



# Annual Report 2019









# Contents

Image: Suz Phillips

4	<b>Foreword</b>
6	<b>CEO report</b>
8	<b>Our strategic vision</b>
11	<b>Governance for the future:</b> Meet the trustees
13	<b>Research:</b> Understanding the drivers of positive action
15	<b>TREEmendous</b>
19	<b>Trees That Count</b>
21	Year at a glance
23	Growing roots in the regions
25	Meet our planters
29	Marketing and campaigns
36	Working with the business community
39	<b>Financial statements</b>





# Nau mai, Haere mai Welcome to our year in review

**Chair**  
**JORIS DE BRES**


Looking back, now from the perspective of a world that has dramatically changed since the outbreak of the COVID-19 pandemic, our work in 2019 seems like a long time ago.

It was, however, a year of continued rapid growth for Project Crimson, particularly as a result of the ongoing success of our most recent project, Trees That Count. This has provided a foundation on which we continue to operate in the difficult economic and social circumstances we now face.

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**Planting native trees is  
an important option as  
we seek to recover from  
the social and economic  
impact of the pandemic.**

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Trees That Count has captured the public imagination as we hoped it would, providing a simple means of helping to mitigate the increasingly alarming effects of climate change, while also helping to restore our indigenous biodiversity, stabilise our soils, clean up our waterways and beautify our environment.

As this report shows, the growing support from individual New Zealanders, organisations and businesses has enabled us to lift the total number of trees funded since we launched in 2016 to over 400,000, planted by over 300 planting groups from one end of the country to the other. Over 11,000 individuals and organisations have contributed to this effort through gifting, funding and planting native trees.

This growth would not have been possible without the investment of our founding partner, The Tindall Foundation, which first approached us to establish Trees That Count as a movement of New Zealanders –



individuals, communities, iwi, schools, businesses, landowners – collectively taking action to plant millions more native trees. Likewise, the support from Te Uru Rākau, through the One Billion Trees Programme, has helped us to scale up, establish a team of expert regional advisors and reach out to all New Zealanders.

In 2019, we confirmed the appointment of our first Chief Executive, Adele Fitzpatrick, a Senior Management Team, and other national and regional staff to undertake the greatly expanded role of our organisation. Adele resigned as a trustee to take up her new position, as did David Bergin who continues to serve the trust as our Science and Technical Advisor. They have both contributed immensely to the governance of the trust with their respective strengths in business and in native forestry. We are very grateful to them both. We continued the renewal of our trust board, increasing diversity and adding skills in the legal, business and technology areas. At both the governance and operational levels we are very fortunate in the calibre of people we have been able to bring together to achieve our vision.

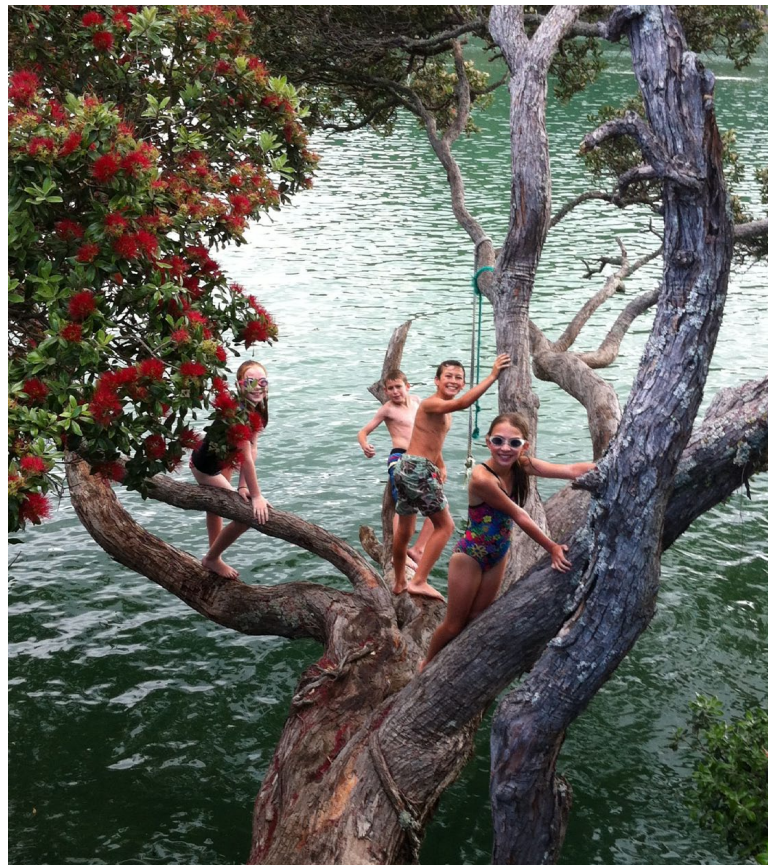
In 2020, Project Crimson turns 30. We planned to celebrate this milestone with our partners at an event at Parliament in April 2020. The lockdown means we have had to postpone that, but our work continues unabated.

We look forward to your continuing support and continuing to support you, in the year ahead.



**Joris De Bres**  
CHAIR

The stories we share  
in this annual report  
illustrate how we continue  
to work, as we always  
have, in partnership with  
others, adding value to the  
efforts of communities,  
iwi, educators and  
landowners in restoring  
and conserving our  
precious natural heritage.





# View beyond the canopy

CEO  
ADELE FITZPATRICK



Project Crimson celebrates 30 years of making a difference for New Zealand's native trees and our environment in 2020.

I'm enormously proud to be part of such a rich history and to see our movement and message continue to be as relevant and important as it was in 1990. I'm also proud of the way the organisation has been able to adapt to changing needs and opportunities, and of the pace at which we can move.



And this year, as the momentum of our programme Trees That Count has grown beyond even our own expectations, we've felt the support of the country behind us.

The investment into Trees That Count by Te Uru Rākau is a huge endorsement of what we do. That investment has gone into people and promotion, meaning we've been able to attract funding for trees from Kiwis and provide much needed advice and trees to planters.

We were thrilled to take our mighty native trees into people's living rooms with our first TV commercial in June, and our second in the lead-up to Christmas.

Our hope was to remind people of why our native trees hold such an important place in our culture, our childhood memories and our sense of place and belonging in New Zealand.

The message struck a chord with New Zealanders everywhere, and our two flagship campaigns showed us an immediate and lasting increase in gifting and donations through the marketplace, funder enquiries, website visits and social media followers.

By Christmas, it was clear our brand awareness campaigns had delivered. Our marketplace



was flooded with people gifting native trees to friends and family and businesses gifting trees to staff and customers.

Daily, we received messages from people who were proud to be giving something meaningful that would help create lasting change for us all.

We're seeing that shift everywhere as consumers choose to spend in a way that aligns with their values, investing money in the companies and causes they believe in.

It's those values that have helped us to grow our movement significantly in 2019. By connecting planters with the generosity of funders around New Zealand, we've been able to get hundreds and thousands of native trees planted – and we can't wait to see that number grow.

In 2019, we renewed our team of trustees, a group whom I'm honoured to have shape and inspire our future. Each brings immense expertise in their field, and a passion for protecting Aotearoa's environment.

Our team of regional advisors (RAs) have also forged valuable and vital connections on the ground, particularly with new planters, nurseries and local councils.

Employed for their practical experience and knowledge in native tree forestry, our RAs offer a rich resource for our planters and their



regions. We'll share more about their wins later in the report.

And lastly, an important focus for us always is to educate and inspire the young to love our native trees.

We know that sparking wonder and affection for our native trees at a young age can fuel a lifelong passion to care for them into the future.

We look forward to seeing the students whose school received an outdoor learning area through TREEmendous in 2019 go on to inspire their parents and members of their community to protect and look after nature for the generations to come.

**Poipoia te kākano kia puawai.  
Nurture the seed and it will blossom.**

**Adele Fitzpatrick**  
CEO



# Our strategic vision 2020-2022

We have evolved and grown rapidly since our 2018 business strategy was developed. While our core values and organisational goals remain the same, we've worked on ways to adapt to the changing needs of our supporters and to respond to opportunities as they emerge.

## OUR VISION

New Zealanders are actively connected to nature and contributing to healthy and sustainable ecosystems.

## OUR MISSION

Creating a culture of restoring, planting and protecting native trees.

For us to help New Zealanders fund, gift and plant more native trees, we've set clear goals to help us inspire individuals, families and businesses to care enough about our native trees to take action.

## MAKE IT EASY

New Zealanders have the tools and knowledge and resources to plant and care for native trees.

## INSPIRE THE YOUNG

Children experience, understand, and act to protect their natural environment.

## SAY IT WITH TREES

We inspire a cultural shift where gifting trees for occasions becomes the Kiwi thing to do, from large-scale corporate investment into tree planting through to acknowledging the work of grass roots organisations and 'backyard' planting.

## BE HERE FOR NEW ZEALAND'S FUTURE

We are a sustainable organisation and respond to the changing needs of our community of planters, funders and supporters. We're here for the long-term and continue to enable significant and positive outcomes for our environment.



## Opportunities for 2020 & 2021

### The marketplace

The marketplace is our key asset, and native trees are at the centre of our activity and mission. They are our currency and the measure of our success.

We are uniquely placed in the middle of funders, planters, government, corporates, schools, community groups, farmers, large landowners and families – Kiwis who care about our native flora and fauna.

To fully utilise the potential of our marketplace, we are working with our technical providers to develop its current structure into something much more sophisticated and relevant.

With the potential to show more in-depth environmental outcomes through robust data collection and reporting, the marketplace will offer our funders and planting groups the ability to easily access verifiable data to demonstrate their individual impact. For both our funders and planters, enhancing our marketplace will offer transparency, third-party accreditation and many leveraging opportunities.



