

Ngā Tāngata Microfinance Trust

Annual Report 2023



**Ngā Tangata
Microfinance Trust
Annual Report 2023**

Charity details
CC45351
ntm.org.nz
[@ngatangatamicrofinance](https://www.instagram.com/ngatangatamicrofinance)

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VISION MISSION VALUES

To **alleviate poverty within Aotearoa New Zealand**

by building a more just and equitable society by promoting the economic and social inclusion of tāngata whenua and tauwiwi



Our mission

To advocate for and assist in providing safe and fair, affordable finance options that strengthen financial independence and by critiquing structural and economic forms of exclusion



Our values

Social Justice - We lead with socially just, safe and fair responsible money lending practices

Approachable - We are friendly and always treat everyone with respect

Responsive - We support our community with prompt and expert service

Strategic - We are future-orientated providing inclusive, enabling financing options

Integrity - We act with the highest integrity, trust and transparency

Tēnā koutou katoa

Enabled by our partners and supporters and facilitated by our capable staff, Ngā Tāngata Microfinance Trust (NTMT) continues to strive towards a just and equitable Aotearoa New Zealand where there is economic and social inclusion for all.

Through a year that was challenging for many as we emerged from an era of COVID lockdowns to face cost of living pressures and impacts from storms and a cyclone, NTMT has grown our offerings of safe, fair and affordable finance options, expanded education and support for the financially vulnerable and continued to challenge structural and economic forms of financial exclusion.

Receiving almost a 25% increase on applications over the previous year and with our loan disbursements increasing to \$0.548 million during the year (250 new clients), as at 1 July 2023 we have now issued a total of \$2.9 million through 1237 loans. Our new Get Set loan offering (combining paying off debt and buying essential items) had a good take up and we undertook a pilot increasing our Get Control loan limit to \$5,000 which has now been extended. Membership of our Money Kete online supportive educational offering, continued to grow with 734 active members by July 2023.

As an organisation we had to navigate change ourselves when we farewelled CEO Natalie Vincent in March 2023. Natalie's leadership over her 3.5 years with us

significantly contributed to Ngā Tāngata's growth and impact as an organisation. While sad to lose her, we are pleased that her new role retains her active engagement in financial inclusion. Marcela Mingoti our Finance Manager ably steered the NTMT waka forward whilst we undertook a rigorous recruitment process, well supported by Amy Tea, ATCL and our Board sub-committee. In June 2023, we were thrilled to have Jade Tapsell, Tapuika, Ngāti Whakaue, Ngāti Pikiao and Ngāti Ranginui, a qualified solicitor and experienced CEO, join us as our new CEO.

“ We remain committed and focused on our vision and mission. ”

Thank you to everyone who has enabled and supported our impactful mahi this year – our financial mentors and budgeting services partners (now 118 in number) who work alongside our loan applicants in such a mana-enhancing way; our volunteer Loan Committee members who diligently consider all loan applications; our loan capital provider Kiwibank; our financial supporters and donors including, Kiwibank Bond B Trust, Ministry of Social Development, Booster, Auckland Foundation, Rātā Foundation, Colin Smith Memorial,

Nikau Foundation; and all our collaborating partners working for financial inclusion across Aotearoa. My personal thanks also to each of our dedicated staff and to the Trustees whose engagement and commitment to our important governance role has been unwavering this year. Ehara taku toa i te toa takitahi, engari he toa takitini!

We remain committed and focused on our vision and mission. With an increasing number of loan applications for paying utilities, rent or mortgage arrears, as well as Buy Now Pay Later debt, it's clear our advocacy efforts for change need to continue, alongside our practical offering of education and support, together with fairer, kinder loans. We welcome your ongoing support!

Ngā mihi nui



Nicola Brehaut

Chair Ngā Tāngata Microfinance Trust

Tēnā koutou katoa, ngā mihi o te wā ki a tatou

It is with great pleasure that I present my first Annual Report. Since starting in June 2023 and receiving a very warm welcome from all, I have had an incredible few months of learning and discovery working alongside our Chair, Trustees, staff, partners and stakeholders. I am fortunate to have stepped into a role where the previous CEO, Natalie Vincent, has led this organisation with mana and built a strong foundation. She has left large shoes to fill, but I'm very excited about the challenge of leading the organisation through its next phase of growth.

