

KONNECTIONS

KPMG NEW ZEALAND'S ALUMNI MAGAZINE



Ready for
impact

The digital future

Let's get digital ... with alumni interviews, expert articles, KPMG happenings, people-you-know, and plenty more!

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Kia ora

Welcome to the latest edition of *Konnections*

It's always rewarding to connect with our talented alumni, and learn about the many and varied endeavours with which you're involved. In this issue, we catch up with Chris Heaslip, who invented an app that spawned his hugely successful business, Pushpay Ltd. We also talk to Ian Forrester, the investment-banker-turned-entrepreneur, who is working on a ground-breaking project in the technology space.

We're delighted to celebrate the latest achievements of our previous Chair and Chief Executive, Jan Dawson, who was recognised in the Queen's Birthday Honours List for services to governance. We congratulate Jan on p16, where she shares her golden tip for building a great career.

We're also breaking some new ground with *Konnections*. This issue introduces our new theme-based format – where we offer insights and articles from our own experts, as well as connect with alumni in the field. The theme for this issue is focused on technology and the digital revolution, and an article from Steven Graham, KPMG's new Head of Digital Futures, is included on p10.

As you know, KPMG is big on building relationships. We've recently joined forces with the NZ Innovation Council, we're keen supporters of the World Masters Games 2017, and we're stoked to have been voted a 'Good Business Egg' for our work in the community (see p21).

Lastly, we look forward to seeing you at our next alumni event held in Auckland. It will have a digital technology theme and our speakers will include Ian Forrester, Jan Dawson and Steven Graham. Once you've read about them here, we think you'll be keen to hear their stories in person!



Ross Buckley
Executive Chairman



Godfrey Boyce
Chief Executive



Aaron Woolsey
Alumni Partner



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Executive Chairman

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Chief Executive

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As you're one of our valued alumni, we think of you as part of the KPMG family. That's why we like to celebrate and share the firm's most important milestones – like this one – with you.

KPMG Global has just embarked on an exciting journey to articulate the firm's purpose, vision, values and future strategy. These aren't just dry words written on a page. It's about having a crystal-clear vision of the kind of firm we want to be – and what we want to achieve – and then bringing that to life every day.

There's something very powerful about having a purpose like ours. It's what gets us out of bed in the morning and it's the driving force behind the work we do every day. It's also something that sets KPMG apart. We've had a number of talented people tell us they decided to join the firm because of our purpose – it's something that really resonates on a personal level. Our values are also very powerful. As I tell each of our young grads when they join us, if you live and breathe these values, you'll have a career to be proud of.

Thanks for being part of the KPMG story.

Ross Buckley
Executive Chairman

The KPMG Story

Our Purpose

Fuelling New Zealand's prosperity by inspiring confidence and empowering change

We inspire confidence by acting as thought-leaders, connecting people for collaboration and taking the lead on issues that matter. We empower change by deploying our talents, applying real solutions and challenging the boundaries of what's possible. By helping to unleash the exciting potential of our businesses, supporting our public sector and working together to build stronger communities – we aim to fuel the prosperity of all New Zealanders.



Our Values

- We lead by example.
- We respect the individual.
- We work together.
- We seek the facts and provide insight.
- We communicate openly and honestly.
- We improve communities.
- We act with integrity.



In 2015, KPMG New Zealand contributed more than \$3.6 million to our communities through pro bono work, trustee roles, volunteering and donations.



As part of our purpose, we help our clients build, protect and realise value and develop our people to become better business leaders.



Our Promise

With passion and purpose, we work shoulder-to-shoulder with you, integrating innovative approaches and deep expertise to deliver real results.



Our Vision

"Our goal is to be the best firm, knowing how to balance global strength and consistency with the passion of local relationships and delivery."

John Veihmeyer,
Global Chairman,
KPMG



BACS GOOD BUSINESS EGG AWARDS 2016

#Did you know ...?
KPMG's global network comprises 174,000 people in 155 countries.



#Did you know ...?

In 2015, KPMG New Zealand recruited 250 people including 90 graduates.



#Did you know ...?

