

COASTGUARD NORTHERN REGION

2008

ANNUAL REPORT

and financial statements for the year ended 31st March 2008



www.coastguard.org.nz

Coastguard Northern Region Inc.

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Coastguard Northern Region Board:

Patron	Dr. John Taylor
President	Jody Foster
Vice President	Joe Davis
Board Members	Ron Lucca
	Kevin O'Sullivan
	John Macaulay
	Sue McBride
Immediate Past President	John Cowan
Hauraki OpsCom Representative	Bruce Smith
Northland OpsCom Representative	Murray Jeffs
Tasman OpsCom Representative	Cedric Charlton

Motto:

Facta non verba (Deeds not Words)

Vision:

To be the prime provider of boating safety services in the Northern Region.

Mission:

To deliver 24/365 Region wide marine safety services including education and support to the boating public.



Key Goals - A Summary

»» Administration:

Provide sound governance of the organisation. Provide efficient and friendly administration that supports and streamlines our services.

»» Communications & Services:

Deliver 24-hour communication and support services to the boating public throughout the region.

»» Education:

Promote and deliver safety education courses to the public at large. Increase points of delivery, develop targeted promotion to potential students, and expand range of courses offered.

»» Funding:

Develop a broad and sustainable funding base. Provide operational funding to Units. Plan for asset replacement.

»» Member Services:

Develop, promote and provide a range of services that benefit our members, and improve boating safety and enjoyment generally. Communicate with our members in a free and easy manner.

»» Promotion:

Increase awareness of Coastguard generally. Grow membership base.

»» SAR Co-Ordination:

Ensure operational readiness of SAR resources. Build strong links with other service providers.

»» Support to Units:

Provide increased operational, training, administrative and marketing support to Units. Undertake detailed needs analysis to ensure priority items are addressed quickly.

»» Training:

Provide management and delivery of SAR training to our volunteers. Standardise and schedule delivery on wider scale. Remove the existing "training strain" on unit volunteers. Achieve high standards of learning and ability of CG volunteers.

»» Volunteer Development:

Encourage suitably motivated and experienced volunteers to the service. Develop and deliver training and other programs to ensure a high level of satisfaction, enjoyment and reward to our volunteers.

Hauraki Gulf Operations Committee:

**Chairman & Representative
on CNR Board**

MRC Communications

Auckland Air Patrol

Hauraki Gulf Controllers

Auckland

Great Barrier Island

Hibiscus

Howick

Kawau

Maraetai

North Shore

Thames

Waiheke

Bruce Smith

Ray Burge, Blair Daly

John Mosley, Mark Rawlinson

Brooke Archbold, Bruce Smith

Stephen Fordyce, Campbell Hope

Kylie Robbins, Roger Bright

Hugh Lemmon, Tom Trinder

Colin Small, Ian Gibson

Bruce Milne, Richard Bray

Paul Bennett, (Murray Freeman dec'd)

Chris Webb, Grant Campbell

Mike Skeet, Allan Benson

Peter Cox, Robb Henry

Northland Operations Committee:

Chairman

Representative on CNR Board

Bay of Islands

Far North

Hokianga

North Kaipara

Northland Air Patrol

Tutukaka

Whangarei

Whangaroa

Whangaruru

Jeff Cramp

Murray Jeffs

Murray Jeffs, Kelvin Petrie

Annette Hall, Bill Campbell

Barbara Ward, Jeff Cramp,

Helen Cogle, Gerald Springett

Daniel Sterling, John Plaisted

Alan Murgatroyd, Ron Gardner

John Glaze, Angus Stirling

Conrad Gray, Gordon Bishop

Roly Linstrom

Alex Wakefield, Elaine Lang

Tasman Operations Committee:

Chairman

Representative on CNR Board

Kaipara

Manukau

Papakura

Raglan

Waiuku

Richard Udy

Cedric Charlton

Brett Havill

Brenda Phillips, Gary Duff

Mike Carter, Cedric Charlton

Kevin Dreaver, Raewyn Mitchell

Richard Udy, Peter Dodd



Staff:

CEO	Dean Lawrence
Marketing Manager	Don Scandrett
Accounts	Brenda Phillips
Education Administrator	Liz Norquay
Membership/Administration	Jess van Slooten
Operations Manager	James Lacey
Operations Support Officer	Jo Ottey
Operations Support Officer	Katherine Andrews
Operations Support Officer	Michael Lawrence
Marketing Assistant (part-time)	Georgie Hope
Daytime Radio Operators	Mark Leever & Nadia McMorran
Overnight Radio Operators	Nikki Latham & Peter Seymour-Nash
Saturday & Sunday Duty Officer	Chris Fransham
Friday & Saturday Night Duty Officer	Mark Fletcher
Editor Coastguard Matters	Bruce Smith
Administration Volunteer	Jan Jupp

Professional Services:

Banker	ASB Bank, Eastridge
Insurance	Baileys Insurance Brokers Ltd.
Medical	Dr. Bruce Greenfield Workplace Support NZ
Accountants	Hayes Knight NZ Limited
Auditor	Hayes Knight Audit
Solicitor	Kevin Ogles Associates
Employment Relations	Employers & Manufacturers Assn.

Honorary Life Members

These members have had honorary life membership bestowed upon them.