NTMT enjoyed another year of development and positive growth, demonstrating that we have the right strategy and certainty of direction to deliver our service to our whānau and hāpori. With so many in Aotearoa facing a cost of living crisis, providing access to safer, fair and affordable loans is more critical than ever.

I was once told that you can judge an organisation by its compliments or criticisms. In my short time here, I've seen extremely positive feedback about our organisation and the impact our service has on them from a diverse range of people.

We couldn't do our life-changing work without the significant support from our partners. Thank you to Kiwibank for their continued support in providing the capital for our loans, and to FinCap and the network of

Financial Mentors across Aotearoa who skillfully work alongside people to mentor and support them in their financial journey. We are also incredibly grateful to the Ministry of Social Development and to our generous donors and financial supporters – Auckland Foundation, Booster, Colin Smith Memorial, Kiwibank, Nikau Foundation, and Rātā Foundation – who enable us to do the work we do.

“The team at Ngā Tāngata were amazing, I can't tell you the pressure that has been lifted from having the loan.”

It is important to acknowledge the amazing voluntary mahi undertaken by our Board and Loans Committees, who show up out of aroha and manāki for the community and one another. Thank you for giving your time, energy and hard work to the kaupapa we are involved with.

Finally, words cannot express how grateful I am for our kaimahi who demonstrate genuine care and love of our hāpori and provide excellent support for those journeying towards better financial wellbeing. It really is a privilege to work for Ngā Tāngata Microfinance and to provide fairer, kinder loans and a path towards financial wellbeing for New Zealanders.

Ngā mihi nui,



Jade Tapsell
CEO



Kiwibank statement

Ngā Tāngata Microfinance has experienced another strong year of supporting Kiwi to get ahead. Whilst we are pleased to see the continued strength and growth of Ngā Tāngata's brand and presence in the market, we do acknowledge that this also reflects the increasing pressure that Kiwi are facing. In this current context, it is so important that there are safe, fair and affordable solutions such as Ngā Tāngata Microfinance loans and we are proud to continue our support of them.

This year, we are pleased to see Ngā Tāngata extending the support they offer to Kiwi with their My Money Kete offering, supporting Kiwi who are trying to learn different skills to build their financial capability, as well as continuing to offer their core microfinance products.

We were happy to be able to support Ngā Tāngata in different ways above and beyond our existing partnership. Our Kiwibank people really got behind the "Books, Boardgames and more" Christmas appeal that we ran where Kiwibank employees donated books and boardgames to participants on My Money Kete. Over 60 families received gifts through this donation appeal, and our people loved being able to support these

whānau who are actively working on improving their financial capability to make their Christmas a bit more special.

This year has also seen significant change internally at Ngā Tāngata and we thank Natalie Vincent, the outgoing CEO for the incredible role she has played for the organisation in the past few years. During her tenure she has been a wonderful advocate for low income Kiwi and the role of microfinance, and she has worked to improve the organisation's public awareness. We wish her all the best.

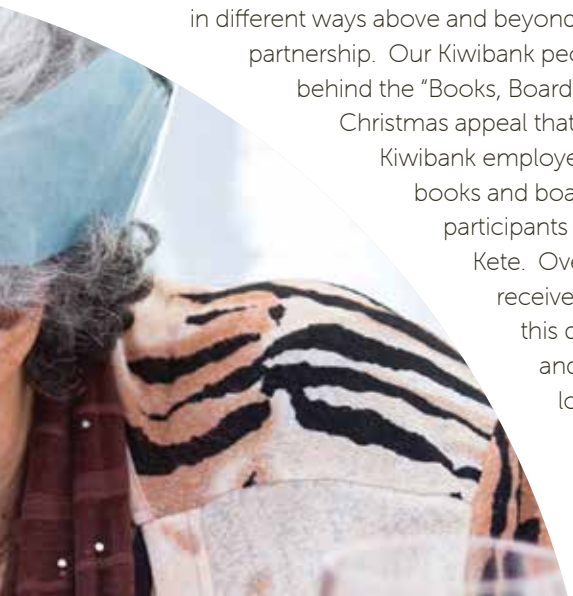
We are pleased to welcome Jade Tapsell to the role of CEO and look forward to working with her in the years ahead to continue to see Ngā Tāngata Microfinance go from strength to strength.