### Our reputation

**Our aim is to be known  
as a charity whose  
activities are making a  
demonstrable difference  
to New Zealand's  
biodiversity – activity  
that we can prove. We  
want to be respected for  
not only the work we do,  
but the way we do it.**

Building the brand awareness of Trees That Count over 2020/21 will be critical for our marketing to be successful. We'll continue to run campaigns that focus on the many benefits native trees bring to us, including, but not solely, climate change mitigation.

We now have a solid base of content from our Love Native Trees and Christmas campaigns that can be used for future campaigns. We want Kiwis to value native trees and recognise the role they play culturally, socially and economically.

Our Regional Advisors are also central in establishing and enhancing our profile and reputation at a grassroots level, via their engagement with planters, landowners, central and local government, education providers and iwi. They are fundamental to ensuring we are seen as the best provider of expertise and advice for successful planning, planting and maintenance of native trees within the regions.



## Flagship planting projects

Our vision is a green infrastructure programme which sees the establishment of restoration projects in locations throughout New Zealand. Places that can be turned into assets for generations to come, stimulating domestic (and then international) tourism opportunities, whilst providing recreational, social and environmental education facilities. Like the Gaudi Park in Barcelona, New York's Central Park, Margaret Mahy Children's Park in Christchurch or Zealandia in Wellington, these ambitious projects have the ability to provide significant new assets for the country, whilst providing employment opportunities as they are established.

Project Crimson has established experience in managing native planting projects, as well as the ecological resources around the country to ensure best practice is adhered to. Through our existing work (and the Trees That Count marketplace) we are connected to hundreds of planters and nurseries. Many of these

planters are ready to go but are lacking labour and funding for trees. By using innovative ways to incentivise investment into native reforestation, we can channel funding directly to these key areas of need, while providing much needed employment.

There is an opportunity to do things differently. We can be creative, innovative and create an environment where everyone wins. The role of technology is vital in unlocking multiple sources of funding and ensuring money goes directly into the pockets of those who need it. It's innovation that can put New Zealand in a strong position post-Covid 19. It could not only support native reforestation, but also smart agriculture and a new economy that fosters positive action for indigenous biodiversity.

*Please note, this page was updated in June 2020 to reflect the impact of COVID-19 and need for shovel-ready projects that boost the economy, employment and environment.*





# Governance for the future

## Meet our trustees

In 2019, we continued the process of appointing fresh faces and new skills to our team of trustees, a group we are privileged to have guide us as we move forward in 2020 and beyond. Each brings immense expertise in their field, and a passion for protecting our environment for future generations.

Two trustees, Adele Fitzpatrick and David Bergin, retired during the year. Adele retired in June following her appointment as Chief Executive, and David retired in December but remains our Science and Technical Advisor. Three new trustees, Nikki Bloomfield, Gill Cox and Suse Reynolds were appointed in 2019. One further trustee, Melanie Mark-Shadbolt, was appointed early in 2020, bringing the current board membership to seven.



### **Joris de Bres – CHAIR**

Joris was appointed Project Crimson Chair in 2015. He has been a trustee since 1995. His involvement in Project Crimson started when he was Public Awareness Manager and General Manager External Relations in the Department of Conservation and continued during his 10 years as New Zealand's Race Relations Commissioner from 2002 to 2013. We're extremely lucky to have someone with Joris' knowledge and experience at the helm.



### **John McCarthy**

John McCarthy was appointed to the Project Crimson Trust in 2018. John was first introduced to the work of Project Crimson, and our programmes, through his role as Manager of The Tindall Foundation. The Tindall Foundation is a private philanthropic family foundation working throughout New Zealand. They're helping to build a stronger, sustainable nation so that families, communities and our environment thrive now and in the future. John is a keen tramper and a staunch advocate for the New Zealand environment.





### **Ruud Kleinpaste**

Freelance entomologist Ruud Kleinpaste (perhaps better known to some as 'The Bugman') has served as a trustee since 1997. Ruud holds an Honorary Doctorate from the University of Waikato and is a Member of the New Zealand Order of Merit (MNZM). He plays a vital role in championing biodiversity, biosecurity and environmental education throughout New Zealand.

## **FRESH FACES**



### **Melanie Mark-Shadbolt**

Currently Kaihautū Chief Māori Advisor for the Ministry for the Environment, Kaiwhakahaere (Chief Executive) of Te Tira Whakāmataki, and Director Māori of NZ's Biological Heritage National Science Challenge, Melanie's expertise in biodiversity and driving environmental outcomes are underpinned by an indigenous worldview which Project Crimson is thrilled to have on board. Melanie has over 10 years leadership experience at board, CE and senior management level, and is passionate about using strong research and policy to empower communities and create a healthier environment for all New Zealanders.



### **Nikki Bloomfield – DEPUTY-CHAIR**

In June, the Trust appointed Wellington lawyer Nikki Bloomfield as a trustee and subsequently as Deputy-Chair. Nikki has held a number of senior corporate legal roles, mainly in the energy sector, and is currently a consultant with legal services firm Lawyers on Demand. Nikki is also a founding trustee of Cultivate – a mentoring programme which supports early career women to navigate the modern workplace.



### **Gill Cox**

Also in June, Gill Cox joined the Board of Trustees. Gill is a Canterbury-based director who currently holds a number of governance and advisory positions in public and private sector entities. He recently retired as the Chair of Ngāi Tahu Farming. He has been awarded the Order of New Zealand Merit for services to business; is a Life Member of the Institute of Chartered Accountants of Australia and New Zealand; and is a Chartered Fellow of the Institute of Directors.



### **Suse Reynolds**

In December, Suse Reynolds was also appointed to the Project Crimson Trust. Suse is currently the Executive Director for Angel Association NZ (AANZ) – the industry representative body for early stage investment – following previous roles with Grow Wellington and the Ministry for Foreign Affairs and Trade. Suse's appointment follows a lifelong passion for New Zealand's native trees.





# Research

## Understanding the drivers of positive action

In June, we worked with qualitative research organisation FOLKL to gain greater understanding of the behaviours that drive our community to take positive action for the environment.

**Methodology for the research:** 23 in-depth interviews with consumer and industry participants, 122 online surveys, all regions of NZ were represented in the survey.

### What we learned

#### OUR NATIVE TREES ARE PART OF WHAT IT MEANS TO BE A NEW ZEALANDER

People see our native trees as a vital component of our collective identity. They are entwined with outdoor experiences and family memories.

When asked to recall a favourite native tree, interviewees would often tell a story of its location and reflect on an emotional connection that encompasses it, such as; 'Christmas in the Coromandel with the pōhutukawa down by the ocean' or 'walking with the family and dogs under the canopy of kauri in the Waitākere Ranges'.

#### PEOPLE ARE OVERWHELMED BY CLIMATE CHANGE BUT READY TO MAKE A DIFFERENCE

A sense of constant media attention focusing on environmental issues makes people feel overwhelmed when trying to fulfil their own sense of environmental obligation.

New Zealand is not considered to be the '100% Pure' paradise that it once was, and there is a sense that we all have a responsibility to make changes.

By making it easy for people to make a difference through Trees That Count, we give people an affordable, achievable way to do something positive for their future.



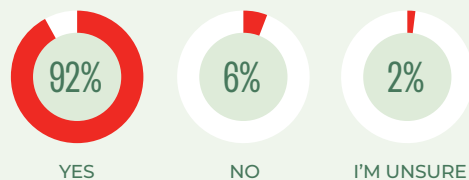
## OUR CHILDREN ARE INFLUENTIAL

Schools are giving children the tools to lead the change in the family context, and are raising the household benchmark with progressive methods to reduce the household's environmental impact. Children's knowledge of the environment is far greater than that of their parents at the same age and parents are feeling more future-focused and wanting to set a positive example as a result.

**This confirmed for us that our role to inspire and educate the young is just as important as ever.**

### SURVEY QUESTION 4

Do your children have an influence on how you care for the environment?

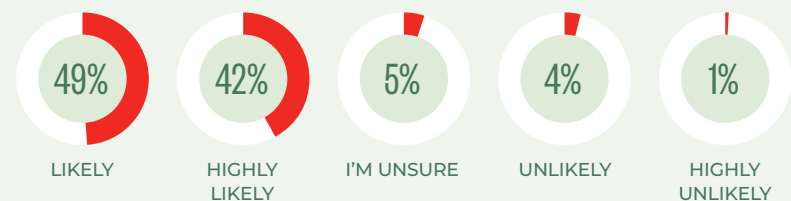


## KIWIS WANT COMPANIES TO SHOW THEY CARE ABOUT THE ENVIRONMENT

Our community wants the companies they support and work for to show that they care about the environment. They'd also be prepared to sacrifice a physical gift for a native tree that benefited the community, and all of New Zealand.

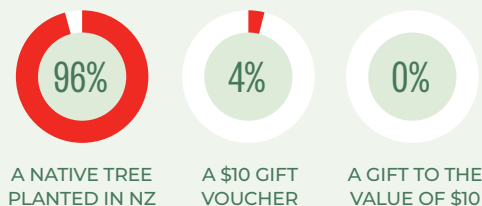
### SURVEY QUESTION 15

How likely or unlikely are you to change your purchasing behaviours based on environmental actions taken by businesses?



### SURVEY QUESTION 7

This Christmas, which gift would you rather receive from your employer?





# TREEmendous: Inspiring the tree lovers of tomorrow

*Kids at Hukerenui School joined families and the local community for their TREEmendous planting day*



**MAZDA  
FOUNDATION**

TREEmendous – a joint initiative between the Mazda Foundation and Project Crimson – supports schools to establish outdoor learning areas and nature-based programmes. In 2019, we welcomed five new schools to the TREEmendous family, bringing the total number of schools we've helped grow greener learning areas to 49.

It was incredibly difficult to choose only five schools from the 89 who applied. The winners were:

- Aparima College in Riverton
- Hukerenui School in Northland
- Coromandel Area School in the Coromandel
- Konini School in Wainuiomata
- Te Uku School in Raglan.