Brooke Archbold	Tom McMurdo
K. W. Archer	R. K. McPherson
J. R. Atterton	Rod Osmond
Roy Blank	Kevin G. O'Sullivan
Susan Cameron	Graham S. Reiher
John Cowan	M. Reynolds
Laurie Cranfield	N. B. Roberts, OStJ
Len & Kay Gilbert	Mike Rounthwaite
A. R. D. Haddock, QSO	Judge Laurence J. Ryan
Peter Hamling	Rear Admiral K. M. Saull, CB, FCIT(Rtd)
F. Hilditch	H. Sheppard
Basil Irwin	Bruce A. Smith
Trevor D. Kelly	Jim Talboys
R. J. Knox	John H. Taylor
Brian Litten	Capt. C. Barry Thompson
Jim MacPerson	Richard Udy
H. M. McHugh	Roger Wickes

Coastguard Northern Region Awards 2007

These were awarded and presented at the CNR Awards Night in August 2007 and are recorded below

Unit of the Year:

Papakura

Performance of the Year:

Hauraki Operational Committee

Northland Operational Committee

Tasman Operational Committee

Howick - Bryan Cartelle, Todd Forsyth,
Alan Martin, Ray Burge

Whangaruru - Alex Wakefield, Gary Traill,
Martee Hepi

Manukau - Ron Craddock, Stephen Challis,
Fraser Le Noel, Richard Edlington,
Aaron Abercrombie, Steven Dunn

Volunteer of the Year:

Hauraki Operational Committee

Northland Operational Committee

Tasman Operational Committee

Kevin & Merilee Reynolds

Dorothy Quaife

Cedric Charlton



Coastguard Northern Region Gratefully Acknowledges Our Highly Valued Sponsors:

Without whom we would not be able to deliver the services which have become a significant part of maritime activity in our region.

Funders:

ASB Community Trust
Community Organisations Grants Scheme
Lion Foundation
Lottery Grants Board
Manukau City Council
Mt Wellington Charitable Trust
New Zealand Community Trust
Pelorus Trust
Pub Charity
Scottwood Trust
South Auckland Charitable Trust
The Southern Trust
The Trust Charitable Foundation
Trillian Trust

Sponsors:

Please show your support by using their services whenever the occasion arises:

Baileys Insurance Brokers Ltd.
Burnsco Marine & Leisure
Boat Books
Caltex
Century Yuasa Batteries
Energizer
Half Moon Bay Marina
Jungle Coffee
Regency Tax and Duty Free
Safety at Sea
Southern Pacific Inflatables
Team Talk
Trade A Boat Magazine
Yacht Lifeline
Yamaha

Supporters:

Auckland Regional Council
Environment Waikato
Northland Regional Council
Maritime New Zealand
Ports of Auckland
Water Safe Auckland Inc.



President:
Jody Foster

This is my third and final report as President of Coastguard Northern Region. I have enjoyed my time as President and the time has passed very quickly.

As many of you will be aware the last year has seen significant changes at Coastguard New Zealand. Bruce Reid has settled in as CEO and a significant aspect of his job is to assist with any further changes in the organizational structure of Coastguard to ensure that as an organisation Coastguard continues to deliver to its members, volunteers and the boating public and exceed expectations in that regard. Bruce has instituted a Senior Management Team (SMT) which involves the Regional Managers and Dean Lawrence our CEO. By all accounts this is working effectively with a number of National Responsibilities being shared among the Regions.

The Fourth Annual Awards Night was held at the North Harbour Stadium and was another great success. The award recipients are detailed on the preceding page. Congratulations to them all.


Mark Harnett from Coastguard North Shore was the Chevron CNZ Skipper of the Year and spent a week with the Canadian Coastguard. Some of you may have seen him interviewed on TV 'Breakfast' programme. Well done Mark.

Papakura Volunteer Coastguard celebrated 40 years on 5 April 2008 with a most enjoyable evening at the Papakura RSA. Bay of Islands Coastguard celebrated 10 years on 16 February 2008 and I was sorry to miss that occasion.

New boats have been launched by Howick, North Shore, Manukau and Raglan with Papakura, Auckland and Hokianga to have formal launches soon. Also, Northland Air Patrol have a new air craft.

The VHF channels covered by the Operations Room at the MRC have continued to expand as the Communications Group has accepted responsibility for channels previously monitored by Units. This has involved additional responsibility for volunteers and staff in the Operations Room and they have risen to the occasion.

Coastguard Northern Region achieved a significant milestone in the 2007/2008 year in that it received, for the first time \$1 million in membership subscriptions. Congratulations to the staff and volunteers who put in the extra effort to achieve that target. Thank you also to any members who took up the challenge from my




previous reports and introduced new members to Coastguard - keep it up.

The Sponsors and Agencies that have supported CNR over the last year are detailed elsewhere. The initiative with Burnsco Marine continues to perform the dual role in funding via sponsorship and attracting new members. As you will read in the CEO's report a significant arrangement has been put in place with ASB Trust which enables us to plan ahead in relation to replacement vessels. The ability to put this type of Regional arrangement in place is one of the advantages of Regionalisation. The practical and supportive approach of the Units and the OPSCOM's in agreeing the priority for replacement of vessels was a fine example of seeing the bigger picture and putting the interest of Coastguard as a whole (and therefore those that require our assistance) ahead of the interest of individual units. Long may it continue – thank you.

I again extend Coastguards thanks to all the sponsors and funding agencies for their support.