Ngā mihi,



Julia Jackson

Head of Purpose and Sustainability
Kiwibank



BOARD & STAFF TEAM



Jade Tapsell CEO



Nicola Brehaut
Chairperson



Ronnie Matafeo
Trustee



Racheal Monks
Trustee



Craig Manley
Trustee



Shawn Reddy
Trustee



Dr M. Claire Dale
Founder/ Trustee



Chris Wong
Trustee

STAFF

Marcela Mingoti
Finance Manager

Linda McCallum
Budget Service
Engagement
Coordinator

Emilie Dobinson
Loans Officer

Jane Gibbin
Loans Officer
Support & Financial
Mentor

HIGHLIGHTS

Highlights of the year

For the period 1 July 2022 to 30 June 2023

Total number of applications received

322

80%

of applications received by budget services were approved for loans

247

loans issued totalling \$554,937

Since we began we have issued loans totalling over

2.9 MILLION

92%

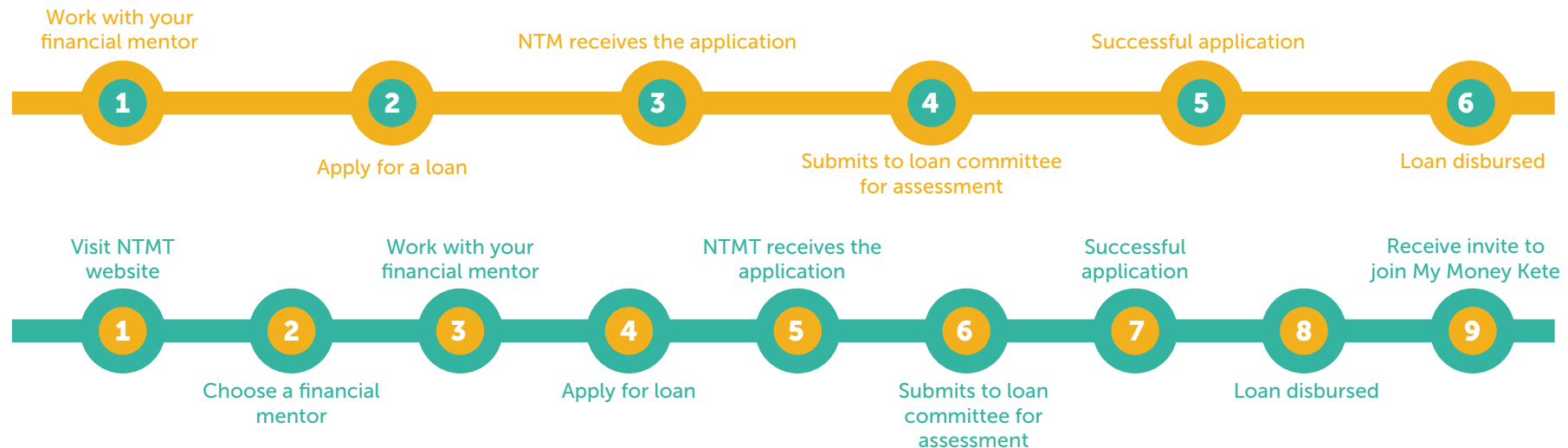
of our clients repay their loans on time

734

Kiwis join the My Money Kete community to start learning how to get ahead with money

How we work

The NTM Journey





“I’m able to make ends meet again.”

At 75 years of age, Alison* has had many years’ experience of living on a tight budget, and has only recently needed to reach out for help “The cost of living is so high at the moment,” she says. “I’ve raised a family as a solo parent on next to nothing, but it’s never been harder to make ends meet.”

Alison rents her home, and her pension is her sole source of income. After paying her bills, she has little money left. “I live a very simple, frugal life – there is nothing left for extras or little luxuries.”