In 2016, KPMG New Zealand was awarded the Rainbow Tick for embracing diversity.



Chris Heaslip



Alumnus: KPMG Auckland, Business Advisory (Private Enterprise)
Now: CEO and Co-founder of Pushpay, a leading US/NZ technology company
Now: KPMG client

Faith has always played a big role in Chris Heaslip's life, both business and personal. The entrepreneur invented a payment app that allows churchgoers to make mobile donations and co-founded his company, Pushpay, in a sector that's worth US\$1.6 billion a year in revenue. At 35, he's also forged his own unique career path – and persevered through a number of business failures – on the road to finding his billion-dollar idea.

Chris shares the story of his journey to date, and the importance of staying true to your values.

Like most great business ideas, Pushpay had its own eureka moment.

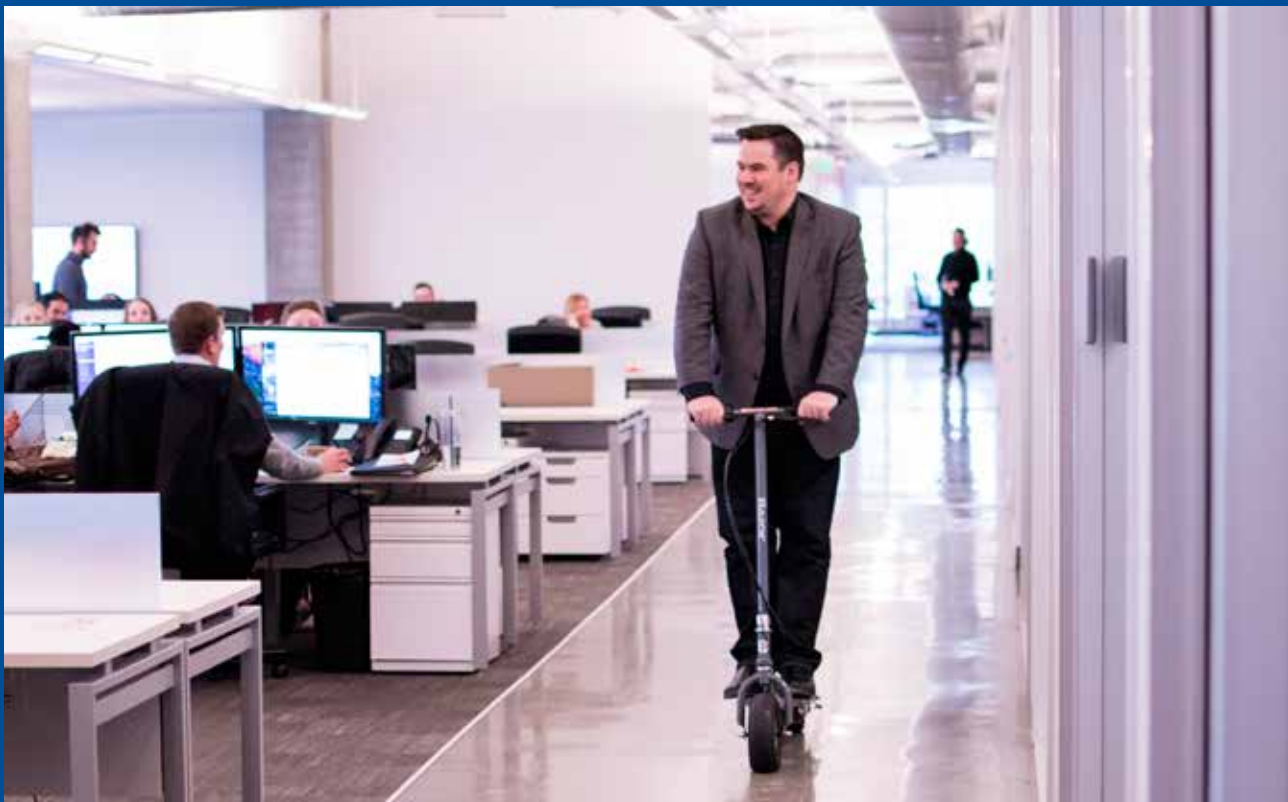
Chris and his friend Eliot Crowther were two young entrepreneurs who went to the same church in Auckland's Mount Eden. They had an idea for an app – one that would allow mobile payments at cafés – and entered a dragon's-den-like competition with their idea. The panel, however, shot their idea down in flames.

