
Annual Report 2013





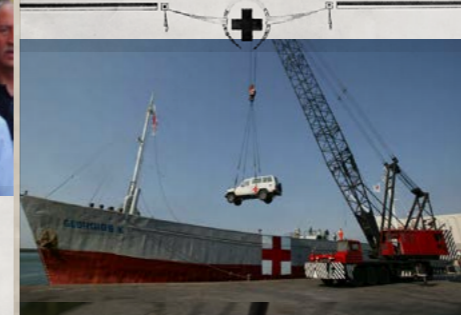

ICRC
150 years
of humanitarian action

This year we join our sister societies in 189 countries around the world in celebrating the tenacity of hope in the face of disaster and the humanitarian impulse to help others in need.

From the beginning we have nurtured a mission to alleviate the suffering of displaced people and this year we're proud to be able to put our skills and experience at their disposal here in New Zealand as we welcome Refugee Services Aotearoa to our whānau.

Together we commemorate 150 years of neutral, impartial and independent efforts to bring relief and improve the lives of millions affected by armed conflict and natural calamities.

In their time of greatest need we offer them hope.



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What we've achieved this year

1,400

RETAIL VOLUNTEERS

94%

VOLUNTEER
WORKFORCE

RETAIL

PAGE 30

49

SHOPS

62,047

FIRST AID
PARTICIPANTS



PAGE 24

NZQA RATED
"Double Highly
Confident"

583

VOLUNTEERS



REFUGEE
SERVICES

PAGE 20

134,090

VOLUNTEER HOURS
WORKED

848

REFUGEES
SUPPORTED

219

HOSPITAL SERVICE
VOLUNTEERS

8,978

HOSPITAL SERVICE
VOLUNTEER HOURS

1,393

DAYS OF SERVICE



HOSPITAL
SERVICES

PAGE 18

SUPPORTERS

PAGES 29, 31

4,551

MEMBERS

7,978

VOLUNTEERS

32,000

MONTHLY DONORS

26,500

AVERAGE MONTHLY
WEBSITE VISITS

DIGITAL
COMMUNICATIONS

PAGE 33

5,346

TWITTER
FOLLOWERS

8,507

FACEBOOK
FOLLOWERS

17,196

PATIENTS
TRANSPORTED

34,469

COMMUNITY TRANSPORT
VOLUNTEER HOURS

COMMUNITY
TRANSPORT

PAGE 18



581

VOLUNTEER
DRIVERS

1,033

PEOPLE SAVERS
COURSES DELIVERED



PEOPLE
SAVERS

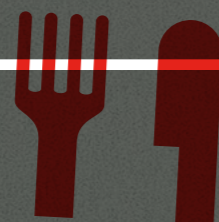
PAGE 18

24,462

NUMBER OF PARTICIPANTS

664,182

MEALS DELIVERED



MEALS ON
WHEELS

PAGE 18

95,478

MEALS ON WHEELS
VOLUNTEER HOURS

4,629

MEALS ON WHEELS
VOLUNTEER DRIVERS



PAGE 18

274

COURSES
DELIVERED

4,859

VOLUNTEER HOURS

National President's Report



Jenny in Mozambique as an ICRC health delegate (1987).
PHOTO: JENNY MCMAHON

National President Jenny McMahon helps deliver the belongings of newly settled Afghan interpreters in Hamilton.

THIS YEAR IT IS 150 YEARS SINCE THE INCEPTION OF THE WORLDWIDE RED CROSS MOVEMENT. IN THAT TIME RED CROSS HAS BECOME A GLOBAL FORCE HELPING PEOPLE PREPARE FOR, RESPOND TO AND RECOVER FROM CHALLENGES AND ADVERSITY. AT THE SAME TIME NEW ZEALAND RED CROSS IS GETTING READY TO CELEBRATE 100 YEARS OF ACTIVITY IN NEW ZEALAND IN 2015.

For those of us who volunteer or work for Red Cross, it is the Fundamental Principles and the strategic objectives the organisation stands for that we all strive to achieve. We prize these values very highly and are all working together to deliver the five strategic aims (see opposite page).

Our biggest achievement of the year was in December 2012, when we had the pleasure of welcoming the wonderful team of Refugee Services to our family. Each and every organisation has its foibles and intricacies, but I do hope our newest volunteers and staff are finding their way and enjoying being a part of our great National Society. It is a pleasure to have so many dedicated people join us to deliver services and give support to our new New Zealanders. We embrace the opportunity as an organisation to fully integrate and blend all our activities as one. I had the honour of being at Whenuapai air base to welcome the Afghan interpreters and their families, and also at the Hamilton welcome ceremony for these people, and witnessed first hand the dedication of our Refugee Services staff and volunteers.

Our work in the recovery of Christchurch also continues. The New Zealand Red Cross 2011 Earthquake Commission (that guides us in the allocation of cash

grants) and recovery department is now administered by a single team in our Christchurch office. I am proud that we have now distributed earthquake grants to 100,000 recipients – a quarter of the population of greater Christchurch. Our work to identify need and ameliorate stresses continues. I would like to express my sincere thanks to Sir John Hansen and other members of the Commission who are all volunteers. None of our work in Canterbury would have been possible without their expertise, commitment, compassion and sound judgement.

Our new area council structure is working well and providing a platform for the voice of the community. The ongoing integration and bedding in following the second election cycle is heartening. Our objective remains for our membership to be the eyes and ears of Red Cross in our communities, and to identify local needs and propose solutions, including preventative strategies.

I want to express on behalf of myself and the national board, my sincere thanks to all members, volunteers and staff for their commitment, time and consideration to Red Cross. The work of Red Cross cannot be done without such willingness and generosity of spirit. I would also like to thank the trustees of the New Zealand Red Cross Foundation, which looks after our investments.

Finally, we are delighted to welcome Tony Paine to the senior leadership role of Secretary General of New Zealand Red Cross. We look forward to building on his wealth of experience for a bright and positive way forward, developing and extending our reach into communities here in New Zealand and abroad.

Jenny McMahon
Dr Jenny McMahon NATIONAL PRESIDENT



- 

STRATEGIC AIM #1
We will prepare for, respond to and enable recovery from disasters and crises.
- 

STRATEGIC AIM #2
We will enable healthy and safe living.
- 

STRATEGIC AIM #3
We will promote a culture of social inclusion.
- 

STRATEGIC AIM #4
We will attract and retain highly engaged and diverse members, volunteers and staff.
- 

STRATEGIC AIM #5
We will have a strong financial base, with growing income and a robust infrastructure.

PHOTO: CORINNE AMBLER / NEW ZEALAND RED CROSS



Interim Secretary General's Report

IT HAS BEEN ANOTHER VERY SUCCESSFUL YEAR FOR NEW ZEALAND RED CROSS, ESPECIALLY IN THE AREAS OF RESILIENCE AND TECHNOLOGY, WHERE WE HAVE BEEN MOVING AHEAD IN LEAPS AND BOUNDS. THE FIRST STRATEGIC AIM OF NEW ZEALAND RED CROSS IS TO "PREPARE FOR, RESPOND TO AND ENABLE RECOVERY FROM DISASTERS AND CRISES", WHICH INCLUDES "MAXIMISING THE USE OF TECHNOLOGY IN DISASTER RESPONSE", AND WE HAVE ACHIEVED THAT WITH A LARGE INVESTMENT IN OUR RESPONSE TEAMS AND EQUIPMENT AND NEW TECHNOLOGY.

Donations after the Canterbury earthquake from partner national societies enabled us to build and resource five new disaster welfare support trucks, which are effectively mobile welfare centres. This investment means we are now more prepared than ever to respond because, as we know, disasters can strike quickly and without warning.

New Zealand is vulnerable to a range of natural hazards, including earthquakes, floods and volcanic eruptions, so it is critical we have well trained and resourced response teams. So we have boosted our disaster welfare support teams this year with new vehicles and equipment, and have also formed a new self-sufficient national disaster response team for big emergencies at home and in the Pacific.

We are also embracing technology, with one example being our new reverse osmosis desalination units. Such equipment used to be so heavy it had to be transported by helicopter, but our new portable units fit into a suitcase and can be carried on commercial flights and small boats. This investment proved invaluable earlier this year when four of our aid workers responded to the drought in the Marshall Islands, providing fresh drinking water for thousands of people.

Interim Secretary General Andrew McKie with one of the disaster welfare support trucks.

PHOTO: NEIL MACKENZIE / ONLINEFOTOS LTD

In other technology successes, our international team has won an award jointly with Flinders University in Australia for finding a way for smart phones to communicate via WiFi in the event of a catastrophic failure of the cellular network. By using an iridium satellite beacon alongside the smart phone, people will be able to communicate with loved ones when cellphone networks are down, and Red Cross personnel will be able to send and receive maps and other information, which will speed up disaster assessment and data gathering. It's hoped this invention will be used in future disasters in the Pacific.

At home, our recovery programme in Christchurch is into its third year, with the focus moving from cash grants to longer term programmes. I am proud of our achievement of distributing earthquake grants to 100,000 recipients, meaning we have reached a quarter of all people in greater Christchurch, and many more if you take into account our numerous recovery programmes.

It's also been business as usual internationally, with our pool of aid workers providing humanitarian assistance in 28 countries to some of the world's most vulnerable people. From nurses and security experts to water and sanitation engineers, our aid workers are a special breed of individuals committed to helping others in often extremely dangerous and trying circumstances. On that note I would like to congratulate Gisborne nurse Janet Askew for being awarded the Florence Nightingale medal – one of the highest accolades for her profession. Janet is currently working as a health delegate in Lebanon.

Finally, I would like to acknowledge the valuable contribution and dedication of our former chief executive John Ware, who retired in April after six years in the job, and to welcome new Secretary General Tony Paine who joined us in September.

AS McKie

Andrew McKie INTERIM SECRETARY GENERAL



Governance

New Zealand Red Cross national board, L TO R: Steve Osborne, Paul Steere, Mat Darling, Jenny McMahon, Alan Webb, Adriana Gunder, Paul Kiesanowski, Jerry Talbot. Absent: Richard Whitney.



Dr Jennifer McMahon NATIONAL PRESIDENT
A former nurse and nutritionist, Jennifer is a successful businesswoman and company director whose commitment to the Red Cross movement spans 30 years.

Between 1983 and 2000, she was an aid worker with both New Zealand Red Cross and the International Committee of the Red Cross. More recently she served as secretary of the Dunedin branch, as a member of the southern Regional Board and as a National Board member, before becoming National President of New Zealand Red Cross in November 2012.

Paul Steere NATIONAL VICE PRESIDENT
Paul has had a long career in senior management and extensive experience in corporate governance. He was a general manager of the NZ Dairy Board from 1986–1994 and the founding CEO of NZ King Salmon from 1994 to 2009. He currently holds director and chairmanship roles in the salmon, wine, education, aviation, Australian seafood and architecture industries.

Paul has been National Vice President of New Zealand Red Cross for the last three years, having served on the National Board for seven years.

Alan Webb
Alan is a barrister based in Auckland dealing primarily with environmental law. He has a background in both commercial and public law litigation and has worked as

a Crown prosecutor. Alan is currently undertaking post-graduate studies in public international law with a focus on international humanitarian law through Melbourne University. He was formerly chair of the New Zealand Red Cross central Regional Board and has been a member of the National Board for six years. Alan is married with three young children.

Paul Kiesanowski
Paul has had an extensive career with leading accounting and professional services partnerships and is currently a partner at KPMG, Christchurch. He joined the New Zealand Red Cross National Board in July 2011 and chairs its Audit and Risk Committee. He joins Paul Steere as a trustee representative to the Red Cross Foundation, which manages the safe keeping and investment of the national society's reserves and funds.

Mat Darling
As the youth representative on the National Board, Mat has been involved with New Zealand Red Cross for five years, focusing on youth involvement in grass roots activities related to emergency response. A member of the National Youth Panel since 2010, he joined the National Board in April 2012. Mat has recently completed a Bachelor of Science at the University of Otago, and now lives in Wellington where he works for an environmental engineering company.

Steve Osborne
Originally a high school biology teacher, who promptly retrained as a psychologist, Steve first became involved with Red Cross in 1976, as a blood donor in his home country of Canada.

Steve has more than 20 years' experience as a psychologist and has also served on various local, national and international governing bodies. He is currently the chief executive and registrar of the New Zealand Psychologists Board and a board member of the International Policy Governance Association.

Dr Adriana Gunder QSM JP
Adriana has been committed to Red Cross for more than 40 years. Starting as a teenager she fundraised for the Italian Red Cross annual appeal before moving to New Zealand and joining Red Cross in Auckland. Her work there included coordinating hospital volunteers and organising fundraising events. She was a member of the Red Cross northern Regional Board from 1996 to 2002.

Adriana has a background in biological and medical research and currently serves on the Health Practitioners Disciplinary Tribunal, the National Ethics Advisory Committee and the Ethics Committee on Reproductive Technologies. She also volunteers for the Cancer Society and, as a JP, the Citizens Advice Bureau.

Jerry Talbot
Jerry joined New Zealand Red Cross in 1968 to assist people displaced by the war in south Vietnam. He was appointed New Zealand Red Cross Secretary General in 1975 and became head of the Asia and Pacific department for the International Federation of Red Cross in Geneva in 1989.

Over the next 20 years, Jerry's work took him from Zimbabwe to the Maldives, where he helped establish the Maldivian Red Crescent. Jerry is a New Zealand Red Cross Counsellor of Honour.

Richard Whitney
Richard has a background in the Order of St John, in both youth leadership and as a paramedic. He has held operational, managerial and governance roles throughout the public and private health sector in the areas of mental health, public health, acute hospital care and primary care. In these roles he has focused on the effective and efficient delivery of health services that recognise the importance of people as individuals while also acknowledging the role of the wider family and community in their lives.

Richard has a strong commitment to the humanitarian values of Red Cross.

"I'm proud to be the National President of an organisation that promotes, and adheres to, concepts and beliefs people can embrace and be passionate about." **Dr Jennifer McMahon**



12 Months of Red Cross

IN THIS, THE 150TH ANNIVERSARY YEAR OF THE FOUNDING OF THE INTERNATIONAL RED CROSS/RED CRESCENT MOVEMENT, THE NEW ZEALAND NATIONAL SOCIETY HAS REACHED ITS OWN IMPRESSIVE MILESTONES.

In December, in one of the most exciting developments in our recent history, we welcomed Refugee Services Aotearoa into our organisation and became responsible for the resettlement and ongoing support of refugees who enter New Zealand under the annual government quota. It is a particularly apt development as caring for people displaced by conflict is something the Red Cross Movement has done since its inception.

In a year when armed conflicts in the Middle East and parts of Africa made increasingly appalling headlines the commitment of our humanitarian aid workers to care and offer practical support to those in need continued unabated. In Syria alone, where health delegates Graham Zinsli and Judy Owen worked, 6.8 million people are in urgent need of humanitarian assistance. More than 20 Syrian Arab Red Crescent volunteers and staff have lost their lives during this conflict. Healthcare personnel are increasingly under attack in other conflict zones as well, resulting in untold numbers of people being deprived of the care they need. The ICRC says this is one of the most serious and pressing issues of humanitarian concern today.

We responded willingly to calls from sister societies around the world in countries facing natural disasters. In Christchurch we sponsored Australian disaster psychologist Dr Rob Gordon who reminded people of the well-documented and specific challenges faced by communities three years after a disaster. DVDs of his talks were snapped up. We reached out to young people through our 'Address the Stress' website and the Christchurch Schoolchildren's Grant which was launched in February 2013 with a large allocation of \$9.3 million. Four months later, a decile 2 school in Woolston became the 100,000th recipient of a grant from the New Zealand Red Cross 2011 Earthquake Commission.