## Coromandel Area School

### COROMANDEL

During TREEmendous, Coromandel Area School planted extensive natives and wetland plants along a stream that runs through its grounds. They plan to use the area as a natural learning space and hope it will play a part in saving the endangered inanga (whitebait) that breed there to thrive.

The school is actively transitioning into regenerative education with environmental, cultural and social responsibility at the core. "We are actively weaving these skills and practices through our curriculum, as we recognise the importance of the environment to human health and well-being, particularly in young people," said Koren Hopoi, Principal.





*Ruud 'The Bugman' Kleinpaste entertains the kids and inspires a love of our bugs and wildlife*

“We recognise the importance of the environment to human health and well-being, particularly in young people.”

KOREN HOPOI, PRINCIPAL  
COROMANDEL SCHOOL

“The space will be fantastic in helping younger students develop improved language and collaboration skills, as well as allowing them to connect with and care for nature.”

ANDREA SCANLAN, PRINCIPAL  
KONINI PRIMARY SCHOOL



*Celebrating a hard day's work for nature at Kohini Primary School*



*Growing the tree lovers of tomorrow*

HUKERENUI SCHOOL

To create the new outdoor learning zone, the school planted hundreds of bee-friendly trees and plants and cleaned up the area to help the skink population thrive.





“Developing our grounds will allow us to provide a range of learning opportunities and help students make connections to the world outside the classroom.”

PIP MEARS, PRINCIPAL  
TE UKU SCHOOL



*It's happy faces all round at Te Uku School, with 800 native trees now in the ground*

## Konini Primary School

### GREATER WELLINGTON

After our May event working with Konini Primary School in Lower Hutt, a bare fence boundary became an engaging outdoor learning area for students and teachers.

A walkway and seating area was created, and surrounded by 1,000 native plants and shrubs donated by Remutaka Prison through the Department of Corrections, completing the first stage of the school's transformation plan.

The zone targeted by the TREEmendous plantings is highly significant practically; the 1508m<sup>2</sup> area was once a wetland. The added plantings will increase water absorption, allowing Konini Primary to use their school field year-round.

The school also hopes the outdoor learning space will allow its students to connect with nature, explore, observe and develop their understanding of biodiversity and how to protect our natural environment both now and in the future.

## Hukerenui School

### NORTHLAND



**WATCH: Hukerenui School's  
TREEmendous experience**

In June we headed much further afield to Hukerenui School in Northland, where the Project Crimson and Mazda Foundation teams worked with the school and community to get 637 native trees in the ground. Ex-student and Deputy Prime Minister Rt Hon Winston Peters was also in attendance to help inspire the students in their environmental endeavours.

The school is well known for an environmental focus, with its own maize company. It also sports a mini lavender farm, beehives, a vegetable garden and an orchard! It was our pleasure to support them in creating their newest space.

Hukerenui School created an area that will not only be fun, but will also be a student led educational learning space to help students develop their understanding of their local environment.







*Planting at Aparima College is a multi-generational effort*

## APARIMA COLLEGE

The College planted hundreds of native plants, trees, grasses and flax to provide shelter and reduce the impact of wind and soil erosion.

Margaret Holmes, Principal, says the planting will be a great addition to the school's existing resources. "We are so excited to be able to use the area as an educational aid to teach students about how important trees are to our ecosystem," she said.

## Te Uku School

### WAIKATO

The first of two TREEmendous schools we visited in August was Te Uku School, south of Raglan. The school chose to focus on a neglected area of the grounds to transform into an all-new learning zone.

The school plans to use the area, which is now fitted out with over 800 native trees, to teach students how to identify native plants, birds, lizards and insects and educate them about disease, weed and pest control and other issues surrounding the conservation of fauna and flora in New Zealand.

Teachers, students, the wider community as well as Mazda Foundation Ambassadors, Trustees and the team from Project Crimson all mucked in to help plant over 800 native trees: and they were joined by a special school alumnus, marine scientist Riley 'The Sharkman' Elliott.

## Aparima College

### SOUTHLAND



**WATCH:**  
Aparima College's transformation

TREEmendous in August was part of a bigger vision for Aparima College, who plan to completely revamp an area of their school grounds over the next few years. The funding from the Mazda Foundation and Project Crimson went towards implementing the first phase of this plan.

Having already removed some very large macrocarpas, the College planted hundreds of native plants, trees, grasses and flax along the previously unused and sandy area along the school's border, to provide shelter and reduce the impact of wind and soil erosion.

Aparima College, who cater for students from Years 7 to 13, have also created a propagation area to raise seedlings which will be planted next year. In addition to planting lots of natives, the school will plant a heritage fruit orchard, complete with rabbit-proof fencing, and are going to create an outdoor classroom.





# Trees That Count: Growing a national movement



TREES THAT COUNT



TE RAHI O TĀNE

Our programme Trees That Count is on a mighty mission to unite business, community, and everyday Kiwis to plant millions more native trees. In 2019, we saw Trees That Count capture the minds and hearts of New Zealanders everywhere as Kiwis dug deep to support native trees for our future.

We're counting the native  
trees planted throughout  
New Zealand each year,  
and helping Kiwis to  
plant more through our  
marketplace.

Every single tree counts, so whether people are planting one native tree in their backyard, hundreds in their community or thousands on their farm, we want to know. By counting the native trees which are planted each year, we can monitor and measure the collective impact of the work we are all doing to improve the environment.

It's our hope to grow a culture where loving native trees, and investing in protecting and planting more, becomes part of the Kiwi way of life.



New Zealanders everywhere are getting behind us, and gifting native trees as a way to mark the special moments in life, as a meaningful way to say thanks - or as part of a business campaign.

We're generously supported by The Tindall Foundation, Te Uru Rākau, and the many Kiwi businesses, individuals and families who are helping to create a greener future by funding trees through Trees That Count.

We're proud to have helped people and community achieve great things. Cumulatively, by December 2019:

**400,000+**

trees funded through the marketplace

**11,000+**

funders and planters

**400+**

planting projects supported

## HOW OUR MARKETPLACE WORKS

When people fund trees, we match those trees with planting groups to get more natives into the ground.



### TREE FUNDERS

People and organisations gift or donate native trees and go on our leaderboard.



### TREE POOL

Gifted or donated trees go into the Tree Pool for planters to apply for.



### TREE PLANTERS

Planters apply & if successful, receive free native trees. Trees are planted and cared for by groups across the country.

### IMPACT

Healthier communities & a more beautiful New Zealand.





# 2019 Year at a glance

Thank you New Zealand!  
The movement to plant more native trees  
is growing, and you are making a difference...



## 8,895,639

native trees added to the national count

## 128 planting projects

supported with native tree funding from  
Trees That Count for the 2019 planting season

## 140,172 native trees

funded and gifted through the marketplace

## And thanks to the 11,000+

fundes, gifters & planters who've helped us get there!







Thank you  
for allowing us an  
opportunity to give  
back to our  
ngahere and  
Aotearoa.

WAIKIRIKAU

Yay to more  
native trees  
and less junk!

SECRET SANTA

In a world  
full of material  
goods, it's nice to give  
to something  
real, pure,  
and beneficial.

DAWN

One tree at a  
time... it makes  
a difference!

CATHERINE AND NEIL

Helping  
make a better  
world for our  
grandchildren.

JJ

I'm no tree  
hugger, but this  
is a great cause.

MAL

Thanks to the many New Zealanders who've  
gifted native trees to friends and family in 2019.





## Growing roots in the regions

The successful recruitment of a team of Regional Advisors to champion Trees That Count and increase native tree planting in the regions was a critical achievement for us in 2019.

With so much planting spread across hugely diverse areas of the country, it was vital we had the right people on the ground to offer expert technical advice, conduct site inspections for potential planters and to ensure our planters' projects had the very best chance of success.

The team, headed up by Tanya Hart, now includes nine Regional Advisors (RAs) across the following regions: Northland, Hawke's Bay, Taranaki, Bay of Plenty, Gisborne/East Coast, Manawatū, Otago/Southland, Canterbury and West Coast.

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**All our RAs have either ecological restoration or native forestry management backgrounds and a depth of experience and passion for achieving the best possible results through native tree planting in their regions.**

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*Regional Advisor Steph Gardner on the job at Turihaua Station in sunny Gisborne*

We are enormously proud of how this team has helped muster momentum and grow the reputation and credibility for our Trees That Count programme.

Here's just some of the ways they've already contributed to growing our programme across the country:

- Painting a picture of the native planting programmes underway in each region
- Working with, and growing, a network of those involved or interested in native forestry including community groups, landowners, local authorities, the Department of Conservation (DOC), iwi, nurseries, NGOs, education and training institution and forestry contractors
- Encouraging planters to submit applications for tree funding
- Identifying flagship projects and offering a high level of technical expertise to support their success.





The roll-out of our regional programme has seen tree funding applications increase over **100%** from **2018**. A total of **277** applications were approved for the **2020** year, representing **233,256** new native trees to be planted.

#### Increased presence in the community

The RAs have managed and participated in many of our community planting days and represented Trees That Count at regional community workshops to raise awareness of our goals and resources.

A stand at the well-established Canterbury A&P Show in November highlighted that Field Days are an excellent way to meet and engage with private and public landowners interested in native tree planting and regeneration.

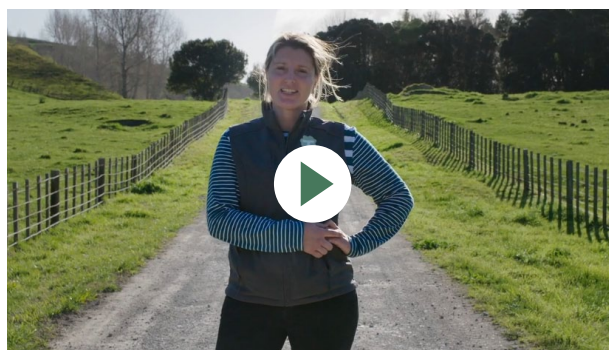
#### Developing resources to encourage and improve planting practice

This year, our RAs Paul Pope (Otago) and Steph Gardner (Gisborne) fronted a series of video resources targeted at new planters, schools and community groups looking to streamline their planting procedures.

