibiscus and Auckland for the successful build and launch of their rescue vessels. In addition, capital has been made available to Thames, Papakura and Whangaroa units for refurbishment to each of their vessels. We once again acknowledge the amazing support we receive from our community funders.

The team at CNR continue to look for ways to enhance our performance and financial sustainability. We recognise the strong support we receive from our membership, and will continue to look for ways to provide greater levels of service to them. We also understand that we need a modern and effective platform to communicate with our members and in the period ahead will be looking towards the development of an integrated membership data and incident tracking platform. In addition to this initiative we have several new successful marketing campaigns underway to increase and maximise the support we receive from valued corporate partners and donors. Our membership campaign at the Hutchwilco Boatshow was outstanding, and Hutchwilco were a key part of this success.

Importantly, Coastguard is not only about rescuing people on the water. Education and training are vital to our success and this year, like last, we have trained record numbers of volunteers and recreational boaties. I congratulate our education team on continually delivering outstanding results, with limited funds and resources.

This report is my first as CEO of the Northern Region. I would like to take this opportunity to thank all of those involved in supporting Coastguard Northern Region; members, volunteers and their families, funders, donors and the corporate community. In particular, I would like to offer special thanks to the Northern Region Board; they too

are volunteers, and give their time selflessly to provide governance and strategic vision for our future success. I am grateful for their support.

I look forward to the year ahead with excitement, but

would also offer a note of caution. We operate in challenging financial times and must exercise balance and prudence in all that we do; as the Coastguard that we shape today, will become that which serves our communities in the future. Please join with me in continuing to support all that we do, our future success depends on it.

»»  
**The Coastguard that we shape today will become that which serves our communities in the future.**

»»

**David Tommas**  
Chief Executive Officer

## Statistics

Calls for	Radio Calls	Calls for Assistance*	People Assisted	Volunteer Hours
<b>Hauraki Operational Area</b>				
Auckland	-	659	2,182	13,174
Auckland Air Patrol	-	28	36	1,890
CNR Communications Group	108,290	2,090		10,666
Great Barrier	-	23	4	890
Hibiscus (not operational for full year)	-	47	100	8,095
Howick	-	197	530	8,478
Kawau	-	97	181	3,422
Maraetai (not operational for full year)	-	75	168	3,718
North Shore	-	167	417	9,387
Thames	-	24	40	900
Waiheke	-	120	223	3,951
<b>Tasman Operational Area</b>				
Kaipara	-	5	6	1,100
Papakura	-	7	31	4,232
Raglan	-	23	27	12,510
Titirangi	-	29	67	5,011
Waiuku	-	23	44	1,509
<b>Northland Operational Area</b>				
Bay of Islands	240	91	89	4,909
Far North	26,646	90	205	14,754
Hokianga	2,846	12	31	9,729
North Kaipara	3,855	9	19	11,835
Northland Air Patrol	-	2	-	973
Tutukaka	-	38	63	2,313
Whangarei	1,313	38	110	3,838
Whangaroa	26	31	51	3,856
Whangaruru	-	11	27	1,738
<b>Northern Region Total</b>	<b>143,246</b>	<b>1,816</b>	<b>4,615</b>	<b>151,449</b>
<b>National Total</b>	<b>312,547</b>	<b>2,885</b>	<b>6,634</b>	<b>363, 108</b>