Regionalisation was rather new when I took up the role of President of CNR. As I had been involved in the process as a member of the National (now CNZ) Board and as an appointee from the Hauraki Gulf Alliance (as it then was) I was particularly keen that during my Presidency the decisions that were made and policies and processes that were developed recognised the spirit and intention of Regionalisation and delivered benefits to the Units to ensure that Coastguard throughout the Region exceeded expectations in delivery of services to the boating public generally and to our members in particular. While it is a continuing process (as shown by the significant changes at CNZ Office last year) and while there have been (and no doubt will continue to be) some bumps in the road (or should I say waves in the sea) I believe that we have made significant progress in ensuring that Units and Volunteers get the support that they need. There has been a deliberate policy of not forcing CNR assistance on Units but I believe the Staff and Board have been there when needed and have provided assistance when requested. Progress has also been made with agreement on Regional policies and minimum standards. Policies have only been adopted by the Board following review and input from the Operational Committees, often one operational committee has put forward a policy for its area which has then been referred to the other Operational Committees and eventually adopted as a regional policy. While the staff work to support the Board, the Operational



Committees, the Standing Committees the Units and the Volunteers, at the end of the day the approach of the CNR Board (confirmed at a recent Board meeting but adopted in practice for some time) is that ‘volunteers manage volunteers’. All of this ensures that Coastguard is best placed to and does meet its primary objective of saving lives at sea.

I also extend my thanks to the Board for their support during my time as President.

As always I also take this opportunity to thank our Volunteers – on radios, in planes, in boats and undertaking administration. Volunteers are what makes Coastguard. We recognize the demands on our volunteers from Coastguard and all aspects of our busy lives are ever increasing and we appreciate their continued efforts. I also thank the partners and families of our volunteers for the support that they give to our volunteers and indirectly to Coastguard – thank you for lending your people to us.

To our supporter members who have renewed during the year – thank you for your continued support. To new members who have joined during the year – Welcome aboard and thank you.

Safe Boating to all.





Hauraki Opscom **Bruce Smith**

The year currently being reviewed has been another of consolidation. All members of the Hauraki Gulf Operations Committee are working enthusiastically and harmoniously towards the common goal of providing the best service we can with our current assets and resources. We, in the Hauraki Gulf, are very proud to form part of a service that the boating public can justly rely upon and of which the general public of the region has good reason to be proud.

The Hauraki Gulf Operational Committee (HOPSCOM) meets monthly, is the operational powerhouse of Coastguard in the Hauraki Gulf and as such has the responsibility to continually review, enhance and perfect our operational procedures, techniques and effectiveness. It is fair to report that our team throughout the Hauraki Gulf has never been more trained and prepared for the variety of tasks expected of them.

With the Board appointment of Karl Koller and Adam Wickes the CNR Controllers are at full strength and are well skilled in SAR planning and incident management. Their services have extended to other areas within the region where it has been considered operationally prudent and practicable and then only when the unit/s in the locality have approved or requested it. The CNR Controller squad is well supported by a team of Local Contact Officers throughout the region. The Hauraki Gulf training exercise policy is now in place and sets the parameters for multi unit training. The HOPSCOM budget for collective training was this year channelled to the training weekend hitherto run by Auckland for Hauraki Units.

The Regional Operations room is an invaluable tool in the hands of our well trained and skilled Comms teams. The TRs recorded and incidents handled are ever increasing in number and it is a tremendous testament to the effectiveness of our teams of skilled and well trained operators. Recruiting and training of volunteers is going well and is being continually monitored and reviewed. The national CRV tracking system upgrade is currently being rolled out with monitoring at our Operations Room.

In the air we have a full team of spotters and Taccos ready to respond to tasks and many incidents have been resolved quickly with the airborne eyes in our well equipped C182 aircraft operating out of Ardmore. We are grateful to have had an air drop life-raft generously donated to our Air Patrol by the Auckland



Outboard Boating Club.

On the water we have a well resourced fleet of rescue vessels available for tasking 24/7. The availability of callout volunteers during work times is identified as becoming a more significant problem for non urgent daytime weekday deployments. We introduced a trailer boat CRV roster to allow a better and more justifiable distribution of commitment by our valued volunteers for non urgent weekday callouts and this has proved successful.

Throughout the area we are proud to have a fleet of rapid response RVs 24/7 with callout response times of less than 20 minutes from telepager activation to fully crewed and underway.

Our rescue vessel replacement programme is up to speed and the face of Coastguard is gradually changing with new and replacement vessels being deployed.

The dwindling privately owned PRV fleet stands now at four and is justifiably cause for concern. Auckland had identified this and were fortunate to obtain a 60' twin diesel (ex Team New Zealand Tender) to supplement the fleet. "ASB Rescue" is currently being readied for regular deployment as a Coastguard Rescue boat and will be based at the MRC.

Over the last three years urgent incidents comprised 23.5% of our work and non-urgent jobs 76.5%. HOPSCOM held a full day workshop on 01 March 08 to review and consider the resourcing required in the Hauraki Gulf to meet the stated and agreed aims and objectives now and projected forward into the future. The scope of the workshop was not simply to review boats and planes but to consider - people – communications – technology – ethos – & in fact everything effecting our service. Our greatest asset was quickly identified as people. HR and tasking were clearly identified as major topics for further debate and development.

There are many and varied topics yet to be fully debated and developed. The HOPSCOM meetings will be exciting and satisfying as these are progressively explored.

We acknowledge and are grateful for the co-operation and ready assistance

provided by our operational colleagues at Maritime Radio, Police launch section, Harbourmasters Office and other emergency services Fire and Ambulance.

The achievements of the Hauraki Gulf operational group as a whole are to be commended and all operational and support personnel who have unstintingly contributed their time and effort are all to be congratulated.