Next year we'll work with the RAs to develop region-specific resources and to tell the stories of the impact planters are having on their communities.



**WATCH:** How to plant a native tree



**WATCH:** Plan your planting project



**WATCH:** Maintain and monitor your plantings

#### Planting verification

In November, a planting verification audit saw the RAs engage with planters in their regions to help establish the true tree count to a known level of precision. The results were very encouraging and the Verification Report is readily available upon request.



## Meet our planters

We work closely with planters to ensure their vision aligns with ours, that of creating lasting and positive change for New Zealand by growing and caring for our native trees and forests.

We're immensely proud to have helped support over 300 planting projects with trees through the marketplace since we started in 2016.

Our planters come from every corner of the country and include some of the most dedicated schools, iwi, communities, farmers and individuals you'll ever meet.

Here are just some of the passionate New Zealanders working hard to help grow a healthier Aotearoa for all of us. To find out more about the many projects supported through the generosity of New Zealanders, [visit our website](#).

## Waikato organic farmers improve waterways through native tree planting

### 1,500 TREES FROM TREES THAT COUNT

Waikato organic farmers Robyn Budd and Hamish Browne have factored in native tree planting as part of restoring their land, and have already planted an impressive 2,500 native trees.

To boost their efforts, the couple applied for free trees through Trees That Count and will receive 1,200 natives for the 2020 planting season.

Both passionate about sustainable farming, Robyn and Hamish purchased the farm in Mangatangi two years ago – intent on leaving the land better than they found it.

While passion goes a long way, the couple admit that planting trees on a large scale is not without its challenges.

"It's really expensive and a lot of hard work to get them all in the ground. We want to see



Waikato farmers Robyn Budd and Hamish Browne

"We just want to make sure we do better for the environment and leave something positive. We're trying to do things as close to nature as nature intended," said Robyn.





“By planting this area in native plants it will replicate an environment that will be comparable to the wild environment in which the great spotted kiwi will be released.”

RAY BECKFORD  
ATARAU SANCTUARY

results as quickly as possible on the land and that's when we decided to apply for trees through Trees That Count for next year,” said Robyn.

The couple will plant half a kilometre of waterways on their property with the funded trees, helping prevent erosion and sediment from entering the stream and to restore fish and vertebrate life.

## West Coast pest-proof native forest maximising survival for kiwi chicks

### 949 TREES FROM TREES THAT COUNT

The Paparoa Wildlife Trust (PWT) opened the Atarau Sanctuary in 2010, fencing off 12.5 hectares of land with the long-term vision of turning it into a completely predator-free, native forest sanctuary for the great spotted kiwi (roroa).

Atarau Sanctuary regularly hosts open days and encourages schools and other groups to join them in learning more about how the crèche helps boost recruitment of juvenile kiwi back into the Paparoa Range.

Trees That Count is proud to be involved with the project and has committed to providing 2,500 native trees through the marketplace for their 2020 season.

PWT's Ray Beckford said Trees That Count's support will make a significant difference to the restoration of the site.

“It's really important for helping create a safe transition for our young kiwi, and ultimately give them the best chance of survival.”

## A 200-year vision for restoration, coastal protection, and community engagement in Canterbury

### 3,000 TREES FROM TREES THAT COUNT

Te Kōhaka o Tūhaitara Trust manages Tūhaitara Coastal Park, covering some 575 hectares along a 10.5 kilometre stretch of coastline from the Waimakariri river mouth to the township of Waikuku. The park was established as an outcome of the Ngāi Tahu Settlement with the Crown, with the lands being gifted by Ngāi Tahu to the people of New Zealand.



It encompasses areas of great significance, ranging from the Tūtaepatu Lagoon, Taranaki Stream and Saltwater Creek freshwater coastal system, and The Pines Wetland.

**With a range of projects on the go and a 200 year vision in place, the Trust is thinking big. Their plans include promoting coastal protection, environmental stewardship and recreational activities for the community.**

Trees That Count has been proud to support the work of this Trust and their community for the past three years.

## **Birdsong returning to Abel Tasman thanks to restoration efforts**

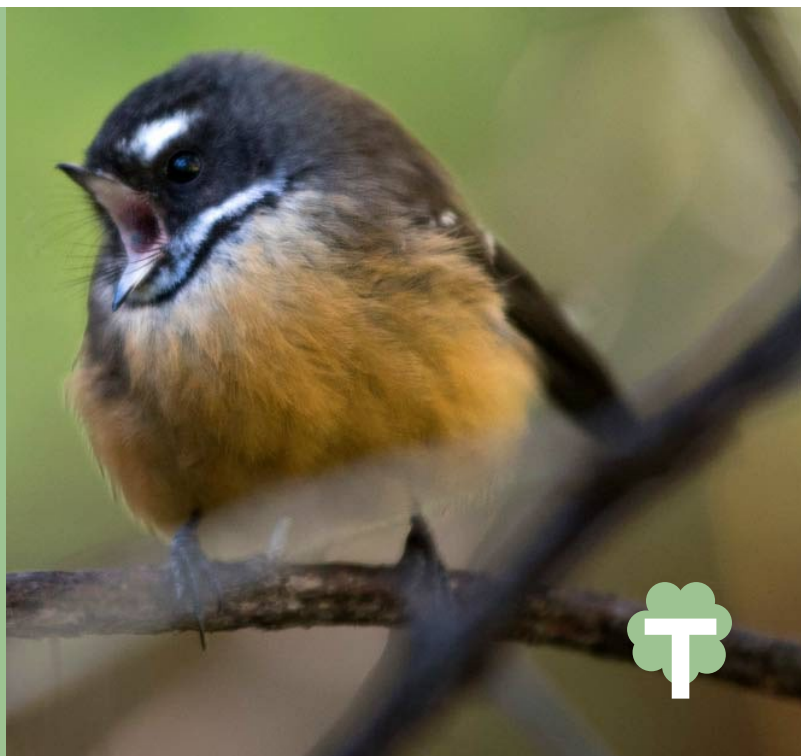
### **100 TREES FROM TREES THAT COUNT**

The Abel Tasman Birdsong Trust is on a mission to restore the forests and beaches of New Zealand's smallest national park, and to fill the park with birdsong once again.

The Abel Tasman is acclaimed for its golden beaches, lush native forests, estuaries and towering cliffs. In recent times the 22,530 hectares have been under threat from fires, farming, logging, weeds and predators. Thanks to the Birdsong Trust's efforts to conserve and nourish the environment, the park continues to thrive regardless.

Through the support of Trees That Count, the Department of Conservation, Project Janszoon, and the Marlborough community, the Trust is actively making progress to fulfil their broader restoration goals.

Native manu species like the kākā, pāteke and kākārīki have now returned to the park: a living testament to the Abel Tasman Birdsong Trust.





## 22 hectares being restored to native forest in Northland

### 2,500 TREES FROM TREES THAT COUNT

In the heart of Northland, the 242 hectare William Upton Hewett Reserve is north-west of Whangarei, nestled between Pipiwai and Titoki. The reserve's terrain is a mosaic of kauri-podocarp-broadleaf forest, gumland shrubland, dry heathland, and a large wetland.

The Native Forest Restoration Trust aims to plant on around 22 hectares of the land, and it's their hope that by 2021 their dream will be complete.

55.2 hectares of the reserve was destroyed by fire at the beginning of 2014. Of the vegetation types destroyed, 21.7 hectares were regenerating forest and 33.5 hectares were gumland/heathland flora. Initial efforts following the fire focused on weeding and seed collecting, but in 2017 the group also began to plant native regeneration patches.

The Trust's Sandy Crichton says the 2,500 trees from Trees That Count will help the community reach their restoration goals more quickly.

“The long-term vision for the William Upton Hewett Reserve is to conserve and enhance the natural vegetation and provide habitat for fernbirds and kiwi.”



## Four families making a difference on the North Taranaki Coast

### 250 TREES FROM TREES THAT COUNT

Tongaporutu Dune Restoration is a collective of four families who are passionate about restoring the dune system that's part of where they live on the beautiful North Taranaki Coast.

The windy environment on this coast, along with the land's use for cattle grazing, was causing significant dune erosion. To halt the effects of erosion, the family have dedicated time and effort to planting 7,000 native trees over the past 15 years.

Having returned large swathes of land to native vegetation, beautiful karo, pōhutukawa, taupata, puahou, tanguru and tī kōuka now fill the area.

The families are committed to eco-sourcing trees that have been propagated locally and therefore suit the climate and conditions.



## Marketing and campaigns

### Trees for Kiwi babies

The end of June brings with it Matariki, Māori New Year: a season to celebrate and prepare new ground for the following year. In 2019 we celebrated Matariki, and new life, with 'Trees for Kiwi Babies' planting events held in Wellington and Auckland.

In Wellington, we co-hosted this planting with Wellington City Council, and were delighted to welcome none other than Prime Minister Jacinda Ardern, who donned her gumboots and mucked in to help with the planting.

One particularly special tōtara the Prime Minister planted was for her baby daughter, Neve. Another 10 trees were planted for royal baby Archie Harrison Mountbatten-Windsor as part of the Government's official gift from New Zealand.