Source: Coastguard New Zealand



## Staff

### Regional Support & Management

#### Chief Executive Officer

David Tommas

#### Unit Support & Operations Manager (North)

Graham Petrie

#### Unit Support & Operations Manager (South)

Ray Burge

#### Marketing & Funding Manager

Georgie Hope

#### Marketing Assistant

Sarah Granville

#### Business Support Administrator

Lorraine Moon

#### Business Support Manager

Jo Whapham

#### Administration Volunteer

Jan Jupp

### Education

#### Education Manager

Darren Arthur

#### Education Administrator

Liz Norquay

#### SAR Training Co-ordinator

Helen Rayner

### Communications & SAR Response

#### Communications & SAR Response Manager

Debbie White

#### IT & Infrastructure Manager

Mike Lawrence

#### Duty Officers

Mark Leever

Peter Seymour-Nash

Tony Winyard

#### Radio Operators

Carolyn Caukwell

Jess van Slooten

Nikki Latham

Peaches Koller

Phil Gilgen

## Professional Services

#### Banker

ASB Bank, Eastridge

#### Accountants

Hayes Knight NZ Limited

#### Insurance

Baileys Insurance Brokers Ltd

#### Auditor

Hayes Knight Audit

#### Medical

Dr. Bruce Greenfield

Workplace Support NZ

#### Solicitor

Kevin Ogles Associates

#### Employment Relations

Employers & Manufacturers Association

## Coastguard Northern Region Board

<b>President</b>	Roly Linstrom	<b>Operations Committee</b>	Ian Gibson
<b>Vice President</b>	Roger Farley	<b>Appointees</b>	Maureen Calkin Dean Lawrence
<b>Immediate Past President</b>	Joe Davis	<b>Co-opted Member</b>	John Macaulay
<b>Board Members</b>	Ronald Lucca Matthew Rea-Rankin Sue McBride Todd Forsyth		

## Honorary Life Members

Archbold, Brooke Archer, K W Atterton, J.R Blank, Roy Cameron, S A (Susan) Cowan, John Cranfield, Laurie J Foster, Jody Gilbert, Len & Kay Haddock, A R D Hamling, Peter Irwin, Basil Kelly, Trevor D	Knox, R J Lawrence, Dean Litten, Brian MacPherson, Jim McHugh, H.M McMurdo, Tom McPherson, R K Osmond, Rod O'Sullivan, Kevin Perkins, Richard Reiher, Graham Reynolds, Maurice Roberts, N B	Rounthwaite, Mike Ryan, Laurence Saull, K M Sheppard, Harvey Smith, Bruce Talboys, Jim Taylor, Marie (John H) Thompson, C B Udy, Richard Whittle, Tom Wickes, Roger
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## Sponsors, funders and supporters

Coastguard Northern Region gratefully acknowledges our highly valued supporters.

With thanks for your generosity and support. Your belief in Coastguard and its mission means the world to us - we simply couldn't do it without you!

### Funders



### Sponsors

Please show your support to our sponsors by using their products and services whenever possible.



### Supporters

Auckland Council  
 Environment Waikato  
 Northland Regional Council  
 Outboard Boating Club of Auckland

Pakuranga Rotary Club  
 Ports of Auckland

### Partners

Auckland Rescue Helicopter Trust  
 Surf Life Saving Northern Region  
 Maritime New Zealand  
 New Zealand Police

Rescue Coordination Centre  
 of New Zealand  
 St John Ambulance

## Northland Operations Committee

Chairman	Jeff Cramp
Representative on CNR Board	Maureen Calkin
Bay of Islands	Tim Roffey
Far North	Annette Hall, Bill Campbell
Hokianga	Barbara Ward, Helen Cogle
North Kaipara	Walter Smith, Bob Morris
Northland Air Patrol	Ron Gardner, Mesa Land

Tutukaka	John Glaze, Robert Nimmo
Whangarei	John Haselden
Whangaroa	Lewis Plesse, Adriaan Bosch
Whangaruru	Tony Coyle



### Chairman's Report

Well here we go again with this past year just galloping through.

Despite the harsh economic times, the strength of

Northland units and the support they provide to the greater Coastguard organisation continues to grow. Perhaps a sign of the economic times is that the number of incidents reported over the last year are down in the northern area with boaties perhaps not spending that fuel money as much. Yet, at the same time we are experiencing rising running costs for units.

It has been really pleasing to see strong representation from units at meetings despite the travel distance. Some unit delegates make a return trip of over three hours to attend which is a significant commitment and makes for quite a late night.

The Committee is now moving in the direction of refining operational plans and procedures as well as training initiatives, as opposed to redefining

policy and regulations which was our previous focus and a necessary evil, but thankfully no longer as time consuming as in the past.

A new initiative that was launched this year was getting the unit safety officers to put their heads together for a workshop and a chance to swap ideas and learn from their peers. It was well attended with positive feedback from all who attended.

There have been no major boat builds this year but the Committee has recognised that the Whangaroa unit needs to replace their aging 1998 8.5m Rayglass Protector. Thoughts are towards a larger vessel which can support the substantial amount of recreational launches and commercial traffic that pass their area.

