Coastguard Northern Region

2019 Performance Report

THE CHARITY SAVING LIVES AT SEA
Who we are

We are Coastguard Northern Region – the charity saving lives at sea. Every day of every year, people of all ages and backgrounds get into trouble while enjoying the water. It’s a challenge that we’re here to tackle. We’re here to teach Kiwis how to make the most of our rivers and coastlines safely and confidently through our education programmes and community initiatives. We’re here to save lives at sea through the provision of critical communications infrastructure, and by providing safety and information services. We’re here to ensure a search and rescue capability ready at the drop of a hat. We’re here to support our people to make a difference. They are everyday Kiwis doing extraordinary things.

OUR MISSION IS

Saving lives at sea

OUR VISION IS

Everybody safe on the water
DEVELOPING OUR CAPABILITY TO MEET GROWING BOATING ACTIVITY

After several years of a downward trend in the number of calls for Coastguard’s assistance, we can now say with confidence that the trend has reversed.

For the third year in a row the number of calls for assistance to Coastguard Northern Region’s Operations Centre has increased, reflecting what we believe is a general growth in boating activity in the Northland, Auckland and Waikato regions.

While no definitive measurement of boating activity exists, evidence of the growing popularity of our waterways can be seen in the expansion of our region’s marinas and in growing activity at launch ramps. Looking at our own information sources, Coastguard has seen an increase in the number of Trip and Bar Crossing Reports received in the last 12 months. It’s great to see our rivers, lakes and coastlines being so well used for recreation and business, and as an organisation we are working proactively to give boaters the tools and support they need to keep themselves safe when they’re on the water.

While the prevention of incidents is our first priority, I am proud of CNR’s volunteers and staff who are always ready to respond when called upon. On pages 8 & 9 of this report you will find three different examples of the ways in which we have responded to calls for help in the last year. In every case you will see the elements of teamwork that are at the heart of a successful outcome.

This year’s Drowning Report from Water Safety New Zealand re-affirms that while Auckland Region has one of the lowest drowning tolls per capita in New Zealand, there is a less positive picture in Northland and Waikato. With the needs of our Northland units front of mind, this year we have increased our investment in the region by locating a Unit Support Manager, dedicated to the support of Northland units in Whangarei. In conjunction with the creation of a new Head of Operations role based at the Auckland Marine Rescue Centre, these actions are aimed at improving support for our volunteers and developing our Operations Team’s capability.

Coastguard Northern Region’s Board is committed to continually improving the ways we support our volunteers and deliver on our life-saving mission. With those objectives in mind, the CNR Board is supporting a recently started consultation process to explore the idea of merging Coastguard’s four regions with Coastguard New Zealand. The Coastguard Northern Region Board strongly supports the concept, believing that the time is right to streamline the governance and management of the organisation to create the conditions for long-term success. Over the next six months the CNR Board intends to play an active role in facilitating this important conversation ahead of a proposed vote on the matter in the New Year.

While broader organisational conversations take place, the Coastguard Northern Region Team will remain focused on working with the region’s units and volunteers, engaging with our communities and, most importantly, watching out for those on the water.

Graham Brown
President
Our Partnerships
Achieve the very best performance from our region by playing to our combined strengths

Our People
Have the right people in the right place at the right time

Our Customers
Give people the skills, support & resources to make the most of their boating safely & effectively

Our Foundations
Strong & effective governance

Our Strategy Goals
Our Partnerships
Achieve the very best performance from our region by playing to our combined strengths

How we save lives

Search and Rescue

Communications

Education

Our vision is to have everybody safe on the water

We will achieve our vision by delivering on our strategy
ACHIEVING GREAT RESULTS AS A TEAM

It is a privilege to play a role in Coastguard, working alongside the volunteers and staff of this excellent organisation.

To do so is to regularly encounter the humbling generosity of these extraordinary Kiwis who give their time and effort without complaint. Whether they are working in a support role, in the Region’s Operations Centre, on the water, or in the air, Coastguard Northern Region’s volunteers are a remarkable bunch.

In the last 12 months we have achieved a great deal as a team. As Graham said in his President’s Report, our rivers, harbours and coastline are the busiest they have been in years. This year’s Waitangi Day holiday was the busiest day on record, with more than 2,450 Trip Reports received and 51 incidents managed between dawn and dusk.

With a long period of settled weather from January till the end of May, our seasonal peak was stretched well into autumn. Through the course of the year, Coastguard Northern Region’s units have helped 6,276 people to return home safely, an increase of 16% on the previous year. The story on page 8 of Toby, Chris and Lewis is just a single example of one of the 214 serious Search & Rescue responses undertaken by the organisation in the last year.

Their story serves to highlight the importance of having a reliable means of communication and the value of a lifejacket to keep you afloat until help arrives. Despite encouraging signs that more and more boaties are hearing the lifejacket message, it is precisely because we experience first-hand the difference they can make, that Coastguard Northern Region continues to deliver our annual Old4New Lifejacket campaign.