**WATCH:** Prime Minister Jacinda Ardern plants native trees for babies at Matariki.



*Our CEO, Adele Fitzpatrick with Trustee Nikki Bloomfield's kids at our Wellington Matariki planting event*



*Prime Minister Jacinda Ardern at our Wellington Matariki planting event*





Also in attendance at the Wellington Matariki event were MP for Rongotai Paul Eagle, Wellington Mayor Justin Lester, Ambassador to the Kingdom of the Netherlands Mira Woldberg, Southern Ward Councillor Fleur Fitzsimons, Director-General Ministry for Primary Industries Ray Smith and Deputy Director-General Te Uru Rākau Julie Collins, who helped to plant ceremonial miro and tōtara trees.

We wanted to encourage families, especially those with young children, to recognise the action being taken for their children's future by planting native trees. It was wonderful to see such a positive response from so many local families who joined us to plant 500 native trees at the special site in Newtown.

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**Prior to our Matariki planting, we ran a campaign encouraging Kiwis to crowdfund 'Trees for Kiwi Babies'.**

**The response was fantastic, with 11,500 trees donated and now in the ground across Wellington and Auckland.**

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As CEO Adele notes, we believe the Matariki events have the potential to become part of a wider sensibility. "We hope there'll be a cultural shift in New Zealand where gifting a native tree when a baby is born is just the Kiwi thing to do."



## **A gift fit for royal-tree**

Royal family fans will remember that in November 2019, the Prince of Wales and Duchess of Cornwall visited New Zealand. Trees That Count was delighted to be part of yet another official gift from New Zealand, with 10 native trees gifted as well as a pack of our popular 'Tree Snap', a card game featuring New Zealand trees.

The 10 native trees gifted to the royal couple will be planted by Te Kōhaka o Tūhaitara Trust in the 2020 planting season.

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**These kinds of opportunities speak not only to our core value of generosity, but also to the value that Aotearoa places on native trees and the work we do.**

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## Eliza comes on board

An environmental student with a heart for the outdoors and New Zealand's special native trees, there couldn't be a more perfect pick for a Trees That Count ambassador than Olympic pole vaulter Eliza McCartney.

Eliza joined the Trees That Count team in May 2019, just in time to play a major role in our Love Native Trees campaign along with fellow ambassador Sir Stephen Tindall. A Bronze medallist at the 2016 Olympics, and Silver medallist at the 2018 Commonwealth Games, Eliza's star only continues to rise.

We're very fortunate to have an athlete of her calibre on our team, but also to work with someone with so much passion, determination, and who is so articulate in communicating why native trees matter.

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**“It can be hard for young people to know what they can do to help our environment. Planting or donating a native tree is a simple way that every New Zealander can make a difference,”**  
**says Eliza.**

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## A movement takes flight: Taking native trees to the nation's TV screens

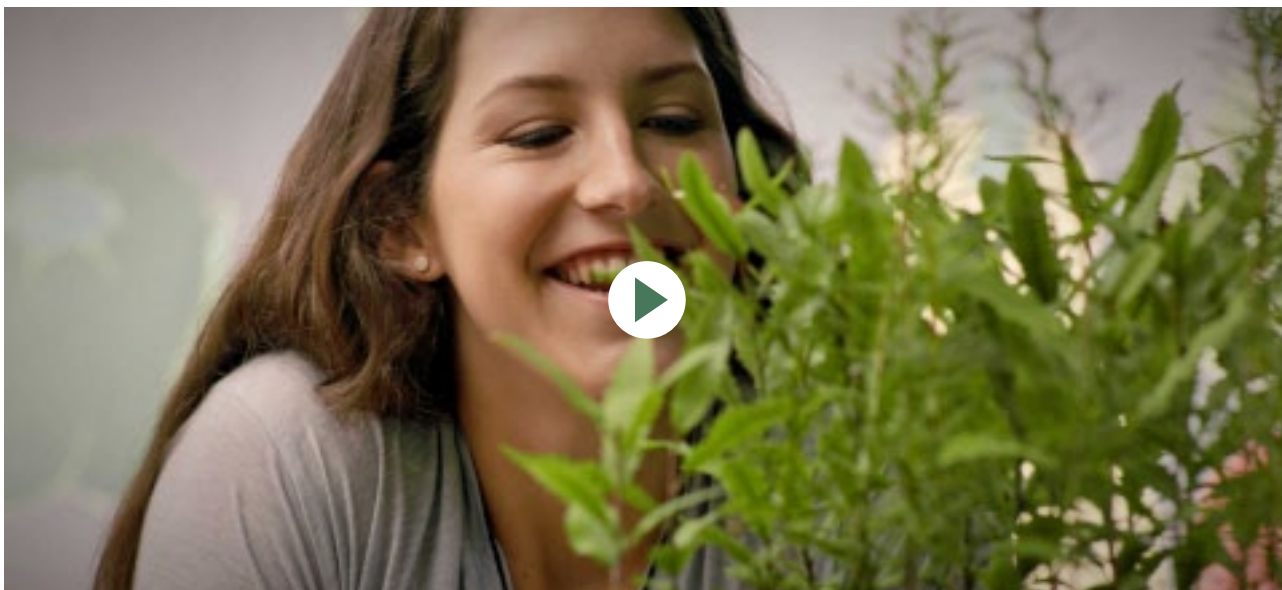
By the beginning of 2019, we were ready to share our story with the country. A core part of that was taking our native trees to New Zealand television screens as a way to quickly grow our brand reach, credibility and to get our native rākau front of mind for the nation.

Our marketing team, led by Melanie Seyfort, has continued to deliver the results with campaigns and content that speak to the hearts of New Zealanders.

### Love Native Trees

As part of our Love Native Trees campaign we ran our first TV commercial. TV was the perfect way for us to connect emotionally with New Zealanders through storytelling while providing high reach and mass coverage for national brand awareness.





**WATCH:** Our Love Native Trees TV commercial

To remind New Zealanders of the many reasons to love and value our very precious native trees, we enlisted the help of some kiwi legends to take part in our nationwide campaign.

**61%**

of people aged 25-54 saw  
the TV ad at least once.  
That's **1.13 million** people

**40%**

of people aged 25-54 saw the  
TV ad three times or more



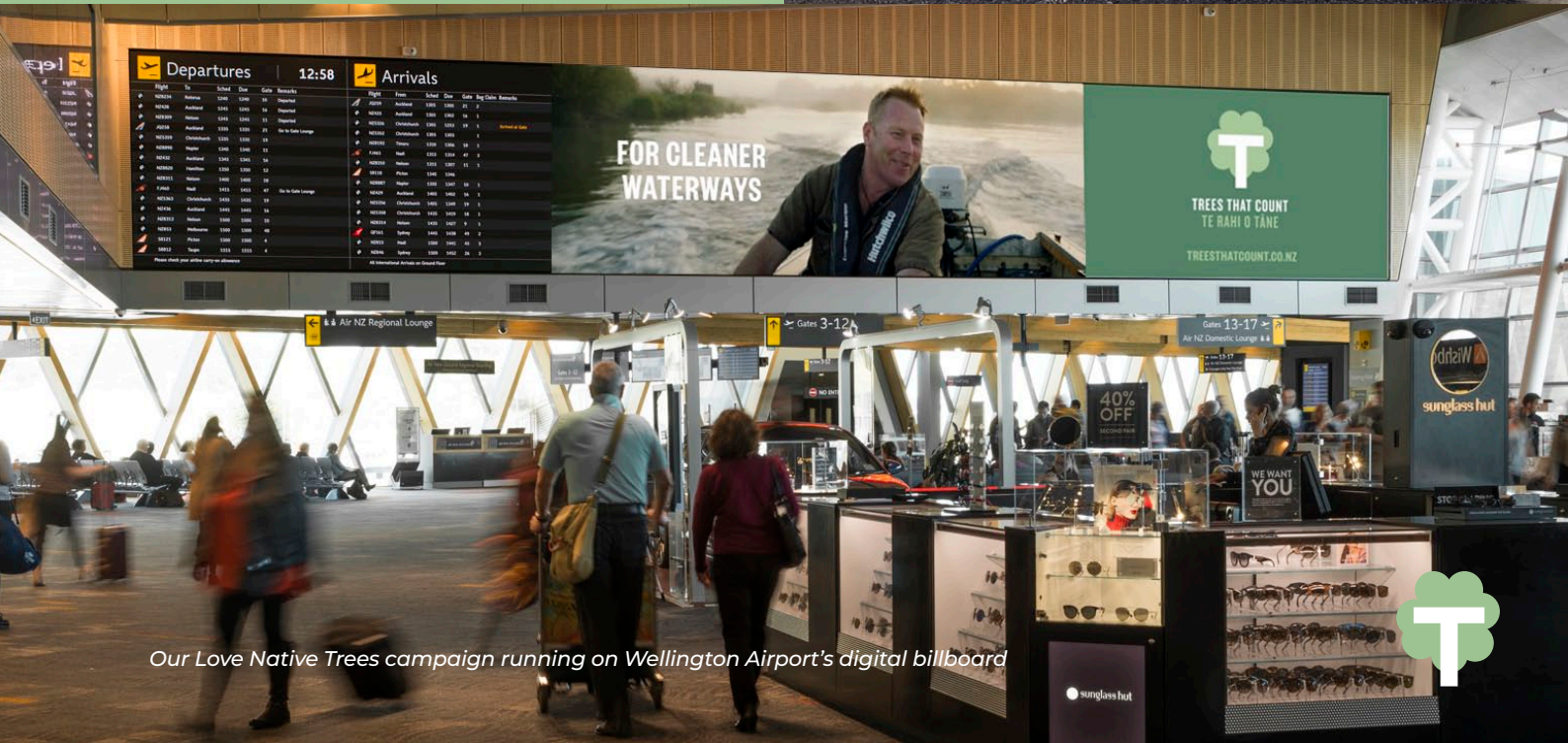
**A big thanks to:** Eliza McCartney, Hinemoa Elder, Trelise Cooper, Sir Stephen Tindall, Stu Muir, Josh Emmet and Fleur Caulton, Nadia Cooper, Joris de Bres, Stephen England-Hall, Jonty & Margot, Isla & Darcy.