Having served on the Board almost continuously since the late 70s the time has come for me to step aside as Chair of HOPSCOM and also as it's nominee to the Board. I will not be seeking re-election this year. Over the years real personal satisfaction has been derived from my active participation in Coastguard at various levels from RV Skipper (12 Years) CAP Tacco (airborne 1000hrs +), Board appointed SAR Controller (25 years continuous) and from my various operational support roles. It has been a great pleasure to be involved with such a group of dedicated volunteers and administrative staff, all with the same object in view "in the best interests of the victim". Lifetime friendships have been made and treasured.

Your support and assistance to the Coastguard service has been invaluable and very much appreciated. Thank you all for your involvement and positive contributions. Long may it continue!





Tasman Opscom

Richard Udy

Tasman Ops Comm made steady progress throughout the year and got its Operation Plan signed off. Cedric Charlton has represented us at Board level and has been a great advocate for Tasman. Sadly Cedric is not standing as our Rep. or Papakura Unit President this coming year. Many thanks Cedric for all your hard work and input.

The units continued with their CRV upgrades or replacement vessels.

Kaipara has just replaced its outboards with Suzuki 4 strokes, much quieter and what! No smoke. Their ongoing project is to find a suitable site for their HQ and I dare say this will take up a lot of their time over the next year.

Manukau have purchased their replacement DRV an ex Americas Cup 12 metre Protector on which they have just replaced the outboards to 4 strokes also. They are looking at selling their 8.5 metre Naiad, so now are hard out getting their new vessel up and running. They will also be looking at a smaller RV to compliment the larger one.

Papakura have just celebrated their 40th Anniversary with a function at the Papakura RSA. Well done people. They have just sold their 6.8 metre Naiad and their new 9 metre Naiad is complete. Can't wait to see this CRV on the water. Their next job is to get a suitable tow vehicle which I'm sure they have something already lined up and find suitable launching facilities and I dare say some Class 2 licences to drive the tow vehicle (all up well over the 4.5 tonne).

Waiuku has just signed a contract for a new 7.3 metre Naiad and first payment made. They are selling Waiuku Rescue 3 the vessel that was so kindly donated to them 18 months ago as well as their 6.8 Naiad (NZ Steel Rescue) to make way for their new DRV. They will also be selling the Landrover Defender which came with WR 3.

Raglan have had their CRV totally painted - looking very smart. A lot of hard work by all concerned to get this vessel fully operational. Well done team. They also have a new Jet Ski. Any unit contemplating the purchase of one should in the first instance talk to these guys and pay them a visit.

One thing that has been a concern for most in Tasman Ops is the very high cost of replacement vessels and the poor re-sale value of them even when in good condition.

One can see that from the happenings at unit level the area will be well equipped to go forward. Funding has been always a major talking point and I would like to thank staff at CNR for their efforts over the past year and congratulate CNR on achieving its milestone on member subscriptions. To all members on Tasman Ops Comm, many thanks for your attendance and input.





Northland Opscom

Jeff Cramp

Greetings to all the Coastguard Northern Region members. It is hard to believe to that a year has past already.

Northland Ops Com has been very busy this past year especially with several Units getting new CRV's and others looking at obtaining their first dedicated vessel. Hokianga has just received their new 9.5m AMF CRV which is a sister boat to that of North Shore. Tutukaka are also having the same vessel currently built to replace their old Protector. North CAP also took delivery of a new aircraft which, for Northland Units, is a very important part of rescue operations.

The past year has shown the importance of the Operational Committee and the advantage of net-working with other Units in the area. These meetings are an opportunity to compare notes and resources as well as working alongside CNR with policy and finance issues.


We have finally signed off on the Northland Operational Plan, which caused a lot of debate and thought about how we actually go about our core business of saving lives at sea. It has also allowed units to rethink their vessels requirements and the area in which they operate.

Congratulations must go to Dean and James for the hard work they put into the units. They make coming to the bi-monthly meetings an exciting adventure. We never know what goodies or exciting news they have for us. They both listen and take on board the concerns and wishes from Northland Ops Com and convey them back to CNR Board and more importantly deliver a resolution back to us with out undue delay.

Murray Jeffs, Northland OpsCom Representative on the CNR Board has also done a sterling job attending CNR meetings and reporting back to us on what the rest of the region are up to.

We, as a committee, are very conscious of the extensive amount of money that has been put into the operational area this past year and the need to balance our resources to complement that spend. We also know that given that our funds are primarily from donations and sponsorship that the well could easily dry up without warning. We have to give our public and providers a clear indication that it is money well spent.

With all the new equipment and boats coming into the Region it is starting to create a surplus of boats and gear which Units are required to sell or move



on to claw back some of the financial investment that went into them. I have suggested that the future could see the development of a Coastguard training school complete with boats and gear based in an area like Auckland. A home for all those 6.8m and 8.5m RVs which could form the basis for crews and skippers to learn how to maintain and operate a rescue vessel. Maybe the Government & Regional Council, if approached in the right way, may like to fund such a venture. Imagine you send your senior crew member to the school for a couple of weeks and they come back with a COC and a smile from ear to ear!

Our area still has its logistic issues when it comes to attending meetings and the delivery of module training. However meetings are well attended with an average of 90% attendance. We look forward to another busy year and hope that all our Units have successful outcomes in their work.






Chief Executive Officer **Dean Lawrence**

Over the past year we have endeavoured to build on the momentum and positive results from the previous year. In stepping back and looking at the overall outcome I believe the Region, which is inclusive of its member units, has continued to move forward and deliver a wide range of services to a high standard.