Reflecting on the Orewa story, it is very satisfying to see how a team with the right resources can respond quickly and effectively to make a life-saving difference. In the last 12 months, CNR has worked with Kordia to modernise the region’s VHF communications infrastructure, resulting in the creation of a high-quality, resilient network. This project is one of many delivered in the last year with the objective of giving our people the right tools and infrastructure to do their jobs.

While having the correct equipment is essential, it is the development and practice of individual and team skills that ultimately delivers results. For that reason, the recruitment and training of volunteers continues to be our highest priority. In April our Education Team took its training vessel, charts and whiteboards to Tutukaka to successfully run our first Northland-based Trainee to Operational Course; enabling Northland volunteers to train closer to home and on their own vessels, and giving our instructors the opportunity to test new ways of delivering training.

Our achievements are only made possible with the support of our business and funding partners. On pages 12 & 13 we acknowledge them and, in particular this year, we wish to recognise the long-lasting support of Auckland Council and Foundation North, both of whom are essential to our success.

Finally, I would like to acknowledge the CNR Board for its ambition, capability and support, and thank the incredible staff of Coastguard Northern Region for their unrelenting dedication to our mission.

Ngā mihi nui.

Callum Gillespie
Chief Executive Officer
### Statement of Service Performance

#### Provision of critical safety, information and communication services.

- **126,366** Trip Reports logged with Coastguard Radio
- **15,000** app downloads in first year
- **14,941** Trip Reports made via the Coastguard app
- **18,148** Bar Crossing Reports monitored

#### Search-and-rescue capability ready at a moment’s notice.

- **24/7** availability **365** days of the year
- **2,402** calls for help
- **6,276** boaties helped home to safety
- **14** people are alive because Coastguard was there
- **993** trained and skilled volunteers across the Region
- **121,062** volunteer hours dedicated to saving lives at sea

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Awesome app. Quick and easy to use. Easy to update a trip report if you end up staying out longer.

David, Coastguard app user
The evening was good value and worthwhile. I feel a lot more comfortable with my own skill level in crossing the bar.

Peter, Raising the Bar attendee
It was very humbling, just how many people were involved in getting us safe. You know, it’s incredible.

After a few hours fishing, the weather started to turn. Just as the boaties were preparing to head back to shore, an unexpected wave swamped their small powerboat. Frantically attempting to bail the water out, Chris managed to get a quick distress call out to Coastguard Radio on his VHF before the boat capsized, tipping the three mates into the cold and choppy water.

On receiving the cut-off distress call, the Coastguard Operations Centre immediately tasked Coastguard Air Patrol to begin a search for the men.

The Air Patrol aircraft, on final approach to North Shore airfield following another successful search, quickly checked their fuel endurance, aborted their landing and flew towards Orewa Beach, arriving on scene in just four minutes.

Meanwhile the boaties were clinging desperately to their upturned vessel. Chris and Lewis, floating in the water clad in insulating wetsuits, were concerned for Toby who was just in his togs and lifejacket.

“There was a point in the water where Toby started turning blue, and started getting quiet,” said Chris.

The initial search just offshore didn’t pick up the location of the boaties, so the volunteer crew on board the search aircraft quickly expanded their search.

“We could see the plane doing search grids,” said Chris, “and there was a point when we were in the water where, you know, you feel quite insignificant. You’re looking up and you can realize you’re very, very hard to spot.”

As John Moseley, In-Flight Coordinator recalled, “that’s when our observer caught just the merest glimpse of what he described as something red, just really in his peripheral vision.”

The boaties soon noticed the plane had begun to orbit them. Chris recounts: “Then we looked into the distance towards Kawau and we saw the boat coming over, and it was the best feeling ever - it was at that point we knew that we’d been seen.”

“We signalled to [Kawau Rescue] to grab Toby first, pushed him forward and the crew were amazing. They grabbed him, they took him inside, they wrapped him up and they really looked after him.”

Chris echoes his mates’ praise for the volunteer crews, both in the air and on the water, who came out to assist them. “These are people that volunteer their time to basically put themselves second to people like us... without them, we wouldn’t be here.”
‘Helping us help others’

It was just after 3pm on the Saturday before Christmas when Samuelu (Sam) dropped his nephew Taiso (36) and son Tapumanaia (18) on the mudflats of the Manukau Harbour to gather pips. Sam then headed out into the harbour to catch some dinner, planning to return to pick them up later.

Sam was west of Puketutu Island in the channel near Auckland Airport when his when his engine wouldn’t start back up. Having attempted to get it going a few times, Sam soon decided to call Coastguard. He’d been a member for years but this was the first time he’d needed to use his membership. Papakura Rescue 1 was tasked to tow him back to the boat ramp at Mangere Bridge and were on the water just 15 minutes later. But while Sam was waiting, he became increasingly worried about his boys who he’d planned to pick up from the mudflats before the tide turned. He contacted Coastguard Radio again who were able to work with other emergency agencies to have the duo picked up safely.

Taiso and Tapumanaia were reunited with Sam and his boat, and before they knew it the Coastguard Papakura team had them under tow back to shore.