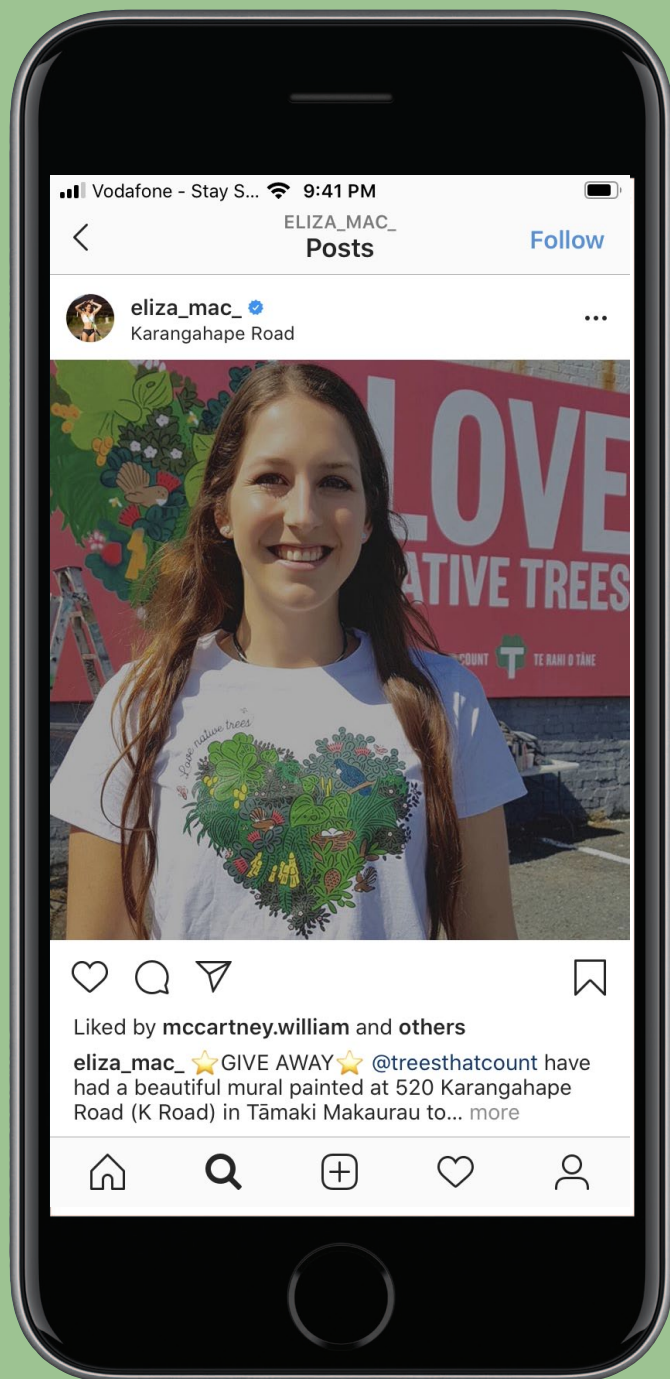
Our TV campaign was supported through our website, out of home posters, billboards and through social and digital ads. Our tree-shirts made for the perfect giveaway and wearable slice of nature.



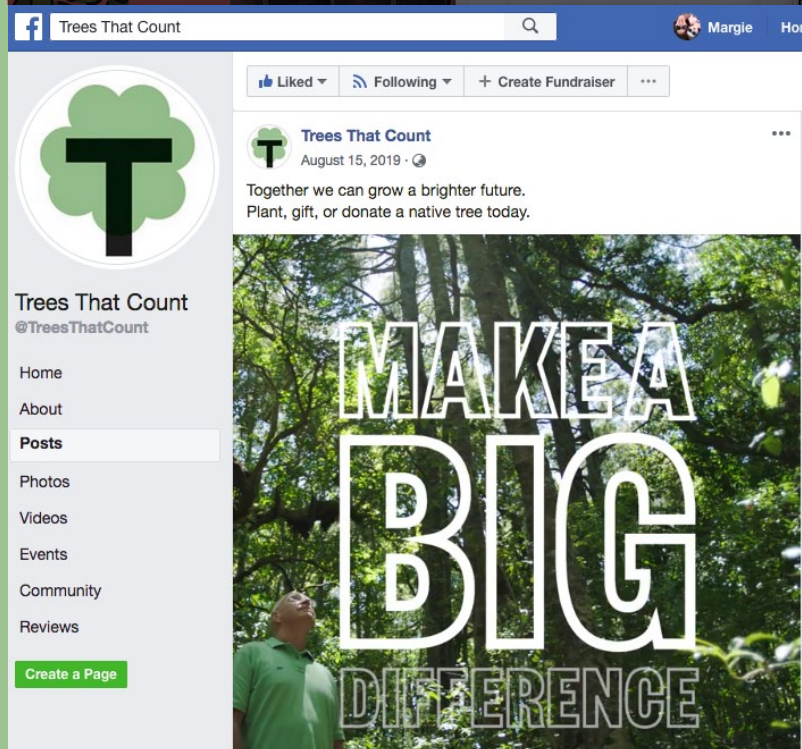
Our Love Native Trees campaign running on Wellington Airport's digital billboard







At both mural installations in Auckland and Wellington, we gave away free t-shirts featuring our iconic native tree heart design



WATCH: Mural installation



Love Native Trees set the trajectory and from there, things really began to grow.

# 80%

increase in Instagram followers

Before campaign: 2,530 followers (May 2019)  
Post campaign: 4,603 followers (Dec 2019)

# 19%

increase in Facebook followers

Before campaign: 13,604 followers (May 2019)  
Post campaign: 16,242 followers (Dec 2019)

# Website

traffic spikes when we are 'in campaign'

## Meet the Jenkins Family

Christmas is our largest gifting campaign of the year and we wanted to continue the momentum from Love Native Trees.

We took a totally different approach for our second television commercial, bringing a humour and lightness that encouraged people to ditch the throwaway gifts to help our forests. Over 900,000 people saw our Jenkins Family Christmas ad, which translated to close to 30,000 native trees gifted through the marketplace in December alone.



WATCH: The Jenkins Family Christmas

What we've seen this year is that our marketing works. Each time we're in campaign we see immediate results: significant spikes in gifting, website visits, social media followers and funders approaching us to work together.





## Working with the business community

As our research earlier this year showed us, customers are increasingly favouring socially responsible companies and supporting businesses who align with their personal values. For us, that's meant businesses can see that investing in New Zealand's native trees isn't just the right thing to do, it also makes good business sense.

Native trees are a gift to our natural environment: they absorb carbon dioxide from the atmosphere, encourage biodiversity, help restore waterways and habitat for native fauna, and reduce soil and rainwater run-off. They're also integral to what makes New Zealand such a desirable destination for tourists from around the world.

Just as the simple act of planting a native tree has resonated so deeply with the general public, businesses wanting to offer their support have also significantly grown in number during 2019. We've been privileged to have businesses of all shapes and sizes approach us, who are keen to give back to Aotearoa and make a difference where it matters most.

We make it as easy as we can for businesses to do the right thing and feel good about making change. There's lots of ways they can get involved, from starting a tree registry for crowdfunding support, through to gifting trees to staff or customers or funding a large planting project.

Here's just some of the awesome Kiwi businesses we've been lucky to work with in 2019.

### energyclubNZ

**FUNDED: 2,165 TREES**

**SUPPORTED: 6 PLANTING PROJECTS**



energyclubNZ is a New Zealand based energy retailer that joined the Trees That Count movement in July 2019. To kickstart their support, they started a tree registry which they encourage members to make monthly donations to.

The company's registry was originally created to support tree planting in the Nelson, Tasman and Marlborough communities, but it is growing over time to support more projects around the country.

### Honda NZ

**FUNDED: 28,977 TREES**

**SUPPORTED: 20 PLANTING PROJECTS**



Honda's founder Soichiro Honda had a strong environmental vision which inspired the company to establish a Tree Fund in 2004.

As part of their ongoing commitment to planting more native trees to improve our environment, Honda NZ has worked closely with Trees That Count since 2018, funding almost 30,000 native trees through the marketplace.

Their phenomenal generosity has been vital to so many planting projects around the country flourishing.



## Redeem Drinks

**FUNDED: 395 TREES**

**SUPPORTED: 2 PLANTING PROJECTS**



Redeem is crafted kefir soda – a living, organic drink made in Hawke's Bay, using local water straight from the source.

As part of their mission to “redeem the world”, 1% of Redeem's total sales goes to Trees That Count to help us plant more native trees throughout New Zealand. The team at Redeem understand that more native trees means greater biodiversity, cleaner waterways and reduced effects of climate change for future generations.

200 trees generously funded by Redeem will be planted in their local area, at Havelock North's Te Mata Park. Another 195 will go to their neighbouring region's Hauraki Islands Forest and Bird.

## Mad Campers

**FUNDED: 339 TREES**

**SUPPORTED: 6 PLANTING PROJECTS**



Mad Campers is a Kiwi-owned business that's been making waves in the tourism industry since late 2017. With a focus on giving back to the environment, this 8-person operation

is big on respecting New Zealand's great outdoors and ensuring their travellers not only have the trip of a lifetime but also that they travel sustainably.

Mad Campers is determined to be a positive player in the tourism industry. In addition to plans to enhance the eco-efficiency of their vans, Mad Campers is funding trees through the Trees That Count marketplace and offering travellers the option to donate a native tree when they book.

Owner Andy Haslett's desire to work with Trees That Count was driven by their mutual future focus, saying that Trees That Count “offer something that grows and that is constantly giving back to NZ”.

## Ecopack/Ecobags NZ

**FUNDED: 1000 TREES**

**SUPPORTED: 5 PLANTING PROJECTS**



Ecobags NZ, also known under the Ecopack brand, is a New Zealand company made up of people who believe in sustainability. They're on a mission to provide sensible alternatives that help kiwis transition away from single-use plastic in their everyday lives and work.

