



# 2010 Annual Report and Financial Statements for the year ended 30 June 2010

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## Coastguard Northern Region Board

**President** Joe Davis  
**Vice President** Roly Linstrom  
**Immediate Past President** Jody Foster  
**Board Members** Roger Farley  
Sally Higgs  
Ron Lucca  
Sue McBride  
Ian Gibson

## Hauraki OpsCom Representative

**Northland OpsCom Representative** Murray Jeffs

**Tasman OpsCom Representative** Brenda Phillips

**Co-opted member** John Macaulay

**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

## Joe Davis - President



This past year has been both a positive and eventful year around the Northern Region. Our volunteers around the coast have been kept busy helping those in need on the water, and we have continued to strive to improve and develop our corner of the organisation

with exciting results. At the centre of that development has been the CNR Plan – our strategic plan for the Region – and an extremely positive, collaborative relationship with Coastguard New Zealand.

A major success of the last twelve months has been the completion of the many vessel build and refurbishment projects around the Region, ensuring that our people have the very best tools available to them in their work. With the generous support of both Coastguard New Zealand and our funding partners at the regional and local levels – in particular the ASB Community Trust – the communities around our Region now have the tools they need to keep saving lives. That's a great result, and one we are enormously proud of.

This year has been our first as recipients of funds from the Auckland Regional Amenities Funding Act. This Act provides funding from the local council rates to a number of organisations delivering services to the greater Auckland region. These funds have allowed us to deliver greater support to our Units, and to improve our regional communications centre. This funding has in no way lessened our dependence on the support of our members, sponsors and supporters, but has allowed us to develop further and more rapidly than we could have otherwise.

Over the course of the last twelve months, a regional team has put each of our rescue vessels to the test - building a much clearer picture of what works, what can be improved, and what we can learn to support future build projects. As the organisation continues to evolve, their report will no doubt provide a valuable tool to support the selection and design of future resources.

The CNR Plan sets a clear goal of ensuring that our focus and attention extends right the way to our geographic borders - that we ensure a consistent, high level of support and contact is available to our Units regardless of their location, and that we provide support in a way that works

for all of our communities (what works in the Hauraki Gulf doesn't work everywhere else!). This approach has seen some extremely positive evolution in our approach to delivering on our promise to our Units. Our approach to the annual awards is a good example.

Historically, we ran a 'Regional Awards Night' in Auckland, bringing volunteers from around the Region together for an awards ceremony and meal. In 2008 the event was cancelled due to poor ticket sales - we needed to change our approach. We now present awards at the recipient's unit, enabling the whole team to share in the event. Rather than a single function in Auckland, we now run three – one in each of our operational areas. These events have been an amazing success. In every case we've sold every seat, and shared a fantastic night out with our people. We couldn't be happier with that result!

It has been a year of exciting developments; both out around the coast, and in the way we view the organisation's future. Our volunteers have continued their remarkable work saving lives at sea, and we are constantly focussed on how we can best support that work. We continue our evolution towards 'One Coastguard' - understanding the shape that can take, and our role in making it happen. This is a wonderful organisation to be a part of - constantly exciting, challenging and rewarding. Here's looking forward to the year ahead!

## Acknowledgement

During the year Jody Foster stepped down from her role as the Coastguard Northern Region (CNR) appointee to the Coastguard New Zealand (CNZ)NZ Board to allow Joe Davis to take on the role. This is part of the Boards ongoing succession / rotation process. Jody remains on the CNR Board as the Immediate Past President.

At this time it is entirely appropriate to acknowledge the outstanding service that Jody has provided in this role, both ensuring that the Regions voice is heard and contributing fully to the CNZ Board governance process. I was fortunate to have attended a number of National Board forums with Jody and I always admired how she dealt with the issues at hand in a fair and constructive manner without fear or favour.

We have been well served by her contribution.