Core services like Meals on Wheels, First Aid Training and Community Transport continued to flourish along with our network of retail shops, thanks in very large part to our extraordinary members, most of whom are volunteers. To say we couldn't have done what we did this year without them is an understatement. Our area elections gave our members the opportunity to stand for office and we thank them very much for their enthusiasm and commitment. This year, we also farewelled immediate past president Penny Mason and welcomed Jennifer McMahon to the role. We are fortunate to attract people of such exceptional experience and quality in these, and other positions, both paid and voluntary. We also thank everyone involved in a wide range of fundraising activities. Without them and our sponsors we wouldn't be able to continue in our fundamental mission to help those with the greatest need in what is often their hour of greatest need.

Refugee
Services >

Humanitarian
Aid Workers >

Emergency
Management >

Christchurch
Recovery >

Refugee Services

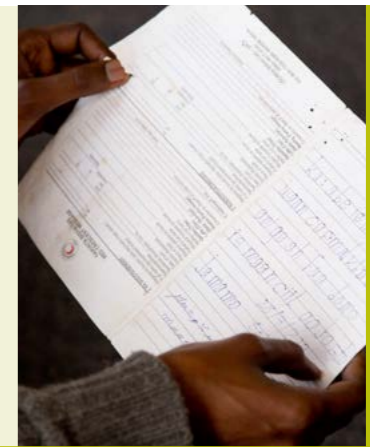
OVER
40,000
REFUGEES HAVE BEEN HELPED BY REFUGEE SERVICES OVER THE LAST **40** YEARS



ON 22 APRIL
94
AFGHANI INTERPRETERS AND THEIR FAMILIES ARRIVED IN NEW ZEALAND



THIS YEAR **52**
FAMILIES REGAINED CONTACT THROUGH OUR RESTORING FAMILY LINKS PROGRAMME



OVER **583**
TRAINED VOLUNTEERS SUPPORT REFUGEE FAMILIES TO SETTLE IN NEW ZEALAND

Humanitarian Aid Workers



40 RED CROSS AID WORKERS WORKED IN **27** COUNTRIES IN SUPPORT OF **50** MISSIONS THIS YEAR

4 RED CROSS AID WORKERS RESPONDING TO A STATE OF NATIONAL DISASTER IN THE MARSHALL ISLANDS DUE TO SEVERE DROUGHT PRODUCED **12,630** LITRES OF FRESH WATER WITH EQUIPMENT THAT INCLUDED TWO REVERSE OSMOSIS DESALINATION UNITS



Janet Askew
IS THE 44TH RECIPIENT OF THE PRESTIGIOUS FLORENCE NIGHTINGALE MEDAL



Emergency Management



\$1.5 MILLION IN DONATIONS FROM SISTER RED CROSS NATIONAL SOCIETIES IS INVESTED IN **5** SPECIALLY DESIGNED DISASTER WELFARE SUPPORT TRUCKS



390
DISASTER WELFARE SUPPORT TEAM VOLUNTEERS



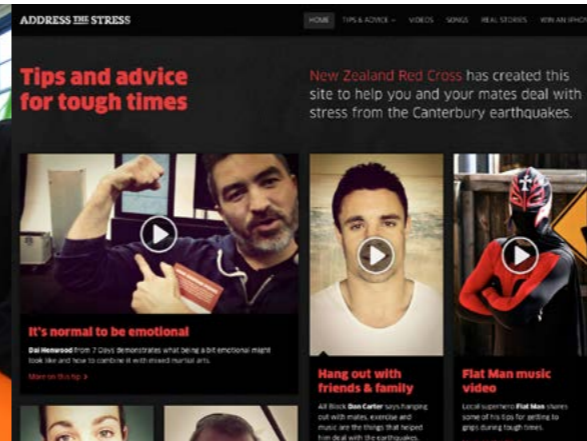
MEMBERS OF OUR NATIONAL DISASTER RESPONSE TEAM ASSISTED WITH AUCKLAND TORNADO



Christchurch Recovery

\$9.3M
CHRISTCHURCH SCHOOLCHILDREN'S GRANT IS LAUNCHED IN FEBRUARY 2013

100,000
RECIPIENTS RECEIVED GRANTS FROM NEW ZEALAND RED CROSS 2011 EARTHQUAKE COMMISSION BY JUNE 2013



BY JUNE 2013, THERE WERE OVER **10,000** VISITS TO OUR YOUTH ORIENTATED **ADDRESS THE STRESS** WEBSITE (ESTABLISHED TO HELP YOUNG CANTABRIANS DEAL WITH STRESS CAUSED BY THE EARTHQUAKES)



8,250
WINTER WARMER PACKS DISTRIBUTED TO THOSE IN NEED, NEARLY TWICE AS MANY AS LAST YEAR

1929 During the 'Great Depression' Red Cross supplements government and hospital board assistance to New Zealand's unemployed and their families.

1931 An independent New Zealand Red Cross Society is recognised by the ICRC following the devastating Napier earthquake of 3 February which reveals the need for greater efficiency in disaster relief.

Humanitarian Aid Workers



WATSAN aid workers Greg Johns and Ana Zarkovic with locals on Ailuk Atoll.

PHOTO: GREG JOHNS

LAST YEAR, NEW ZEALAND RED CROSS SENT 40 AID WORKERS OVERSEAS TO 27 COUNTRIES IN SUPPORT OF 50 MISSIONS, MOST OF WHICH LAST BETWEEN FOUR MONTHS AND A YEAR. TO MANY PEOPLE AROUND THE WORLD THESE PEOPLE PERSONIFY THE SPIRIT OF OUR ORGANISATION.

The courage and expertise of these extraordinary humanitarians is epitomised by long-time Red Cross nurse Janet Askew, who was awarded the Florence Nightingale Medal, the highest Red Cross honour awarded to nurses, in May this year. The medal is awarded for exceptional courage and devotion to the victims of armed conflict or natural disaster and recognises exemplary services and pioneering spirit in the areas of public health and nursing.

Janet says “security is everything while you are away” and she praises the priority Red Cross places on the safety of its aid workers. The ICRC is currently running a campaign to draw international attention to the worrying and increasing disregard for the safety of unarmed and impartial healthcare workers in conflict zones and the disastrous repercussions for those in need of their help. In Syria alone, more than 20 Syrian Arab Red Crescent volunteers have been killed since the conflict began.

New Zealand Red Cross is one of a small number of national societies globally that recruits, trains and provides aid workers for international Red Cross humanitarian field operations. They are not all serving in conflict zones but they are all working in challenging, albeit rewarding, situations. Over the last

year, aid workers with a wide variety of skills in disaster response, water and sanitation, security and a range of different healthcare specialties have been working in Afghanistan, Syria, Lebanon, Iraq, Philippines, Kenya, South Sudan, Senegal, Gaza, Samoa, the Republic of Marshall Islands and Timor Leste.

They include the team of four aid workers we sent to the Marshall Islands following the declaration of a state of national disaster in May as a result of severe drought. We also sent six aid workers to Samoa in December 2012 in the aftermath of Cyclone Evan to assist our colleagues at Samoa Red Cross.

We continue to provide substantial and ongoing support to the ICRC humanitarian response to the Syrian crisis, including the deployment of nurses Graham Zinsli and Judy Owen. We have also maintained our commitment to assist in security management on the African continent, notably in the current Malian conflict, through personnel seconded to the International Federation of Red Cross and Red Crescent societies.

New Zealand Red Cross places a strong emphasis on training and preparing aid workers for their missions. This year, 14 new technical experts completed an eight-day IMPACT training course in preparation for international deployment. Twelve people also completed advanced international-level training to professionally develop their technical skills.

Our aid worker programme is supported by funding from New Zealand Aid Programme through the Ministry of Foreign Affairs and Trade.



Aid Workers on International Missions



Janet Askew and children at Gumbo health clinic, South Sudan, 2003. PHOTO: JANET ASKEW



Africa

- KENYA**
Chelsea Giles-Hansen
Water & Sanitation
Melanie Ogle
Disaster Response
- SENEGAL**
Joshua Herron
Security
- SOMALIA/ KENYA**
Felicity Gapes
Community Health
- SOUTH SUDAN**
Rebecca Barrell
Hospital Project Manager

Asia

- CHINA**
Carl Burr
Water & Sanitation
- DPRK**
Glenys Ewans
Hospital Project Manager
Barbara Turnbull
Hospital Project Manager
- INDIA**
Bernice Chiam
Water & Sanitation
- KYRGYZSTAN**
Ana Zarkovic**
Water & Sanitation
- MALAYSIA**
Jeremy Francis
Logistics
- PHILIPPINES**
David Easson
Economic Security
- TIMOR-LESTE**
Sue Chamberlain*
Organisational Preparedness

Middle East

- AFGHANISTAN**
Andrew Cameron
Louise Humphreys
Community Health
Graham Duggan*
Health and Medical Support
Joyce Hood
Ward Nurse
- GAZA**
Cheryl Campbell*
Physiotherapist
Gail Corbett
Ward Teaching Nurse
- IRAQ**
Louisa Akavi
Detention Nurse
- LEBANON**
Janet Askew
Community Health
Jodye Tomalin*
Security
- PAKISTAN**
Amanda Scothern*
Branch Development
- SYRIA**
Judy Owen
Graham Zinsli
Health and Medical Support

Pacific Region

- Rosemary Fenton
Monitoring & Evaluation
- COOK ISLANDS**
Peter Winthrop
Coordination/ First Aid
Ewan Coldicott
Steve Davis
Emergency
Telecommunications
- FIJI**
Greg Johns
Matthew Poole
Emergency
Telecommunications
- KIRIBATI**
Cate Keville
First Aid
Peter Winthrop
Coordination/ First Aid
- MICRONESIA**
Rick Eisenhart
First Aid
- NEW CALEDONIA**
Peter Winthrop
Coordination/ First Aid
- PAPUA NEW GUINEA**
Rick Eisenhart
First Aid
- REPUBLIC OF MARSHALL ISLANDS**
Greg Johns
Dean Manderson
Ana Zarkovic
Thomas McNally
Water & Sanitation
- SAMOA**
Douglas Clark
Team Coordinator
Colleen Ruru
Relief/Logistics
Anne-Maree Delaney
Community Health
Chris Harrison
Emergency
Telecommunications
Graeme Langford
Emergency Management
Dean Manderson
Water & Sanitation
- TONGA**
Peter Winthrop
Coordination/ First Aid
- TUVALU**
Dean Manderson
Relief
Peter Winthrop
Coordination/ First Aid

Key Areas

- HEALTH & FIRST AID
- WATER & SANITATION
- ECONOMIC SECURITY
- SECURITY
- LOGISTICS
- DISASTER RESPONSE
- EMERGENCY TELECOMMUNICATIONS
- ORGANISATIONAL PREPAREDNESS
- RELIEF

This list is made up of aid workers who were supported by New Zealand Red Cross between 1 July 2012 and 31 June 2013. This includes aid workers who ended missions in 2012/13 as well as those with start dates in the 2012/13 financial year.
*mission extended **mission cancelled

JANET ASKEW

In May, Janet Askew was awarded the Florence Nightingale Medal, the highest Red Cross honour awarded to nurses. Janet's first mission took her to South Sudan in 2003. She is currently on her sixth mission in Lebanon where she is supporting refugees and those wounded from the conflict in Syria. She says that although she and her colleagues are dealing with terrible injuries – "gunshot wounds, burns, fractures, large chunks of flesh missing as a result of explosions, amputations and head injuries" – she is impressed by the resilience, courage and tenacity of those around her.

"One woman in the Tripoli Governmental Hospital sticks in my mind. Her house was hit by a shell. All her sisters, daughters and their friends were killed. Still, she manages to give me a big smile and converse each time I visit her. Amazing the resilience of some people."

Every mission in areas of conflict or disaster involves managing healthcare strategies and working with medical field officers. It also involves danger and Janet has had her share of close shaves. After being held up for a third time by armed criminals in Darfur, Janet recognised that she was suffering post traumatic stress. "I took a year off, found a good counsellor, talked it out and on I went."

International Operations

First aid instructor Cate Keville running first aid scenarios for Kiribati Red Cross Society instructors. >



PHOTO: CORINNE AMBLER / NEW ZEALAND RED CROSS

NEW ZEALAND RED CROSS CONTINUES TO MAINTAIN ITS INTERNATIONAL REPUTATION FOR HIGHLY SKILLED AND EFFECTIVE AID WORK.

We are immensely proud of two international award winners, Janet Askew who received the prestigious Florence Nightingale Medal (see Humanitarian Aid Workers, page 13) and the international team's Matthew Lloyd. Matthew, along with a team from Flinders University in Melbourne, took first place in the "Tech Challenge for Atrocity Prevention" award organised by US Aid and Humanity United, for his work on using smart phones to communicate in the event of a catastrophic failure of the cellular network. The team is now seeking crowd sourcing funding for a trial stage of the technology.

International Operations has responsibility for a range of services and functions including our emergency response to both national as well as international crises. In May, for example, we sent four aid workers to the drought-stricken Marshall Islands following the declaration of a state of national disaster there. They produced 12,630 litres of fresh water with equipment that included two reverse osmosis desalination units and left behind a machine capable of making one litre of fresh water a minute. In December 2012, we responded to another emergency request for aid from our colleagues at Samoa Red Cross, this time in the wake of Cyclone Evan. We sent six aid workers including specialists in water and sanitation, IT and telecommunications, community health and logistics.

There are 14 sister societies in the Pacific region and most required financial as well as other assistance in the past year. We supported eight national societies a total of \$368,000 toward organisational costs

and gave Cook Islands Red Cross a one-off grant of \$150,000 towards their new national society building. We supported national societies in Papua New Guinea, Solomon Islands, Vanuatu, the Federated States of Micronesia, Fiji, Tuvalu, Kiribati, Tonga and Samoa. Under our commercial and community first aid programme we trained 56 first aid instructors and provided first aid equipment in eight countries. We also assisted national societies with disaster response and recovery, improving community disaster resilience, providing public health messaging and the recruitment of blood donors.

In New Zealand our emergency management department provides disaster welfare and support teams, and vehicles that offer shelter and care for up to 140 people each.

We also have 18 disaster, welfare and support teams nationwide, all made up of volunteers. In October, the national disaster response team completed its initial training and in December, Auckland and Waikato members of the team put their skills to the test working alongside local firefighters and other emergency personnel to secure roofs and other property after a tornado ripped through Auckland. The team was placed on standby during the heavy snow event in Canterbury in early June but fortunately conditions were not as bad as expected. In January, Christchurch team members assisted rural firefighters in Canterbury and in June, the Waikato team joined Refugee Services staff, using its truck to help a group of Afghani families move into their new homes.

Through our Restoring Family Links programme we helped people trace loved ones in 52 cases. We have helped 24 families obtain travel documents, completed seven health and welfare requests and successfully delivered nine Red Cross messages.

This year, we were able to allocate \$80,000 to the IFRC's Disaster Relief Emergency Fund. Overall, we contributed to special appeals in 11 countries including Syria, Samoa following Cyclone Evan, the Philippines following Cyclone Bopha, Cuba and Haiti following Hurricane Sandy and in East Africa where there is a regional appeal for water sanitation relief.

We made financial contributions to Red Cross/Red Crescent societies in Afghanistan, Timor Leste and Nepal to support programmes relevant to their communities, such as livelihood protection, healthcare and disaster management. We also contributed to the ICRC Special Fund for the Disabled in Laos.