Ecobags NZ earned our Committed to Climate stamp in 2019 by donating a portion of profits toward native tree planting. They've funded a total of 1000 trees to be planted and cared for around the country by five different planting groups, including Friends of Kapiro-Rangitane Stream, Paparoa Wildlife Trust, and Te Kāhano o Aotearoa.





# Financial Statements 2019

For the year ended 31 December 2019  
Prepared by Connected Accountants



# Approval of Financial Report The Project Crimson Trust

## **For the year ended 31 December 2019**

The Trustees are pleased to present the approved financial report including the historical financial statements of The Project Crimson Trust for year ended 31 December 2019.

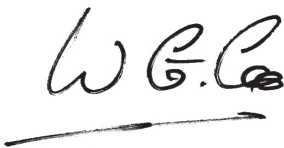
### **APPROVED**

A handwritten signature in black ink, appearing to read 'Joris De Bres', with a horizontal line drawn underneath.

**Joris De Bres**

CHAIR

14 May 2020

A handwritten signature in black ink, appearing to read 'Gill Cox', with a horizontal line drawn underneath.

**Gill Cox**

TREASURER

14 May 2020



# Statement of Comprehensive Income

## The Project Crimson Trust

For the year ended 31 December 2019

	NOTES	2019	2018
<b>Revenue</b>			
<b>Revenue from Exchange Transactions</b>			
Revenue from providing goods or services		144,307	0
Investment revenue		17,179	1,071
<b>Total Revenue from Exchange Transactions</b>		<b>161,486</b>	<b>1,071</b>
<b>Revenue from Non-Exchange Transactions</b>			
Grants, Donations, fundraising and other similar revenue	1	3,711,277	2,572,187
<b>Total Revenue from Non-Exchange Transactions</b>		<b>3,711,277</b>	<b>2,572,187</b>
<b>Total Revenue</b>		<b>3,872,762</b>	<b>2,573,258</b>
<b>Expenses</b>			
Volunteer and employee related costs	2	1,565,619	815,051
Costs related to providing goods or service	2	1,975,702	805,070
Other expenses	2	155,372	476,548
<b>Total Expenses</b>		<b>3,696,693</b>	<b>2,096,669</b>
<b>Total Surplus/(Deficit) for the Year</b>		<b>176,069</b>	<b>476,589</b>
<b>Total Comprehensive Revenue and Expenses</b>		<b>176,069</b>	<b>476,589</b>

The accompanying notes form part of and are to be read in conjunction with these financial statements.

# Statement of Financial Position

## The Project Crimson Trust

As at 31 December 2019

	NOTES	31 DEC 2019	31 DEC 2018
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	3	445,733	732,657
Receivables from Non-Exchange Transactions	3	89,781	414,794
GST Receivable		21,014	0
Investments	3	700,000	300,459
Inventory	3	6,134	0
Land Held for Distribution		0	20,000
<b>Total Current Assets</b>		<b>1,262,663</b>	<b>1,467,910</b>
<b>Non-Current Assets</b>			
Intangible Assets	4	249,680	305,014
<b>Total Non-Current Assets</b>		<b>249,680</b>	<b>305,014</b>
<b>Total Assets</b>		<b>1,512,342</b>	<b>1,772,924</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Creditors	6	263,460	263,945
Less Billed in advance		0	350,000
GST Payable		0	86,166
<b>Total Current Liabilities</b>		<b>263,460</b>	<b>700,110</b>
<b>Total Liabilities</b>		<b>263,460</b>	<b>700,110</b>
<b>Net Assets</b>		<b>1,248,883</b>	<b>1,072,814</b>
<b>Equity</b>			
Capital contributed by owners or members	5	100	380,100
Accumulated Comprehensive Income	5	915,204	692,714
Tree Planting Reserve	5	333,579	0
<b>Total Equity</b>		<b>1,248,883</b>	<b>1,072,814</b>

The accompanying notes form part of and are to be read in conjunction with these financial statements.



# Statement of Changes in Net Assets

## The Project Crimson Trust

For the year ended 31 December 2019

	2019	2018
<b>Equity</b>		
Opening Balance	1,072,814	596,225
<b>Increases</b>		
Surplus/(Deficit) for the year	176,069	476,589
Retained Earnings	333,579	0
Transfer to Tree Planting Reserve	(333,579)	0
<b>Total Increases</b>	<b>176,069</b>	<b>476,589</b>
<b>Total Equity</b>	<b>1,248,883</b>	<b>1,072,814</b>

*The accompanying notes form part of and are to be read in conjunction with these financial statements.*

# Statement of Cash Flows

## The Project Crimson Trust

For the year ended 31 December 2019

	2019	2018
<b>Cash Flows from Operating Activities</b>		
Grants, Donations, fundraising and other similar receipts	3,817,091	2,431,471
Interest revenue	17,179	1,071
Cash receipts from other operating activities	18,764	0
Payments to suppliers and employees	(3,614,578)	(1,307,409)
<b>Total Cash Flows from Operating Activities</b>	<b>238,455</b>	<b>1,125,133</b>
<b>Cash Flows from Investing and Financing Activities</b>		
Payments to acquire Intangible Assets	(125,838)	(324,778)
Payments to purchase investments	(399,541)	(300,459)
<b>Total Cash Flows from Investing and Financing Activities</b>	<b>(525,379)</b>	<b>(625,237)</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>(286,924)</b>	<b>499,896</b>
<b>Cash Balances</b>		
Cash and cash equivalents at beginning of period	732,657	232,761
Cash and cash equivalents at end of period	445,733	732,657
<b>Net change in cash for period</b>	<b>(286,924)</b>	<b>499,896</b>

*The accompanying notes form part of and are to be read in conjunction with these financial statements.*



# Statement of Accounting Policies

## The Project Crimson Trust

For the year ended 31 December 2019

### Reporting Entity

The reporting entity is The Project Crimson Trust ("Project Crimson"). Project Crimson is domiciled in New Zealand and is a charitable organisation registered under the Incorporated Societies Act 1908 and the Charities Act 2005. The financial statements comprising of The Project Crimson Trust are presented for the year ended 31 December 2019. These financial statements and the accompanying notes summarise the financial results of activities carried out by Project Crimson.

The registered office is located at:  
Level 2, 40 Taranaki Street, Te Aro, Wellington,  
New Zealand, 6011

The Trust is a charitable trust created by deed dated 20 October 1995, and the operations and principle activities are to encourage and undertake the protection, conservation and restoration of New Zealand native trees and Pohutakawa and Rata especially.

### Statement of Compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity Accounting Standards Reduced Disclosure Regime ("PBE RDR") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Tier 2 Not-For-Profit entities.

For the purposes of complying with NZ GAAP, the entity is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large. The Board of Trustees has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

The financial statements have been prepared on the assumption that the entity will continue to operate in the foreseeable future.

In adopting the going concern basis, the Trustees considered the impact on the Trust of the Covid-19 pandemic, which occurred after the reporting date. Refer to note 10 on page 14 for further details.

### Summary of Accounting Policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to both years presented in these financial statements.

#### 1. Basis of measurement

These financial statements have been prepared on historical cost basis except land held for distribution is held at realisable value and financial instruments as described in Accounting Policy 6.

## 2. Functional and presentation currency

These financial statements are presented in New Zealand Dollars (NZD), which is the entities functional currency.

## 3. Changes in Accounting Policies

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

## 4. Revenue

Revenue is accounted for as follows:

### Donations and Grants

Donations and Grants are accounted for depending on whether they have been provided with a “use or return” condition attached or not. Where no use or return conditions are attached to the donation or grant, revenue is recorded as income when the cash is received. Where donations and grants include a use or return condition, the donation or grant is initially recorded as a liability on receipt. The donation or grant is subsequently recognised within the Statement of Financial Performance as the performance conditions are met.

Donated goods or services (other than donated assets) are not recognised. Where significant donated assets are received with useful lives of 12 months or more, and the fair value of the asset is readily obtainable, the donation is recorded at the value of the asset obtained. Where the fair value of the asset is not readily obtainable, the donation is not recorded. Donated assets with useful lives less than 12 months are not recorded.

### Revenue from providing goods and services Income

Revenue from providing goods and services income is recognised when a sale is made.

### Interest income

Interest income is recognised as it is earned on an accruals basis.

### Other income

All other income is accounted for on an accruals basis and accounted for in accordance with the substance of the transaction.

## 5. Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

## 6. Depreciation & Amortisation of Non Current Assets

Depreciation is charged at a rate equivalent to the estimated economic life. Depreciation is charged to surplus or deficit. The following rates have been used:

*Web Development* 33% SL

## 7. Financial Instruments

The entity classifies its financial instruments in the following categories: loans and receivables, and financial liabilities measured at amortised cost. The classification of instruments depends on the purpose for which the instruments were acquired. Management determines the classification of its financial instruments at initial recognition and re-values this designation at each reporting date. Financial assets and liabilities are recognised initially at fair value plus



transaction costs, except for those classified as available-for-sale, which are measured at fair value.

A financial instrument is recognised when the entity becomes party to the contractual provisions of the instruments. Financial assets are derecognised if the contractual right to the cash flows from the financial assets expires or if the entity transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. A financial liability is derecognised when it is extinguished, discharged, cancelled, or expires.

### **Loans and Receivables**

Loans and receivables are non-derivative financial instruments with fixed or determinable payments that are not quoted in an active market. They arise when the entity provides money, goods, or services directly to a debtor with no intention of selling the receivable. They are included in the current assets, except for those with maturities greater than twelve months after the date of the Statement of Financial Position which are classified as non-current assets. The entities loans and receivables comprise 'trade and other receivables', 'cash and cash equivalents' and 'term deposits'. Loans and receivables are measured at their cost less impairment losses.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances, call deposits and term deposits with original maturities of 90 days or less, and bank overdrafts. The face value of cash and cash equivalents represents fair value.