Dean Lawrence  
Chief Executive Officer

## Staff

<b>Chief Executive Officer</b>	Dean Lawrence
<b>Marketing &amp; Business Manager</b>	Don Scandrett
<b>Operations Manager</b>	Ray Burge
<b>Services Manager</b>	Michael Lawrence
<b>Administration/Accounts</b>	Jo Whapham
<b>Administration/Education</b>	Liz Norquay
<b>Administration/Membership</b>	Lorraine Moon
<b>Marketing &amp; Promotions</b>	Georgie Hope
<b>- Membership</b>	
<b>Marketing &amp; Promotions</b>	Kylie Sisley
<b>- Education</b>	
<b>Operations Support Officers</b>	Katherine Andrews
	Mark Fletcher
	Mark Leevers
	Stephanie Trail
<b>Radio Operators</b>	Nikki Latham
	Peter Seymour-Nash
	Nadia McMorran
	Emma Millen
<b>Editor 'Coastguard Matters'</b>	Bruce Smith
<b>Administration Volunteer</b>	Jan Jupp

## Professional Services

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

## Honorary Life Members

These members have had Honorary Life Membership bestowed upon them:

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

## Coastguard Northern Region Awards 2009

### Northland Ops Comm Volunteer of the Year

John Glaze (Tutukaka)

### Northland Ops Comm Performance of the Year

Colin Brickell (Tutukaka)

### Tasman Ops Comm Volunteer of the Year

Gary Duff (Manukau)

### Hauraki Ops Comm Volunteer of the Year

Steve Rowlands (Howick)

### Hauraki Ops Comm Performance of the Year

The Skippers and Crews of Rescue Alpha and Waiheke For Incident 1963, Sunseeker  
Greg Smith, Paddy Lewis, Georgie and Olivia Hope  
John MacDonald, Guy Brown, Lance Crossland

### Air Patrol Person of the Year

Phil Ennor (Auckland)

### Communications Person of the Year

Carol Lambert (CNR Comms)

### Volunteer of the Year

John Glaze (Tutukaka)

### Rescue Vessel Crew Person of the Year

Robert Nimmo (Tutukaka)

### Performance of the Year

The Skippers and Crews of Rescue Alpha and Waiheke For Incident 1963, Sunseeker.  
Greg Smith, Paddy Lewis, Georgie and Olivia Hope  
John MacDonald, Guy Brown, Lance Crossland

### Unit of the Year

Whangaroa Volunteer Coastguard

### Special Merit Award

Angus Stirling (Tutukaka)

## Coastguard Northern Region gratefully acknowledges our highly valued supporters

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

### Funders



Supported by ratepayers of  
**AUCKLAND**

### Sponsors

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



### Supporters

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

Maritime New Zealand  
Ports of Auckland  
Water Safe Auckland  
Water Safety New Zealand

## ➤➤ Hauraki Gulf Operations Committee

**Chairman & Representative on CNR Board** Ian Gibson

**Auckland Air Patrol**

Sally Higgs, Neil Harris

**Auckland**

Stephen Fordyce, Ron Lucca

**CNR Communications**

Ron Aylan-Parker, Paddy Lewis

**CNR Controllers**

Brooke Archbold, Adam Wickes

**Great Barrier**

Murray Willis, Wayne Sanderson

**Hibiscus**

Hugh Lemmon, Tom Trinder

**Howick**

Colin Small, Bryan Cartelle

**Kawau**

Richard Bray, Roger Davies

**Maraetai**

Noel Kerr, Ross Porter

**North Shore**

Chris Thomas, Rex Harrison

**Thames**

Mike Skeet, Allan Benson

**Waiheke**

Rebecca Armstrong, Robb Henry

Coastguard Maraetai has had a steady year as far as incidents goes with the incidents more intense, involving capsized vessels and persons in the water as well as the unhappy task of body recovery. Work is still progressing on the purchase of a replacement vessel, which will be a 9.5m Naiad powered with two 225HP outboards. The unit is in great shape with huge numbers and enthusiastic volunteers.

Coastguard Hibiscus are now a two boat unit, with the 7.1m Sealegs a highly successful additional to the Coastguard family operating out of Stanmore Bay. The self propelled nature of the vessel enables night time operation in the "no tractor at night" situation. Coastguard Hibiscus are a well manned unit looking forward to purchase of a new 9.5m Naiad in 2010/2011 to replace its ageing main craft based at Gulf Harbour.

Auckland Air Patrol continues to operate its ageing Cessna 182, but is fundraising and looking forward to the purchase of a new aircraft. Highlights of the year include participating in Lottery Ticket sales for the summer national lottery.

Coastguard Northern Region Controllers have noticed a steady level of incidents requiring SAR Controllers throughout the Northern Region to deal with, with far fewer continuous nights sleep when on duty. Increased technology has assisted the role with remote access to Controllers computers, and vessel tracking systems Tracplus and AIS. There is a solid and reliable hard

working team of volunteers in place providing the expertise needed to oversee serious Search and Rescue incidents.

Coastguard Great Barrier is a small but active unit in the outer gulf with regular incidents to attend.