Alison has always been good at managing her money. A few years ago, she got a credit card and over time, the balance grew to around \$5,000. “I was paying it down slowly, but with the cost of living increasing, I wasn’t going to be able to pay it off and have enough left to live off,” she explains.

With the help of a Financial Mentor, Alison re-did her budget. Her Financial Mentor suggested she apply for a loan from Ngā Tāngata Microfinance to pay down the credit card. Her application was accepted, and she says it has changed her life. “A huge weight has been lifted off my shoulders,” she says. “Because the

Ngā Tāngata loan has zero fees and zero interest, I can see the debt balance reducing and, once again, I’m able to make ends meet.”

Alison has a large vegetable garden which supplies most of her food. “Forget about meat – it’s too expensive,” she says. “I’ve always had a veggie garden and it’s saved me so much money over the years.”

“A huge weight has been lifted off my shoulders.”

Another budgeting trick Alison has learnt is to set up automatic payments for all the expenses she has during the year. “I have seven APs which are paid every month to cover upcoming expenses, like getting my car serviced,” she explains.

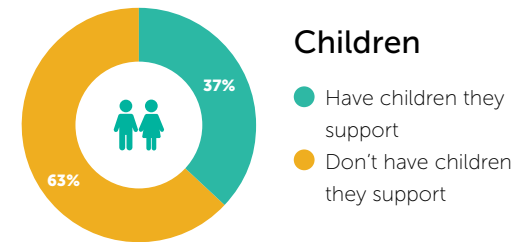
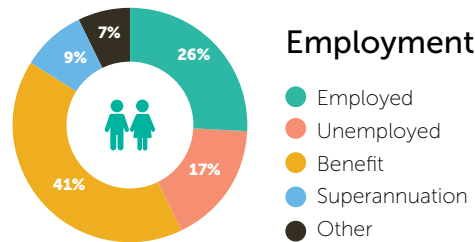
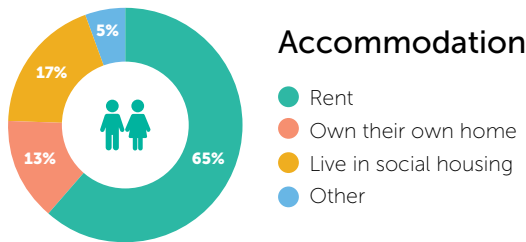
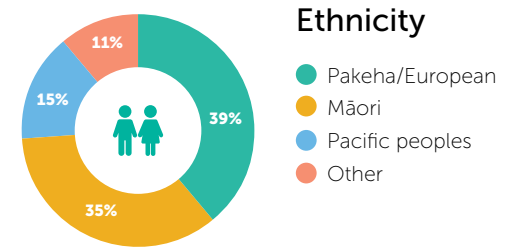
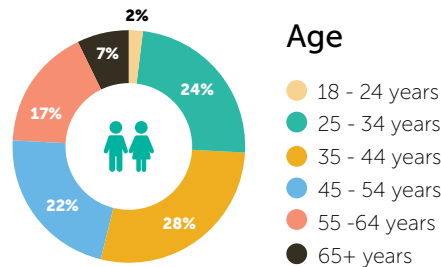
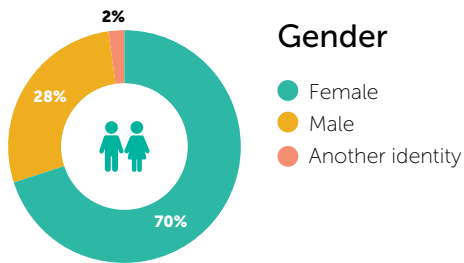
Alison does the same with her GP, electricity, insurance and other bills (although we recommend only doing this with companies you trust). “It makes such a difference and means these expenses are paid for before I incur the cost.” She says this approach to managing her money, the NTM loan and her veggie garden have kept her afloat.

“Some elderly people are literally starving because they can’t afford to live. I’m one of the lucky ones.”

* Name changed to protect privacy.