Sam was well prepared that day, with two tanks of petrol, tools and the right safety gear. Sam knows if he wasn’t a member, Coastguard would still have rescued his boys because they were in danger. But he also knows that saving lives costs money, and while his membership gives him the peace of mind when he’s out on the water, it also helps us help others too.

I always said to people if nothing happens on your boat for the year you’re a member, your money still goes to help someone who needs help.

Sam, Coastguard member

Assisted twice in one day

Anne-Marie and her husband Jeff had been away in early January on their 42ft launch, enjoying a trip back from Northland.

As long-term members of Coastguard, both had learned how to handle their vessel through boating education courses and were making the most of their time cruising back.

They stopped for the night in Sullivans Bay, north of Orewa, but upon waking, found their batteries had drained overnight and their vessel wouldn’t start. Volunteers onboard North Shore Rescue responded and jump started the batteries to get them back on their way. It was good timing as a chop was just starting to build as they headed off.

As they approached West Park Marina late in the day, suddenly their engines cut out. “It was the Sunday after that three-week holiday, and it was just boat after boat coming through the small channel entrance, and we’re stuck right in the middle,” recalled Anne-Marie. It turns out their vessel had suffered a fuel blockage, despite the gauges reading half-full.

“It was very low tide – we were worried we were going to actually end up touching the bottom, but we couldn’t do anything. We tried all sorts of things but we couldn’t get anywhere, so we had to call Coastguard again – and would you believe, it was the same crew!”

The volunteer crew who had assisted earlier in the day helped a very grateful Anne-Marie and Jeff safely back into their marina berth.

“An amazing professional service, friendly and just so obliging... just unparalleled.”

Anne-Marie, Coastguard member

We are prepared for any type of incident

Mechanical failure, electrical and fuel-related issues account for over two-thirds of incidents (67%).

- Mechanical | 1091
- Electrical | 358
- Aground/adrift/lost | 166
- Fuel | 160
- Person in water or medical | 141
- Capsize or sinking | 96
- Equipment failure | 89
- Overdue | 66
- Fire | 29
- Weather conditions | 21
- Collision | 13
- Other | 172
A TIGHT-KNIT CREW IN A TIGHT-KNIT COMMUNITY

Every fortnight the Coastguard North Shore crew pops into a local café where the owner shouts coffee for the whole team.

They have an easy banter with the staff and get compliments from the regulars – such is the importance and presence of Coastguard in the Browns Bay community.

Operating from their base at the Browns Bay Boating Club on the shore of the picturesque beach, the North Shore team knows that it’s their culture of performance and reliability that makes all the difference. The tight team culture is easily apparent, both on and off the water. Regular opportunities to train and a culture of sharing learnings freely helps build team cohesion, and keeps the team sharp and ready to respond at a moment’s notice – these volunteers have one of the highest response rates in the region, with North Shore Rescue being the busiest Rescue Vessel in the country.

Of course, ensuring their volunteers remain safe and well is paramount. “Health and Safety culture is very important and strong within our unit,” said Roger, Coastguard North Shore President. The Unit’s use of the VAULT app, the platform for managing health and safety across Coastguard, has seen a big shift, with improved reporting. “Safety is a big focus within Coastguard, and I believe it’s an area we’re leading the way forward in.”

Off the water, the team is active in the community, with volunteers regularly dedicating their Sundays from the crack of dawn to set up and assist at the popular Browns Bay Market. It is a sign of the strong reputation of the Unit that the team has been successful with their recruitment drives from across the community, including bringing on board a large proportion of young professionals. Recruitment of younger volunteers is especially important when, as an organisation, this is a significant challenge that we face and are committed to tackling.

In fact, North Shore Rescue recently responded to an incident with a full crew all aged 30 or under (Richard, the skipper, was just 24 and on his first outing as a fully qualified Master), indicative of the team’s foresight to conquer the recruitment challenge and a credit to the leadership within the Unit.

It takes a team to save lives at sea. That team is volunteers, funders, boat builders and donors – and for Coastguard North Shore it is the whole Browns Bay community.

Coastguard North Shore volunteers responded to 249 incidents last year.
Regional Leadership Workshop

In June, over 50 volunteer leaders from across the region came together at the Quality Hotel in Parnell for the 2019 Regional Leadership Workshop.

Following on from previous workshops, the purpose of the day was to work together towards the goal of creating a high performing leadership team that spans the region. Led by consultants from Illume, objectives included connecting as a team, sharing our thinking and learning new skills.

Together, the team agreed that the foundations of our leadership included leading strategically, and growing as one high performing team. As we worked through the day, the team identified areas that we collectively would like to develop, including improving communications between the Region and units, better sharing and getting away from ‘silos’ of information, and having the right tools at the right time to lead on and off the water.

It was a social and productive day, and ultimately the main outcome of the day was summed up by this statement: *Kia anga mua*, or ‘moving forward together, with purpose’. It’s a vision we’ll continue to work hard towards.

We are very grateful to the Quality Hotel Parnell for funding and hosting the Regional Leadership Workshop.