Coastguard Thames reported a demanding year with a steady number of incidents, particular during the summer period. The 6.8m Naiad & Jetski continue to perform well and volunteer numbers have been steady.

Coastguard Kawau The highlight was the arrival of the new 10.2m Naiad vessel powered with twin diesel engines operating jet units - a project which took 18 months from planning to hand over, then 3 months of training. The official launch in May was a beautiful sunny day topped off with a great flyover by the Auckland Coastguard Air Patrol. The new vessel is living up to expectations and the operational crew has climbed to thirty with three COC skippers and two senior crew about to step up to skipper status.

Coastguard Howick reported another busy year with a similar number of incidents as in the past including one night recently when six victims were saved in two incidents, with four pulled from the water. The re-powered Howick Rescue One is performing extremely well. Crew numbers are steady but qualified recruits are always welcome. Howick's number two craft, Howick Rescue 2,

a 5.5m Naiad, is continuing to work effectively in the local area, undertaking incidents and community relations work. Unit numbers remain strong.

Coastguard Waiheke reported the successful arrival of its new 10.2m twin jet Naiad after months of frustrating delays. Training on the vessel is well under way and the vessel should be operational early July. The new vessel has attracted a number of quality recruit applications.

Communications Group. Another extremely busy year with regular influxes of new radio operators getting involved with the National Training Matrix. The Operation Room continues to expand, now monitoring outlying radio rooms, particularly at night. The communications group had another successful Summer Lottery Ticket sales season.

Comms. was again asked to manage the radio communication and rescue resources for the Coastal Classic. Racing instructions were co-ordinated between Coastguard and the organisers with regular Sitrep call locations and the event was managed effectively.

Communications section received a number of thank you letters from rescued boaties who experienced serious mishaps compounded by medical problems and the letter from Martin Tasker was no exception. Comms. also received a letter of commendation on the way we handled our part in the Auckland Day Regatta.

Comms participated in a number of events this year including the Seafood Festival and the Hutchwilco Boatshow.

Comms. has begun to de-brief major incidents as part of continuing education and procedure review.

Coastguard North Shore is an extremely well manned unit, with almost too many volunteers. The large number has its challenges with limited sea time available but the unit has its fair share of incidents to attend to.

It has been another busy year on the water and in the air, with ever increasing numbers of trip reports and requests for assistance. As the individual units have reported, the volunteer base is sound and we have a well resourced fleet including some new vessels. However, it needs to be remembered that we are a volunteer based organisation and we would not survive without your support. Please maintain your membership and encourage others to join. Remember that members are entitled to privileges including being taken to your home port if an unfortunate breakdown occurs (if within 30nm).

Thank you in anticipation of your continued support which allows this organisation to grow and prosper.

## ➤➤ Ian Gibson Hauraki Opscom



The Hauraki Gulf Operations Committee is the operational centre for Coastguard in the Hauraki Gulf and as such reviews and modifies the operational procedures and techniques in order to improve the Coastguard services within the Gulf. The teams in the Operations Room, the Rescue Vessels and on the Air Patrol are highly trained and continue

to practice their skills to ensure they are capable of performing the variety of tasks expected at a moments notice.

The Regional Operations Room at Mechanics Bay is a unique asset, not only for the Hauraki Gulf, but for the region, manned by highly skilled volunteers and paid staff. In the year to March 31st 2010, 102,000 Trip Reports are logged, and over 1,200 search and rescue incidents handled.

Coastguard Auckland's three vessels - Lion Foundation Rescue, ASB Rescue and Trillian Rescue Alpha have had a busy year with numerous incidents to attend and ancillary activities such as Harbour Swims and Boat Shows. A new Trillian Rescue Alpha is under construction, being a 9.5m Naiad with twin outboards. The unit is strong with well over 140 active volunteers including 26 skippers.



## Northland Operations Committee

<b>Chairman</b>	Jeff Cramp
<b>Representative on CNR Board</b>	Murray Jeffs
<b>Bay of Islands</b>	Tim Roffey, Maureen Calkin
<b>Far North</b>	Annette Hall, Bill Campbell, Chris Yarrton
<b>Hokianga</b>	Barbara Ward, Helen Cogle, Gerald Springett
<b>North Kaipara</b>	Mike Andrews
<b>Northland Air Patrol</b>	Alan Murgatroyd, Ron Gardner
<b>Tutukaka</b>	John Glaze, Jenny Snookes
<b>Whangarei</b>	John Haselden, Gordon Bishop
<b>Whangaroa</b>	Roly Linstrom, Adriaan Bosch
<b>Whangaruru</b>	Alex Wakefield, Tony Coyle

## Jeff Cramp Northland Opscom



The year, 2009-2010, has been like every other year, rather busy for the Northland Operations Committee with a number of units within the Northland area obtaining new equipment and more so, new vessels; in particular the Bay of Islands and Whangarei receiving new vessels and Far North taking up two recycled vessels from the national fleet to set up their two wet units.