OUTCOMES

Our clients*



Our impact*

83% have more manageable debt

48% are more aware of safer types of debt

46% have learnt how to manage their money better

78% are more aware of the risks of getting into debt

63% have more money available for staples like food and rent

85% feel less stressed

41% feel they have been given back their dignity

52% have started to budget

35% have started to save

72% have not borrowed again

26% have improved personal relationships

* Annual client survey: Loan recipients 1 July 2022 to 30 June 2023



“Feeling in control of your money is life-changing.”

Rona* signed up to My Money Kete after seeing an ad on Facebook. She says it's not only helped her change the way she manages her money; it's also changed her life.

“I've learnt heaps,” says Rona. “I had a lot of debt, so I found the workbook quite confronting – you have to be honest and write it all down!”

Rona has always had debt throughout her adult life and had regularly used Cash Converters and pawnshops. “It was just normal. If I wanted something that's how I got it and rather than pay bills, I would throw them in a cupboard.”

Luckily, she'd kept the bills as they helped her figure out what she owed. “I listed everything I owed and then looked at things I could do to pay off the debt. I sold a lot of stuff, stopped buying takeaways, and cut down on cigarettes and coffees.”

Rona says doing the workbook was an epiphany. “It made me realise I'm a spender. I used to buy on impulse,

so now I go shopping with a list and I stick to it,” she explains. “I've learnt so much and have started to set myself little goals.”

Over three months, Rona has already paid off \$1,000 in bills on her own. “The workbook said ‘start small’, which I did,” she says. “But once I got going, I thought ‘I'm going pay \$10 off this week rather than \$5’. It was such a great feeling and the more I paid off, the more I wanted the bills gone.”

“I've learnt so much and have started to set myself little goals.”

“Now I have money left at the end of the month and that feels amazing. I used to have people chasing me for money I owed. It was so stressful.”

“My Money Kete is such a great thing to belong to – the workbook, the Facebook group, the emails, tips, and people are there to help you get ahead and you really feel that. And it's free!” she says. “I tell people they have to sign up, because feeling in control of your money is life changing.”

* Name changed to protect identity.

ENTITY STRUCTURE

Legal Name of Entity

Ngā Tāngata Microfinance Trust

Type of Entity and Legal Basis

Charities registration number

CC45351

Entity Structure and Governance

Ngā Tāngata Microfinance Trust is governed by a board of seven trustees. The organisation structure involves a Chief Executive Officer who provides operational management of the Trust which includes the management of five staff.

Main Sources of the Entity's Cash and Resources

Income from government contracts, grants from philanthropic organisations, private donations and bank interest.

Reliance on volunteers and donated services

The trustees are all volunteers and meet monthly for programme oversight and governance, whilst engaging on email. Other volunteers primarily contribute via membership of Loan Committees, reviewing and approving loan applications and assisting with some administrative tasks.





Statement of Financial Performance

Nga Tangata Microfinance Trust For the year ended 30 June 2023

'How was it funded?' and 'What did it cost?'

	NOTES	2023
Revenue		
Donations, fundraising and other similar revenue	1	531,143
Interest, dividends and other investment revenue	1	5,917
Total Revenue		537,060
Expenses		
Volunteer and employee related costs	2	373,039
Costs related to providing goods or service	2	174,275
Other expenses	2	10,375
Total Expenses		557,688
Surplus/(Deficit) for the Year		(20,629)

Statement of Financial Position

Nga Tangata Microfinance Trust
As at 30 June 2023

'What the entity owns?' and 'What the entity owes?'

	NOTES	30 JUN 2023
Assets		
Current Assets		
Bank accounts and cash	3	546,222
Debtors and prepayments	3	194
Other current assets	3	375,537
Total Current Assets		921,952
Non-Current Assets		
Property, plant and equipment	5	5,249
Other non-current assets	3	249,907
Total Non-Current Assets		255,155
Total Assets		1,177,108
Liabilities		
Current Liabilities		
Creditors and accrued expenses	4	10,413
Loans	4	899,583
Other current liabilities	4	87,790
Total Current Liabilities		997,785
Total Liabilities		997,785
Total Assets less Total Liabilities (Net Assets)		179,322
Accumulated Funds		
Accumulated surpluses or (deficits)	6	179,322
Total Accumulated Funds		179,322