We have had the pleasure of Graham Petrie as the Unit Support and Operations Manager for the northern area of Coastguard Northern Region. Graham's enthusiasm for all things Coastguard would be hard to equal. His ability to resource equipment for units and work through the financial difficulties we face is appreciated.

Our Representative on the CNR Board, Maureen Calkin, has been running two roles at meetings by putting her skills as a school teacher to good use in taking the meeting minutes. This is a task she is now handing down so she can focus more on her Board role. She has taken to this role with a great deal of enthusiasm, being very proactive with the CNR Board in understanding unit needs and aspirations.

This next year should see some good combined unit training developments and SAREX events which will also go some way to effecting the "One Coastguard" philosophy.

Thanks to all the units' efforts and energy in 'Saving Lives at Sea'.

**Jeff Cramp**



## Hauraki Gulf Operations Committee

### Chairman & Representative on CNR Board

Ian Gibson

### Auckland Air Patrol

Irvine Cooper

### Auckland

Stephen Fordyce

### CNR Communications

Ron Aylan-Parker

### CNR Controllers

Brooke Archbold, Adam Wickes

### Great Barrier

Chris Ollivier, Wayne Sanderson

### Hibiscus

Keith Roberts, Tom Trinder

### Howick

Alan Martin

### Kawau

Roger Davies, Peter Nash

### Maraetai

Mark Glover

### North Shore

Mark Harnett, Leigh Armstrong

### Thames

Mike Skeet, Allan Benson

### Waiheke

Rebecca Armstrong, Robb Henry



### Chairman's Report

The year has passed quickly and as always we have to remind ourselves how busy we have all been.

Numbers of volunteers in the Communications Group have built up so there should be no shortage for the coming summer. Radio traffic and geographical coverage continues to grow and with plans underway, the upgrade of the Operations Room has been made a priority.

Our Kawau unit has had a net increase in membership despite a few resignations and is in good shape. The workload has been varied with tows from Great and Little Barrier to a Kawau Island scrub fire.

Auckland Air Patrol has had a busy year, taking receipt of a new Cessna 182T aircraft requiring retraining on all the new equipment... exciting times. With its state of the art navigational software, crews can set up for searches faster and focus on the primary objective: to provide aerial search and observation support to Coastguard units throughout the extended Auckland region. A special thanks needs to go to The Lion Foundation for their generous support in funding this asset.

Howick has had another busy year, particularly during the summer. Both Howick Rescue One and Howick Rescue Two have performed well with no significant mechanical issues. The tractor did however require a major refurbishment.

Coastguard Great Barrier is in good spirits. Unit numbers

are solid despite the fact that in island communities such as the Barrier, volunteers belong to various volunteer groups. The next big project will be the planning for the replacement of their aging 12m craft.

Coastguard Thames saw a vessel refurbishment with new bags and electronics. The vessel is going well with the unit in good spirits.

The highlight of the year for Coastguard Maraetai was the official launch in June of the new 9.5 m Naiad Maraetai Rescue One. The launch was attended by many Coastguard vessels and volunteers from the Northern region as well as local resident RH Judith Collins and local iwi - Nangi Tai Umupuia Marae.

This year Coastguard Hibiscus sold their trusty old 8.5m Protector to fund the new 9.5 Naiad that was launched in June. The new boat shed in Stanmore Bay for Hibiscus Rescue Two gives the unit its first official "home".

Coastguard Auckland's vessels have had a busy season. The major project for the year has been the refurbishment of ASB Rescue. Lion Foundation Rescue is now nearing its 10th birthday so planning will commence shortly on its replacement.

Coastguard Waiheke has had another busy year. The first full year of service for the new 10.2m Naiad has resulted in tasking to assist bigger vessels. Coastguard Waiheke was awarded the Coastguard Northern Region 'Rescue and Unit of the Year' and went on to receive the National Awards 'Rescue of the Year' for 2011.

Coastguard North Shore has been busy on and off the water. The first annual golf day fundraiser was a great success. The Browns Bay Market continues to be a big sponsor of the unit with it's volunteers assisting to man the markets.

The volunteer base remains sound and our fleet of vessels is the newest it has ever been. Notwithstanding this, it still needs to be remembered that we are a volunteer organisation that needs your support. Please maintain your membership and the privileges this entitles you to and encourage others to join.