Fiji Red Cross emergency response team volunteer Nanise Nagusuca trains on a radio donated by New Zealand Red Cross. >



PHOTO: CORINNE AMBLER / NEW ZEALAND RED CROSS



PHOTO: KELSI DOSCHER / NEW ZEALAND RED CROSS

^ Somali refugee Ismaaciil Dacar talks about getting a Red Cross message from his daughter.

RESTORING FAMILY LINKS

When Ismaaciil Dacar last saw his daughter Fadumo she was a year old. Twelve years later the 31-year-old is finally holding a tangible reminder of her – a Red Cross message that's travelled from New Zealand to Somalia and back over the space of 18 months.

Father and daughter became separated after Ismaaciil was resettled in New Zealand under the United Nations Refugee Resettlement programme in 2001. His wife and daughter voluntarily returned to Somalia and contact was then lost.

Ismaaciil asked our Restoring Family Links programme for help and on 23 February 2013, they sent a Red Cross message from Ismaaciil to Fadumo. Red Cross messages are always delivered by hand, and in July 2012, the Somali Red Crescent managed to travel to Fadumo where she was living in the bush, and deliver her father's letter.

She responded immediately, but it took another year for the letter to make its way back to New Zealand.

"She says, 'father, it's me. I'm OK'. She's joking, and saying 'I'd like to see you'. I'm happy to see her writing," Ismaaciil says, smiling.

Since she wrote, Fadumo has injured her eye. Ismaaciil worries about her and the conditions she is living under but he says getting the letter was a relief.

"The Red Cross message service is a great help, not only to me but other people trying to talk to family. I know the risk taken to pass the message on so thank you Red Cross."

International Humanitarian Law



An ambulance in Yemen.
PHOTO: CATALINA MARTIN CHICO / COSMOS

IN 1864, JUST ONE YEAR AFTER THE INTERNATIONAL COMMITTEE OF THE RED CROSS WAS ITSELF ESTABLISHED, THE FIRST GENEVA CONVENTION AGREED ON A SET OF RULES TO ENSURE ALL SOLDIERS WOUNDED IN BATTLE WERE CARED FOR, WHATEVER SIDE THEY WERE ON.

This was the genesis of international humanitarian law (IHL), which protects the lives and dignity of all people, civilians as well as soldiers, adversely affected by armed conflict.

Violence against healthcare facilities and personnel also contravenes IHL although, increasingly, healthcare and humanitarian workers are being killed or injured while carrying out their duties. In Syria alone, 20 members of the Syrian Arab Red Crescent have been killed since that war began.

While conflict and the consequent agony of war continue unabated, the International Red Cross Red Crescent Movement continues to educate combatants on the rules of law. The idea behind IHL is simple: even wars have limits.

Here in New Zealand, Red Cross works to educate politicians, government officials and the general public about the issue. Last year, we ran 12 events involving 560 participants.

Under its Wars, Laws and Humanity programme, Red Cross aid workers with direct experience of war zones took part in interactive seminars for Years 12 and 13 students in secondary schools around the country. The 'Even Wars Have Laws' and 'Women and War' seminars focused on the contemporary relevance of IHL, Red Cross' role in upholding it and personal accounts of people affected by conflict.

In December, students from five law schools took part in the inaugural IHL Moot Court Competition, a mock court where they demonstrated their

understanding of IHL in front of leading international law experts. The winning Auckland University team reached the semi-finals of the Asia Pacific IHL Moot Court Competition held in Hong Kong in March. The moot court competition will be held again in 2013.

Back in New Zealand, Red Cross, together with Oxfam and Amnesty International, spearheaded a public advocacy campaign for a comprehensive Arms Trade Treaty prior to its successful adoption by the United Nations in April. We lobbied hard for the New Zealand government to play a leading role in this, particularly in support of our Pacific neighbours, and we continue to support any moves to develop domestic legislation in support of the Arms Trade Treaty. The campaign included a public seminar at Victoria University, meetings with the Minister of Foreign Affairs, MFAT officials and members of diplomatic missions and with a group of MPs who went on to pass a parliamentary resolution on the subject.

In May 2013, we launched a guidebook for MPs and government officials on the International Red Cross Red Crescent Movement to mark its 150th anniversary. It details the roles and responsibilities of the movement and explores important topics such as IHL, disaster response law and the need to ensure respect for the protective Red Cross and Red Crescent emblems.

In keeping with the international movement's 2011 resolution to work towards the elimination of nuclear weapons, New Zealand Red Cross launched the "Make Nuclear Weapons the Target" campaign in Parliament on 12 August. The campaign to raise public awareness of the horrific humanitarian consequences of nuclear weapons and the danger inherent in their continuing existence involved a dedicated website www.targetnuclearweapons.org.nz, sign-up events in communities across the country, an essay competition and a public seminar held in Wellington prior to the Oslo Conference in March 2013.



At Hiroshima Peace Park, participants in the meeting on eliminating nuclear weapons, L TO R: John Macmillan (Australian Red Cross board), Gabby Emery (New Zealand Red Cross advocacy and policy manager), Michael Legge (Australian Red Cross president), Robert Tickner (Australian Red Cross secretary general), Greg Vickery (Standing Commission chair), Helen Durham (Australian Red Cross strategy director), Felipe Nainoca (Fiji Red Cross director general).

A Guide for New Zealand MPs and Government. >



National Operations

Community transport driver Richard Andrews helps Priscilla Lupu out of a van in Auckland.

NATIONAL OPERATIONS WAS ESTABLISHED FOLLOWING THE RESTRUCTURE OF NEW ZEALAND RED CROSS IN 2009, WHICH CENTRALISED THE DELIVERY OF CORE SERVICES AND PROVIDED GREATER SUPPORT FOR MEMBER-LED ACTIVITY AT LOCAL AND REGIONAL LEVELS.

Its administrative team at national office in Wellington supports 11 area managers who are responsible for delivering a variety of programmes (see next page) from 19 Red Cross service centres throughout the country.

Services differ from region to region, depending on decisions made by their members, volunteers and staff, all of whom the administrative team relies on to support our programmes and promote them to a wider audience.

In recent months, there has been an interesting shift in our volunteer profiles toward 'corporate volunteers'. Volunteers have typically been retired individuals wanting to help the community but an increasing number of businesses are releasing staff from their duties so that they can perform regular community work. The Red Cross Auckland service centre, in particular, has a growing team of corporate volunteers.

Over the past year, core National Operations programmes like Save-A-Mate, Community Transport and Meals on Wheels were in demand nationwide.

Youth interaction with drugs and alcohol, and the effect this has on their communities, is addressed honestly through our Save-A-Mate (SAM) programme. SAM teaches 14- to 19-year-olds to recognise unsafe choices and gives them the confidence to respond swiftly with basic first aid when needed, particularly

when they are with their friends. This year, we delivered 274 SAM courses to a total of 4,859 people.

SAM does not judge or preach to young people. As Wellington-based SAM trainer Louise Woodney says, it's about empowering young people.

"We aren't there to say 'don't do it'. They know from the start that they can share their stories honestly and in confidence and that there will be no comeback."

SAM has proved it is relevant and effective for other at-risk groups as well. This year, the programme was delivered to prison inmates in Waikato and Upper Hutt. Separate courses have also been held for partners and mothers of gang members. Louise believes SAM has the potential to help break inter-generational cycles of substance abuse and quotes one course participant as saying, "I won't stop taking drugs, but I will be making sure the younger generation won't be following in my footsteps."

Our Community Transport programme has been a lifeline for people who need to get to a doctor's appointment or make a hospital visit but don't have access to transport. Last year alone, more than 17,000 patients were transported by 581 volunteer drivers. Under the Meals on Wheels scheme, Red Cross coordinated the delivery of about 664,000 meals by more than 4,500 volunteer drivers last year.

Over the next financial year, we expect demand for many of these programmes to increase. As we continue to see programmes such as SAM go from strength to strength, diversify and broaden their reach, it is inevitable that our national programmes will continue to grow and provide much needed services to New Zealand communities.

The following programmes and services were delivered in 2012/13. Not all services are offered nationally.

SOCIAL INCLUSION

- Community Transport
- No Limits
- Community Gardens
- Displaced Persons
- Meals on Wheels
- Hospital Services
- Residential Care Visitors
- Mobile Library

EDUCATION SERVICES

- Save-A-Mate
- People Savers
- Youth Emergency Preparedness

OTHER SERVICES

- Knitting Groups
- Clothing Depot
- Wander Risk Tracking
- Supporting IHL Dissemination
- Curtain Bank
- Youth Activities
- Medical Loan Equipment
- Dental Support

PHOTO: LUKE TARVER / MAKEREADY

Refugee Services

Hamilton disaster welfare response team member Andrew Tuck with Afghan interpreter Faisal Rezaei.

LAST DECEMBER, NEW ZEALAND RED CROSS JOINED WITH REFUGEE SERVICES AOTEAROA TO BECOME THE LEAD AGENCY RESPONSIBLE FOR REFUGEE RESETTLEMENT IN NEW ZEALAND.

This important and exciting development is a natural fit for both organisations. The International Red Cross Movement has been assisting people displaced from their homes by armed conflict for the past 150 years and Refugee Services has operated in New Zealand, in one form or another, for nearly 40 years, during which time it has helped more than 40,000 refugees build new lives.

Unfortunately, the need for such assistance is still as real as ever.

Every year, New Zealand welcomes around 750 refugees through the United Nations quota programme, one of a small number of countries to do so. These men, women and children are in immediate need of protection and are unable to go back to their home country or stay in the country to which they have fled. Most are from Bhutan, Burma, Colombia, Iraq and Sri Lanka with smaller numbers coming from Africa and the Middle East. They include the Afghan interpreters who have been working with the New Zealand Defence Force in Afghanistan, and their families, who were resettled in Hamilton and Palmerston North in June.

By combining the expertise of Refugee Services with the often complementary resources and knowledge of New Zealand Red Cross and the International Red Cross Movement, we are able to improve the support given to refugees and deliver it with greater effectiveness. Our retail portfolio, for example, is now an important source of quality clothing and household goods for refugee families establishing



Colombian refugees arriving at Wellington airport, March 2013. PHOTO: KELSI DOSCHER / NEW ZEALAND RED CROSS

themselves in their new homes.

The move has increased New Zealand Red Cross' staff by a third and its budget by a quarter, making Refugee Services its largest single domestic programme. The largest funder of the programme is the Ministry of Business, Innovation and Employment.

We are now responsible for the pre-arrival planning and on-arrival assessment of refugees, for identifying their settlement needs and, in conjunction with local settlement offices, for arranging appropriate housing and support in host communities in Auckland, Waikato, Manawatu, Greater Wellington and Nelson.

Qualified social workers, refugee-background caseworkers, cross-cultural workers and Red Cross-trained community volunteers help refugee families come to grips with the Kiwi lifestyle, learn to manage systems and ultimately find suitable work. Social workers work to identify complex issues, such as parenting in a new environment or addressing trauma, and provide appropriate support and referrals.

PHOTO: NICOLA INGELS



Red Cross' goal is to empower former refugees to achieve their goals and contribute to their new home and to foster an inclusive, welcoming community which values the strength, resilience and skills that refugees bring.

Zabeh Gazizada, a former refugee from Afghanistan who currently lives in Christchurch, owns his own business at just 23, and says New Zealand gave his family hope and a chance to restart their lives.

"We all have to work hard to become successful, and it feels great to see my family succeeding. I am proud of my family and thankful to New Zealand that they care about people who have no home and no place to live in peace. I have big dreams, a lot of goals to achieve and so many people to surprise. I know a bit of hard work and believing in myself can get me places. It is already happening."

Currently Red Cross provides services only to quota refugees although under current government policies there is provision to take up to 300 people a year under the family reunification scheme and to help a small group of former asylum seekers who have demonstrated that they meet protection requirements under the 1951 United Nations Convention Relating to the Status of Refugees.

The New Zealand Red Cross 2020 Strategy aims to work with all three refugee groups in the long term and the New Zealand government has signalled the desire to include these groups within the New Zealand Refugee Resettlement Strategy.

 **NEW ZEALAND RED CROSS**
Refugee Services

Canterbury Recovery



Sir John Hansen and Bamford Primary School pupils.



IT HAS BEEN ANOTHER SUCCESSFUL YEAR FOR THE RECOVERY PROGRAMME IN CANTERBURY. BY JUNE 2013, THE NEW ZEALAND RED CROSS 2011 EARTHQUAKE COMMISSION HAD DISTRIBUTED GRANTS TO 100,000 RECIPIENTS – A QUARTER OF THE GREATER CHRISTCHURCH POPULATION. THE 100,000TH GRANT RECIPIENT WAS BAMFORD PRIMARY SCHOOL, WHICH RECEIVED A CHRISTCHURCH SCHOOLCHILDREN'S GRANT WORTH \$35,148. COMMISSION CHAIR SIR JOHN HANSEN SAYS IT WAS A GREAT PRIVILEGE TO PRESENT A CONGRATULATORY PLAQUE TO THE PUPILS AT THE SCHOOL.

“Talking to teachers made it clear what a great benefit the grant would be for pupils and what a lift it was for the school. Being able to help 100,000 recipients speaks volumes about the generosity of people in New Zealand and overseas who donated the money that has enabled us to assist such a wide cross-section of the community.”

The Christchurch Schoolchildren's Grant was launched in February 2013 with an allocation of \$9.3 million. It is designed to support primary, intermediate and secondary school pupils in greater Christchurch who are experiencing earthquake-related challenges that impact on their health and well-being. All of the 179 applications were approved and the first round of payments has been made to the applicants. Money has been spent on counselling and support programmes, school camps and field trips, sports and music events, uniforms and stationery.

New Zealand Red Cross also launched a youth website called Address the Stress in October 2012 to help young Cantabrians deal with stress caused by the earthquakes. It has enjoyed great support from high profile New Zealanders, including All Black Dan Carter, Olympic gold medallist Mahe Drysdale and a range of television and radio personalities. All provided video messages on the site for free. Website visitors have submitted more than 800 tips on how they deal with tough times as part of a competition to win one of four iPhones. By June 2013, there had been more than 10,000 visits to the site, with visitors from Canterbury as well as other parts of New Zealand and overseas. To celebrate this milestone we made a music video starring local earthquake celebrity Flat Man. In the video, Flat Man, known for his doorstep food drops to students in need, shares his tips for dealing with stress.

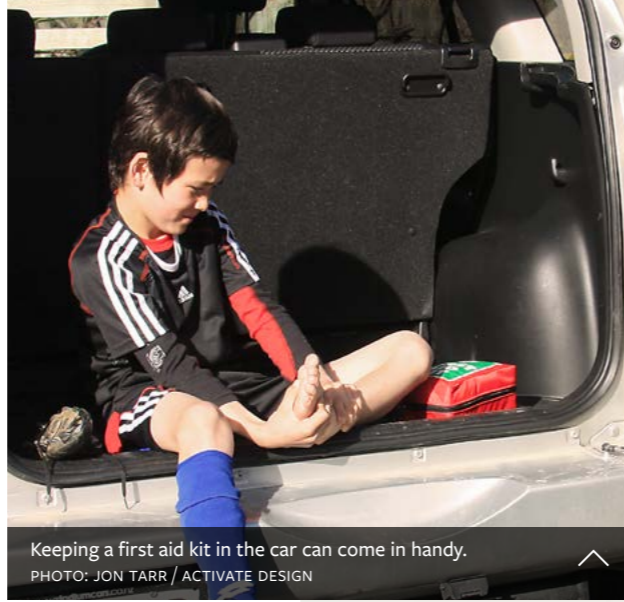
The second year of the Winter Warmer Pack programme was a huge success. In 2012, 4,500 Winter Warmer Packs were distributed to members of the community in greatest need. In 2013, 8,250 packs were distributed. The packs contained items to help keep people and houses warm, practical home heating and health advice, fun treats to improve well-being and a DVD of Australian disaster psychologist Dr Rob Gordon offering tips for recovery. The recovery team received numerous letters, cards and emails from Winter Warmer Pack recipients expressing their gratitude. A common theme was that the packs not only provided practical support for recipients but also reminded them that someone cared.