Statement of Cash Flows

Nga Tangata Microfinance Trust For the year ended 30 June 2023

'How the entity has received and used cash'

	2023
1. Cash Flows	
Cash Flows from Operating Activities	
Donations, fundraising and other similar receipts	561,769
Interest, dividends and other investment receipts	5,917
GST	(2,152)
Payments to suppliers and employees	(491,167)
Loans disbursed	(554,937)
Loans repaid	500,018
Total Cash Flows from Operating Activities	19,448
Net Increase/ (Decrease) in Cash	19,448
Bank Accounts and Cash	
Opening bank and cash	526,774
Net change in cash for period	19,448
Closing bank and cash	546,222

Statement of Accounting Policies

Nga Tangata Microfinance Trust For the year ended 30 June 2023

'How did we do our accounting?'

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

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

Income Tax

Nga Tangata Microfinance Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

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

Grants

Grants that have been received for a specific purpose are recognised as income as and when the specific obligations are met. Up until this point, grants are recorded as income in advance on the balance sheet.

Where no specific purpose is defined, grants are recognised when received.

Donations

Donations are recognised as income as the cash is received.

Open Loan Balance and Write-Off Policy

The open loans balance represents the net amount of loans currently provided to clients i.e. the original value of the loan less any repayments.

Outstanding balances are written-off if the client is uncontactable and has missed more than 12 consecutive months of repayments. Write-offs are also recorded for deceased clients.

Changes in Accounting Policies

During the 2023 financial year, the organisation moved from the tier 4 reporting standards to the tier 3 reporting standards. For this reason, there are no prior year comparatives.

Other than the above change, there have been no changes in accounting policies.

Notes to the Performance Report

Nga Tangata Microfinance Trust For the year ended 30 June 2023

2023

1. Analysis of Revenue

Donations, fundraising and other similar revenue

Auckland Foundation grant	10,000
Booster Foundation grant	30,243
Donations	38,969
Fundraising and grants	19,930
Kiwibank grant	20,000
MSD contract	392,000
Rata Foundation grant	20,000
Total Donations, fundraising and other similar revenue	531,143

Interest, dividends and other investment revenue

Interest income	5,917
Total Interest, dividends and other investment revenue	5,917

2023

2. Analysis of Expenses

Volunteer and employee related costs

Board meetings	100
Insurance - ACC	345
Professional development and team building	4,804
Remuneration contractors - Community Outreach	55,591
Remuneration contractors - loans officer	22,819
Salaries	287,957
Sundry expenses	1,424
Total Volunteer and employee related costs	373,039

Costs related to providing goods or services

Communications and Marketing

Communication and digital development	31,788
Media	3,024
Total Communications and Marketing	34,812

Facility Costs

Office expenses	84
Rent	105
Total Facility Costs	189

Office and General

General expense	1,331
Liability insurance	6,452
Management system	13,704

	2023
Office expenses	1,929
Total Office and General	23,416
Professional services	
Accounting and Bookkeeping Fees	13,240
Auditing fees	9,750
Legal expenses	1,168
Recruitment	9,317
Total Professional services	33,475
Travel	
Car insurance	1,196
Car lease	5,304
Motor vehicle	1,942
Travel - national	4,674
Total Travel	13,116
Other	
Bank fees	-
Community Outreach - events and support	40,415
Cultural competency	16,630
Events	3,076
Organisation development	3,213
Postage and courier	130
Printing and stationery	328
Subscriptions	1,787
Telephone and internet	2,381
Website hosting and maintenance	1,306
Total Other	69,266
Total Costs related to providing goods or services	174,275
Other expenses	
Depreciation	9,712
Interest expense	(13)
Website consultancy and development	675
Total Other expenses	10,375

2023

3. Analysis of Assets**Bank accounts and cash****Bank - for operations**

Kiwibank Business Call account - 07	313
Kiwibank Business Call account - 08	3
Kiwibank Business Performer account - 01	29,130
Kiwibank Notice Saver account - 06	152,656
Kiwibank NTMT B Edge account - 04	890