Thank you in anticipation of your continued support.

**Ian Gibson**



## Tasman Operations Committee

Chairman	Wally Hawken
Representative on CNR Board	Dean Lawrence
Kaipara	Iain Gulliford, Wayne Hirst

Titirangi	Mark Harvey, Brenda Phillips
Papakura	Rod Frost, Chris Laufale
Raglan	Raewyn Mitchell
Waiuku	Nigel Griffiths, Jeff Millen



### Chairman's Report

It is a privilege to present the 2012 Tasman Operations Committee Annual Report.

Tasman units have continued to succeed in achieving the demands in all areas of the organisation.

Ray Burge continues to do a sterling job in helping to identify issues and

working through policy as does Graham Petrie which is ongoing to say the least. In line with these two, Tasman group are very fortunate to have Dean Lawrence as CNR Board Delegate.

The financial and managerial support from Coastguard Northern Region is greatly appreciated. A big welcome to David Tommas whom we all know has been working extremely hard to ensure the future financial and strategic success of our great organisation.

Titirangi have finally been granted Resource Consent after three years of endeavour to build a home for 'Trust Rescue'. The building is to be created at French Bay so the exciting days of fundraising are here again.

Waiuku reports that one highlight of operations that ranks at the top is a team effort by five crew regarding a Waikato River Bar rescue. Twenty five minutes after being paged, three persons from the overturned vessel

were in the safety of Waiuku. Waiuku reports further that this past year has been excellent with regard to operations and liaison with Papakura and Titirangi on the Manukau Harbour.

Kaipara have renewed an arrangement with sponsor partner Winstone. Kaipara comment that this past year has been relatively quiet which in some respects makes the unit a victim of their own success in that boaties are taking on board education and good boating skills.

Raglan report two highlights in particular that excel. Firstly; the securing of a sponsorship partner for their primary 11 metre vessel, 'Gallagher Rescue'. Secondly; the achievement of C.O.C skipper accreditation to three highly esteemed members, Kevin Dreaver, Gordon Jowsey, and Vivien Regnier.

Papakura has purchased a tractor to be used at Bottle Top Bay for 'Papakura Rescue One'. This unit is extremely active within their community doing a lot of public relations work in Manukau, Papakura, Mangere, and Pukekohe.

**Wally Hawken**



## Finance Report

- An incredibly challenging year punctuated by residual costs in relation to the restructure commenced in late 2010, a larger than expected decline in membership renewals, and increased fuel and unit expenses.
- Continued support from the Auckland Council meant a slight increase in our Auckland Regional Amenities Funding enabling us to deliver record contributions to units and operational contributions in the communication, education and training areas.
- Strong delivery of grant funds for vessel replacement and refurbishment programmes continued, with several significant projects still in progress.
- Lower than expected growth in membership subscriptions year

on year. The poor weather we experienced over the summer months may have been a contributing factor. Overall nett increase in membership was 4.8% compared with 9.5% for the same period last year.

- Costs associated with the organisational re-structure continued in the first half of the financial period. This re-structure is now completed and showing signs of paying dividends.
- Fuel reimbursements from non-members and government agencies is lower than in previous years, and has resulted in a re-think of process and a more determined approach.
- Education revenue was not at the levels expected, and probably reflects

the economic climate, and a poor summer of boating.

- The policy on capital expenditure continues, with projects only being undertaken once funds have been secured.
- The budget for the year ahead recognises the need to build stronger levels of capital reserves, recognising the ongoing demand for the replacement and upgrade of vessels, in addition to expanding our communications infrastructure. Whilst we have created a number of stretch targets within our budgets we see these as achievable and have developed a number of strategies aimed at meeting these objectives.

**Auditor's Report**



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF  
COASTGUARD NORTHERN REGION INCORPORATED**

We have audited the financial statements of Coastguard Northern Region Incorporated on pages 2 to 9 which comprise the statement of financial position as at 30 June 2012, and the statement of financial performance and statement of movements in general funds for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Board's Responsibility for the Financial Statements**

The board are responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand).

Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

An associated company, Hayes Knight (Auckland) Limited, performs services for your organization, in respect of monthly review assistance of management accounts. The Hayes Knight (Auckland) Limited team do not operate as part of management.