“Eliot was in church that following Sunday morning; the bucket came around and he thought, I've got some plastic, I've got my phone

but I haven't got any cash. Bing! What if we take that idea we had for coffees ... and applied it to churches instead. So we went to Life Church and asked if they'd like to try it out”

As co-founders, Eliot and Chris put in \$40,000 each to build the original prototype. Having quickly signed up the five major churches in New Zealand, the obvious offshore market soon beckoned – a country with over 340,000 churches and 157 million churchgoers. They went live with their first customer in the United States in April 2013.

Chris Heaslip in the office





That's what we really love about this business...it's actually about helping people



Today, Pushpay is an NZX-listed firm with a market capitalisation of \$592 million (as of 29 July). The company employs 255 people across its two offices in Seattle and Auckland.

So what lies behind the phenomenal success? The other big factor that makes Pushpay succeed in the States – aside from the massive scope of the church market – is the relatively slow uptake of online payments among American consumers.

Or, as Chris explains: “New Zealand is pretty switched on when it comes to internet banking and digital payments but it’s not like that in the States. I’ve still got to write a cheque each month to pay my power bill”

What’s most exciting is the market’s untapped potential. As Chris describes it, “all the tailwinds are behind Pushpay”

“Across the whole church sector in the US, only 13 percent of all giving is currently done online; the rest is still through cash and cheques. So when we think about how big this market is, our revenues will grow exponentially as the rate of online giving increases”

Although the church market is still 99 percent of Pushpay’s focus, the business has also diversified into bill payments for enterprise, particularly utility companies. They are doing early-stage pilots for this side of the business in New Zealand, with two of the largest utilities in New Zealand.

Again, the philosophy behind it is convenience and control.

“There’s a large segment of people who want to have the convenience of a direct debit but the control of internet banking. So how it works ... you get a text message from your utility company with the amount due and a link to the app. You get sent over to the app with all the fields pre-populated, you put your thumbprint on and the whole thing is done in 10 seconds”

Pushpay’s track record in the church sector has definitely paved the wave for the foray into enterprise.

“A lot of people have tried this in New Zealand around bill payments and haven’t been successful,” notes Chris.

“But the difference with Pushpay is that we’re doing over NZ\$1 billion of payments through our platform every year. So our enterprise clients know we can handle this size of business – we’ve got the track record of up-time and stability and volume that ticks all their boxes”

For Chris and Eliot, their faith and business pursuits remain intertwined.

“We say ministry is what we do, but business is how we do it. One church in New York we work with has 10,000 orphans in Africa they support. By providing the technology that allows people to give more, we play a small part in that. That’s what we really love about this business ... it’s actually about helping people”



Chris Heaslip
interview (continued)



Getting ahead: the strategic approach

Ever since childhood, Chris has known he would be an accountant.

“My mother was a single parent who always worked really hard to support our family ... so we had a strong work ethic modelled to us from an early age. When I was about nine years old, we talked about me becoming an accountant. She said it would be a great skill to have, whatever I chose to do in life.”

There was no accounting teacher at Kaipara College but Chris taught himself accounting in Form 7. Around the same time, he read the seminal business book, *Rich Dad Poor Dad* by Robert Kiyosaki and Sharon Lechter.

“And the line that stuck with me was you should never choose a job based on the amount of money you earn – you should choose it based on what you learn. If you do that, the money always follows.”

Adopting that as his mantra, Chris knew the best place to hone his tax knowledge would be a stint working for the IRD. After two years working there – while also studying for his Master’s degree in Tax – he turned his sights to the Big 4. The 24-year-old Chris already had his sights set on partnership.

“I emailed [then Managing Partner] Alan Brame and said: “I’m this young kid; I’m ambitious, can you tell me what it’s like to be a partner here in the firm? We went out for breakfast and I asked him a whole bunch of questions.”