PHOTO: DAVID WETHEY

CHRISTCHURCH SCHOOLCHILDREN'S GRANT

\$9.3M allocated by the New Zealand Red Cross 2011 Earthquake Commission	179 applications approved	\$1.82M for well-being-focused initiatives	\$297K for supporting new entrants and school leavers	\$283K for other initiatives
61,000+ young people in greater Christchurch to benefit	\$1.38M for encouraging coping and resilience	\$1.1M for counselling and psychosocial support	\$2M for individual hardship	

First Aid



Keeping a first aid kit in the car can come in handy.
PHOTO: JON TARR / ACTIVATE DESIGN

New Zealand Red Cross first aid instructor Lesley Jacobson with course participants Alan Samson and Helene Tixier.

NEW ZEALAND RED CROSS FIRST AID COURSES RECEIVED THE ULTIMATE STAMP OF APPROVAL THIS YEAR WHEN WE BECAME A HIGHLY RATED FIRST AID TRAINING PROVIDER FOLLOWING A DETAILED EVALUATIVE REVIEW BY THE NEW ZEALAND QUALIFICATIONS AUTHORITY (NZQA).

Under the new NZQA external evaluative review system Red Cross gained the top rating of Category One provider based on the excellence of our educational performance. Feedback suggests that our relaxed learning style and the quality of our instructors, all carefully chosen to match the requirements of each client group, are large factors in this success.

Our suite of courses gives everyone in the community the opportunity to gain a variety of first aid skills. They also foster community resilience by helping people react quickly and safely in a medical emergency whether it be in the home, at work, on the sports field or in public places.

They range from specialist training to everyday first aid. The Comprehensive course remains our most popular. This workplace-orientated course covers the important requirements to administer first aid at work and manage the scene of an emergency. Blended first aid courses, which mix online learning and face-to-face training at a Red Cross service centre, are growing in popularity. We remain the only provider offering a choice of learning for all three main courses; Comprehensive First Aid, Essential First Aid and First Aid Revalidation.

Despite the global recession affecting health and

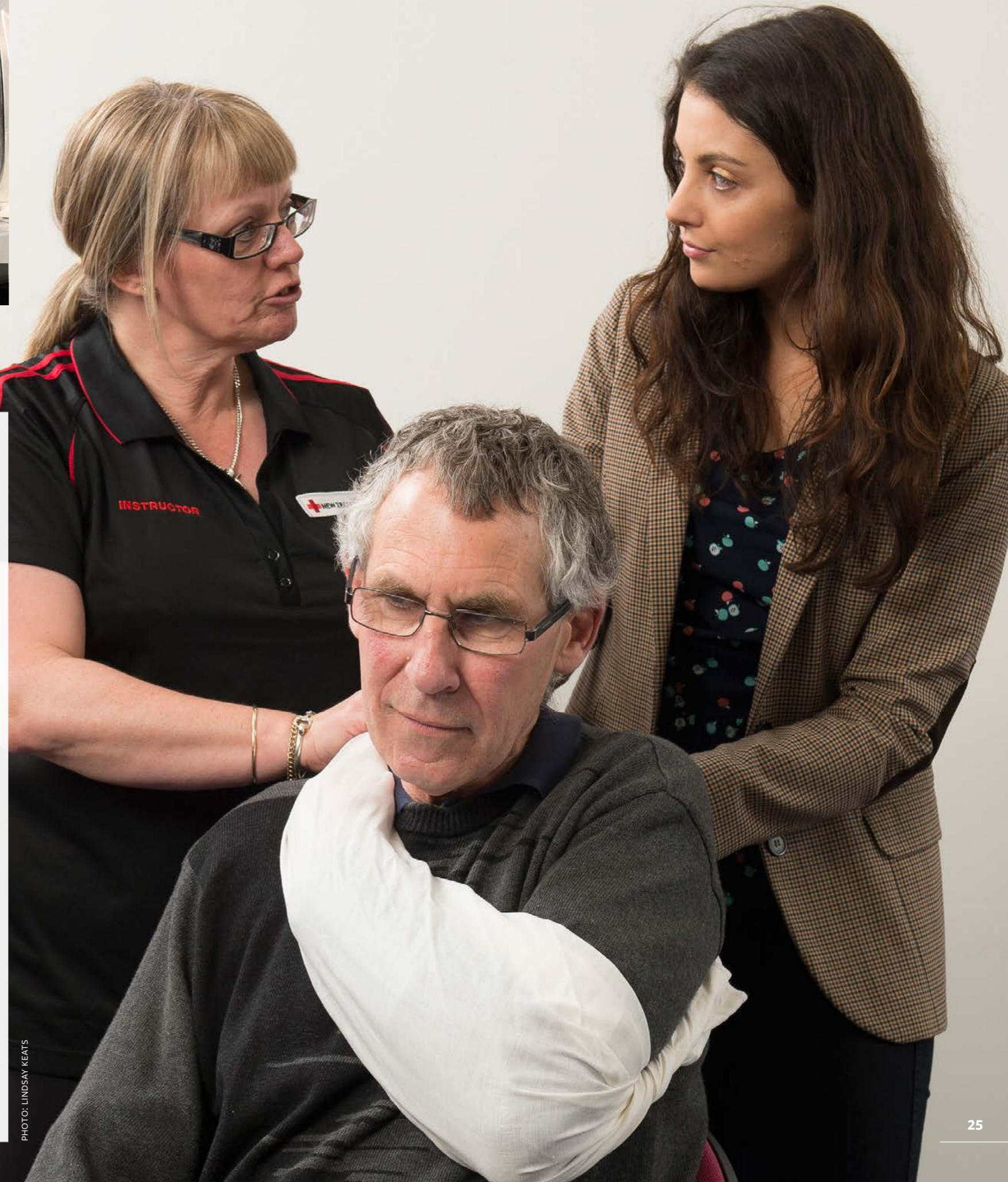
safety and training budgets, many people continued to train as part of their employer's health and safety compliance requirements. Others are attending our courses for their own and their family's welfare and for the public good. Over the past year, we trained more than 62,000 people in around 25 locations throughout the country.

There is a growing desire within communities to know what to do in an emergency situation and that includes knowing first aid. After the Christchurch earthquakes there were numerous accounts of lives being saved by members of the public who reacted swiftly and performed basic first aid. People took care of people and this experience has encouraged others to seek training before another emergency situation occurs.

Know it before you need it. That's the motto of the New Zealand Red Cross first aid team.

In November, we began selling the Powerheart G5 automated external defibrillator, a state-of-the-art product manufactured by Cardiac Science in the United States and designed to assist people who suffer a sudden cardiac arrest. Demand for the Powerheart G5 internationally is high and builds on the success of the G3 model. Its popularity in New Zealand has created a waiting list. Many have been bought by safety-conscious employers concerned for the well-being of their staff, and by local authorities. Defibrillators can be found everywhere from supermarkets to community halls and public swimming pools and throughout sectors such as the electricity industry.

PHOTO: LINDSAY KEATS



Fundraising

Tim Finn with the school band from Hauraki Plains College, who won the New Zealand Red Cross "I See Red School Music Video Challenge".



EVERY YEAR, NEW ZEALAND RED CROSS ASSISTS TENS OF THOUSANDS OF PEOPLE, A FEAT THAT WOULD BE IMPOSSIBLE WITHOUT THE GENEROUS SUPPORT OF OUR DONORS, MOST OF WHOM ARE INDIVIDUALS.

Last year, these ordinary New Zealanders with big hearts, either acting alone, working together in groups or representing organisations, contributed nearly \$15 million to New Zealand Red Cross. Their donations covered 88 per cent of the costs of all New Zealand Red Cross programmes; those practical initiatives that make a real difference in people's lives, like Save-A-Mate, Meals on Wheels, international aid and help for those in need in times of crisis.

Red Cross donors come from all walks of life and give in different ways. Our project partners make regular financial commitments by direct debit or credit card and are the rock on which we build our services, because their commitment allows us to plan our service delivery more effectively. Other donors contribute significantly on a one-off basis by giving to our annual appeal, by supporting friends and family who are holding events in their community or by leaving a gift in their will. We receive grants from trusts and foundations and are the grateful recipients of corporate volunteering schemes and pro bono professional services. These are just some of the ways people choose to support New Zealand Red Cross.

We recognise how important each donation is and how very special every donor is. We know that people have different reasons for contributing and that each and every donor deserves to be acknowledged and

communicated with in a way that recognises this.

This is why we made the important decision to upgrade our database to improve the delivery and quality of information to donors. This is a major project involving the whole fundraising team and many months of work. The end result will be an improvement in the way we talk to our donors, better tracking and record keeping and, ultimately, growth in our fundraising income.

We will continue to move to more electronic forms of communication as we strive to meet our donors' wishes and minimise our environmental footprint. We also look forward to engaging new technologies to provide platforms for community fundraising as we reach out to new people.

So to all our donors – thank you. It is you and people like you who continue to give us the ability to provide humanitarian support at home and around the world.

PROJECT PARTNERS

Every month, around 32,000 Project Partners show their humanity through their automatic donations. Last year, this group donated in excess of \$6.8 million and the numbers continue to grow. With another 12,000 people signing up in the past 12 months, Project Partners provide a consistent income stream underpinning all service delivery.

THANK YOU

New Zealand Red Cross is deeply grateful to all of those who have contributed so generously. We extend our particular thanks to the following organisations for their support:

Accor Hotels Foundation; Auckland Council; Boni Trust; Café Agora; Canterbury Community Trust; Christchurch City Council; Cicely Petre Memorial Trust; DIA Community Development Scheme; DLR Trust; E B Firth Charitable Trust; Fonterra Communities Assistance Trust; Frank & May Griffith Charitable Trust; Frimley Foundation; Gawith Deans Family Trust; Google Matching Gifts Programme; Graduate Women Manawatu Charitable Trust; Hamilton City Council; Heathcote Trust; The Hugh Andersen Charitable Trust; Human Rights Commission; Hutt City Council; J A Redwood Charitable Trust; Jack Jeffs Charitable Trust; Jomac Group Ltd; The J R McKenzie Trust; MSD Capability Investment Resource; MSD NGO Social Work Study Awards; MSD Te Punanga Haumarua; MSD Work and Income; Nelson Bays Primary Health Organisation; Picot Charitable Trust; PricewaterhouseCoopers Foundation; Rodmor No 2 Charitable Trust; Rotary Club of Howick; Rotary Club of Te Rapa; Rotorua District Council; Sargood Bequest; Sky City Community Trust; Tasman Charitable Trust; Thomas Brydon Trust; The Timothy Blair Trust; Tindall Foundation; The Todd Foundation; Trinity St Paul's Union Parish of Cambridge; Trinsley Charitable Trust; Trust Waikato; Un Cadeau Charitable Trust; Vodafone New Zealand Foundation; WEL Energy Trust; Western Union Foundation; The Warehouse Group.

Corporate Partnerships

EFFECTIVE PARTNERSHIPS ARE INCREASINGLY IMPORTANT IN THE NOT-FOR-PROFIT WORLD.

Our partners help improve our ability to prepare for and respond to emergencies, increase avenues for communication and access to volunteers, provide strategic insight and strengthen our financial base.

They support us at every level, from administrative services through to national programme development, support of our international aid work and the equipping of emergency response teams. These amazing organisations help make our work possible, day in and day out. We are extremely grateful for their commitment and support.



Johnson & Johnson Medical's commitment is helping to develop well-researched, well-designed effective programmes for our youngest Kiwis.



Bell Gully generously provides pro bono legal assistance and professional services and is a supporter of the International Humanitarian Law programme.



This unique partnership brings together all the businesses in NZ Post Group to ensure a fast and effective response to any future emergencies in New Zealand and across the Pacific.



Kathmandu provides support across a range of activities, including corporate donations, commercial discounts and staff and volunteer support. Kathmandu staff also contribute directly through the payroll giving scheme, "Share the Dream".



Toyota New Zealand celebrated 25 years at number one by donating the use of vehicles to New Zealand charities. For Red Cross, this meant an extra 15 vehicles to help support vulnerable people across the country.



In support of New Zealand charities, including Red Cross, Healthpost contributes \$1 for every order received online.



Fashion Trade is a clothing donation programme. Customers can simply donate any clothing or accessories, including at least one pre-loved Country Road item, to any participating Red Cross shop and they will receive a \$10 voucher to put towards their next purchase of \$50 or more at Country Road stores.



Members

AN ENGAGED AND COMMITTED MEMBERSHIP IS THE BASIS OF A STRONG GOVERNANCE STRUCTURE AND FUNDAMENTAL TO NEW ZEALAND RED CROSS' ABILITY TO WORK AS AN EFFECTIVE HUMANITARIAN ORGANISATION.

The recently created position of National Membership Services Manager reflects the importance we place on supporting, strengthening and growing our membership base.

Our branches, groups and governing committees are all made up of members. They are our eyes and ears on the ground, helping to identify new opportunities for growth and development.

They're essential to the work we do locally and to many of our fundraising initiatives. Over the past five years, a stronger focus has been placed on membership to ensure that their passionate commitment, wealth of community experience and extensive networks are used more effectively.

Peter Scott was appointed to the two-year, fixed term position of National Membership Services Manager in January this year.



PHOTO: SALLY HANNABUS / NEW ZEALAND RED CROSS
Jean Ramsay and Jeanette Kerse of the Gore branch celebrate 60 years of Red Cross service.

"Our members and volunteers are in touch with their communities and can identify those who need our services most. I work most closely with area councils, who work with branches at a local level. By developing robust processes we can better identify those needs and make sure people get the support they require," he says.

There are currently approximately 15,000 members and volunteers in New Zealand Red Cross.

Members are entitled to vote for office holders on branch executives, area councils and the National Board. By getting involved in this process they can have a real influence on the way New Zealand Red Cross is run and the direction it takes. Red Cross staff working in paid positions are also encouraged to become members. Members who are staff are ineligible to vote.

This year, elections were held for the 16 area councils for the second time since they replaced regional boards in 2010. The call for nominations and election process took place between March and May 2013 and the successful 77 area councillors were announced in June in preparation for taking up their roles in July. Area council elections are held every three years.



Dunedin Red Cross Choir members Joan Russell and Eleanor Moyle. PHOTO: MICHAEL MCQUEEN

Red Cross Shops

STYLISH RED CROSS SHOPS THROUGHOUT THE COUNTRY CONTINUE TO RAISE VALUABLE FUNDS BY PROVIDING HIGH-QUALITY CLOTHING AT LOW COST.

Like everyone operating in the retail sector we felt the effects of the global recession. Despite this our network grew and we opened seven new shops in the past year. These shops are the face of Red Cross in many communities. They target a different market from other charity shops and are branded to encourage a new generation of customers to choose Red Cross stores if they want fashion and a bargain in the same purchase. We also went online this year and established a Trade Me store.

The revenue our shops generate is spent on both our domestic and international programmes.