	2023
Kiwibank NTMT B Performer account - 00	81,014
Total Bank - for operations	264,007
Bank - for loans	
Kiwibank DRLS account	13,754
Kiwibank NTMT B Edge account - 05	268,460
Total Bank - for loans	282,215
Total Bank accounts and cash	546,222
Debtors and prepayments	
Accounts receivable	194
Total Debtors and prepayments	194
Other current assets	
Open loans	420,175
Open loans - doubtful, current non-payers not written off	(44,969)
Withholding tax paid	331
Total Other current assets	375,537
Other non-current assets	
Open loans - deferred unrecovered amount	124,730
Open loans	125,177
Total Other non-current assets	249,907

In accordance with the sponsorship and loan agreement between Nga Tangata Microfinance Trust and Kiwibank, the trust's obligation to repay amounts owing is limited to the amounts that it actually recovers from recipients of the loans in the event this agreement is terminated, the expiry date occurs, or Kiwibank declares the amounts owing to be due and payable. Therefore, the amount owing by Nga Tangata Microfinance Trust to Kiwibank in such an event will be reduced by the amount equal to the unrecoverable amounts.

	2023
4. Analysis of Liabilities	
Creditors and accrued expenses	
Accounts payable	10,413
Total Creditors and accrued expenses	10,413
Other current liabilities	
Accruals	9,750
GST	1,383
Income received in advance	50,257
Leave liability	20,333
Loan overpayments	6,068
Total Other current liabilities	87,790

2023

Loans

Kiwibank loans	
Kiwibank Business term lending - 01	499,475
Kiwibank Business term lending - 02	150,108
Kiwibank Business term lending - 03	250,000
Total Kiwibank loans	899,583
Total Loans	899,583

The Kiwibank loans are for the total loans payable before application of the unrecovered amounts (refer to note 3).

2023

5. Property, Plant and Equipment

Computer	
Cost	7,187
Accumulated depreciation	(6,001)
Total Computer	1,187
Website	
Cost	21,635
Accumulated depreciation	(17,573)
Total Website	4,062
Total Property, Plant and Equipment	5,249

2023

6. Accumulated Funds

Opening balance	199,951
Current year earnings	(20,629)
Total Accumulated Funds	179,322

7. Grants in advance

	Grants received	Income utilised	Remaining grant in advance
Booster Foundation	75,000	30,243	44,757
Nikau Foundation for Wellington region	5,500		5,500

Accountants' details:

Frank Accounting Limited
 Level 4 The Textile Centre
 117 St Georges Bay Road, Parnell,
 Auckland 1052

8. Commitments

There are no commitments as at 30 June 2023 (Last year - nil).

9. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2023 (Last year - nil).

10. Related Parties

There were no transactions involving related parties during the financial year.

11. Events After the Balance Date

The MSD contract for the period 1 July 2023 to 30 June 2024 was received and agreed as expected.

Subsequent to year end, Nga Tangata Microfinance Trust and Kiwibank are formalising loan arrangements to extend their current contract to November 2025. It is intended there will be no changes to the conditions of the loan.

There were no other events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

12. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

THANK YOU



Thank you to our amazing partners and supporters:

Booster Foundation
Auckland Foundation
Rātā Foundation
Colin Smith Memorial Fund

Nikau Foundation
Kiwibank
MSD
Foundation North

Thank you to our wonderful volunteer Loan Committee members:

Denise Bray
Suraj Maitra
Brian Robertshaw
Nina Herriman
Nicholas Jack
Deidre Sang
Liz Moore
Tim Swann
Leanne Corfield
Brendon Hornell
Julie Timmins
Brian Mandeno
Ben Bracey

Bob King
Angela Wright
Qiulae Wong
Janet McAllister
Asmita Daji
Gwyneth Wills
Robin Briant
George Ebbett
Dr. M Claire Dale (Trustee)
Ronnie Matafeo (Trustee)
Craig Manley (Trustee)
Chris Wong (Trustee)

Special thank you to our generous private donors that continue to support our important mahi.



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microfinance

Fairer, kinder loans

Our fairer, kinder loans are backed by



Ngā Tāngata Microfinance

Charities registration number: CC45351