Members of our firm are ordinary members of the society and trade with the organisation on standard membership terms. They have no governing body or management roles or influence.

Other than this and in our capacity as auditor we have no relationship with, or interests in, Coastguard Northern Region Incorporated.

**Basis for Qualified Opinion on Financial Position and Financial Performance**

As stated in note 4 on page 7, the society's statement of financial position records income in advance for capital projects of \$548,965. In our opinion the recorded deferred revenue does not meet the definition of a liability in the Statement of Concepts for General Purpose Financial Reporting. To correct this departure would result in an increase to operating income in the statement of financial performance and net assets in the statement of financial position of \$548,965.

Control over income from general donations of \$34,044 as disclosed on page 4 of the financial statements, prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control.

**Qualified Opinion on Financial Position and Financial Performance**

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements on pages 2 to 9 fairly reflect the financial position of Coastguard Northern Region Incorporated as at 30 June 2012 and the results of its operations for the year ended on that date.

*Hayes Knight Audit NZ*

HAYES KNIGHT AUDIT NZ  
AUCKLAND, NEW ZEALAND

6 August 2012

Coastguard Northern Region Incorporated  
**Statement of Financial Position**  
As at 30 June 2012

	Notes	2012	2011
<b>Current Assets</b>			
Operating Bank Accounts		32,411	5,506
Bank Deposits		1,433,165	1,629,877
Inventory	1(b)	8,180	12,717
Other Receivables		16,176	29,813
Receivables		145,757	167,555
		<u>1,635,690</u>	<u>1,845,468</u>
<b>Non Current Assets</b>			
<b>Property, Plant and Equipment</b>			
As per Schedule (at Book Value)	1(d), 13	812,298	997,417
		<u>2,447,988</u>	<u>2,842,884</u>
<b>Less Liabilities</b>			
<b>Current Liabilities</b>			
Payables		192,511	249,647
Hire Purchase		37,893	61,258
Income Received in Advance - Operational	3	91,955	88,371
Income Received in Advance - Capital	4	548,965	723,821
Deferred Income	1(f)	534,234	377,877
Accrued Expenditure		65,001	154,874
		<u>1,470,559</u>	<u>1,655,849</u>
<b>Net Assets</b>			
		<u>977,429</u>	<u>1,187,035</u>
<b>Represented by:</b>			
<b>General Funds</b>			
Retained Earnings		977,430	1,187,035
		<u>977,430</u>	<u>1,187,035</u>
For and on behalf of the Board who authorised these financial statements			
		<i>Roly Linström</i>	
		Roly Linström (President)	
		2 August 2012	
		Date	
		<i>David Thomas</i>	
		David Thomas (Chief Executive Officer)	
		2 August 2012	
		Date	



Coastguard Northern Region Incorporated  
**Statement of Movements in General Funds**  
For the Year Ended 30 June 2012

	Notes	2012	2011
General Funds at start of Year		1,187,035	1,110,169
Total Recognised Revenue and Expenses		(209,806)	76,866
General Funds at end of Year		<u>977,429</u>	<u>1,187,035</u>



## Coastguard Northern Region Incorporated Statement of Financial Performance For the Year Ended 30 June 2012

	Notes	2012	2011
<b>Income</b>			
Donations		34,044	76,841
Trust Grants		76,015	98,538
Coastguard NZ - SLA & LGB		503,050	472,200
ARAFa		630,000	610,000
Grants - General		365,664	145,520
Subscriptions		1,400,701	1,317,493
SAR Reimbursements		79,467	107,145
Sponsorship		95,721	54,512
Other Income		273,903	285,982
Education Income		373,803	400,708
<b>Total Income</b>		<b>3,832,397</b>	<b>3,568,938</b>
<b>Expenses</b>			
Paid to Units		1,191,996	1,030,236
Education Cost of Sales		367,340	433,443
<b>Net Operating Income</b>		<b>2,273,061</b>	<b>2,105,258</b>
<b>Expenses</b>			
Air Patrol Expenses		66,766	25,887
Staff Expenses		1,461,325	1,136,649
Marketing Expenses		286,633	321,578
AMRC Expenses		102,958	99,568
Operational Expenses		423,883	369,090
<b>Total Expenses</b>		<b>2,341,666</b>	<b>1,961,773</b>
<b>Operating Surplus/(Deficit)</b>		<b>(68,605)</b>	<b>153,486</b>
Income for Capital Projects	4	174,856	68,164
Depreciation	1(d), 14	314,186	144,571
Loss on Disposal/Sale of Fixed Asset		1,771	232
<b>Total Accounting Surplus/(Deficit)</b>		<b>(209,606)</b>	<b>76,866</b>