The retail portfolio offers volunteers the opportunity to gain skills which can set them on the road to interesting careers. Each shop is run by part-time, paid coordinators who organise and train the volunteers. Around 1,400 volunteers make up 95 per cent of our retail staff. Most are new to the Red Cross Movement and all show remarkable commitment. They work at least four hours a week, every week, although some choose to do even more. For some the work experience and support they receive has encouraged them in their personal development.

Jewel Wihongi is one such volunteer. Two years ago Jewel was a “stay at home mum on the benefit” who wanted more for herself and her three kids. An ad in the local newspaper for volunteers to work in Red Cross shops changed all that. While working as a volunteer at the Red Cross Dominion Road shop Jewel completed a free Red Cross First Aid course, and within six months had attained Level 2 of the National



Sandringham Road shop coordinator Jewel Wihongi.
PHOTO: LUKE TARVER / MAKEREADY

Certificate in Retail. When a 20-hour paid coordinator’s position came up she leapt at the opportunity. Now she’s preparing to do Level 3 of the Certificate.

“I became a volunteer and all these opportunities came my way,” she said.

“At first I didn’t think I’d have the skills but as it turned out I just needed the opportunity and the guidance of people like Robert and Maggie, who manage this store, and I was on my way.”

The Red Cross retail portfolio experience in collecting goods from donors’ homes is a natural and valuable adjunct to the work of Refugee Services. In another example of the natural fit between the two organisations, retail staff are able to swiftly source, warehouse and deliver quality furniture and all kinds of household goods to refugee families wherever they are settled in New Zealand.

Australasian clothing retailer Country Road supported us again this year.

During the last week in May, customers who donated second-hand Country Road clothing received \$10 Country Road vouchers and those who successfully followed the clues posted on Facebook to identify the location of one of five Red Cross shops in New Zealand and a similar number in Australia, received Country Road vouchers worth \$100.

Human Resources and Volunteers

THE TRANSITION OF REFUGEE SERVICES INTO NEW ZEALAND RED CROSS HAS BEEN THE BIGGEST CHALLENGE FACING OUR HUMAN RESOURCES TEAM THIS YEAR.

The two organisations worked collegially prior to the changeover on 10 December 2012, and over the following six months, to achieve the largely seamless transition of more than 105 paid Refugee Services employees into New Zealand Red Cross which already had a paid staff of approximately 350. These positions are a mixture of full- and part-time roles.

With the exception of Auckland and Lower Hutt, where the two organisations share premises, Refugee Services has maintained its own offices in Hamilton, Palmerston North, Wellington, Porirua and Nelson.

A 30 per cent increase in staff in such a short space of time created logistical challenges and many existing systems and processes had to be updated.

Drawing on his two-decade-long military career, the National HR and Volunteer Support Manager, Bruce McGregor, who was appointed to the job in July 2012, brought a fresh eye to all this.

During the first six months of 2013, he focused on migrating a number of existing HR processes to online formats and is now reviving and enhancing them to give managers the modern tools they need to better support the paid and volunteer staff they oversee.

A lot of effort was put into maintaining a “business as usual” environment for the Refugees Services managers and staff as they adjusted to the new Red Cross management environment.

Contractual obligations were met and, most importantly, newly arrived refugees and former refugees continued to receive the same standard of support others previously enjoyed. Bruce’s background



Kelsi Doscher helps collect for the New Zealand Red Cross Annual Appeal in May.

PHOTO: ELINORE ANTILL / NEW ZEALAND RED CROSS

as an army officer tasked with clearing landmines in Cambodia meant he had witnessed first-hand the plight of people displaced from their homes, an experience that has left him with particular insights into the needs of refugees and former refugees.

Traditionally, both Red Cross and Refugee Services have always operated from a strong volunteer base. Together, they now enjoy the support of around 10,000 volunteers nationally. The HR and Volunteer portfolio continues to have a strategic oversight of this vital resource and responsibility for volunteer capability development.

Marketing and Communications

We've had a busy year with our online communities. They help us engage with a wider audience of supporters, beneficiaries, donors and volunteers, especially during times of emergency.



IT'S BEEN A BUSY AND PRODUCTIVE YEAR FOR THE MARKETING AND COMMUNICATIONS TEAM. FROM A BRAND NEW INTERACTIVE WEBSITE, TO AN OVERHAUL OF OUR BRAND STANDARDS, TO SEVERAL HIGH-PROFILE STORIES IN THE MEDIA, THERE HAS BEEN MUCH TO CELEBRATE.

We created a cutting-edge responsive website that meets the needs of our first aid customers and donors, improves our storytelling and increases awareness around what we do.

Being a responsive website means that you can now book your first aid course, read up on the work we are doing throughout New Zealand and make a donation all on your smartphone, tablet or desktop computer.

The new website is built on a robust infrastructure to ensure it stays up and running should there be a disaster in New Zealand. The homepage would become stripped-back to ensure information gets out to people who need it most when access to the internet is patchy.

The cleaner, clearer look of our new website has been reproduced in our new brand standards, which have been created with the aim of ensuring New Zealand Red Cross' look continues to be relevant, professional and consistent. The Red Cross brand is one of the most respected and recognisable in the world, and it's hoped our changes will better protect the emblem from misuse.

As our buildings and vehicle fleets have been upgraded, so too has the signage and livery, resulting in a more professional, noticeable and uncluttered look.

This year, we've also turned our attention to our intranet RedNet, and have started overhauling the site to provide a better user experience for staff. We are currently trialling a system for members to have access to RedNet, with the hope of eventually opening up access to all 3,000 of them.

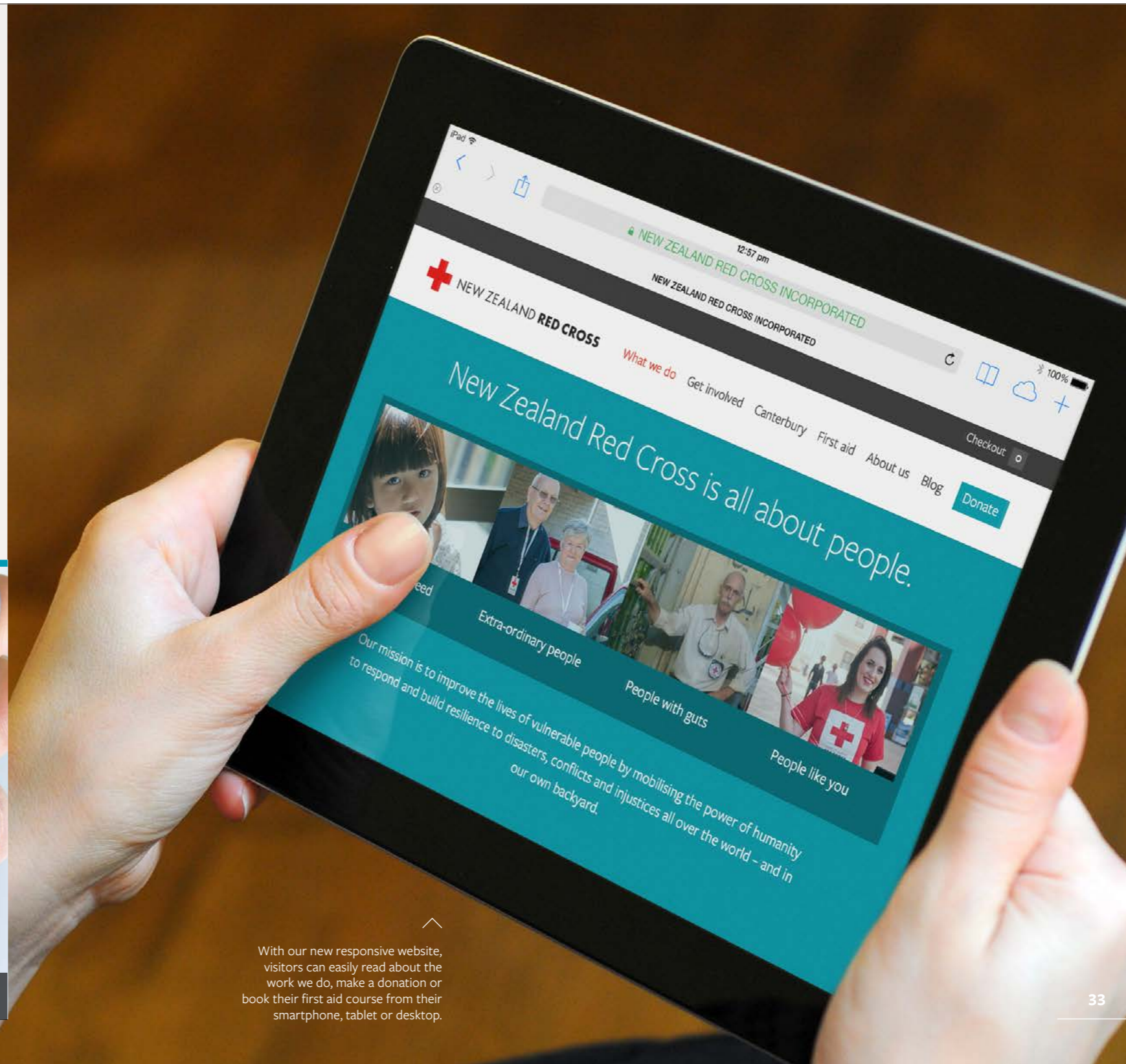
It's also been a busy year for New Zealand Red Cross in the media, with high-profile awards for Gisborne nurse and aid worker Janet Askew (Florence Nightingale Medal), New Zealand nurse and aid worker Andrew Cameron (Medal of the Order of Australia – OAM) and outgoing New Zealand Red Cross president Penny Mason (Officer of the New Zealand Order of Merit – ONZM).

We've also been part of several high-profile media events, including welcoming and helping resettle the former NZDF Afghan interpreters and their families, responding to Cyclone Evan in the Pacific and the drought in the Marshall Islands, and launching a \$9.3 million grant to help schoolchildren in Christchurch. We also reached the milestone of distributing earthquake grants to 100,000 recipients, of which we are justifiably proud.

This coming year is shaping up to be equally busy, and we look forward to updating you on several exciting new initiatives in next year's report.



Our new website is responsive, meaning it automatically adapts to the size of your screen.



With our new responsive website, visitors can easily read about the work we do, make a donation or book their first aid course from their smartphone, tablet or desktop.

Financial Summary

THE SOCIETY HAS FACED A CHALLENGING FINANCIAL YEAR. THE TRADING ACTIVITIES ON WHICH WE RELY TO GENERATE INCOME FOR OUR ACTIVITIES HAVE ALL EXPERIENCED REDUCED SURPLUSES AND DIFFICULT TRADING CONDITIONS. OUR TRADITIONAL GOAL OF HAVING OUR ADMINISTRATIVE COSTS COVERED BY THE SURPLUSES FROM TRADING ACTIVITIES WAS THEREFORE NOT ACHIEVED THIS YEAR.

Although still heavily weighted by activities following the Christchurch earthquakes there has been no reduction in the delivery of community services and other international aid programmes to the vulnerable.

On reviewing the statement of financial performance it can be noted that New Zealand Red Cross including the Red Cross Foundation (Foundation) recorded a deficit of \$19.2 million. Accumulated funds increased by \$0.7 million and an acceleration of Christchurch reserve expenditure saw the reserve reduce by \$19.9 million during the year.

The Foundation continues to fulfil its role – to generate sustainable revenue streams and maintain the value of investments. The Foundation had realised revenue of \$2.0 million (2012: \$2.6 million) with New Zealand Red Cross receiving \$1.2 million in interest earnings and \$0.75 million to cover running costs. A net surplus of \$1.6 million was recorded by the Foundation after taking into account gains in the fair value of movements in investments.

Because of the requirements of accounting standards the overall results are distorted by our significant ongoing spending on Christchurch earthquake grants and recovery activities. By separating out these activities it is possible to get a better picture of the ongoing affairs of Red Cross other than the Christchurch earthquake expenditure.

The table below shows this split.

	New Zealand Red Cross Incorporated <i>in thousands of dollars</i>	
	2013	2012
Trading and Administration Activities		
Income	13,735	14,990
Expenditure	16,495	15,516
Surplus/(Deficit)	(2,760)	(526)
Fundraising Activities		
Income	17,751	13,359
Expenditure	4,216	3,705
Surplus	13,535	9,654
Humanitarian Activities (excluding Christchurch earthquake)		
Expenditure	11,718	8,267
Surplus/(Deficit) for the Year (excluding Christchurch earthquake)	(943)	861
Christchurch Earthquake Appeal		
Income	2,354	18,801
Less grants	18,141	7,672
Less recovery activities	4,087	2,937
Net (expenditure) on Christchurch earthquake activities	(19,874)	8,192
Total Surplus/(Deficit)	(20,817)	9,053

TRADING AND ADMINISTRATION ACTIVITIES

Both the first aid training and our shops experienced difficult trading conditions. Our training courses continue to offer the highest quality of training, however competition from a number of other providers remains strong and our costs continue to creep up. The retail environment also remains competitive. Our shops still offer excellent value for shoppers, but face increasing competition from other NGO operators and traditional retailers offering their stock at ever lower prices as they come under pressure to sell their stock.

FUNDRAISING ACTIVITIES

Fundraising from a variety of sources remains a major focus for the Society. Total fundraising income of \$17.7 million (excluding Christchurch reserve) reflects the effort put into this by our members and staff. Major areas of fundraising contributing to this are:

- Project Partners. This remains a major source of fundraising and has continued to provide a consistent income when other areas are under pressure.
- Legacies have provided significant revenue this year, reflecting the number of people remembering Red Cross in their bequests.
- Annual Appeal. The Board is disappointed in the results of this year's annual appeal. A significant amount of feedback has been received about the appeal, and this has been taken into account in planning for the next appeal.

HUMANITARIAN ACTIVITIES

As has always been the case, our major focus is the humanitarian activities we are involved in. The reason we raise money is to undertake the work of Red Cross. This has continued this year. Expenditure has increased significantly due to the acquisition of Refugee Services in December 2012, in addition to increased levels of community activities.

The work carried out by branches represents a significant component of both fundraising activity and domestic humanitarian activity. While the volunteer nature of this activity is not measured in the financial statements the actual revenue generation achieved by branches in the year totalled \$1.6 million from activities including the annual appeal, special appeals, book sales, property rentals and meals on wheels. Expenditure on these activities totalled \$0.8 million providing a surplus of \$0.8 million towards other activities.

CHRISTCHURCH RESERVE

The ongoing spending on grants and recovery programmes has continued to be a major focus of the Society, with over \$22 million spent in the financial year. Spending on grants and recovery programmes continues with a clear goal to effectively utilise the remainder of the appeal proceeds over the next one to two years.

STATEMENT OF FINANCIAL POSITION

Accumulated funds at 30 June 2013 were \$54.9 million after consolidating funds from the Foundation, an increase of \$0.7 million over the previous year. The total funds including restricted funds, the Christchurch reserve and the asset revaluation reserve, were \$98.5 million.

Consolidated net assets at 30 June 2013 were \$98.5 million (2012: \$117.8 million) which includes cash \$42.9 million (2012: \$63.4 million), property, plant and equipment of \$23.9 million (2012: \$23.4 million) and investments of \$35.0 million (2012: \$33.5 million).

The financial position of the Society remains in a healthy state. There are many challenges for the NGO sector in New Zealand, with a number of other organisations struggling financially. Fortunately, along with the returns from the Red Cross Foundation, the careful stewardship of the Society over many years has ensured that we are in a sound position to carry on the work of Red Cross in the future.