### **Trade and other receivables**

Trade and other receivables are measured at amortised cost, less uncollectable amounts. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. Uncollectable amounts are recognised in surplus or deficit and are deducted from trade receivables in the Statement of Financial Position.

### **Term Deposits**

Term Deposits comprise deposits with original maturities of more than 90 days. Deposits maturing more than 12 months after year-end are recognised as non-current assets in the Statement of Financial Position. The face value of term deposits represents the fair value.

### **Financial liabilities measured at amortised cost**

Financial liabilities measured at amortised cost using the effective interest method are non-derivative financial instruments and comprise trade and other payables.

## **8. Taxation**

The Project Crimson Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

## **9. Goods and Services Tax (GST)**

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

## **10. Critical accounting estimates and assumptions**

In preparing these financial statements, the Trust has made estimates and assumptions concerning the future. These estimates and assumptions might differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities in the next financial year are:

- useful lives of the intangible assets (refer accounting policy 6 and note 4)

## **11. Critical judgements in applying accounting policies**

Management has exercised the following critical judgements in applying accounting policies:

- recognition of non-exchange revenue (refer note 1)
- recognition of expenses (refer note 7)



# Notes to the Performance Report

## The Project Crimson Trust

For the year ended 31 December 2019

### 1. Analysis of Revenue from non-exchange transactions

	2019	2018
Other Revenue	3,608	6,002
<b>Treemendous</b>		
Mazda – Treemendous	45,000	74,783
<b>Total Treemendous</b>	<b>45,000</b>	<b>74,783</b>
<b>Trees That Count</b>		
DOC & MfE Education Manager Funding	56,660	0
The Warehouse Group Carbon Programme	4,313	59,567
The Tindall Foundation	300,000	664,297
Marketplace Funding for Trees	966,696	812,539
Total Trees That Count	1,327,668	1,536,403
Te Uru Rākau Funding	2,335,000	955,000
<b>Total Analysis of Revenue from non-exchange transactions</b>	<b>3,711,277</b>	<b>2,572,187</b>

## 2. Analysis of Expenses

	2019	2018
<b>Volunteer and employee related costs</b>		
BYO Tech Allowance for Permanent Employees	19,158	0
Contractors & Employees – Project Crimson	1,528,929	815,051
Kiwisaver	17,533	0
<b>Total Volunteer and employee related costs</b>	<b>1,565,619</b>	<b>815,051</b>
<b>Costs related to providing goods or services</b>		
Accounting Fees	8,455	1,372
Apparel	15,415	0
Auditors' Fees – Audit Fees	11,424	8,200
Auditors' Fees – Other Services	380	0
Bank Fees	426	373
Data Commons	0	37,000
Donation Expenses	2,089	0
Event Costs	52,657	46,832
Insurance	7,017	0
IT Support	7,710	1,406
Legal	23,838	46,376
Marketing	1,038,281	217,088
Office Expenses	50,976	21,058
Travel & Accommodation	122,938	60,218
Trees That Count	634,097	365,148
<b>Total Costs related to providing goods or services</b>	<b>1,975,702</b>	<b>805,070</b>
<b>Other expenses</b>		
Amortisation	155,330	116,548
Interest Expense	43	0
Revaluation Expense	0	360,000
<b>Total Other expenses</b>	<b>155,372</b>	<b>476,548</b>



### 3. Analysis of Current Assets

	2019	2018
<b>Bank accounts and cash</b>		
BNZ – Trust Account	67,648	119,756
BNZ – Donations	77,506	22,477
BNZ – Treasury Call Account	100,579	40,424
Term Deposits Maturing in 90 days or less	200,000	550,000
<b>Total Bank accounts and cash</b>	<b>445,733</b>	<b>732,657</b>
<b>Debtors and prepayments</b>		
Accounts Receivables	61,870	413,632
Prepayments	27,911	1,162
<b>Total Debtors and prepayments</b>	<b>89,781</b>	<b>414,794</b>
<b>Investments</b>		
Term Deposits Maturing in more than 90 Days	700,000	300,459
<b>Total Investments</b>	<b>700,000</b>	<b>300,459</b>
<b>Land Held for Distribution</b>		
Land Held for Distribution	0	20,000
<b>Total Land Held for Distribution</b>	<b>0</b>	<b>20,000</b>

There have been no bad debt write offs in the year nor any provision for uncollectable debts.

#### 4. Intangible Assets

	2019	2018
Original Cost	552,503	452,508
Accumulated Amortisation	(302,823)	(147,494)
Net Book Value	249,680	305,014

Reconciliation of the carrying amount at the beginning and end of the period:

	2019	2018
Opening Book Value	305,014	108,941
Additions	99,995	312,621
Amortisation	(155,330)	(116,548)
Net Book Value	249,680	305,014

#### 5. Accumulated Funds

	2019	2018
<b>Accumulated Funds</b>		
Opening Balance	1,072,814	596,225
Transfer to Tree Planting Reserve	(333,579)	0
Accumulated surpluses or (deficits)	176,069	476,589
<b>Total Accumulated Funds</b>	<b>915,304</b>	<b>1,072,814</b>
<b>Reserves</b>		
Tree Planting Reserve	333,579	0
<b>Total Reserves</b>	<b>333,579</b>	<b>0</b>
<b>Total Accumulated Funds &amp; Reserves</b>	<b>1,248,883</b>	<b>1,072,814</b>

#### Tree Planting Reserve

The Tree Planting Reserve represents the expected future cost of trees donated through the marketplace, which have not yet been purchased. The future cost of trees has been determined based on quoted average cost per tree for 2020 planting.



## 6. Analysis of Liabilities

	2019	2018
<b>Creditors and accrued expenses</b>		
Accounts Payable	237,997	247,258
Credit Card Balance	2,137	5,988
Sundry Accruals	23,326	10,698
<b>Total Creditors and accrued expenses</b>	<b>263,460</b>	<b>263,945</b>

## 7. Commitments

Trees That Count has committed to funding 224,829 native trees for planting groups to plant in 2020. Based on the quotes received and estimated tree prices the financial commitment is estimated to be \$928,671.53 as at 31 December 2019.

## 8. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 December 2019 (Last year – nil).

## 9. Related Parties

Description	2019	2019	2018	2018
	Value of Transactions	Owing at 31 December	Value of Transactions	Owing at 31 December
Adele Fitzpatrick – Contract Fees – CEO	\$39,930		\$85,288	
David Bergin – Science/Technical advisor fees	\$56,925		\$82,975	
Michael Bergin (David's Son) – Science/Technical advisor fees	\$22,256.25		\$40,331	
Ruud Kleinpaste – Treemendous – Specialist Fees	\$5,000		\$4,000	
<b>Total</b>	<b>\$124,111.25</b>		<b>\$212,594</b>	

## 10. Events After the Balance Date

The uncertainty as to the future impact on the Trust of the recent Covid-19 outbreak has been considered as part of the Trust's adoption of the going concern basis. Some corporate funding has reduced, particularly around planned fundraising events for the Trust by our corporate supporters in March and April, and the unlikelihood that we will receive funding for trees from tourism businesses. This loss of income for March-June is estimated at around \$120,000, however this has been slightly offset by an increase in support from individuals generosity while we have been marketing. Further, our funding from Te Uru Rākau is secure providing we continue to meet our contracted KPIs. Our contracted revenue target for the year has already been met. It is likely that funding into the marketplace will slow in quarter 3 and 4 of 2020, although we've still seen strong activity up until lockdown implementation and we enter this period in a strong financial position.

The Trustees have considered four different forecast scenarios provided by Management. In the worst case scenario the following assumptions have been used: Marketplace activity reduces by 75% in budgeted revenue from May to year-end with greater reduction in expenses of around \$757,000 without having impact on marketing activity and staff numbers. Expenses would be reduced by less travel, reduced rent and not taking on additional budgeted contract resources. This analysis results in a loss of \$395,000 which can be covered by cash in hand. The Trustees endorsed this approach.

There has been little operational impact as the team are all able to work remotely. Under government restrictions the Regional Advisors have not been able to make site visits and some planting events have been postponed.

Management's assumptions about the impact of Covid-19 are subject to significant uncertainty. The actual impact may not be as bad as, or may exceed, the worst case scenario presented. The Trustees' considered view is that in all reasonably likely scenarios, the Trust will be able to continue to operate. Accordingly, no adjustments have been made relating to recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.



# Auditor's Report

**For the year ended 31 December 2019**

Baker Tilly Staples Rodway Audit Limited  
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## INDEPENDENT AUDITOR'S REPORT

### To the Trustees of The Project Crimson Trust

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of The Project Crimson Trust ('the Trust') which comprise the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ('PBE Standards RDR').

Our report is made solely to the Trustees of The Project Crimson Trust. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees of The Project Crimson Trust, for our audit work, for our report or for the opinions we have formed.

##### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, The Project Crimson Trust.

##### Emphasis of Matter

We draw attention to Note 10 of the financial statements, which describes the effects on the Trust of the Covid-19 pandemic, which occurred after the balance date. Our opinion is not modified in respect of this matter.

**Responsibilities of the Trustees for the Financial Statements**

The Trustees are responsible on behalf of the Trust for the preparation and fair presentation of the financial statements in accordance with PBE Standards RDR, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

<https://xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>

A handwritten signature in blue ink that reads 'Baker Tilly Staples Rodway'.

**BAKER TILLY STAPLES RODWAY AUDIT LIMITED**

**Wellington, New Zealand**

14 May 2020





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To every New Zealand individual, family or business – big and small – who has funded or gifted a native tree to Aotearoa in 2019, thank you. We couldn't have done it without you.

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Funded by



**Te Uru Rākau**  
Forestry New Zealand