That is not to say there have not been challenges and we still have more to face, but the greater integration and cooperation across the Region I believe, places us in a far better position to meet these. In our Presidents report, Jody has covered this integration in some detail and I fully support and echo her comments. The volunteers and their various committees are crucial to the future of this organisation and the Regional office continues to support and assist both the volunteers and the committee structures.

One of the most obvious benefits of the closer cooperation was the agreement by the units of the overall fleet replacement program (flagged in last years report), which allowed us to put a case to the ASB Community Trust to support the program with funding. It was a fantastic result when the ASB Community Trust agreed to a three year, \$1.5 million dollar grant. This allowed the program to move forward with confidence and other funding streams have been more readily achieved. North Shore, Howick, Manukau and Raglan launched new vessels, with Hokianga, Tutukaka and Papakura having vessels under construction. Northland Air Patrol secured a Cessna 182 to replace their existing plane and Auckland Air Patrol undertook a major overhaul and refit of their plane to extend its life for another 5 years. During 2008 we are expecting Bay of Islands, Waiuku and Whangaruru to replace or refurbish their boats and Whangaroa and Far North to secure their first vessels.

Over the last two reports I have strongly emphasised the importance of our supporter membership. It is therefore a great milestone to have passed the million dollar mark for membership subscriptions and you will see in the finance report just how important this income has been. A positive spin off from this has been the direct benefit to various units, who through their active promotion and sale of memberships are now benefiting from that membership income. The introduction of the new membership card has been well received and provides better standard of the membership recognition. To better connect the members with the organisation and update on our activities we have started to use smartmail (email communication) which can be more frequent and is



very cost effective. Consideration is being given to this being the main form of communication with the membership. We cannot be complacent -, the actual membership numbers of 11782 represents a fraction of the actual boating population in the Region. We should be setting a target in excess of 20000 members which would ensure we have at both Region and Unit level a stronger financial base to operate on.

Our Education continues to provide a positive return in both financial terms and member benefits to the Region. The RYA practical boat handling courses are gaining popularity and compliment our historic theory based courses. We were fortunate that Howick Coastguard donated their old number two boat (4.3m RHIB) to the Region for the RYA courses when they commissioned their new boat. This was further complimented by the three year sponsorship by Southern Pacific Inflatables of a 4.8m RHIB. We are looking to continue the expansion and delivery of all courses across the Region also expanding into different areas of the market.

In last years report I mentioned the initiative of the Auckland Regional Amenities Funding Bill. This has continued to progress, with the bill tabled in Parliament, gone through its first reading and then to Select committee for public submissions and hearings. At this time the Select committee has yet to report back to Parliament though it is expected to do so by mid year. We remain optimistic that this will proceed to a fruitful conclusion.

In the preparation of this years budget, we have taken a very conservative position on our income streams, being mindful of the “doom and gloom” being offered up by the various economic indicators and commentators. On the other side of the ledger we will continue to monitor expenses and keep those under tight controls. The budget shows a nominal surplus.

The Region continues to enjoy the support of various sponsors and funders (listed and acknowledged in the report separately), space precludes me from recognising the support each individual sponsor provides but it is greatly appreciated and we look to further enhance these relationships.

The Team at the Regional Office have worked well together over the last year and I believe we have delivered a good range of services and support to the many areas of the organisation. We continue to review how we go about our business and look to improve and enhance our delivery. My thanks to them for



their efforts.

In closing I would like to take this opportunity to acknowledge the support and counsel our outgoing President Jody Foster has provided. It has been a pleasure working with Jody and I look forward to that continuing in the new role of Immediate Past President. I would also acknowledge the support and work of the CNR Board members with whom I have had an excellent working relationship.

Coastguard Northern Region Maritime School

As well as the venue at the Auckland Marine Rescue Centre, we delivered courses at Bay of Islands, Whangarei, Helensville, Albany, Gulf Harbour, Papakura, Maraetai, Thames and Hamilton. The annual Education Cruises to Coromandel and Kawau were enjoyed by 760 people.



**Course registrations for 2007
(Total 1993)**

Day Skipper, 827
Boatmaster, 273
Radio Op., 610
Coastal Skipper, 43
OYM, 21
Inboard Engineer, 60
Outboard Engineer, 79
GPS, 55
Radar, 16
Adv. Sea Survival, 9




Finance Report

Dean Lawrence

This year's result has consolidated on the previous years result with a Surplus from Operational Activities of \$216k being posted. While the expenditure for capital projects was down on previous years the resulting decline in depreciation also has ensured that the overall Net Surplus is \$43k ahead of last year.

Points of interest from this year's Statement of Financial Performance are:

- Gross income was of \$2.9 million has been significantly bolstered by the ASB Community Trust grant totalling \$697k. When adjusting for this Gross income was up 5% on last year.
- The major success this year has been Membership Subscription income reaching \$1.02 million. This is a major milestone and contributed significantly to the overall performance of the Region.
- Education income up 15% continues in a positive revenue stream for the Region with the RYA courses now starting to contribute to the overall result.
- Towage and Search donations have dropped this year 31%. The main cause for this drop has been from the recoveries being sought from the general public. In the coming year we will be placing greater emphasis in this area.
- Donations and Grants have risen being bolstered by the ASB Community Trust grant of \$697. When adjusting for this specific grant overall Grants and Donations were down, reflecting the more competitive environment to secure funds from this area.
- Payments to units have risen dramatically with the support of the ASB Community Grants for vessel replacements mentioned above. The overall rise was 107%.
- Membership commissions paid to units has increased from \$34k to \$47k up by 38%, which shows the benefit of units promoting and selling supporter memberships.
- Total expenses are up on 2007 (10%), however the rise was in line with the budget. This is a good outcome considering within expenses two cost centres varied significantly.