Statement of Service Performance

For the Year Ended 30 June 2013

	Actual 2013	Planned 2013	Actual 2012	Planned 2012	Actual 2011	Planned 2011
International Programmes						
Delegate deployments achieved	50	40-50	53	60	58	55
Delegate deployment months achieved	195	264	283	330	259	280
Number of IT&T ERU technician missions achieved	6	-	15	11	5	11
Number of international special appeals supported	9	-	8	-	11	-
Contributions to international special appeals	\$1.1M	-	\$1.0M	-	\$3.7M	-
Development programmes supported	4	4	2	2	4	4
Development grants to Pacific National Societies	8	8	8	8	8	8
Restoring Family Links requests administered	77	-	140	-	66	-
Disaster Relief Family Kits stored	2,000	2,000	2,000	2,000	1,500	1,000
Emergency Management						
Number of operational Red Cross response teams	17	17	17	17	19	19
Refugee Services						
Volunteers supporting refugee settlement	583	-	-	-	-	-
Refugees supported	848	-	-	-	-	-
Community Programmes						
Develop new national programmes	-	1	-	1	1	1
Community training participants	29,321	31,940	23,442	19,824	13,623	15,202
Meals on wheels delivered	644,182	626,215	646,918	578,201	671,635	729,233
IHL seminar/training events	12	10	19	19	19	25
Patients transported in community transport programmes	17,196	17,083	13,269	8,545	15,774	11,133
Education and Training						
Maintain registration as PTE	Yes	Yes	Yes	Yes	Yes	Yes
Commercial training participants	62,047	67,622	64,859	69,612	63,080	70,313
Retail						
Number of shops (including branch shops)	57	63	51	48	45	42
New shops opened	6	7	9	8	4	8

New Zealand Red Cross Incorporated Consolidated Financial Statements

For the Year Ended 30 June 2013

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Statement of Financial Performance

For the Year Ended 30 June 2013
in thousands of dollars

	Note	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
		2013	2012	2013	2012
Trading and Administration Activities					
Income		13,835	15,706	13,735	14,990
Expenditure		16,633	15,624	16,495	15,516
Trading and Administration Activities (Deficit)/Surplus	2	(2,798)	82	(2,760)	(526)
Fundraising Activities					
Income		20,105	32,186	20,105	32,160
Expenditure		4,216	3,705	4,216	3,705
Fundraising Activities Surplus	3	15,889	28,481	15,889	28,455
Humanitarian Activities					
Expenditure		33,946	18,876	33,946	18,876
Humanitarian Activities Deficit	5	33,946	18,876	33,946	18,876
(Deficit)/Surplus from all Activities	7	(20,855)	9,687	(20,817)	9,053
Change in the fair value of investments		1,624	(2,081)	-	-
Total (Deficit)/Surplus for the Year		(19,231)	7,606	(20,817)	9,053

Statement of Comprehensive Income

For the Year Ended 30 June 2013
in thousands of dollars

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Total (Deficit)/Surplus for the Year	(19,231)	7,606	(20,817)	9,053
Other Comprehensive Income				
Revaluation of land and buildings	-	(817)	-	(817)
Total Other Comprehensive Income	-	(817)	-	(817)
Total Comprehensive Income for the Year	(19,231)	6,789	(20,817)	8,236

Statement of Changes in Members' Funds

For the Year Ended 30 June 2013
in thousands of dollars


	Note	Opening Balance	Comprehensive Income	Funds Transfers	Closing Balance
New Zealand Red Cross & Red Cross Foundation 2013					
Accumulated funds		54,263	(19,231)	19,907	54,939
Restricted funds	8	383	-	(33)	350
Christchurch reserve	9	52,396	-	(19,874)	32,522
Asset revaluation reserve		10,724	-	-	10,724
Total Members' Funds		117,766	(19,231)	-	98,535
New Zealand Red Cross & Red Cross Foundation 2012					
Accumulated funds		52,780	7,606	(6,123)	54,263
Restricted funds	8	2,452	-	(2,069)	383
Christchurch reserve	9	44,204	-	8,192	52,396
Asset revaluation reserve		11,541	(817)	-	10,724
Total Members' Funds		110,977	6,789	-	117,766
New Zealand Red Cross Incorporated 2013					
Accumulated funds		37,055	(20,817)	19,907	36,145
Restricted funds	8	383	-	(33)	350
Christchurch reserve	9	52,396	-	(19,874)	32,522
Asset revaluation reserve		10,724	-	-	10,724
Total Members' Funds		100,558	(20,817)	-	79,741
New Zealand Red Cross Incorporated 2012					
Accumulated funds		34,125	9,053	(6,123)	37,055
Restricted funds	8	2,452	-	(2,069)	383
Christchurch reserve	9	44,204	-	8,192	52,396
Asset revaluation reserve		11,541	(817)	-	10,724
Total Members' Funds		92,322	8,236	-	100,558

Statement of Financial Position

As at 30 June 2013
in thousands of dollars

	Note	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
		2013	2012	2013	2012
Members' Funds					
Accumulated funds		54,939	54,263	36,145	37,055
Restricted funds	8	350	383	350	383
Christchurch reserve	9	32,522	52,396	32,522	52,396
Asset revaluation reserve		10,724	10,724	10,724	10,724
Total Members' Funds		98,535	117,766	79,741	100,558
Comprising:					
Assets					
Cash and cash equivalents	10	42,891	63,408	37,825	58,381
Trade and other receivables	11	2,725	2,018	2,404	1,917
Inventories	12	714	739	714	739
Investments	13	3,038	3,944	4,767	5,823
Total Current Assets		49,368	70,109	45,710	66,860
Investments	13	31,919	29,586	16,643	15,612
Property, plant and equipment	14	23,907	23,442	23,907	23,442
Intangible assets	15	703	510	703	510
Total Non-Current Assets		56,529	53,538	41,253	39,564
Total Assets		105,897	123,647	86,963	106,424
Liabilities					
Trade and other payables	18	3,392	2,510	3,252	2,495
Income received in advance		1,017	413	1,017	413
Funds held in trust		225	-	225	-
Provision for employee entitlements	19	926	819	926	819
Provision for Samoa recovery project	20	1,802	2,139	1,802	2,139
Total Current Liabilities		7,362	5,881	7,222	5,866
Total Liabilities		7,362	5,881	7,222	5,866
Net Assets		98,535	117,766	79,741	100,558

For and on behalf of the National Board who authorised the issue of these financial statements on 11 October 2013.



Dr Jenny McMahon NATIONAL PRESIDENT



Tony Paine SECRETARY GENERAL

The notes on pages 43 to 58 are an important part of, and should be read in conjunction with, these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2013
in thousands of dollars

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Cash Flows from Operating Activities				
Trading and administration activities	13,835	16,036	13,735	15,663
Fundraising activities	20,002	32,599	20,222	32,573
Cash Inflow from Operating Activities	33,837	48,635	33,957	48,236
Trading and administration activities	15,619	15,115	15,606	15,007
Fundraising activities	4,216	3,617	4,216	3,617
Humanitarian activities	32,470	18,876	32,470	18,876
Cash Outflow from Operating Activities	52,305	37,608	52,292	37,500
Net Cash (Outflow)/ Inflow from Operating Activities	(18,468)	11,027	(18,335)	10,736
Cash Flows from Investing Activities				
Sale of investments	18,667	9,510	1,056	426
Sale of property, plant and equipment	-	56	-	56
Cash Inflow from Investing Activities	18,667	9,566	1,056	482
Purchase of investments	18,470	8,799	1,031	109
Purchase of property, plant and equipment	1,735	2,183	1,735	2,183
Purchase of intangibles	511	12	511	12
Cash Outflow from Investing Activities	20,716	10,994	3,277	2,304
Net Cash (Outflow)/Inflow from Investing Activities	(2,049)	(1,428)	(2,221)	(1,822)
Net (Decrease)/Increase in Cash Held	(20,517)	9,599	(20,556)	8,914
Reconciliation of Cash Flows				
	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Net (decrease)/increase in cash held	(20,517)	9,599	(20,556)	8,914
Add opening cash	63,408	53,809	58,381	49,467
Closing Cash	42,891	63,408	37,825	58,381
This is represented by:				
Cash and cash equivalents	42,891	63,408	37,825	58,381
Total Cash and Cash Equivalents	42,891	63,408	37,825	58,381

The notes on pages 43 to 58 are an important part of, and should be read in conjunction with, these financial statements.

Statement of Cash Flows

(continued)

For the Year Ended 30 June 2013

in thousands of dollars

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Reconciliation of the Total (Deficit)/Surplus for the Year with Net Cash (Outflow)/Inflow from Operating Activities				
Total (Deficit)/Surplus for the Year	(19,231)	7,606	(20,817)	9,053
Add Non-Cash Items				
Depreciation charge	1,270	1,143	1,270	1,143
Amortisation charge	318	136	318	136
Add/(Deduct) Changes in Working Capital Items				
(Increase)/decrease in accounts receivable	(707)	(321)	(487)	8
Decrease/(increase) in inventories	25	308	25	308
(Decrease)/increase in accounts payable and provisions	652	(63)	527	(49)
Increase in income received in advance and funds held in trust	829	137	829	137
Add/(Deduct) Investing Activities				
Change in fair value of investments	(1,624)	2,081	-	-
Net Cash (Outflow)/Inflow from Operating Activities	(18,468)	11,027	(18,335)	10,736

Notes to the Financial Statements

For the Year Ended 30 June 2013

1. Summary of Accounting Policies

Reporting Entity

These consolidated financial statements and the accompanying notes summarise the financial results of activities carried out by New Zealand Red Cross Incorporated ("Red Cross") comprising the offices of New Zealand Red Cross and branches (parent entity) and the activities of the New Zealand Red Cross Foundation Incorporated (consolidated entity).

Red Cross is part of the largest humanitarian organisation in the world, helping people wherever they might be – international or in our own communities – to improve the lives of vulnerable people by mobilising the power of humanity and enhancing community resilience.

The New Zealand Red Cross Foundation Incorporated (the "Red Cross Foundation") was established in 1978 to hold and invest Red Cross' investments to generate a source of sustainable income. The Red Cross Foundation is controlled by Red Cross. Both entities are domiciled in New Zealand.

Statement of Compliance

Red Cross is a society incorporated under the Incorporated Societies Act 1908. The Red Cross Foundation is a charitable trust registered under the Charitable Trusts Act 1957. Both Red Cross and the Red Cross Foundation are registered as charities under the Charities Act 2005. Red Cross is a public benefit entity.

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand.

They comply with the New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable financial reporting standards as appropriate for public benefit entities.

The functional and presentation currency is New Zealand dollars.

Basis of Preparation

The financial statements have been prepared on the basis of historical cost, except for:

- certain financial assets (investments) which are carried at fair value
- the revaluation of certain non-current assets (land and buildings)
- inventory which is carried at the lower of cost or net realisable value.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

These financial statements have been prepared using the accrual basis of accounting except for the Statement of Cash Flows and donations and are recorded to the nearest thousand dollars.

Basis of Consolidation

The consolidated financial statements are prepared by combining the financial statements of Red Cross and the Red Cross Foundation. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements. In preparing the consolidated financial statements, all intra-entity balances and transactions, and any unrealised profits arising within these transactions, are eliminated in full.

Changes in Accounting Policies

There have been no changes in accounting policies during the year.

Judgements and Estimations

The preparation of financial statements that conform with NZ IFRS require judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Standards, Amendments and Interpretations Issued that are not yet Effective and have not been Early Adopted

Standards, amendments and interpretations issued but not yet effective that have not been early adopted, and which are relevant to the Society, are set out in Note 24.

Significant Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

(a) Revenue Recognition

Public donations are recognised when received. **Donations received** for International Red Cross appeals are transferred in full to the International Appeal Fund or to the relevant Red Cross National Society.

Those donations for special appeals which have not been expended at balance date are recorded as restricted funds in the Statement of Financial Position except to the extent that the National Board has identified an actual or constructive obligation to incur expenditure in which case a provision is recognised.

Red Cross has significantly benefited from donations of services and goods by volunteers, members and by other organisations. **Donations in kind** are only recognised in revenue when the value can be reliably measured.

Grants received are not recognised as revenue until the requirements of the grant agreement have been met.

Notes to the Financial Statements

For the Year Ended 30 June 2013

1. Summary of Accounting Policies (continued)

Government grants, which are subject to restrictions but are not required to be returned to the grantor, are recognised as income when they are received.

Legacy income represents bequests to Red Cross from estates. Legacy income is recognised when actually received.

First aid training course revenue is recognised as income when attendance is booked. **Revenue from the sale of goods** is recognised when the risks and rewards of ownership have been significantly transferred to the buyer.

Interest is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

(b) Expense Recognition

Expenses are recognised on an accruals basis.

Trade and other payables are recognised when an obligation to make future payments resulting from the purchase of goods and services exists.

Provisions are recognised when it is probable that a present obligation, as a result of a past event, for the future sacrifice of economic benefits can be measured reliably. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at balance date, taking into account the risks and uncertainties surrounding the obligation.

Actual or constructive commitments made by the National Board to fund specific projects from restricted funds are recognised as provisions. An obligation to fund a project or expenditure is considered to exist when the National Board has agreed to a specific project plan and the intention to fund the project or expenditure has been formally communicated to the recipient.

Provision is made for benefits accruing to employees in respect of wages, salaries and annual leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Leases are classified as operating leases. Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

(c) Asset Recognition and Measurement

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of six months or less, and bank overdrafts. Bank overdrafts are presented within borrowings as a current liability in the Statement of Financial Position.

Inventories are valued at the lower of cost, determined on a first-in first-out basis, and net realisable value.

Land and buildings' legal title is in the name of Red Cross. Land and buildings are measured at fair value. Fair value is determined on a rolling cyclical basis with valuations prepared by independent registered valuers. Recent acquisitions and improvements are carried at cost less accumulated depreciation.

Revaluation increases arising on the revaluation of land and buildings is credited to the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is credited to the Statement of Financial Performance to the extent of the decrease previously charged.

A decrease in carrying amount arising on the revaluation of land and buildings is recognised as an expense in the Statement of Comprehensive Income to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation of that class of asset.

All other property, plant and equipment is recorded at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciated. Depreciation is charged using the following estimated useful lives (rates) on a straight-line basis:

Asset Class	Depreciation Rate
Buildings	2.0%
Computer hardware	33.3%
Equipment	20.0%
Furniture and fittings	10.0%
Motor vehicles	10.0% to 20.0%

Intangible assets comprise computer software which is recorded at cost less accumulated amortisation and any accumulated impairment losses. **Amortisation** is charged on a straight-line basis over the estimated useful life of three years.

(d) Impairment of Assets

At each balance date, the carrying amounts of tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

(e) Income Tax

Red Cross and the Red Cross Foundation are exempt from income tax pursuant to sections CW 41 and CW 42 within the Income Tax Act 2007.

(f) Members' Funds

Members' funds comprise Accumulated funds, Restricted funds, Christchurch reserve and the Asset revaluation reserve.

Accumulated funds are those received and used for those general purposes which are the responsibility of the National Board.

Restricted funds are funds that have been restricted by the donor or by the National Board as to their use.

Christchurch reserve represents the balance of funds held from the two earthquake appeals launched in September 2010 and February 2011.

Asset revaluation reserve represents the accumulated revaluation increases in the fair value of land and buildings.

(g) Financial Instruments

Financial instruments include financial assets (cash, receivables, loans and investments) and financial liabilities (payables, provisions and unexpended special appeals).

Financial instruments are initially recorded at fair value plus transaction costs except for those investments categorised as fair value through profit or loss which are initially recorded at fair value. Subsequent measurement of financial instruments is dependent upon the classification of the instruments.