All the units and their teams have been working hard towards the training process to get both qualified Skippers and crew members for those vessels.

The Committee has really come into its own now. With all the unit's seeing the worth in uniting our ideas and resources, towards a safer sea around the Northland Coast.

Whangaroa unit managed a successful combined training with the Navy, Air Force and Coastguard. There were several units participating in the exercise. (Fantastic!)

Working through the various policy and procedure documents has proved a challenging exercise but their merits have been judged by all as a necessary requirement in this day and age.

Thanks must go to the CEO Dean Lawrence, Operations Manager, Ray Burge, and Joe Davis for their hard work and diligence.

We are fortunate to have Roly Linstrom on our committee as well as being Vice-President of the Northern Region Board. Roly's input along with that of Northland OpsCom Representative, Murray Jeffs is of great assistance in bridging the units with the region.

A lot of energy has been put into SOP's and this lengthy document has finally been updated. The revised Northland Operational Plan is now also nearing completion.

There has been some discussion and debate on making some changes to the Northland Operations Committee regulations which have made units sit up and take notice as to the strength and purpose of the Ops Com.



It is recognised by all that when a unit sends a delegate to a Northland OpsCom meeting that that person has a good grasp of the system and what is required of them and their unit.

The most satisfying aspect of this past year is to see the camaraderie between units both at the committee meetings and with the various Northern Region representatives. Things always work out for the better when you realise what you are doing is for the better good of all Coastguard, rather than your own individual needs.

We all acknowledge that Coastguard in NZ is now a multimillion dollar business with a great deal of responsibility to the boating public and our many supporters.

I would take this moment to thank all the participants and delegates that attend the Northland Operations Committee for their diligence and devotion to search and rescue in the Northland area, and also to all the units within the Northland area for their hard work.

## Tasman Operations Committee

<b>Chairman</b>	Richard Udy
<b>Representative on CNR Board</b>	Brenda Phillips
<b>Kaipara</b>	Adam Butler, Iain Gulliford
<b>Manukau</b>	Peter van Rooyen, Terrance Akroyd
<b>Papakura</b>	Don Hovelle, Mark Baucutt
<b>Raglan</b>	Kevin Dreaver, Raewyn Mitchell
<b>Waiuku</b>	Peter Dodd, Nigel Griffiths

## Richard Udy Tasman OpsCom



It is with pleasure that I present this report on the Tasman Operations for the past year. The committee has been meeting on a regular basis and all units have been well represented by their appointees and some new young faces around the table - great! Good progress has been made at committee level with a review of the SOP just completed.

Callouts have been down a bit on previous years, perhaps a sign of these hard economic times.

Good progress on projects at unit and Region level has been made. Several channel markers have been laid in conjunction with the Auckland Regional Council on the Manukau Harbour in the Waiuku Channel and in the Bottle Top Bay/Weymouth area. Thanks to the units who assisted with these.

Late last year a Xmas function was held at Swashbucklers Restaurant, Westhaven for the Tasman Ops units members off the water. What a great night and a good chance to catch up with the crews off the water from the other units. Looking forward to a similar function this year and hope that all can attend.

Training at unit level has progressed well this year with several new COCs obtained and crews established. Great to see people who are still prepared to put their hand up and give up their spare time to help Coastguard. Thanks everyone.

Around the units it has been hard work as usual keeping the oars paddling. Down at Raglan - what a disaster with their Base being burnt to the ground along with other buildings at the wharf. But in true Kiwi "can do" spirit - a shipping container and back in business! They are currently looking at re-powering their DRV either reconditioning or replacing the engines. Their Bar Awareness Days have been a great success.

At Waiuku the unit has achieved a lot in the past twelve months. Their Headquarters has had a new roof and both the HQ and boat shed repainted. They recently purchased a new tow vehicle as their Landrover was struggling to tow the new DRV which weighs pretty close to 3.5 tonne. The monster is a Ford F250 SUV powered by a V10 petrol engine and can carry eight passengers in comfort but most important of all, get them there safely. They donated their Landrover to CNR for use by the training school.