- 
- Repairs and Maintenance was up 72% and is attributed to the cyclical occurrence of repeater maintenance.
 - Personnel cost were up 10% which is a direct result of the greater use of temp staff to cover staff leave, and taking on short term summer cover to help in the office with demand. This has been recognised in this year's budget.

Points of interest on the Statement of financial position are:

- Cash at the bank as at 31st March 2008 was \$740k which is up 95% on last year's \$380k.
- The policy on Capital project expenditure continues, with projects only being undertaken when funds have been secured for the project.
- The current deferred income of \$149k is funding from the ASB Community Trust being held pending build programs for unit vessel replacements.

Overall a satisfactory result and with some significant milestones achieved we should look to further building on these and consolidating the financial well being of both the Region and its member units. The ongoing support of the membership, sponsors and funders will be vital and to those we offer our sincere thanks for the support and we look forward to the forth coming year.

AUDIT REPORT
TO THE MEMBERS OF
COASTGUARD NORTHERN REGION INCORPORATED

We have audited the financial statements on pages 1 to 6. The financial statements provide information about the past financial performance of Coastguard Northern Region Incorporated and its financial position as at 31 March 2008. This information is stated in accordance with the accounting policies set out on pages 4 and 5.

Board of Management Responsibilities

The Board of Management is responsible for the preparation of financial statements which fairly reflect the financial position of Coastguard Northern Region Incorporated and of the results of its operations for the year ended 31 March 2008.


Auditor's Responsibilities

It is our responsibility to express an independent opinion on the financial statements presented by the Board of Management and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Board of Management in the preparation of the financial statements, and
- whether the accounting policies are appropriate to Coastguard Northern Region Incorporated, consistently applied and adequately disclosed.



We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary. We obtained sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditors a related entity, Hayes Knight NZ Limited, was engaged to provide accounting services to Coastguard Northern Region Incorporated to assist them with monthly management reporting from their records. Other than this, and some of our team being ordinary members of the society, we have no other relationship with or interests in the society.

Qualified Opinion

As stated in note1(g) on page 5, the society's statement of financial position records deferred income of \$149,151. 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 \$149,151.

Control over income from donations of \$33,119 included in donations, grants and sponsorships prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control.

In our opinion, except for the departure from the Statement of Concepts as outlined above, and except for adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning income from donations, the financial statements on pages 1 to 6:

- fairly reflect the financial position of Coastguard Northern Region Incorporated as at 31 March 2008 and the results of its operations for the year ended on that date.

Our audit was completed on 5 June 2008, and our qualified opinion is expressed as at that date.

Hayes Knight Audit

HAYES KNIGHT AUDIT

AUCKLAND, NEW ZEALAND

Coastguard Northern Region Incorporated
 Statement of Financial Position
 As at 31 March 2008

	Notes	2008	2007
Current Assets			
Operating Bank Accounts		99,804	49,055
Bank Deposits †		640,358	330,323
Inventory	1(b)	21,304	17,501
Other Receivables		13,789	9,723
Receivables		280,308	163,770
		<u>1,055,563</u>	<u>571,145</u>
Non Current Assets			
Property, Plant and Equipment			
As per Schedule (at Book Value)	1(d), 8	301,699	391,756
		<u>1,357,262</u>	<u>962,901</u>
Less Liabilities			
Current Liabilities			
Payables		355,219	311,777
Income Received in Advance		177,568	104,330
Deferred Income	1(g)	149,151	7,004
		<u>681,938</u>	<u>423,112</u>
Net Assets		<u>675,324</u>	<u>539,790</u>
Represented by:			
General Funds			
Retained Earnings		675,324	539,790
		<u>675,324</u>	<u>539,790</u>

For and on behalf of the Board who authorised these financial statements:


 Jody Foster (President)


 Desh Lawrence (Chief Executive Officer)


 Date

The attached notes form an integral part of these accounts



Coastguard Northern Region Incorporated
Statement of Movements in General Funds
For the Year Ended 31 March 2008

	Notes	2008	2007
General Funds at start of Year		539,790	447,568
Total Recognised Revenue and Expenses		135,534	92,222
General Funds at end of Year		<u>675,324</u>	<u>539,790</u>

The attached notes form an integral part of these accounts



Coastguard Northern Region Incorporated
Statement of Financial Performance
For the Year Ended 31 March 2008

	Notes	2008	2007
Operating Income			
Donations, Grants and Sponsorship	1(f)	1,238,662	640,182
Membership Subscriptions	1(a)	1,026,037	847,560
Lecture Courses	2	192,510	166,901
Trading Sales	2	57,156	66,764
Towing and Search Reimbursement		110,039	161,770
Commissions, Rent and Other Activities		288,294	261,025
Other Income		52,016	13,146
Total Operating Income		2,964,715	2,157,348
Less Cost of Sales		166,367	158,633
Less Paid to Units			
Fuel Costs		185,373	188,366
All Other Payments		1,028,352	397,461
		1,213,725	585,826
Net Operating Income		1,584,623	1,412,889
Less Expenses			
Audit Fees		9,085	10,350
Computer and Telecommunications		73,383	63,438
General Expenses		59,241	35,518
Insurance		30,254	28,479
Promotions and Events		35,126	29,203
Member Communication and Events		35,926	55,743
Motor Vehicle Expenses		42,127	32,329
Personnel		713,803	644,571
Printing, Stationery and Postage		68,344	66,103
Rent, Rates and Building Expenses		58,698	55,226
Repairs and Maintenance		112,313	65,197
SAR Expenses		129,827	154,422
		1,368,127	1,240,579
Surplus/(Deficit) from Operational Activities		216,496	172,310
Plus Income for Capital Projects	1(g)	45,997	69,221
Less Depreciation	1(d), 8	(126,959)	(149,310)
Net Surplus/(Deficit)		135,534	92,222