Our volunteers recognised

It was incredibly humbling to have our people recognised at the 2018 New Zealand Search & Rescue (NZSAR) Awards, held at Parliament in May.

These awards, created by the NZSAR Council, celebrate and pay tribute to the people who volunteer their time and skills in often complex situations to help others - something that does not often receive public recognition yet makes such a difference in our communities.

This year, Coastguard was nominated in a number of different categories and our members were the recipients of several Certificates of Achievement.

**Support Activity:**
- Old4New Lifejacket Upgrade Campaign for its community impact.
- Jo Norgrove, Coastguard Auckland, for her service to Coastguard and Search and Rescue.

**Operations Activity:**
- Coastguard Auckland for the rescue of a yachtsman injured in an on-board explosion near Waiheke Island.

These achievements are a result of great teamwork and dedication, and we’re pleased to have such dedicated teams across the region working to fulfil our mission of saving lives at sea.

Building our capacity

Following a review of our Operations function in 2018, this year we have taken steps to increase the capability of this team that plays a key role in the delivery of our mission.

The review, which recognised the existing strength of the function, was tasked to provide recommendations on steps that could be taken to increase our ability to support units and to continue to improve performance.

With the support of Auckland Council and the Northland Regional Council we have:
- created a Unit Support role based in Whangarei dedicated to supporting Northland Units
- increased our capacity to support Units across Auckland
- created a dedicated Search and Rescue management role at the Rescue Centre in Auckland
- established a senior management role to lead this critical team.

With recruitment now complete the team have hit the ground running and the benefits of improved support for volunteers and staff across the region are already being felt.
Funding Partners

Thanks to our outstanding partners for their generosity and belief in our mission – we simply couldn’t do it without them!

Together we're saving lives...

In saying that, it is our transformational partnerships with Auckland Council and Foundation North that allow us to confidently plan for the future. Auckland Council’s support, provided through the Auckland Regional Amenities Funding Act, contributes over $800,000 to the running of our Operations Centre, which is responsible for the tasking and coordination of incidents and is on the receiving end of over 150,000 trip reports each year. In addition, these critical funds enable us to provide Unit Support and to meet the operational costs of our 14 Units across the Auckland Region. Foundation North provides over $500,000 each year to help fund our capital projects. On average, we build three new rescue vessels across the region each year, as well as technical infrastructure, aircraft maintenance and vessel refurbishment. These partnerships are built on trust and forward thinking. They acknowledge that the best way for us to take care of our communities on the water is to determine and prioritise our needs as they arise.

At the core of these relationships is our collective responsibility to Auckland and Northland communities today, and into the future. With this in mind, both Auckland Council and Foundation North engage in robust conversation and thinking with us around our challenges. The biggest challenges in our future are our ability to attract and retain a volunteer base that reflects the communities we work in, the knowledge and cultural awareness to appropriately engage with Tangata Whenua, Pacific Peoples and new New Zealanders, and our responsibility to the environment while keeping people safe on the water.

The support received from both Auckland Council and Foundation North allows us to move beyond the constant search for funding that merely allows us to exist, and focus on the complex issues that will have a long-term effect on our ability to keep our communities safe on the water.

Ngā mihi nui to Auckland Council, Foundation North and their respective teams for their collaborative and constructive partnership approach in helping us Save lives at Sea.

"Nā tō rourou, nā taku rourou ka ora ai te iwi.
With your food basket and my food basket, the people will thrive."
Five years of difference in our communities

Over the past five summers, the Old4New Lifejacket Upgrade campaign has made a real difference to water safety, with the van visiting 196 communities across the country. As a result of the campaign there are now 13,500 modern, fit-for-purpose lifejackets in the hands of Kiwi boaties.

It’s also been the ideal opportunity to dispense safe boating advice into often remote communities, with Old4New Ambassador Sue Tucker taking the time to inspect lifejackets and help educate boaties about the importance of wearing a well-fitted and maintained lifejacket.

However, the campaign does more than just make lifejackets more accessible, it provides a fantastic opportunity for Coastguard units to engage with their local communities. It also allows us to spread the impact to the Pacific Islands with the distribution of recycled lifejackets that still meet NZ Safety Standards to water-based organisations in the islands.

We are noticing a shift in the lifejacket culture in New Zealand, notable in the regions where the by-law mandates compulsory lifejackets in vessels under 6m in length.

Our continued thanks to Maritime New Zealand, the Giltrap Group, Hutchwilco, Boating & Outdoors Group and the Southern Trust for their belief and support of this life-saving campaign.

New Coastguard app proves popular

The new Coastguard app and the Operations Platform have both been live now for over 12 months and we have seen great uptake of the app with downloads to over 15,000 devices.

Providing Kiwis with up-to-the-minute wind and weather information, the app also allows you to log your Trip Report with Coastguard at the touch of a button and save your fishing spots so you can remember where you caught the big one.