Papakura have just had their 4.8 Naiad fully refurbished and new motor installed. They have had a few problems with their Uni Mog and trailer but at last they are winning. They have had some crew reach COC level which helps spread the work load and responsibility. Well done guys.

Manukau again have had a lot of new recruits and some more senior crew obtained their COCs. Last year they took delivery of a second hand 4.8 Naiad jet DRV. What a great little boat which can rough it with the big DRVs. They are

currently going through the process of getting a Resource Consent to build a new Boat Shed on the reserve adjacent to their HQ. This is designed to house their DRV and tractor and will get away from the major problem they have of sea birds roosting on their current DRV at anchor and cut down on maintenance costs.

Kaipara have had a relatively quiet time but are progress with their HQ building. They are about to have their DRV fully refurbished rather than replaced as they consider that it meets all their needs and is just getting a little tired in places. Their crew level is at a satisfactory level and have been hard out training crews up.

Finally many thanks to all CNR staff for their help to all Tasman units over the past year and many thanks to the team on the Tasman Ops for your input.





The 2009 / 2010 year has again seen Coastguard Northern Region and its member units rise to the challenges and move forward in the delivery of its services to the community. We again have had some significant milestones despite the economic climate.

While covered in detail within the financial report, it is good to see the organisation is in good heart financially. This will allow us to move into the next year well placed to continue the delivery of service to the community.

This year was the first year that Coastguard Northern Region received the funding support from the Auckland ratepayers as a result of the Auckland Regional Amenities Funding Act. This was major boost to the organisation as it gave surety to some core operational funding and we were able to provide additional support to the Auckland based units.

The challenge was to ensure that units from outside of the Auckland area were able to receive a similar level of support, which I am pleased to report we were able to do through other funding avenues.

Our supporter membership has again increased this year which was very pleasing to see and a credit to those many people involved in promoting the cause to the public. To the membership itself, our thanks to you for your continued support. Your role is vital in ensuring we are able to have in place the services to assist you. We remain very much focused on raising the level of supporter memberships and will continue to look at ways of providing added value for the member fee.

During the year, the Board supported the recommendation to increase the staffing in both the

Membership Support and Educational fields. Already there have been some positive initiatives starting to emerge which we are expecting to further expand in the year to come. One early initiative in particular was a new education course called "Suddenly in Charge" and aimed at the female boating fraternity. Early course numbers have been encouraging and feedback very positive.

Our People continues to be a major focus both at the Region and National level and while a large amount of effort has been put into training and up-skilling of our people, equally the opportunity to say thanks for those efforts is needed. Over the year two significant social activities aimed at bring together our units and their volunteers were held and these were extremely well received and appreciated, more are planned for the coming year. It is a difficult task at times to get nominations from those same people to enable recognition for both Regional and National awards, we are a modest lot and many well deserving deeds go unrecognised. Noted elsewhere in the report is the list of last years Regional award winners who are to be congratulated.

Our vessel build program continued on track with Bay of Islands, Kawau, Waiheke and Whangarei all launching new 10m Rescue Vessels. This represents a significant (\$2.4 million) capital investment in our capability and the challenge moving forward will be to sustain this level of capital infrastructure. As part of this vessel build program, the Board this year commissioned a project team to review all of the rescue vessels in the region to ascertain the good, bad and lessons learnt, so that as we plan going forward we can build on the those lesson learnt. The Project team is due to report back shortly. Currently for the coming year Auckland have their new 9.5 under construction and Hibiscus and Maraetai are on schedule for similar vessels subject to final funding in place.

Our Communication infrastructure has continued to expand with the commissioning of our link to Far North

Coastguard and it is good to have our most northern unit linked back to the CNR operations room. We are planning to have the link to Whangarei in place before the summer and that will complete the connection of the entire Region. We have also being assisting Tauranga Coastguard with their overnight watch, again a good indication of the wider organisation working together.

On the national front, we continue to build a strong and vibrant organisation with good interaction between all Regions and National office. Greater commonality and standardisation is occurring and the days of any unit or group acting outside of the Coastguard standards is not longer accepted.

As always a large thank you to our long standing sponsors who have continued to support Coastguard whose assistance we genuinely appreciated. This year we were delighted that Geneva Finance joined the team and we look forward to a long association. We are indebted to our funders who despite the large demands on their resources have continued to assist Coastguard with our projects.