When offered a job at KPMG, Chris’ mantra again came into play. Rather than taking the obvious Tax route, he chose to broaden his skill set by joining Private Enterprise.

“I wasn’t very good at accounting when I first started! I remember saying in the interview, I’ll do whatever it takes to make up for any deficiencies I have ... because I’m coming here to learn. The unique thing about KPMG’s mid-market group was that, at the time, they also did audit. So it was the perfect mix – you get advisory, you get audit and you get tax.”

There was another reason Chris wanted to join KPMG – and that was to get an insider’s view on how a large and successful organisation is run.

“What makes KPMG so successful is all the stuff that most people don’t see ... the systems, the processes, the discipline and the rigour. KPMG’s commitment to training and investing in people is also world-class. As alumni, you take that away with you and it stays with you forever.”



The importance of values and perseverance

In the years between leaving KPMG and launching Pushpay, Chris started around 15 different business ideas that went nowhere. And he’s philosophical about the often random nature of business success.

“We’d had some good ideas ... so why those didn’t take, I really don’t know. You plant a bunch of seeds; some grow, some don’t.”

He says compared to the United States, New Zealanders tend to have an innate fear of failure.

“Look at the guys in the States who are all billionaires – the average number of companies they had that failed was 17. In New Zealand, people give up after three or four. I think that’s something as a country we really struggle with. Everyone wants the output of innovation but no one wants the failure that goes with it. But failure is what gives rise to the stuff that actually works.”



KPMG Auckland



Wed, 21 September



KPMG Wellington



Wed, 12 October



Save the Date

KPMG Alumni Events

We'd love to catch up with you
at our upcoming alumni events
– ***look out for invitations
coming your way!***

Also, keep an eye out for alumni events at our other offices around the country

Ian Forrester



Alumnus: KPMG Auckland, Corporate Finance
Now: Managing Director of Plan B, New Zealand's leading provider of ICT and Business Continuity Solutions
Now: KPMG Client

He runs one of the country's fastest-growing IT businesses ... but Ian Forrester is first to admit he's "not a technology guy".

According to the former investment banker-turned-entrepreneur, there are two keys to success in the IT industry – you must always look to the future and stay true to the fundamentals. We caught up with Ian to gain his insights on the digital landscape.

Ian began his career in corporate finance – including roles at KPMG (where he introduced the CFA qualification to the firm) and in investment banking.

"About 10 years ago, I decided I needed to do my own thing and was looking at my options. Would I set up my own corporate advisory practice or private equity fund ... or do I buy a business?"



Donning his private equity hat, Ian knew he'd want an annuity-based business that had scope for growth.

"I was involved in the sale of Gen-i to Telecom in those days – and more than 90 percent of its revenue had to be re-earned every year, which is pretty hard. So I knew I wanted a repeatable business model that would be scalable."

As luck would have it, an opportunity soon presented itself to him. His father-in-law wanted to divest his shares in a business and asked Ian to talk to his co-shareholder about their options.

"I knew nothing about IT. If I'd applied for a job in a technology company, I'd never have got it. But that business was 95 percent annuity revenue and I could see a huge opportunity to take it to the next level. I came out of that meeting and said, 'hang on to your shares – I'm buying the balance'."

"We signed the deal in September 2007 and, suddenly, there I was, with more debt than I'd ever imagined. Then a few months later – smack – we were hit by the GFC. So the first few years of owning this business were the hardest years of my life. But as I always say to people ... you learn more in the tough times than in the good"

Things have certainly become easier – and then some. Nine years later, Plan B is now 500 percent larger than was the business Ian took over. The firm provides ICT and business continuity services to a blue-chip list

of New Zealand and international businesses, including most of the country's banks, insurance companies and leading corporates. It has around 80 staff and a well-respected board at the helm.

But there's an even more important measure of growth, believes Ian.