Between 13 and 15% of all Trip Reports logged in the last 12 months have come via the app, peaking at 2,859 made during the month of January 2019. In addition, we’re seeing an uptake in Trip Reports being closed via the app consistently exceeding 98%, due in large part to the functionality that checks that the user has safely reached their destination – a TR close level far above that made by other means, such as the VHF Radio or by phone.

The new Operations Platform has not only enabled an integrated approach, but the move to a cloud-based system enables nationwide access, allowing us to create a seamless boatie and operator experience. This means boaties travelling between regions will be continually tracked on the same system.

Essential to the success of these platforms is our ability to be agile in both our refinement and future development. The voice of the customer is at the centre of the development and we’re listening to learn and continually improve.

We have adopted an agile approach to the future development of the app that is core to the future of our customer experience.

Supporters

Blue Sky Community Trust
Dragon Community Trust
Four Winds Foundation
Grassroots Trust Limited
Infinity Foundation
Oxford Sports Trust
Pelorus Trust
The Southern Trust

The Trusts Community Foundation
The Trusts Million Dollar Mission
Quality Hotel Parnell
**LOOKING TO THE FUTURE**

**Team training opportunities**

**Volunteers are the lifeblood of Coastguard.**

To keep engagement high and help ensure retention, we continue to create opportunities for volunteers to succeed along two major paths: technical training (those skills used in SAR duties) and leadership training.

Our internal ‘traffic light’ measures of performance – Go to Green – have been steadily lighting up in our favour, with good numbers of operational volunteers in most units across the Region. Our numbers of trainee and operational volunteers are on the rise across the region, while the numbers of Senior Masters remain steady and Masters are slightly down.

Trying to pull the right rescue vessels together to create the right conditions for training can be difficult in such a spread-out region. To ensure we keep opportunities open for Northland teams, we arranged a Trainee to Operational course in Tutukaka, allowing volunteers easier access to training.

We recognise that training at scale, especially for those progressing to Master level, can be hard to arrange and demanding for volunteers to complete. We continue to develop new ways to get Operational crew to Masters, to ensure we always have skippers available to fulfil our mission.

In addition, the Northern Region is supportive of a review of training syllabus currently being conducted by Coastguard Boating Education, with a view to ensuring that Coastguard Instructors are supported and available to train their teams, across the region.

**Coastguard app and the future of SAR**

**The future of search and rescue.**

Time is critical for people in need of help on the water. During incidents, there are two main components to rendering assistance to boaties: the search, and the rescue. For Coastguard to provide help in the most efficient way possible, the less time spent on the search the better.

A great step forward is the data modelling of trips logged by boaties on the Coastguard app, allowing us to view popular boating spots at different times of the year and which is cross referenced against incident data collected by our Operations Centre.

In addition, we’re taking greater steps to visualising the data we already capture. Data including the severity of an incident, Coastguard units involved and GPS locations of incidents around the region are now being dynamically mapped to allow us to identify trouble spots as they develop over time. The goal is to allow us to be smarter with where our units and rescue assets are placed around the region.

Long term, we believe visualisations and rich data can help Coastguard more accurately identify areas of high boating activity and predict the likely locations of incidents in advance. This will potentially give us real-time opportunities to position rescue vessels for maximum effectiveness – reducing time in transit and search in the event of an incident.

**Our thanks to our technology partner AKQA for helping us to bring these solutions to life.**
Membership Partner Programme Launches

Mate, here’s to the customer.

We are working hard to bring value to the Kiwi boatie right across their boating journey, through the delivery of our Boatie’s Best Mate Strategy.

2018 has seen the roll-out of our Membership Partner Programme – available to a small selection of trusted retailers and manufacturers who provide customers with free Coastguard membership with their purchase. We’ve proudly welcomed on board leading powerboat manufacturer Rayglass Boats and popular Surtees boat dealer Fishing Boats NZ.

In addition, we’re continually bringing on new partners who can really add to the member offering, including Wireless Nation who brought upgraded lifestyle broadband offers to Coastguard members, and Century Batteries – already a sponsor of Coastguard nationally – who began offering member discounts on marine batteries. Alongside education discounts, these offers add peace of mind to boaties, and increase the value of a Coastguard membership.

The Coastguard membership programme continues to grow, surpassing 31,300 members – up over 25% from July 2018. We’ve achieved such growth by successfully on-boarding members from units from around the country, managing members nationwide with the goals of less administration burden for volunteers and a consistent experience for all members.

Reflecting our communities

Coastguard volunteers are the frontline and heart of this organisation.

Without the nearly 1,000 volunteers in the Northern Region, Coastguard in its current form could not exist. The recent National Volunteer Survey showed that, similar to many of our emergency service partners, Coastguard faces significant challenges in attracting a diverse range of volunteers to our organisation. These challenges are across the board regarding gender, age, and culture, and this highlights the need for Coastguard to develop broader relevance and appeal to all Kiwis who might be interested in a career as a Coastguard volunteer.

We aspire to be an organisation that has strong connections with all sectors of our community, and to fully represent the community we are working in.