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The attached notes form an integral part of these accounts



## Coastguard Northern Region Incorporated Notes to the Accounts For the Year Ended 30 June 2012

### 1. Statement of Significant Accounting Policies

Coastguard Northern Region Incorporated is an incorporated society domiciled in New Zealand, registered under the Incorporated Societies Act 1908. The financial statements have been prepared according to generally accepted accounting practices in New Zealand, as defined by Financial Reporting Standards and applicable Statements of Standard Accounting Practice. The Society qualifies for differential reporting, on the basis it is not publically accountable and not large. The Society has taken advantage of all available differential reporting exemptions.

#### Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on an historical cost basis are followed.

#### Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and the financial position have been applied.

- Subscriptions**  
Subscriptions are recorded on a cash basis.
- Valuation of Inventories**  
Inventories are valued at the lower of cost, determined on a first-in-first-out basis, and net realisable value.
- Goods and Services Tax**  
The financial statements have been prepared exclusive of GST with the exception of receivables and payables which include GST invoiced.
- Property, Plant and Equipment Depreciation**  
Property, plant and equipment are included at cost less depreciation at rates determined by the Board of Management as being the useful life of the asset, defined as between 3 and 5 years.  
  
Assets are classed and depreciated as follows:  
Buildings 5 Year Straight Line  
Communications 20% Diminishing Value and 3-5 Year Straight Line  
Administration 20% Diminishing Value and 3-5 Year Straight Line  
Air Patrol 20% Diminishing Value and 3-5 Year Straight Line  
Motor Vehicles 5 Year Straight Line  
Rental Lifejackets 5 Year Straight Line
- Taxation**  
The society has been registered with the Charities Commission as a charitable entity (registration number CC30031) and is exempt from income tax under the income tax legislation.
- Donations and Grants**  
Any donations and grants in excess of \$50,000 which are received to purchase an asset are treated as deferred income and classified as Income in Advance – Capital Projects. The release of the deferred income is set to match the depreciation on the capital expenditure that has been made. The Board of Management believes that this accounting policy best reflects the financial position and performance of the society, notwithstanding that it contravenes generally accepted accounting practice in New Zealand.



#### (g) Change in Accounting Policies

There has been a change in Accounting Policy during the year. The basis on which depreciation on the Cessna 182 aircraft is claimed has changed from 7% straight line to depreciation over the useful life of the asset, defined as 5 years. The change in policy has been applied retrospectively to the date of purchase, and the current financial year includes a depreciation charge of \$21,507 relating to the three month period April to June 2011.

There have been no other changes in accounting policies. All other policies have been applied on bases consistent with those used in the prior year.

### 2. Related Party Transactions

Joe Davis is a director and shareholder of Digital Fishbowl Limited, \$77,854 (2011: \$25,760) was paid to Digital Fishbowl Limited for management services provided by Joe Davis.

Ian Gibson is a director and shareholder of Airey Consultants Limited, \$900 (2011: nil) was paid to Airey Consultants for consultancy services provided by Ian Gibson.

Todd Forsyth was paid \$7,523 (2011: \$855) for tutoring services he provided. At year end he is owed \$253.

The Board of Management does not consider there were any other related party transactions during the year.

### 3. Income Received in Advance – Operational and Units

Grants are received from various sources to be used for the benefit of the units and for Coastguard Northern Region, either to fund specific projects or to offset costs incurred. Grants for projects still in progress at balance date are recorded in Income in Advance – Operational and Units.

#### (a) Auckland Regional Amenities Funding Act 2008

This year \$630,000 (2011: \$610,000) was received from the Auckland ratepayers under the Auckland Regional Amenities Funding Act 2008. The funds have been used during the financial year to cover expenses for units within the Auckland region, and is in line with the Society's submission to the Funding Board.