Every year I say it but again I would like to compliment the Team at the Regional Office for their efforts over the past year. We have at times been down on numbers for various reasons but well done to all for meeting the demands and maybe we did not achieve everything that we wanted, but we sure managed to make a big dent in the "to do" list.

## Annual Statistics for the Year Ended 30 June

### Annual Statistics for the year ended 30 June

Unit	2010		2009	
	Radio Calls	Calls for assistance	Radio Calls	Calls for assistance
CNR Communications Group	108,116	2193	104,805	2,186
<b>HAURAKI OPERATIONAL AREA</b>				
Auckland		654		584
Auckland Air Patrol		58		43
North Shore		258		211
Hibiscus		103		92
Kawau		33		18
Waiheke		6		56
Howick		208		141
Maraetai		119		130
Thames		17		14
Great Barrier		4		9
<b>TASMAN OPERATIONAL AREA</b>				
Manukau		32		19
Papakura		3		2
Waiuku		27		24
Kaipara		0		6
Raglan		23		4
<b>NORTHLAND OPERATIONAL AREA</b>				
Bay of Islands		34		33
Far North	20,149	150	27,196	197
Hokianga	2,556	29	2,910	22
North Kaipara	3,684	7	3,751	12
Northland Air Patrol		4		1
Tutukaka		32		15
Whangarei	11,595	122	9,081	105
Whangaroa		17		13
Whangaruru		1		5
<b>NORTHERN REGION TOTAL</b>	<b>146,100</b>	<b>1,937</b>	<b>147,743</b>	<b>1,941</b>

\* Calls for assistance total does not include the CNR Communications Group figure

Overall a pleasing end of year result with a higher than budgeted surplus. The level of surplus is a positive position for CNR to be in and ensures that we can start the year on a sound fiscal base.

This is the first year where CNR has received funding from the Auckland Regional Amenities Funding Act (\$500k) which allowed us to implement some changes to our staffing within the Operations Room, provide additional support to the Auckland based units and to further enhance our education delivery to the public.

We were also able to secure funding for practical on water training from the COGS (Community Organisation Grants Scheme) of \$45k which goes directly to the units.

The Board has also been reviewing the level of reserves it should have to ensure Coastguard is able to maintain its services for a period of time should its income streams be compromised. The current resolution is "a target of \$750k uncommitted reserves to be reviewed annually". Good to note that we have currently achieved \$500k.

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

- Gross income was up against budget by \$273k.
- Membership subscriptions up by \$123k, a reflection of the continued growth in Coastguard membership
- Education income was up \$40K, which is a reversal of last year's trend.

- Towage and Search donations up \$23k with recovery rate currently at 61%.
- General donations were up \$7k on budget.
- Payments to units were up only \$30k overall against budget, however there were some significant increases in specific areas
- Membership Commissions up \$15k
- Unit Support which is a new area of support for units \$135k
- SAR Training support up \$23k

- Total expenses when compared to the budget are up \$80k. Areas of note are;
  - Personnel expenses up \$27k, though additional staff were added during the year
  - Printing and Stationary up 41k,
  - Repairs and Maintenance up \$15k

Points of interest on the Statement of financial position are:

Cash at the bank as at 30 June 2010 was \$1096k which is up on last year with CNR now holding uncommitted reserves of \$500k.

The policy on Capital project expenditure continues, with projects only being undertaken when funds have been secured for the project.

In preparation for this year's budget we have again taken a conservative approach to our income. A steady as we go approach but we have also set some ambitious and aspirational targets for growth in various areas.

## Auditors Report



### AUDIT REPORT

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

We have audited the financial statements on pages 1 to 7. The financial statements provide information about the past financial performance of Coastguard Northern Region Incorporated and its financial position as at 30 June 2010. 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 are 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 30 June 2010.

#### 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 the entity's circumstances, 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 to provide us with 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.

An associated company, Hayes Knight (NZ) Limited, provides accounting services for the entity. The firm and its associates have no other relationship with, or interests in, Coastguard Northern Region Incorporated.

#### Qualified Opinion

As stated in note 1(g) on page 5, the society's statement of financial position records income in advance for capital projects of \$126,393. 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 \$126,393.

Control over income from general donations of \$22,110 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 general donations, the financial statements on pages 1 to 7 fairly reflect the financial position of Coastguard Northern Region Incorporated as at 30 June 2010 and the results of its operations for the year ended on that date.

Our audit was completed on 4 August 2010 and our qualified opinion is expressed as at that date.