With the support of Foundation North, over the next 12 months we’re looking forward to engaging with Iwi and colleagues across the emergency and volunteer sectors to develop our Diversity Strategy and to become an organisation that is better understood and more reflective of the broad range of cultures found across Auckland, Northland and the Waikato today.

Our reputation for excellence doesn’t stop when we hand over the keys. Becoming a Membership Partner helps us to unlock even more value for our customers and gives them great peace of mind when they head out on the water.

We’re really proud to be working with Coastguard and be part of the difference they make for boaties.

Dave Larsen, Chief Executive
Rayglass Boats
THE COST OF SAVING LIVES AT SEA

Financial Report

The true impact of Coastguard Northern Region is best evaluated by reading our Statement of Service Performance and the outcome stories we share throughout this report. Those outputs and outcomes: lives saved and boaters assisted, safety services delivered and volunteers and students educated are our true measures of success.

Such services come at a cost, and thankfully for Coastguard and all who benefit from these services, those costs are greatly reduced through the very substantial contribution of our volunteers, who give their labour and expertise for free. There is no doubt that were this cost to be monetised in our financial statements, it would be our most substantial expense.

In the last financial year the cost of providing Coastguard services to the approximately 2 million residents of the Northland, Auckland and Waikato regions covered by CNR was $5.83 million. Key expenses in the period included:

- $1.44m paid to units and the Auckland Air Patrol for operational costs and equipment maintenance.
- $0.48m of costs to recruit and train the region’s volunteers and to students and members of the public.
- $0.83m spent telling our story, raising funds and taking Old4New to our communities.
- During the course of the year CNR has worked with Kordia Limited to modernise Coastguard’s VHF Communications infrastructure at a cost in FY18/19 of $1.1m. It is expected that a completion milestone payment will be made in September 2019.

Also of note during the period has been:

- The substantial impact of increased fuel prices, which has increased fuel expenses by $97,000.
- A reduction in marketing and fundraising costs.
- Increased salary costs due to inflation-linked or performance-related increases and the cost of implementing the recommendations of the 2018 Operations Review.

At the end of a busy and successful year both on and off the water, Coastguard Northern Region has posted a surplus of $754,900. A review of the Statement of Revenue and Expenses shows that the key contributing factor in this increase have been the impact of the Lotteries Grant Board and Foundation North funding for the VHF Communications Project. This project which is nearing completion, is currently Capital Work in Progress, an asset on the balance sheet.

The funding of this project has been recognised as income in the current financial year to the extent of work completed at 30 June 2019 which has resulted in an increased surplus, this is because the associated expenditure is capital in nature and is not expensed through the statement of service performance but is instead, as noted in the previous paragraph, recognised as an asset. As this project is completed and is in available for use, an amortisation charge will be incurred as an expense item in future performance reports over the useful life of this asset therefore the current year’s surplus has arisen as a result of timing difference.
WHERE DOES OUR FUNDING COME FROM?

Funding Report

Coastguard Northern Region’s total revenue, including finance income for the period July 18 - June 19 was $6.37 million, an increase of $0.75m on the previous year.

Of note in the period was:

- The previously mentioned increase in LGB funding and the drawing down of Foundation North funds for the VHF Communications project.
- Strong donations performance.
- Achievement of 9% growth in membership subscriptions.
- CNR wishes to specifically acknowledge the important role of the following funders without whose support our task would be immeasurably more difficult:
  - The NZSAR Council for its support through SLA funding.
  - The Lotteries Grant Board.
  - Auckland City Council and Northland and Waikato Regional Councils.
  - Coastguard New Zealand.
  - The generous and long-standing support of Foundation North.

We acknowledge also the ongoing support of the Auckland Volunteer Coastguard (AVCG) Trust whose accounts are consolidated with CNR’s. The Trustees of the AVCG play an important role in overseeing an investment portfolio for the benefit of the Region.

CNR is grateful for the support of the Auckland Marine Rescue Centre Trust whose purpose is to support the charities resident at the Marine Rescue Centre by providing low-cost accommodation.

In the last year, CNR has appreciated the expertise of both the Accountancy and Operational Advisory practices of Grant Thornton New Zealand who continue to provide excellent business and risk management support and advice.

Finally, we acknowledge the support of RSM Hayes Audit whose guidance and client support throughout the year is first-class.

At the end of FY18/19 Northern Region’s Current Assets has reduced by $291,484 while Non-Current Assets has grown due to substantially increased Capital Works in Progress.

Despite the impact of this year’s technology investment, both Total and Net Assets have increased. This will enable Coastguard Northern Region to continue to execute on its strategy of better supporting its volunteers and giving its staff and volunteers the right tools and infrastructure in the year ahead.

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  - The NZSAR Council for its support through SLA funding.
  - The Lotteries Grant Board.
  - Auckland City Council and Northland and Waikato Regional Councils.
  - Coastguard New Zealand.
  - The generous and long-standing support of Foundation North.

We acknowledge also the ongoing support of the Auckland Volunteer Coastguard (AVCG) Trust whose accounts are consolidated with CNR’s. The Trustees of the AVCG play an important role in overseeing an investment portfolio for the benefit of the Region.