#### (b) Units

During the year the following grants were received for the benefit of Units:

- \$15,000 in February 2012 for the ongoing first aid training of volunteers
- \$38,529 in November 2011 for SAR training of volunteers.



#### (c) Operations

During the year the following grants were received for operational costs:

- \$50,000 to help cover payroll costs.
- \$17,105 cover costs of the Far North Nowcasting.
- \$12,923 to cover costs associated with the Hutchwilco Boat Show.

### 4. Income Received in Advance – Capital Projects

Income received from donations and grants in excess of \$50,000 and used to purchase assets are treated as deferred income and classified as Income in Advance – Capital Projects. The release of the deferred income is set to match the depreciation on the capital expenditure that has been made. Movements during the year were as follows:

	2012	2011
Opening balance of deferred income	723,821	54,750
Grants received in excess of \$50,000	0	701,551
Less amounts amortised this year	(174,856)	(32,580)
Income in Advance	<u>\$548,965</u>	<u>\$723,821</u>

No grants were received during the year July 2011 to June 2012.

### 5. Grants

Coastguard Northern Region receives grants from community funders which are then distributed to the units to offset the costs for specific projects, such as the refurbishment of vessels and equipment. Grants received but not distributed because projects are still in progress at balance date are held in the Capital Fund.

	2012	2011
Opening balance of deferred income	377,877	71,843
Grants received	450,000	500,000
Less amounts disbursed this year	(283,643)	(193,766)
Income in Advance	<u>\$534,234</u>	<u>\$377,877</u>



Coastguard Northern Region Incorporated  
**Notes to the Accounts**  
 For the Year Ended 30 June 2012

6. Hire Purchase Liability

Nissan Finance  
 Total Cost \$38,199  
 Repayment Terms: Monthly \$739 principal and interest for 48 months commencing 20 December 2009  
 Finance Rate: 10.50%  
 Security: Nissan Qashqai FED41  
 Total outstanding as at 30 June 2012 \$12,565  
 Unexpired Hire Purchase Charges (\$918)

Nissan Finance  
 Total Cost \$43,029  
 Repayment Terms: Monthly \$832 principal and interest for 48 months commencing 20 December 2009  
 Finance Rate: 10.50%  
 Security: Nissan X Trail FED42  
 Total outstanding as at 30 June 2012 \$14,152  
 Unexpired Hire Purchase Charges (\$1,028)

Nissan Finance  
 Total Cost \$43,028  
 Repayment Terms: Monthly \$832 principal and interest for 48 months commencing 20 December 2009  
 Finance Rate: 10.50%  
 Security: Nissan X Trail FED43  
 Total outstanding as at 30 June 2012 \$14,149  
 Unexpired Hire Purchase Charges (\$1,028)

Total Outstanding Hire Purchase Liability for 3 vehicles \$40,866  
 Total Outstanding Unexpired Hire Purchase Charges for 3 vehicles (\$2,974)

7. Operating Revenue and Cost of Sales

Gross income from trading sales and lecture courses is shown under Operating Income.

	2012	2011
Cost of Sales includes costs of:		
Products sold over the counter	11,567	17,943
Running education courses	228,182	237,775
SAR Personnel Training	126,591	177,725
	<u>367,340</u>	<u>433,443</u>

8. Segment Information

Coastguard Northern Region Incorporated operates predominantly as a marine safety organisation within the area north of a line between Kawhia and Thames, providing search and rescue, education, communication and marine safety services.

9. Audit Fees

Fees paid to Hayes Knight Audit NZ for the financial year were \$12,730 (2011:\$10,708)



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10. Capital Commitments

There were capital commitments of \$38,400 at year end (Last year \$36,626).

This relates to the following:

\$50,000 was received from to cover the installation of a new weather channel at Hokianga.  
 Expenses to date have been \$28,705 leaving a balance of \$21,295  
 \$17,105 received to cover the installation of a nowcasting site in the Far North.

11. Lease Commitments

There were no lease commitments at balance date (Last year \$0).

12. Contingent Liabilities

There were no known contingent liabilities at year end (Last year \$0).

13. Post Balance Date Events

There have been no events subsequent to 30 June 2012 that require disclosure in these financial statements.