*Hayes Knight Audit*

**HAYES KNIGHT AUDIT**

**AUCKLAND, NEW ZEALAND**

Hayes Knight Audit  
CHARTERED ACCOUNTANTS

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AN INDEPENDENT MEMBER OF HORIZON INTERNATIONAL AND THE HAYES KNIGHT GROUP




## Coastguard Northern Region Incorporated Statement of Financial Position

	Notes	2010	2009
<b>Current Assets</b>			
Operating Bank Accounts		-16,482	21,808
Bank Deposits		1,096,562	1,053,395
Inventory	1(b)	15,399	14,560
Other Receivables		12,941	20,972
Receivables		130,837	157,090
		<u>1,239,257</u>	<u>1,267,825</u>
<b>Non Current Assets</b>			
<b>Property, Plant and Equipment</b>			
As per Schedule (at Book Value)	1(d), 9	377,259	241,026
		<u>1,616,516</u>	<u>1,508,851</u>
<b>Less Liabilities</b>			
<b>Current Liabilities</b>			
Payables		191,413	247,051
Hire Purchase		81,824	0
Income Received in Advance - Operational and Units		87,130	155,537
Income Received in Advance - Capital Projects	1 (g)	126,393	294,151
Accrued Expenditure		19,587	0
		<u>606,347</u>	<u>696,739</u>
<b>Net Assets</b>		<u>\$ 1,110,169</u>	<u>\$ 812,112</u>
<b>Represented by:</b>			
<b>General Funds</b>			
Retained Earnings		1,110,169	812,112
		<u>\$ 1,110,169</u>	<u>\$ 812,112</u>

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

  
Joe Davis (President)

  
Dean Lawrence (Chief Executive Officer)

2nd August 2010  
Date



## Coastguard Northern Region Incorporated Statement of Movements i General Funds For the Year Ended 30 June 2010

	Notes	2010 (12 months)	2009 (15 months)
General Funds at start of Year		812,112	675,324
Total Recognised Revenue and Expenses		298,058	136,788
General Funds at end of Year		<u>\$ 1,110,169</u>	<u>\$ 812,112</u>

## Coastguard Northern Region Incorporated Statement of Financial Performance For the year Ended 30 June 2010

	Notes	2010 (12 months)	2009 (15 months)
<b>Operating Income</b>			
Donations, Grants and Sponsorship	1(g)	1,681,154	1,225,814
Membership Subscriptions	1(a)	1,226,321	1,341,256
Lecture Courses		205,785	197,334
Trading Sales		35,131	48,451
Towing and Search Reimbursement		117,122	150,292
Commissions, Rent and Other Activities		310,785	337,992
Other Income		87,147	134,341
<b>Total Operating Income</b>		<u>3,663,445</u>	<u>3,435,480</u>
<b>Less Cost of Sales</b>		194,640	244,561
<b>Less Paid to Units</b>			
Fuel Costs		229,546	263,353
All Other Payments		1,022,902	786,684
		<u>1,252,448</u>	<u>1,050,037</u>
<b>Net Operating Income</b>		<u>2,216,357</u>	<u>2,140,882</u>
<b>Less Expenses</b>			
Audit Fees		14,435	10,518
Computer and Telecommunications		81,681	97,786
General Expenses		43,435	69,242
Insurance		34,872	36,961
Promotions and Events		63,202	50,456
Member, Communication and Events		69,039	30,457
Motor Vehicle Expenses		34,129	53,346
Personnel		1,012,499	1,034,929
Printing, Stationery and Postage		114,988	89,134
Rent, Rates and Building Expenses		67,263	74,984
Repairs and Maintenance		92,949	125,092
SAR Expenses		247,204	250,391
		<u>1,875,696</u>	<u>1,923,296</u>
<b>Surplus/(Deficit) from Operational Activities</b>		340,661	217,586
<b>Plus income for Capital Projects</b>	1(g)	74,277	93,282
<b>Less Depreciation</b>	1(d), 9	116,880	165,153
Less Loss on Disposal of Fixed Asset		0	8,927
<b>Net Surplus/(Deficit)</b>		<u>\$ 298,058</u>	<u>\$ 136,788</u>

## Coastguard Northern Region Incorporated Notes to the Accounts For the Year Ended 30 June 2010

### 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.

- 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 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 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	33% Diminishing Value and 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.
- Income in Advance**  
Income received from grants and lecture course fees during the financial year, that relates to the 2010/2011 year, have been deferred and treated as income in advance.