The attached notes form an integral part of these accounts



Coastguard Northern Region Incorporated

Notes to the Accounts

For the Year Ended 31 March 2008

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. The Society qualifies for differential reporting. 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.

- (a) **Subscriptions**
Subscriptions are recorded on a cash basis.
- (b) **Valuation of Inventories**
Inventories are valued at the lower of cost, determined on a first-in-first-out basis, and net realisable value.
- (c) **Goods and Services Tax**
The financial statements have been prepared exclusive of GST with the exception of receivables and payables which include GST invoiced.
- (d) **Property, Plant and Equipment and Depreciation**
Property, plant and equipment are included at cost less depreciation provided at the maximum rates allowed by the Inland Revenue Department or as determined by the Board of Management as being the useful life of the asset, defined as between 3 and 10 years. Assets are classed and depreciated as follows:
- | | |
|--------------------|--|
| Buildings | 5% Cost Price and 9.5% Diminishing Value |
| 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 | 33% Diminishing Value and 5 Year Straight Line |
- (e) **Taxation**
The society has applied for registration as a charitable organisation and is exempt from income tax under the income tax legislation.
- (f) **Income in Advance**
Income received from grants and lecture course fees during the financial year that relates to the 2008/2009 year has been deferred and treated as income in advance.



Coastguard Northern Region Incorporated
Notes to the Accounts
For the Year Ended 31 March 2008

(g) Donations and Grants

Any donations and grants in excess of \$50,000 which are received to purchase an asset are treated as deferred income. The period of deferral is up to 5 years with the release of the deferred income 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.

Deferred Income - Grants	2008	2007
Opening balance of deferred income	7,004	130,686
Grants received in excess of \$50,000	739,281	-
Less amounts amortised this year	(597,134)	(123,682)
Deferred Income	<u>\$149,151</u>	<u>\$7,004</u>

(h) Changes in Accounting Policy

This year there have been no changes in accounting policies. All policies have been applied on bases consistent with those used in the previous year.

(i) Related Party Transactions

The board of management considers that there are no related party transactions.

2. Operating Revenue and Cost of Sales

This year gross income for lecture courses and trading sales has been shown in the Operating Income section with the Cost of Sales shown separately.

Cost of Sales includes the cost of products sold over the counter of \$36,644 (Last year \$53,710) and cost of running education courses of \$129,723 (Last year \$104,923).

3. Segment Information

Coastguard Northern Region Incorporated (CNR) 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.

4. Capital Commitments

There were no capital commitments at year end (2007: \$12,000).

5. Lease Commitments

Total lease expenditure contracted for at balance date but not provided for in the financial statements:

Current	\$25,314
Non-current	\$12,657

6. Contingent Liabilities

There were no contingent liabilities at year end (2007: Nil).

7. Post Balance Date Events

There have been no events subsequent to 31 March 2008 that require disclosure in these financial statements.



Coastguard Northern Region Incorporated
Notes to the Accounts
For the Year Ended 31 March 2008

8. Property, Plant and Equipment and Depreciation

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

<u>Asset Group</u>	<u>2008</u>			<u>2007</u>		
	<u>Cost Price</u>	<u>Accum Deprec.</u>	<u>Net Book Value</u>	<u>Cost Price</u>	<u>Accum Deprec.</u>	<u>Net Book Value</u>
Buildings	58,237	58,237	0	58,237	58,237	0
Communications	1,449,940	1,226,499	223,441	1,417,459	1,133,902	283,555
Administration	163,736	139,771	23,965	159,661	120,756	38,905
Air Patrol	242,283	188,340	53,943	242,283	173,253	69,030
Motor Vehicles	2,290	2,290	0	2,290	2,290	0
Rental Lifejackets	12,214	11,864	350	11,869	11,603	266
	<u>1,928,700</u>	<u>1,627,001</u>	<u>301,699</u>	<u>1,891,799</u>	<u>1,500,042</u>	<u>391,756</u>

Depreciation Charged:

<u>Asset Group</u>	<u>2008</u>	<u>2007</u>
Buildings	0	0
Communications	92,596	99,944
Administration	19,015	27,952
Air Patrol	15,087	20,352
Motor Vehicles	0	0
Rental Lifejackets	261	1,062
	<u>126,959</u>	<u>149,310</u>

The above information must be read subject to the Auditor's Report.