"About 80 percent of our revenue today comes from services that didn't exist when I bought the business. That's the nature of this industry and it's what we do. We continually recreate ourselves"

This approach is reflected in Plan B's acquisition strategy, which likes to 'zig where others zag'. For instance, earlier this year, Plan B purchased ICONZ, one of the country's founding internet service providers.

"People said to me, why would you buy an ISP? But that's only a small piece of their business ... they've got a co-location data centre with over 100 racks in it, and I can get more than 1,000 percent increase in revenue through converting co-location to hosted infrastructure. So I didn't buy an ISP ... I bought opportunity"

Another example is Plan B's recent collaboration with Panasonic, which has resulted in a world-first innovation. The back-story is simple: Panasonic owned the Blu-ray technology once used for high-definition video and gaming but since made obsolete by the Cloud. So Panasonic developed an alternative use for Blu-ray as archival optical storage, and partnered with

Facebook as its founding large-scale end customer.

Via an existing relationship with Panasonic, Plan B entered the picture 18 months ago.

“Panasonic is a customer of ours,” explains Ian. “The New Zealand team is a very well-respected division within Panasonic globally, and is an innovator in its own right.”

The optical archive technology was originally designed for a single customer with a very large quantity of data, as was the case with Facebook. But Ian immediately saw a way to extend the solution to be accessible by all businesses, large and small.

“So that’s what we’ve done – we’ve multi-tenanted the solution in the Cloud. And we’re the only ones in the world to have done it.”

Being physical ‘WORM’ technology (‘write once read many’), optical storage cannot be corrupted or manipulated as can traditional storage. It’s not susceptible to temperature or magnetic fields – and it runs on the power of a light bulb.

“This will change the way we think about storage,” says Ian.

“As a client using this, I can move more data off my production storage and thereby reduce my backup window, improve my recovery time frame, lower my total cost of ownership and consume way less energy – all by thinking outside the square.”

One of Ian’s central philosophies is that ‘the past is no longer a proxy for the future’.

“Some of the biggest companies in the world today didn’t exist 10 or 15 years ago. So don’t look at the past – look at the future. Being a disruptor today isn’t about being big; it’s about being nimble. In our business, we’re going to keep looking for the next big opportunity so that, eight years from now, 80 percent of our revenue will be from something we haven’t thought of yet.”



On the explosion of data:

“Data is just exploding exponentially. I read an article recently that predicted the world will run out of storage – because data is growing faster than we can create storage. That’s not going to happen; we’ll find a solution. But the sheer volume of data is mind-blowing. There are around four zeta bytes of data in the world today. And, by 2020, there’ll be 40 zeta bytes. That’s got more zeroes than you or I can ever imagine ... ”



On the importance of fundamentals:

“Remember the tech boom of 1999/2000. Those were the days when you could take any company that had technology in its name and list it on the stock exchange for a silly number. We seem to be back in that space today with venture capital funds predicting something’s going to be the next unicorn or billion-dollar company without the underlying fundamentals to back it up. My advice is: don’t get caught up in the hype because, ultimately, it’s still cash flow that drives your business. People are bandying around a new fashionable phrase: the ‘cash burn rate’. That just means you have to keep going back to your investors for more, promising they’ll get something in the future – and it’s going to catch up with you. And I’m predicting there will be a catch-up but a lot of it will be off-market in the venture capital funds. The fundamentals are critical and cash is king. It always will be.”



On inspirational people:

“I love the story of Alibaba founder Jack Ma. In one of his first presentations in America, when he was raising capital, he introduced himself by saying: ‘I’m Jack Ma and I’m made in China’. And his second statement was: ‘I know nothing about technology’. And that’s why he’s successful – he doesn’t get caught up in tradition or set ways of doing things. I’ll always remember Sir Peter Blake and his famous saying: ‘Does it make the boat go faster?’ You can’t sum it up better than that. Or William Gallagher: I love his story. Back in the 1930s, he got sick of his horse rubbing up against his car in the paddock. So he rigs up a car battery and the horse gets a shock. Enter the electric fence, a worldwide phenomenon. I love the stories of people who do things differently.”