**(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.

	2010	2009
Income in Advance – Capital Projects		
Opening balance of deferred income	294,151	149,151
Grants received in excess of \$50,000	272,962	440,000
Less amounts amortised this year	(440,720)	(295,000)
Income in Advance	\$126,393	\$294,151

**(h) Auckland Regional Amenities Funding Act 2008**

This year \$500,000 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.

**(i) Related Party Transactions**

The Board of Management considers that there are no related party transactions.

**(j) Change in Accounting Policy**

The financial year end was changed to 30 June as at 30 June 2009. The comparative figures are therefore for a period of 15 months. All other policies have been applied on bases consistent with those used in the previous year.

**9. Property, Plant and Equipment and Depreciation**

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

Asset Group	2010			2009		
	Cost Price	Accum Deprec.	Net Book Value	Cost Price	Accum Deprec.	Net Book Value
Buildings	58,237	58,237	0.00	58,237	58,237	0
Communications	1,696,302	1,444,479	251,823	1,554,871	1,354,469	186,430
Administration	167,053	160,020	7,033	166,305	155,910	10,395
Air Patrol	250,013	214,165	35,848	247,782	203,840	43,942
Motor Vehicles	95,977	14,485	81,492	2,290	2,290	0
Rental Lifejackets	13,260	12,197	1,063	12,216	11,957	259
	<b>2,280,842</b>	<b>1,903,584</b>	<b>377,259</b>	<b>2,041,701</b>	<b>1,786,703</b>	<b>241,026</b>

Depreciation Charged:

Asset Group	2010	2009
Buildings	0	0
Communications	90,009	133,421
Administration	4,112	16,232
Air Patrol	10,324	15,500
Motor Vehicles	12,195	0
Rental Lifejackets	240	64
	<b>116,880</b>	<b>165,153</b>

**Coastguard Northern Region Incorporated**  
**Budget for the Year Ending June 2011**

	2011
<b>Operating Income</b>	
Donations, Grants and Sponsorship	1,328,200
Membership Subscriptions	1,285,484
Lecture Courses	172,000
Trading Sales	40,000
Towing and Search Reimbursement	92,436
Commissions, Rent and Other Activities	194,500
Other Income	66,200
	<b>3,178,820</b>
<b>Less Cost of Sales</b>	<b>176,000</b>
<b>Less Paid to Units</b>	
Fuel Costs	241,500
All Other Payments	638,576
	<b>880,076</b>
	<b>2,122,744</b>
<b>Less Expenses</b>	
Audit Fees	12,500
Computer and Telecommunications	85,600
General Expenses	42,000
Insurance	40,000
Promotions and Events	66,100
Member Communication and Events	124,200
Motor Vehicle Expenses	60,000
Personnel	1,073,139
Printing, Stationery and Postage	63,500
Rent, Rates and Building Expenses	74,400
Repairs and Maintenance	101,000
SAR Expenses	210,100
	<b>1,952,539</b>
<b>Surplus/(Deficit) from Operational Activities</b>	<b>170,205</b>
<b>Plus Income for Capital Projects</b>	<b>90,000</b>
<b>Less Depreciation</b>	<b>(110,000)</b>
<b>Net Surplus/(Deficit)</b>	<b>150,205</b>

The attached notes form an integral part of these accounts

**2. 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 2010 \$30,304  
 Unexpired Hire Purchase Charges (\$5,167)

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 2010 \$34,131  
 Unexpired Hire Purchase Charges (\$5,785)

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 2010 \$34,125  
 Unexpired Hire Purchase Charges (\$5,784)

Total Outstanding Hire Purchase Liability for 3 vehicles \$98,561  
 Total Outstanding Unexpired Hire Purchase Charges for 3 vehicles (\$16,737)

**3. Operating Revenue and Cost of Sales**

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

Cost of Sales includes the cost of products sold over the counter of \$21,834 (Last year \$43,741) and cost of running education courses of \$129,056 (Last year \$157,221).

**4. 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.

**5. Capital Commitments**

There were capital commitments of \$30,453 at year end (Last year \$9,439). This relates to grants received from New Zealand Community Trusts \$40,000 and Pub Charity \$10,000 to cover installation of a new weather channel at Hokianga. Expenses to date have been \$19,547 leaving a balance of \$30,453

**6. Lease Commitments**

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

	2010	2009
Current	\$0	\$12,657
Non-current	\$0	\$0

**7. Contingent Liabilities**

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

**8. Post Balance Date Events**

There have been no events subsequent to 30 June 2010 that require disclosure in these financial statements.