Coastguard Northern Region Incorporated
Budget for the Year Ending 31 March 2009

	2009
Operating Income	
Donations, Grants and Sponsorship	1,193,972
Membership Subscriptions	995,459
Lecture Courses	215,690
Trading Sales	55,000
Towing and Search Reimbursement	78,400
Commissions, Rent and Other Activities	186,000
Other Income	48,000
	<u>2,772,521</u>
Less Cost of Sales	234,360
Less Paid to Units	
Fuel Costs	190,500
All Other Payments	762,175
	<u>952,675</u>
	<u>1,585,486</u>
Less Expenses	
Audit Fees	8,500
Computer and Telecommunications	87,500
General Expenses	32,600
Insurance	35,000
Promotions and Events	34,750
Member Communication and Events	58,000
Motor Vehicle Expenses	45,000
Personnel	763,891
Printing, Stationery and Postage	72,000
Rent, Rates and Building Expenses	58,600
Repairs and Maintenance	80,800
SAR Expenses	148,900
	<u>1,425,541</u>
Surplus/(Deficit) from Operational Activities	<u>159,945</u>
Plus Income for Capital Projects	50,000
Less Depreciation	(150,000)
Net Surplus/(Deficit)	<u><u>59,945</u></u>

The attached notes form an integral part of these accounts



**Coastguard Northern Region Inc.
Annual General Meeting**

Nomination For Elected Office - 2008

I nominate: _____

For the position of: _____

Proposer

Name: *(Please print)* _____

Signature: _____

Second

Name: *(Please print)* _____

Signature: _____

Signature Of Nominee _____

Date: _____ / _____ / 2008

Coastguard Northern Region Inc. Annual General Meeting

Proxy Form

As per Coastguard Northern Region Constitution Rule 40.3, up to two proxies may be held by another member attending the AGM.

I/we: _____ Member no. _____
Name (Please print) *(If known)*

Hereby appoint:

_____ Member no. _____
Name (Please print) *(If known)*

To act as my/our proxy to vote for me/us on my/our behalf on any matter at the cnr annual general meeting on 22 July 2008, and at any adjournment or postponement thereof.

Signed: _____

Coastguard Northern Region Inc.

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 22 July 2008 at 1930 hours.**

Business

1. Apologies
2. Confirm the minutes of the 2007 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 31st March 2008, and the Auditors Report.
6. To elect and declare Officers and Committee for the ensuring 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 ensuring year
10. Appointment of Auditors
11. Remits
12. To transact any other business which may be properly brought before the meeting

Dean Lawrence

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, 22nd July 2008 must be in the office of the Chief Executive Officer by Tuesday 15th July 2008 at the latest.

The **Nomination Form** is in this booklet, please copy, complete and return by: **Mail:** PO Box 2195, Shortland Street, Auckland 1140. **Fax:** 09 303 9350
Email: deanl@coastguard.org.nz

Coastguard Northern Region Inc.

The Board gives notice under Rule 52.3 that it will be moved at the Annual General Meeting of Coastguard Northern Region Inc on 22 July 2008 that the Constitution be amended as follows:

MRC Communications Group

Remit One - Change all references in the CNR Constitution to 'MRC Communications Group' to '**CNR Communications Committee**'

Explanation

The CNR Constitution currently provides for three Standing Committees (Rule 23.2) of which the MRC Communications Group is one. This Group is based in the MRC which explains its current name however the Radio Room in the MRC now covers Radio calls from much of the Region and the Group has accordingly requested that their name is changed to **CNR Communications Committee** wherever it appears in the Constitution and that change will be carried through to the Regulations.

Under Rule 52.5 this proposed change requires 2/3 majority of the Regional Volunteers present in person or by Proxy at the AGM in order to be carried.

'Regional Volunteer' is defined in Rule 8 as 'Individuals who are not Unit Volunteers who wish to provide a voluntary service to CNR' who apply for and are accepted for membership and individuals who accept a role within CNR other than as a paid employee/

Hauraki Gulf Controllers Committee

Remit Two - Change all references in the CNR Constitution to 'Hauraki Gulf Controllers Committee' to '**CNR Controllers Committee**'

Explanation

Another of the Standing Committees provided for in the CNR Constitution is the Hauraki Gulf Controllers Committee. Initially the Controllers operated primarily in the Hauraki Gulf. As with the area covered by the MRC Communications Group the area covered by the Hauraki Gulf Controllers has also expanded and it is considered that a change in name to the **CNR Controllers Committee** more accurately reflects the responsibilities of the Group and the change in name is requested accordingly. This change will be carried through to the Regulations.

Under Rule 52.5 this proposed change requires 2/3 majority of the Regional Volunteers present in person or by Proxy at the AGM in order to be carried.

'Regional Volunteer' is defined in Rule 8 as 'Individuals who are not Unit Volunteers who wish to provide a voluntary service to CNR' who apply for and are accepted for membership and individuals who accept a role within CNR other than as a paid employee/

Liquidation

Remit Three - Insert '**charitable**' in Rule 54.3 between 'some' and 'body' and delete 'and holding an approved tax exemption from income tax and other duties and levies.'

Explanation

CNR has applied for registration as a charity under the Charities Act 2005 and the Charities Commission has requested a change to Rule 54.4 which provides how the assets of CNR are to be dealt with in the event that CNR is placed in liquidation. The change does not alter the intent or substance of the clause.

Rule 54.3, with the insertion shown in bold and deletions struck out, is as follows:

Any surplus assets of CNR, after payment of all costs, debts, and liabilities, shall subject to any trust affecting the same, be disposed of by distributing, giving or transferring them to some **charitable** body or bodies in New Zealand having objects similar to the Objects of CNR ~~and holding an approved tax exemption from income tax and other duties and levies.~~

*Under Rule 52.1 this change requires a 2/3 majority of all **Voting members** present in person or by proxy to be passed.*

'Voting member' is defined in Rule 40.1 and refers to Supporter members, Unit Volunteers, Regional Volunteers and each member with the rights of Supporter Members.

Notice given by the CNR Board