14. Property, Plant and Equipment and Depreciation

Closing cost, accumulated depreciation and net book value of assets:

Asset Group	2012			2011		
	Cost Price	Accum Deprec.	Net Book Value	Cost Price	Accum Deprec.	Net Book Value
Buildings	58,237	58,237	0	58,237	58,237	0.00
Communications	1,858,749	1,581,949	208,562	1,712,878	1,464,484	248,394
Administration	157,889	125,155	8,338	149,714	145,004	4,710
Air Patrol	963,219	412,394	550,825	915,510	234,786	680,724
Motor Vehicles	93,687	49,670	44,016	93,687	30,933	62,754
Rental Lifejackets	1,391	836	555	1,391	557	834
	<u>3,133,172</u>	<u>2,228,241</u>	<u>812,296</u>	<u>2,931,417</u>	<u>1,934,001</u>	<u>997,415</u>

The motor vehicles are held on hire purchase

Depreciation Charged:

Asset Group	2012	2011
Buildings	0	0
Communications	116,106	102,434
Administration	1,457	2,552
Air Patrol	177,607	20,621
Motor Vehicles	18,737	18,737
Rental Lifejackets	278	223
	<u>314,185</u>	<u>144,567</u>



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Coastguard Northern Region Incorporated  
**Budget For Year Ending 2013**

	2013
<b>Operating Income</b>	
Donations, Grants and Sponsorship	1,609,742
Membership Subscriptions	1,509,275
Education Income	279,500
Trading Sales	19,201
Towing and Search Reimbursement	72,500
Commissions, Rent and Other Activities	295,000
Other Income	91,200
	<u>3,876,418</u>
<b>Less Cost of Sales</b>	249,054
<b>Less Paid to Units</b>	
Fuel Costs	286,692
All Other Payments	822,794
	<u>1,109,486</u>
	2,517,878
<b>Less Expenses</b>	
Audit Fees	12,000
Computer and Telecommunications	100,696
General Expenses	32,252
Insurance	45,000
Promotions and Events	34,100
Member Communication and Events	92,000
Motor Vehicle Expenses	24,000
Personnel	1,373,676
Printing, Stationery and Postage	88,000
Rent, Rates and Building Expenses	93,192
Repairs and Maintenance	103,501
SAR Expenses	266,084
	<u>2,264,501</u>
<b>Surplus/(Deficit) from Operational Activities</b>	253,377
<b>Plus Income for Capital Projects</b>	148,098
<b>Less Depreciation</b>	(289,992)
<b>Net Surplus/(Deficit)</b>	<u>111,483</u>

The attached notes form an integral part of these accounts



## Agenda - Annual General Meeting

Notice is hereby given that the Annual General Meeting of members will be held at the Auckland Marine Rescue Centre, Mechanics Bay, on **Tuesday 18th September 2012** at **1900 hours**.

### Business

1. Apologies
2. Confirm the minutes of the 2011 Annual General Meeting
3. Receive the President's Report
4. Presentation of the Chief Executive Officer's Report
5. Receive and consider the Financial Statements for the year ended 30<sup>th</sup> June 2012, and the Auditors Report.
6. To elect and declare Officers and Committee for the ensuing year
  - a) President
  - b) Vice President
  - c) Two Board Members
7. Announcement of Board Members
  - a) Hauraki OpsCom
  - b) Northland OpsCom
  - c) Tasman OpsCom

8. Ratification of Board nominees for, and Chairperson of, the Judicial Panel
9. To fix the annual subscription for the ensuing year
10. Appointment of Auditors
11. To transact any other business which may be properly brought before the meeting.

**David Tommas**  
**Chief Executive Officer**

### Election of Officers - Coastguard Northern Region Board

Nominations for the various positions on the Board for election at the Annual General Meeting to be held on Tuesday 18<sup>th</sup> September 2012 must be in the office of the Chief Executive Officer by Tuesday 11<sup>th</sup> September 2012 at the latest.

The Nomination and Proxy Form can be found on our website: [www.coastguard.org.nz](http://www.coastguard.org.nz)

Please copy, complete and return to the Regional Office (please see contact information below).



### Coastguard Northern Region

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STREET ADDRESS / Level 1, Auckland Marine Rescue Centre  
3 Solent Street Mechanics Bay, Auckland 1010

PHONE / 09 303 4303

EMAIL / [admin@coastguard.org.nz](mailto:admin@coastguard.org.nz)

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