Financial assets are recognised and derecognised on the trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

Financial assets are classified into the following specified categories: financial assets "at fair value through profit or loss", and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Investment financial assets are held for trading and therefore upon initial recognition are classified as fair value through profit or loss as these investments are managed and their performance is evaluated on a fair value basis.

Receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost, using the effective interest method less any impairment.

Any exposure to foreign currency fluctuations in foreign denominated investments is hedged by the use of derivative financial instruments. Derivatives are classified as held for

Notes to the Financial Statements

For the Year Ended 30 June 2013

trading and are recorded at fair value with any subsequent changes in fair value recognised in the Statement of Comprehensive Income. Foreign currency is acquired at market rates and accounted for on the date of transaction.

All financial liabilities are initially measured at fair value, net of transaction costs and then at amortised cost using the effective interest method.

(h) Statement of Cash Flows

For the purpose of the Statement of Cash Flows, cash includes cash on hand and cash held with banking institutions and any cash held with custodians.

Investing activities are the acquisition and disposal of investments, property, plant and equipment and intangibles. Operating activities are the principal revenue producing activities and other activities that are not investing activities.

(i) Goods and Services Tax (GST)

All balances are presented net of GST, except for receivables, payables and cash flows which are presented inclusive of GST where appropriate.

(j) Comparative Amounts

Comparative information has been reclassified, where necessary, to achieve consistency in disclosures with the current year. Where comparative information has been reclassified the change has been disclosed in the text below the relevant note.

(k) Business Acquisitions and Mergers

Acquisitions or mergers of subsidiaries and businesses are accounted for using the acquisition method. The cost of the business acquisition is measured as the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed and equity instruments issued in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss when incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under NZ IFRS 3 Business Combinations are recognised at their fair values at the acquisition date, except for non-current assets that are classified as held for sale, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of cost of the business combination over Red Cross' interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, Red Cross' interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business acquisition, the excess is recognised immediately in profit and loss.

Notes to the Financial Statements

For the Year Ended 30 June 2013
in thousands of dollars

2. Trading and Administration Activities

Consolidated	First Aid Training	Red Cross Shops	Management & Administration	New Zealand Red Cross & Red Cross Foundation	
				2013	2012
Income					
Training services	5,249	-	-	5,249	5,476
Sale of goods and other services	529	4,792	-	5,321	6,578
Rents	-	-	162	162	223
Interest and dividends	-	-	2,207	2,207	2,822
Other income	-	8	888	896	607
Total Income	5,778	4,800	3,257	13,835	15,706
Expenditure					
Personnel costs	3,190	1,514	2,908	7,612	7,161
Trading purchases	372	248	-	620	1,293
Property costs	387	1,515	147	2,049	1,977
Other expenses	977	873	3,392	5,242	4,185
Depreciation charge	116	188	518	822	796
Amortisation charge	-	-	223	223	136
Audit fees	-	-	65	65	76
Total Expenditure	5,042	4,338	7,253	16,633	15,624
Trading and Administration Activities Surplus/(Deficit)	736	462	(3,996)	(2,798)	82

Society	First Aid Training	Red Cross Shops	Management & Administration	New Zealand Red Cross Incorporated	
				2013	2012
Income					
Training services	5,249	-	-	5,249	5,476
Sale of goods and other services	529	4,792	-	5,321	6,578
Red Cross Foundation	-	-	750	750	750
Rents	-	-	162	162	223
Grants processing support	-	-	-	-	500
Interest and dividends	-	-	1,357	1,357	1,410
Other income	-	8	888	896	53
Total Income	5,778	4,800	3,157	13,735	14,990
Expenditure					
Personnel costs	3,190	1,514	2,858	7,562	7,161
Trading purchases	372	248	-	620	1,293
Property costs	387	1,515	147	2,049	1,977
Other expenses	977	873	3,312	5,162	4,084
Depreciation charge	116	188	518	822	796
Amortisation charge	-	-	223	223	136
Audit fees	-	-	57	57	69
Total Expenditure	5,042	4,338	7,115	16,495	15,516
Trading and Administration Activities Surplus/(Deficit)	736	462	(3,958)	(2,760)	(526)

There were no non-audit services provided by Deloitte during the year (2012: nil).

Comparative information relating to the financial year ending 30 June 2012 has been adjusted to be consistent with the scope of information being reported for the financial year ending 30 June 2013. The change involved the reclassification of "services and goods sold" between "training services" and the "sale of goods and other services". Services and goods sold in 2011/12 amounted to \$12.054 million, whereas in 2012/2013 it was \$10.570 million.

Notes to the Financial Statements

For the Year Ended 30 June 2013
in thousands of dollars

3. Fundraising Activities

Note	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Income				
Public donations				
- Project partners	6,838	6,256	6,838	6,256
- Annual appeal	294	535	294	535
- Direct mail	1,088	1,352	1,088	1,352
- Lottery	-	158	-	158
- Other	1,827	2,058	1,827	2,044
Refugee Services				
- Public	227	-	227	-
- New Zealand government	1,800	-	1,800	-
- Other income	3	-	3	-
Special appeals				
- Public	848	17,145	848	17,145
- New Zealand government (disaster relief)	4	527	527	500
- Interest	1,937	1,888	1,937	1,888
New Zealand government (delegate support)	1,000	1,000	1,000	1,000
Legacies	2,928	1,290	2,928	1,278
Other	787	4	787	4
Total Income	20,104	32,186	20,104	32,160
Expenditure				
Personnel costs	1,051	922	1,051	922
Other expenses	3,165	2,783	3,165	2,783
Total Expenditure	4,216	3,705	4,216	3,705
Fundraising Activities Surplus	15,888	28,481	15,888	28,455

4. New Zealand Government Grants for Disaster Relief

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Philippines (typhoon)	500	500	500	500
Marshall Islands (drought)	27	-	27	-
Total New Zealand Government Grants for Disaster Relief	527	500	527	500

Notes to the Financial Statements

For the Year Ended 30 June 2013
in thousands of dollars

5. Expenditure on Humanitarian Activities

	Note	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
		2013	2012	2013	2012
Personnel costs		4,824	3,160	4,824	3,160
Aid workers		1,102	1,689	1,102	1,689
International disbursements	6	2,036	1,258	2,036	1,258
Activities funded by special appeals		22,258	10,425	22,258	10,425
International levies		272	257	272	257
Other expenses		2,910	1,740	2,910	1,740
Depreciation charge		496	347	496	347
Total Expenditure on Humanitarian Activities		33,898	18,876	33,898	18,876
Expenditure on Humanitarian Activities comprises:					
Humanitarian law		-	83	-	83
Disaster relief and development		27,005	15,565	27,005	15,565
Emergency management		481	393	481	393
Community activities		4,372	2,835	4,372	2,835
Refugee Services		2,040	-	2,040	-
Total Expenditure on Humanitarian Activities		33,898	18,876	33,898	18,876

Notes to the Financial Statements

For the Year Ended 30 June 2013
in thousands of dollars

6. International Disbursements

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
International Federation of Red Cross and Red Crescent Societies				
Afghanistan	100	140	100	140
Syria	130	-	130	-
East Africa	150	-	150	-
Nepal	250	-	250	-
Timor-Leste	300	200	300	200
Vietnam	-	150	-	150
International Committee of the Red Cross				
Laos	197	-	197	-
Pacific National Red Cross Societies				
Cook Islands Red Cross	231	84	231	84
Fiji Red Cross	59	60	59	60
Kiribati Red Cross Society	40	40	40	40
Solomon Islands Red Cross Society	15	23	15	23
Tonga Red Cross Society	39	49	39	49
Tuvalu Red Cross Society	40	25	40	25
Vanuatu Red Cross Society	40	43	40	43
Other Pacific Red Cross National Society support	16	33	16	33
Pacific and other telecommunications development	203	296	203	296
Disaster risk reduction	46	107	46	107
Disaster relief supplies	72	-	72	-
Regional warehouse	108	8	108	8
Total International Disbursements	2,036	1,258	2,036	1,258
International Disbursements comprises:				
Health and first aid	250	748	250	748
Disaster relief and development	651	181	651	181
Emergency management	498	304	498	304
Community activities	637	25	637	25
Total International Disbursements	2,036	1,258	2,036	1,258

These disbursements have been funded by donations from Red Cross regular givers and other public donations.

Notes to the Financial Statements

For the Year Ended 30 June 2013
in thousands of dollars

7. (Deficit)/Surplus from all Activities

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Revenue				
Trading activities	10,585	12,063	10,585	12,063
Administration activities	3,250	3,643	3,150	2,927
Fundraising activities	20,105	32,186	20,105	32,160
Total Revenue	33,940	47,892	33,840	47,150
Expenditure				
Trading activities	9,381	9,309	9,381	9,309
Administration activities	7,300	6,315	7,162	6,207
Fundraising activities	4,216	3,705	4,216	3,705
Humanitarian activities	33,898	18,876	33,898	18,876
Total Expenditure	54,795	38,205	54,657	38,097
Total (Deficit)/Surplus from all Activities	(20,855)	9,687	(20,817)	9,053

Trading and Administration

The majority of this revenue is generated by first aid and emergency care education, Red Cross shops and income from investments.

Fundraising Activities

The substantial special appeal income received in 2011 and 2012, which was attributable to Canterbury earthquake appeals, has decreased now that the appeal is closed.

8. Restricted Funds

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
International appeals and development	239	347	239	347
Local projects and developments	73	-	73	-
Specific purpose legacies	38	36	38	36
Total Restricted Funds	350	383	350	383

Notes to the Financial Statements

For the Year Ended 30 June 2013
in thousands of dollars

9. Christchurch Reserve

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Opening Balance	52,396	44,204	52,396	44,204
Funds Received				
Public donations	350	5,498	350	5,498
Interest income	1,937	1,888	1,937	1,888
Specific purpose donations (including other Red Cross National Society support)	67	11,415	67	11,415
Total Funds Received	2,354	18,801	2,354	18,801
Funds Used				
Resident grants	18,141	7,672	18,141	7,672
Recovery activities	3,273	1,800	3,273	1,800
Capacity building	814	1,137	814	1,137
Total Funds Used	22,228	10,609	22,228	10,609
Total Christchurch Reserve	32,522	52,396	32,522	52,396

The Christchurch reserve fund has been created in response to Red Cross' involvement in the Canterbury earthquake of September 2010 and Christchurch earthquake of February 2011.

All funds donated by the New Zealand public are to assist affected people and communities. This includes the provision of goods, cash grants and other support. Funds are not used for Red Cross administration costs, staff salaries or transport and accommodation of Red Cross staff and volunteers.

Other Red Cross National Societies launched appeals to raise money to support the initial response, long-term recovery and strengthening disaster response capacity. It is anticipated that, due to the scale and continuing needs of the community, it may take in excess of five years to responsibly deliver aid and provide recovery services.

Red Cross established an independent commission made up of community leaders to oversee the disbursement of donations.

Red Cross incurred additional costs of \$429,000 in 2013 (2012: \$668,000) for the administration of grant payment processes. These costs were included within Trading and Administration Activities. Funds received from the Japan Red Cross have been applied to cover this expenditure.

Notes to the Financial Statements

For the Year Ended 30 June 2013
in thousands of dollars

10. Cash and Cash Equivalents

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Cash and bank current deposits	2,351	11,807	2,060	11,292
Bank term deposits	40,540	51,601	35,765	47,089
Total Cash and Cash Equivalents	42,891	63,408	37,825	58,381

Bank deposits earn interest at rates ranging between 1.50% and 2.75% (2012: 1.50% and 3.15%). Term deposits are held on terms ranging from 30 days to 548 days with interest rates ranging from 3.50% to 5.28% (2012: 3.90% to 5.28%).

Distribution of Cash and Cash Equivalents:

	2013	2012	2013	2012
Operational funds	10,019	10,629	4,953	5,602
Restricted funds	350	383	350	383
Christchurch reserve	32,522	52,396	32,522	52,396
Total Cash and Cash Equivalents	42,891	63,408	37,825	58,381

11. Trade and Other Receivables

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Trade receivables	1,881	942	1,881	942
Accrued interest and dividends	452	374	131	273
Other receivables and accruals	392	702	392	702
Total Trade and Other Receivables	2,725	2,018	2,404	1,917

12. Inventory

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Inventories comprise:				
Emergency management	269	192	269	192
Retail stock	217	357	217	357
First aid equipment	214	173	214	173
Operational consumables	14	16	14	16
Total Inventories	714	739	714	739

Emergency management inventories comprise portable IT and telecommunications equipment, and reverse osmosis equipment to make sea water drinkable. These are held in anticipation of deployment as part of an emergency response, either nationally or internationally.

Retail stock and first aid equipment are held to support trading activities undertaken by New Zealand Red Cross within New Zealand.

Operational consumables are held to support community and fundraising activities undertaken by New Zealand Red Cross within New Zealand.

Notes to the Financial Statements

For the Year Ended 30 June 2013
in thousands of dollars

13. Investments at Fair Value

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Investments are categorised as:				
Current	3,038	3,944	4,767	5,823
Non-current	31,919	29,586	16,643	15,612
Total Investments	34,957	33,530	21,410	21,435
Red Cross Foundation deposits	-	-	21,410	21,297
Short-term fixed interest	3,038	3,806	-	-
Long-term fixed interest	10,769	16,888	-	-
Long-term deposits	1,435	1,366	-	-
Equity securities:				
New Zealand equities	7,168	3,861	-	-
Australian equities	6,036	4,667	-	-
Australian Foreign Exchange hedge	30	-	-	-
International equities	6,571	2,803	-	-
International Foreign Exchange hedge	(90)	-	-	-
Other	-	138	-	138
Total Investments	34,957	33,530	21,410	21,435

Investments (other than Red Cross Foundation deposits) are measured at fair value which is derived from external quoted prices based upon the market bid price for the investment. Fair value changes in the value of investments of \$522,000 (unrealised gain) (2012: \$2,082,000 unrealised loss) have been recognised in the Statement of Financial Performance.

Fair Value Movements in Investments

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Unrealised gains/(losses) on investments	582	(2,082)	-	-
Unrealised gain on Australian Foreign Exchange hedges	30	-	-	-
Unrealised (loss) on International Foreign Exchange hedges	(90)	-	-	-
Realised Investment gains	1,102	555	-	-
Total Fair Value Movement in Investments	1,624	(1,527)	-	-

Red Cross Foundation Deposits

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Opening deposits	-	-	21,297	21,614
Withdrawals during the year	-	-	-	(426)
Deposits during the year	-	-	113	109
Closing Red Cross Foundation Deposits	-	-	21,410	21,297

Red Cross Foundation deposits earn interest at rates ranging from 3.55% to 6.10% (2012: 4.10% to 6.10%) with total interest earned of \$1,164,000 (2012: \$1,183,000).

Comparative information relating to the financial year ending 30 June 2012 has been adjusted to be consistent with the scope of information being reported for the financial year ending 30 June 2013. The changes made reflect an expansion of information on equity securities and to detail the hedge effects, and a new table identifying the fair value movements in investments.