On running a business in New Zealand:

“We live in the best country in the world ... this is the land of opportunity. When we look at business and technology, New Zealand punches way above its weight. I came away from the High Tech Awards this year thinking, wow, our industry’s in a good place. We rock. We just need to take that to the world. The economic climate is right; debt is cheap. Let’s go out there and give it a nudge.”

Ready for impact

The digital future

Globally, there are now more than 170 unicorns (a unicorn is defined as a tech start-up worth more than \$1 billion) including our home-grown version, Xero. At the same time, life expectancy for traditional corporate firms continues to decrease – a trend which has even spawned a new corporate acronym (FOBO: the fear of becoming obsolete). Never has it been more critical for an organisation to reinvent itself and adapt to the exponential rate of change.

Steven Graham, KPMG's Head of Digital Futures, shares his insights on how an organisation can survive - and thrive - in an unknown future.

From my experience, there are some key steps an organisation can take, immediately, to deal with the volatility, uncertainty, complexity and ambiguity of the emergent future. These include:



Strategic foresight

There's a quick way to test the inherent value of your current strategic plan. Does it plan for plausible future scenarios that don't exist yet?

Our current world view has conditioned us to think about the future in a linear way, at today's rate of change. And while that's pretty fast, it's nothing compared to the exponential rate of change that's coming.

What we have experienced so far – and what we think we know – won't provide us with the insights to create an accurate view of the emergent future. Our traditional thinking models must be augmented with new thinking tools that are more expansive and are based on this trajectory of exponential change.

There are no longer any 'safe harbours' or sacred cows – if you don't disrupt yourself, others will do it for you. Developing future state scenarios enables your people to uncover blind spots and bring disruption to the executive table, and to start having those

critical conversations around questions without clear answers.

I've worked with many large government agencies and private sector clients in New Zealand to develop new foresight thinking models to enable organisations to become more resilient.

For example, I've worked previously with Radio New Zealand to create plausible future scenarios for the broadcasting landscape and its economic funding models. This was a collaborative effort led by CEO Paul Thompson, involving the Board of directors, executive team and employees across the organisation. Together they created future scenarios based on trends, uncertainties and disruptions to understand and anticipate better a broadcast world, which is moving from analogue to digital, and the impact of shifting funding models.



There are no longer any 'safe harbours' or sacred cows – if you don't disrupt yourself, others will do it for you.



Digital drivers

Once an organisation has a clearer understanding of the emergent future – including the potential high-impact disrupters – it can monitor change better and design a more fluid and robust strategic plan. It can also begin to design innovative new services with the customer at the centre. Many of these services are digitally driven.

Cloud computing, mobile, data analytics, social media, Artificial Intelligence (AI) and Internet of Things (IoT) have been key enablers for the success of the unicorns. The experts predict these technologies will displace a significant number of jobs and be the basis of mainstream business applications in the not-too-distant future.

It goes without saying that every organisation must be continuously scanning the horizon for emerging technologies and asking: how will we leverage them in our business?



Cultural transformation

Digital transformation is synonymous with cultural transformation. The renowned business book, *Good to Great* by James C. Collins reinforces the need to ensure employees are culturally aligned – so that, when an organisation needs to change, adapt and shift, they can do it rapidly and collectively. This is no easy exercise, considering that many New Zealand employee feedback surveys indicate that only 20 percent of staff are engaged, 60 percent ambivalent and 20 percent disengaged.

As organisations attempt to move to new digitally driven operating models, successful adoption of digital tools and processes will rely on a culture of transparency, openness and collaboration. It also requires an engaged workforce.



Design thinking

The above values are at the heart of design thinking (also known as human-centred design). Most large organisations have created design thinking teams within the last year, and KPMG is working with clients to help them gain the greatest value possible from the process. Essentially, it puts the client at the centre and helps teams design, ideate, prototype and test solutions.

Although Uber is famous for its use of Cloud computing, mobile and AI, the real story is how design thinking exposed a broken business model. It revealed that a customer doesn't want to wait in the street to hail a taxi, they didn't want to pull out a credit card, and they wanted a safe and accessible driver who knew how to find their destination.