CNR is grateful for the support of the Auckland Marine Rescue Centre Trust whose purpose is to support the charities resident at the Marine Rescue Centre by providing low-cost accommodation.

In the last year, CNR has appreciated the expertise of both the Accountancy and Operational Advisory practices of Grant Thornton New Zealand who continue to provide excellent business and risk management support and advice.

Finally, we acknowledge the support of RSM Hayes Audit whose guidance and client support throughout the year is first-class.

At the end of FY18/19 Northern Region’s Current Assets has reduced by $291,484 while Non-Current Assets has grown due to substantially increased Capital Works in Progress.

Despite the impact of this year’s technology investment, both Total and Net Assets have increased. This will enable Coastguard Northern Region to continue to execute on its strategy of better supporting its volunteers and giving its staff and volunteers the right tools and infrastructure in the year ahead.
### Consolidated Statement of Revenue and Expenses

**Coastguard Northern Region Incorporated**  
For the Year ended 30 June 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue from non-exchange transactions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations</td>
<td>134,580</td>
<td>78,981</td>
</tr>
<tr>
<td>Trust Grants</td>
<td>96,825</td>
<td>148,374</td>
</tr>
<tr>
<td>Coastguard NZ – SLA &amp; LGB</td>
<td>789,636</td>
<td>341,908</td>
</tr>
<tr>
<td>AAAPA</td>
<td>784,000</td>
<td>712,000</td>
</tr>
<tr>
<td>Foundation North</td>
<td>582,806</td>
<td>285,379</td>
</tr>
<tr>
<td>Grants – General</td>
<td>326,348</td>
<td>526,154</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,694,193</td>
<td>2,092,826</td>
</tr>
</tbody>
</table>

**Revenue from exchange transactions**  

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscriptions</td>
<td>2,384,008</td>
<td>2,189,017</td>
</tr>
<tr>
<td>SAR Reimbursements</td>
<td>102,976</td>
<td>105,831</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>82,796</td>
<td>61,304</td>
</tr>
<tr>
<td>Other Income</td>
<td>674,245</td>
<td>677,623</td>
</tr>
<tr>
<td>Education Income</td>
<td>432,544</td>
<td>495,014</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,676,569</td>
<td>3,528,789</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total revenue</strong></td>
<td>6,370,762</td>
<td>5,621,615</td>
</tr>
</tbody>
</table>

**Expenses**  

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paid to units</td>
<td>1,442,013</td>
<td>1,428,955</td>
</tr>
<tr>
<td>Education Cost of Sales</td>
<td>479,756</td>
<td>472,259</td>
</tr>
<tr>
<td>Air Patrol Expenses</td>
<td>52,431</td>
<td>48,570</td>
</tr>
<tr>
<td>Staff Expenses</td>
<td>2,084,775</td>
<td>1,988,669</td>
</tr>
<tr>
<td>Marketing Expenses</td>
<td>832,761</td>
<td>871,150</td>
</tr>
<tr>
<td>AMRC Expenses</td>
<td>86,091</td>
<td>82,377</td>
</tr>
<tr>
<td>Operational Expenses</td>
<td>514,982</td>
<td>509,883</td>
</tr>
<tr>
<td>Amortisation of intangible assets</td>
<td>153,767</td>
<td>33,847</td>
</tr>
<tr>
<td>Depreciation</td>
<td>171,182</td>
<td>251,005</td>
</tr>
<tr>
<td>Loss on Disposal/Sale of Fixed Asset</td>
<td>9,448</td>
<td>2,876</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>5,827,206</td>
<td>5,689,591</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Income</td>
<td>82,621</td>
<td>105,370</td>
</tr>
<tr>
<td>Investment income</td>
<td>30,691</td>
<td>39,030</td>
</tr>
<tr>
<td>Unrealised Capital Gain/(Loss) on Investment</td>
<td>99,831</td>
<td>83,374</td>
</tr>
<tr>
<td>Realised Capital Gain/(Loss) on Investment</td>
<td>(1,799)</td>
<td>4,216</td>
</tr>
<tr>
<td><strong>Total Finance income</strong></td>
<td>211,344</td>
<td>231,990</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total surplus for the year</strong></td>
<td>754,900</td>
<td>164,014</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other comprehensive revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total comprehensive revenue and expense for the year</strong></td>
<td>754,900</td>
<td>164,014</td>
</tr>
</tbody>
</table>

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These statements are extracts from our full set of statutory financial statements for the year, which contain other details such as accounting policies and detailed notes to the financial statements. Our full financial statements have been audited and contain an unmodified audit opinion from our independent auditors RSM Hayes Audit.

Our full audited financial statements can be found in our Financial Report, which is available for viewing on our website [www.coastguard.org.nz/reports](http://www.coastguard.org.nz/reports) as well as on the DIA Charities Services website [www.charities.govt.nz](http://www.charities.govt.nz).