Notes to the Financial Statements

For the Year Ended 30 June 2013
in thousands of dollars

14. Property, Plant and Equipment

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Opening net book value	23,442	23,275	23,442	23,275
Additions	1,978	2,183	1,978	2,183
Disposals	(243)	(56)	(243)	(56)
Revaluation (decrease)/increase	-	(817)	-	(817)
Depreciation charge	(1,270)	(1,143)	(1,270)	(1,143)
Closing Net Book Value	23,907	23,442	23,907	23,442

Property, Plant and Equipment (PPE) comprises:

	Cost or Valuation	Accumulated Depreciation	Net Book Value	Depreciation Charge
Land and buildings	20,011	671	19,340	279
Equipment	2,796	2,239	557	195
Computer hardware	1,734	1,503	231	151
Furniture and fittings	2,344	1,146	1,198	162
Motor vehicles	4,328	2,394	1,934	483
Work in progress	647	-	647	-
2013 Total Property, Plant and Equipment	31,860	7,953	23,907	1,270
Land and buildings	20,503	1,031	19,472	189
Equipment	2,902	2,168	734	270
Computer hardware	1,527	1,307	220	125
Furniture and fittings	2,127	1,074	1,053	166
Motor vehicles	4,032	2,112	1,920	393
Work in progress	43	-	43	-
2012 Total Property, Plant and Equipment	31,134	7,692	23,442	1,143

On 10 December 2012, Red Cross acquired Refugee Services Aotearoa. PPE having a net book value of \$57,265 was acquired and incorporated within the PPE of Red Cross. They are included above.

The fair value of land and buildings is based of rolling cyclical valuations. The most recent valuations were carried out at 30 June 2011 by Telfer Young, registered valuers, who are members of the Property Institute of New Zealand. The valuation, which conforms to New Zealand Valuation Standards, was arrived at in reference to market evidence of transaction prices and market rental yields for similar properties.

Notes to the Financial Statements

For the Year Ended 30 June 2013
in thousands of dollars

15. Intangible Assets

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Software				
Opening net book value	510	634	510	634
Additions	511	12	511	12
Amortisation charge	(318)	(136)	(318)	(136)
Closing Net Book Value	703	510	703	510
Total Intangible Assets	703	510	703	510

Intangible Assets comprises:

	Cost	Accumulated Amortisation	Net Book Value	Amortisation Charge
Software	1,677	974	703	318
2013 Total Intangible Assets	1,677	974	703	318
Software	1,166	656	510	136
2012 Total Intangible Assets	1,166	656	510	136

On 10 December 2012, Red Cross acquired Refugee Services Aotearoa. Intangible assets (software) having a net book value of \$63,216 was acquired and incorporated within the intangible assets of Red Cross. They are included above.

16. Non-Cancellable Operating Leases

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Less than one year	1,119	1,397	1,119	1,397
Between one and five years	1,202	1,028	1,202	1,028
More than five years	59	-	59	-
Total Non-Cancellable Operating Leases	2,380	2,425	2,380	2,425

17. Capital Commitments

There are no capital commitments for future capital expenditure resulting from contracts entered into prior to or at balance date (2012: nil).

Notes to the Financial Statements

For the Year Ended 30 June 2013
in thousands of dollars

18. Trade and Other Payables

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Trade payables	1,545	2,060	1,545	2,060
Accruals	1,847	426	1,707	411
Licences to occupy	-	24	-	24
Total Trade and Other Payables	3,392	2,510	3,252	2,495

19. Employee Entitlements

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Annual leave	722	590	722	590
Payroll and other entitlements	204	229	204	229
Total Provision for Employee Entitlements	926	819	926	819

20. Provision for Samoa Recovery Project

At 30 June 2012, the provision for the Samoa Recovery Project was \$2.139 million. During 2012/13, there was expenditure amounting to \$337,000. This expenditure covered specific expenditure incurred on the project or were amounts transferred to the Samoa Red Cross. On 30 June 2013, the provision was \$1.802 million. Since balance date, \$1.7 million has been paid to the Samoa Red Cross to administer this project.

21. Related Parties

IFRC/ICRC

Red Cross is a member of the International Federation of Red Cross Societies (IFRC), and supports the work of the International Committee of Red Cross (ICRC).

Each year, Red Cross pays a statutory levy to IFRC based on the amount of restricted funds held and distributed per year. In 2012/13, the levy paid to IFRC was \$173,515 (2011/12: \$178,952).

The annual contribution to ICRC is normally paid each year; however, in 2012/13 the contribution paid was \$124,017 covering both 2013 and 2012, whereas that paid in 2011/12 (\$70,791) was the contribution for 2011.

Other payments made to IFRC and ICRC are disclosed in Note 6.

Key Management Staff

Total remuneration received by the National Leadership Team (comprising the Secretary General (Chief Executive) and ten direct reports) was \$1,428,000 (2012: \$1,118,000 for Chief Executive plus eight direct reports).

National Board members receive no remuneration for their governance services.

No contracts have been entered into by Red Cross with organisations associated with or owned wholly or in part by National Board members.

The number of staff having a remuneration package of more than \$100,000 per year within Red Cross were:

Salary Bands	2013	2012
\$100–125,000	8	5
\$126–150,000	3	4
\$151–175,000	-	-
\$176–200,000	-	-
>\$200,000	1	1
Total	12	10

22. Contingencies

There are no contingencies at balance date (2012: nil).

23. Financial Instruments

Financial Assets

Fair value through profit or loss:

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Held for trading	-	-	-	-
Designated as at FVTPL	19,804	11,332	-	-
Held to maturity	15,243	22,060	21,410	21,297
Loans and receivables	2,725	2,018	2,404	1,917
Cash and cash equivalents	42,891	63,408	37,825	58,381

Financial Liabilities

Fair value through profit or loss:

	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Held for trading	-	-	-	-
Designated as at FVTPL	90	-	-	-
Financial liabilities at amortised cost	4,634	2,923	4,494	2,908
Provisions	2,728	2,958	2,728	2,958

Capital Risk Management

Red Cross and Red Cross Foundation manage their capital to ensure that they are able to continue as a going concern while maximising the return from their investments. For the Red Cross Foundation this entails that it is able to make an annual grant to Red Cross.

The Trustees for the Foundation have approved a SIPO ("Statement of Investment Policy and Objectives") which establishes investment portfolio objectives and target asset allocations. Performance against these targets is reviewed by the Trustees and asset reallocations undertaken as required.

The carrying amounts of financial assets and financial liabilities recorded in the financial statements represent their respective fair values, determined in accordance with the accounting policies.

Liquidity Risk

Red Cross and Red Cross Foundation maintain an appropriate level of cash available held with registered banks in New Zealand to meet all operating commitments as they fall due. Further, Red Cross and Red Cross Foundation's investments are sufficiently liquid with an open and active market available to realise these investments in cash if required.

Notes to the Financial Statements

For the Year Ended 30 June 2013
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	New Zealand Red Cross & Red Cross Foundation		New Zealand Red Cross Incorporated	
	2013	2012	2013	2012
Held for trading	-	-	-	-
Designated as at FVTPL	19,804	11,332	-	-
Held to maturity	15,243	22,060	21,410	21,297
Loans and receivables	2,725	2,018	2,404	1,917
Cash and cash equivalents	42,891	63,408	37,825	58,381

Interest Rate Risk

Red Cross and Red Cross Foundation are exposed to interest rate risk on the cash and short-term deposits held with registered banks and on Red Cross and Red Cross Foundation's fixed interest investments. Interest rate risk is managed through the Red Cross Foundation's SIPO.

Credit Risk

Credit risk is the risk that a counter-party will default on its contractual obligations resulting in financial loss to Red Cross and Red Cross Foundation. The maximum exposure to credit risk is considered to be the carrying value of Red Cross and Red Cross Foundation's financial assets. Credit risk is mitigated through the operation of Red Cross Foundation's SIPO that ensures that Red Cross Foundation only deals with counterparties with sufficient creditworthiness and the exposure to any one counter-party is limited.

Currency Risk

As a result of investments being traded in different currencies Red Cross and Red Cross Foundation's balance sheet is impacted by movements in exchange rates. This risk is assessed on an ongoing basis and forward exchange contracts are taken up from time to time as deemed appropriate by the Investment Committee's assessment of the prevailing risks relative to the expected returns.

24. Adoption Status of Relevant Financial Standards

Red Cross has elected not to early adopt the following NZ IFRS that have been issued but are not yet effective for application.

Standard/Interpretation	Effective for Annual Reporting Periods Beginning on or After	Expected to be Initially Applied in the Financial Year Ending
NZ IFRS 10 Consolidated Financial Statements	1 January 2013	30 June 2014
NZ IFRS 13 Fair Value Measurement	1 January 2013	30 June 2014
NZ IAS 19 Employee Benefits (revised 2011)	1 January 2013	30 June 2014
NZ IAS 27 Separate Financial Statements (revised 2011)	1 January 2013	30 June 2014
Amendments to NZ IFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013	30 June 2014
Improvements to IFRS: 2009–2011 cycle	1 January 2013	30 June 2014
Amendments to NZ IAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities	1 January 2014	1 July 2015
NZ IFRS 9 Financial Instruments	1 January 2015	1 July 2016
Revised NZ IFRS 9 Financial Instruments (2010)	1 January 2015	1 July 2016
Amendments to NZ IFRS 9 and NZIFRS 7 Mandatory Effective Date and Disclosures	1 January 2015	1 July 2016

The financial statement impact of the adoption of these standards has not yet been analysed.

25. Acquisition of Refugee Services Aotearoa Incorporated

On 10 December 2012, the operations and net assets of Refugee Services Aotearoa Incorporated were transferred to New Zealand Red Cross Incorporated. The transfer required Refugee Services Aotearoa to pay all trade liabilities through recovery of all receivables. Operational obligations established by Refugee Services Aotearoa with funder organisations were accepted by Red Cross.

Refugee Services Aotearoa was contracted to provide services to the New Zealand government whereby it supported the settlement of up to 825 refugees within New Zealand, and their care for the first 12 months of settlement. Refugee Services also supported refugees into employment and community participation through funding and support provided by the New Zealand government, private trusts, local territorial authorities and local community organisations.

The purpose of the acquisition is to broaden the activities of Red Cross to encompass activities involving the settlement of refugees that fits within the longer-term strategic goals of the organisation.

Red Cross acquired the net assets of Refugee Services Aotearoa for nil consideration and a loss on acquisition of \$222,598 is recognised in the Statement of Financial Performance. It was assigned the leases for accommodation occupied by Refugee Services Aotearoa amounting to \$37,265 per month or \$447,180 annualised.

Transition costs incurred by Red Cross on the acquisition of Refugee Services Aotearoa amounted to \$143,460. Red Cross was reimbursed through a grant from the New Zealand government.

The table below shows the fair value of the assets and liabilities acquired:

Assets and Liabilities Acquired	Refugee Services at 10 December 2012
Current Assets	
Cash and cash equivalents	256,271
Prepayment	23,813
Non-current Assets	
Property, Plant and Equipment	57,265
Intangible asset – software	63,216
Current Liabilities	
Employee entitlement	144,931
Special reserve	14,508
Unexpended grants	463,724
Net Assets Acquired at Nil Consideration	(222,598)
Loss on Acquisition	(222,598)

The financial results of the acquired operations since 10 December 2012 are incorporated within these statements. Note 3 identifies the revenues obtained over the period to 30 June 2013 and Note 5 identifies the expenditure for the same period.

The preparation and disclosure of a 12-month operating result based on the premise that Refugee Services was acquired in July 2012 is considered impractical considering the nature and timing of revenues and the circumstances for the acquisition.

26. Significant Events After Balance Date

There are no significant events after balance date (2012: nil).



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEW ZEALAND RED CROSS INCORPORATED

Report on the Financial Statements

We have audited the financial statements of New Zealand Red Cross Incorporated which include the New Zealand Red Cross Foundation Incorporated ("Red Cross") on pages 38 to 58, which comprise the consolidated and separate statements of financial position as at 30 June 2013, the consolidated and separate statements of financial performance, statements of comprehensive income, statements of changes in members' funds and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Members of Red Cross. Our audit has been undertaken so that we might state to the Members those matters 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 Members, as a body, for our audit work, for this report, or for the opinions we have formed.

National Board's Responsibility for the Financial Statements

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

Auditor's Responsibilities

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified opinion on the financial position and our qualified opinion on the financial performance and cash flows.

Other than in our capacity as auditor, we have no relationship with or interests in Red Cross.

Basis for Qualified Opinion on Financial Performance and Cash Flows

As stated in the accounting policies, control over cash donations prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control.

Qualified Opinion on Financial Performance and Cash Flows

In our opinion, except for adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning cash donations, the financial statements on pages 38 to 58 present fairly, in all material respects, the results of Red Cross' operations and cash flows for the year ended 30 June 2013 in accordance with generally accepted accounting practice in New Zealand.

Opinion on Financial Position

In our opinion, the financial statements on pages 38 to 58 present fairly, in all material respects, the financial position of Red Cross as at 30 June 2013 in accordance with generally accepted accounting practice in New Zealand.

Chartered Accountants
11 October 2013
Wellington, New Zealand

National Directory



NEW ZEALAND RED CROSS IS PART OF THE WORLD'S LARGEST HUMANITARIAN NETWORK.

It is an independent humanitarian organisation, founded in 1863, and based on the Fundamental Principles of the International Red Cross and Red Crescent Movement of humanity, impartiality, neutrality, independence, voluntary service, unity and universality. New Zealand Red Cross operates in a neutral and impartial manner, independent of religious, cultural or political affiliations.

PATRON

His Excellency Lieutenant General
The Right Honourable
Sir Jerry Mataparae, GNZM, QSO,
Governor-General of New Zealand

NATIONAL BOARD

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Dr Jennifer McMahon

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International Humanitarian Law Consultant
Rt Hon Justice Sir Kenneth Keith, ONZ, KBE

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Graham Wrigley

National Marketing and Public Relations Manager
Ross Cameron

National Human Resources and Volunteer Support Manager
Bruce McGregor

National Membership Services Manager
Peter Scott

National Refugee Services Manager
Molly Kennedy

BANK

ASB Bank Limited

LEGAL ADVISER

Burrowes and Company

AUDITOR

Deloitte

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FAX +64 4 471 8251
national@redcross.org.nz

Get Involved

Kapiti disaster welfare support team member Sue Leonard helps collect for the New Zealand Red Cross Annual Appeal in May.

Become a regular giver

You can make a commitment to bring about change in the lives of vulnerable people in New Zealand and further afield. Simply nominate an amount you feel comfortable to donate and it will be deducted from your account each month. We will stay in contact to let you know how your donation is making a difference.

Leave a gift in your will

After taking care of your family, leaving a gift in your will to Red Cross is a positive way you can influence the future. We can help you to plan for a bequest and professionally prepare your will so you can leave a lasting legacy for generations to come.

Become a member

Our members have been part of Red Cross in New Zealand since the very beginning and continue to play an important role through volunteering, fundraising and actively promoting our work in their local communities.

Volunteer locally or overseas

Becoming a volunteer with Red Cross means joining one of the largest humanitarian organisations in the world. Whether it's as a response team member, or a meals on wheels driver, you can make a real difference to communities in New Zealand and further afield.

Take a Red Cross first aid course

Learn life-saving skills from the most highly-rated provider in New Zealand.

Shop

Learn about donating and volunteering, or purchase products from our retail stores.

Connect

Join in the conversation on Facebook, follow us on Twitter, network with us on LinkedIn and watch and share our videos on YouTube.

www.facebook.com/NewZealandRedCross

twitter.com/NZRedCross

www.pinterest.com/nzredcross

www.youtube.com/user/NewZealandRedCross1

nz.linkedin.com/company/new-zealand-red-cross

FRONT COVER: Kelly Newall and Christian Baldia of the Hamilton disaster welfare support team. BACK COVER: Andrew Tuck and Micah Roughton of the Hamilton disaster welfare support team with National President Jenny McMahon. PHOTO: CORINNE AMBLER / NEW ZEALAND RED CROSS

PHOTO: ELINORE ANTILL / NEW ZEALAND RED CROSS