Alternatively, should you wish to have a copy of Finance Report sent to you, please contact us at info@coastguard.org.nz or 09 303 4303.
## Consolidated Statement of Financial Position

**Coastguard Northern Region Incorporated**  
**As at 30 June 2019**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,374,786</td>
<td>1,088,974</td>
</tr>
<tr>
<td>Investments</td>
<td>2,131,732</td>
<td>2,802,944</td>
</tr>
<tr>
<td>Receivables from exchange transactions</td>
<td>75,622</td>
<td>41,301</td>
</tr>
<tr>
<td>Receivables from non-exchange transactions</td>
<td>247,391</td>
<td>106,607</td>
</tr>
<tr>
<td>Financial assets at fair value through surplus or deficit</td>
<td>945,844</td>
<td>958,433</td>
</tr>
<tr>
<td>Prepayments</td>
<td>7,002</td>
<td>75,140</td>
</tr>
<tr>
<td>Inventories</td>
<td>4,511</td>
<td>4,773</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>4,786,688</td>
<td>5,078,172</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets at fair value through surplus or deficit</td>
<td>196,917</td>
<td>355,628</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>575,832</td>
<td>53,671</td>
</tr>
<tr>
<td>Capital work in progress</td>
<td>1,204,844</td>
<td>477,057</td>
</tr>
<tr>
<td>Property plant and equipment</td>
<td>619,989</td>
<td>716,159</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>2,597,582</td>
<td>1,602,515</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>7,384,270</td>
<td>6,680,687</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other creditors from exchange transactions</td>
<td>277,141</td>
<td>299,814</td>
</tr>
<tr>
<td>Employee entitlements</td>
<td>127,456</td>
<td>98,852</td>
</tr>
<tr>
<td>Accrued Expenditure</td>
<td>154,136</td>
<td>125,735</td>
</tr>
<tr>
<td>Income in Advance - Operational</td>
<td>88,922</td>
<td>52,879</td>
</tr>
<tr>
<td>Income in Advance - Capital Fund</td>
<td>410,815</td>
<td>713,621</td>
</tr>
<tr>
<td>Subscription Revenue in Advance</td>
<td>1,194,416</td>
<td>827,193</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>2,252,890</td>
<td>2,118,094</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subscription Revenue in Advance</td>
<td>736,985</td>
<td>923,095</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>2,989,871</td>
<td>3,041,189</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>4,394,398</td>
<td>3,639,499</td>
</tr>
</tbody>
</table>

**Equity**

- Accumulated comprehensive revenue and expense: 4,394,398, 3,639,499

**Total net assets attributable to the owners of the controlling entity**  
4,394,398, 3,639,499

---

## Consolidated Statement of Cash Flows

**Coastguard Northern Region Incorporated**  
**For the Year ended 30 June 2019**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations and Grants</td>
<td>2,307,624</td>
<td>2,165,251</td>
</tr>
<tr>
<td>Subscriptions</td>
<td>2,565,121</td>
<td>2,368,001</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>82,796</td>
<td>16,621</td>
</tr>
<tr>
<td>Education Income</td>
<td>431,022</td>
<td>547,893</td>
</tr>
<tr>
<td>Interest and Dividends Received</td>
<td>94,386</td>
<td>260,524</td>
</tr>
<tr>
<td>Other Income</td>
<td>849,777</td>
<td>749,634</td>
</tr>
<tr>
<td>Net GST received</td>
<td>6,310,726</td>
<td>6,130,904</td>
</tr>
<tr>
<td>Payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Suppliers</td>
<td>1,896,267</td>
<td>2,188,718</td>
</tr>
<tr>
<td>Regional units</td>
<td>1,442,013</td>
<td>1,303,755</td>
</tr>
<tr>
<td>Payments to employees</td>
<td>2,096,344</td>
<td>1,905,631</td>
</tr>
<tr>
<td>Net GST paid</td>
<td>39,271</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total cash flows from operating activities</strong></td>
<td>836,831</td>
<td>702,800</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receipts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td>382,345</td>
<td>349,402</td>
</tr>
<tr>
<td><strong>Total cash flows from investing activities</strong></td>
<td>382,345</td>
<td>349,402</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net increase/ (decrease) in cash and cash equivalents</strong></td>
<td>(551,020)</td>
<td>(815,368)</td>
</tr>
<tr>
<td>Cash and cash equivalents at 1 July</td>
<td>1,088,974</td>
<td>1,201,542</td>
</tr>
<tr>
<td>Cash and cash equivalents at 30 June</td>
<td>1,374,786</td>
<td>1,088,974</td>
</tr>
</tbody>
</table>
Coastguard Northern Region

Postal Address
PO Box 2195
Shortland Street
Auckland 1140

Street Address
Level 1
Auckland Marine Rescue Centre
3 Solent Street, Mechanics Bay
Auckland 1010

09 303 4303 | 0800 BOATIE (262 843)

info@coastguard.org.nz

coastguard.org.nz
boatiebestmate.nz
old4new.nz

Facebook: CoastguardNorthernRegion
Twitter: CoastguardNorth