It's never been so exciting to be in business and it's never been so challenging to be a leader.



The way forward

The concepts of strategic foresight, digital transformation, cultural change and design thinking are essential ingredients for the future of organisations.

According to KPMG's 2016 Global CEO Outlook, 82 percent of CEOs are concerned their current products and services may not be relevant to customers three years from now.

It's never been so exciting to be in business and it's never been so challenging to be a leader.

Foresight thinking provides a well-proven approach to facilitate an organisation to work together towards an innovative future. If your company has not yet started this journey, now is the time.



About Steven Graham

Steven Graham has joined KPMG as Head of Digital Futures and is based in our Wellington office.


Born and bred in California, Steven holds a Bachelor of Science degree in Business Management. He held executive roles in Japan and Silicon Valley before making the move to New Zealand 16 years ago. From 2012 to 2014, he was an independent advisor on the New Zealand Government's Cloud Programme.


Steven is passionate about the opportunities digital technology brings to New Zealand, citing the country's reputation for creative thinking and transparency, and its high levels of integrity in business.


On the home front, Steven has 18-year-old twins – one studying engineering in Auckland and the other on a basketball scholarship in New York, and a 20-year-old son on a two-year OE through Asia. Steven is Head Coach of Basketball for Wellington Girls' College (the runner-up national champions for the last two years in a row!).

Steven Graham

Head of Digital Futures

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 KPMG Wellington



Creating the country we all know New Zealand deserves to be

New Zealand's economic engine is fuelled by the successes of our many and diverse private and public enterprises.

At KPMG, we are proud to be applying our expertise to help inspire and encourage our innovators, business leaders and entrepreneurs to build successful and sustainable world-beating business enterprises.

We passionately believe that our work in helping fuel the prosperity of our clients significantly contributes to ensuring our communities, our country and, ultimately, all New Zealanders will enjoy a more prosperous future.

Do you share our purpose of fuelling New Zealand's prosperity?

Whether your organisation is private or public, big or small, corporate or entrepreneurial and, wherever you are, we want to help you achieve your prosperity aspirations.



The future of audit

How data and analytics are changing audit

It seems hard to believe that, just 10 years ago, auditors were still working with red pencils and shipping information packages around the world. Advances in technology have created a bold new landscape for financial reporting – and the digitally enhanced audit is emerging centre stage.

The power of data and analytics (D&A) is having a transformative effect. The audit of the future will provide deeper and more relevant insights into an organisation's performance – delivering greater value to clients, building confidence in our markets and creating exciting new roles for the auditor. We take a look at what the next five to 10 years will bring.

Unlocking new potential

Of course, data has always been the lifeblood of audit. But the way that data is collected and analysed is changing dramatically.

Instead of performing routines over a relatively small sample of transactions, and then extrapolating conclusions across a broader set of data, auditors now have the capacity to analyse 100 percent of an organisation's transactions. This means they can sort, filter and analyse millions of transactions – to identify trends, highlight outliers, and drill down quickly to areas of potential concern.

It also impacts the way an audit is run. While the classic audit would typically start with a client interview, the auditor is now just as likely to meet with IT personnel early in the process. And, instead of being provided with vast amounts of paper-based materials to sift through, the auditor can now analyse the data using specialist D&A tools – to identify transactions or groupings of transactions for further testing and discussion.

The human element

The most exciting part of the D&A audit revolution is not the technology itself but the way in which auditors are using the technology to deliver game-changing new insights.

It is the skill and enquiring mind of the auditor that determine where, and how, the data should be analysed. It is their expert eye, for instance, that identifies areas where data inconsistencies may flag the presence of fraud, controls weaknesses or unsupportable risk.

Through their ability to perform increasingly sophisticated analysis, auditors are now providing their clients with information that has built-in value. For instance, they can regressively analyse and compare performance over the last three years or investigate areas of risk that may be of particular concern to the audit committee.

Matt Diprose, KPMG's National D&A Leader in Audit, says this proactive approach adds a whole new dimension to the auditor-client relationship.

"D&A substantially change the kinds of conversation we're having with the audit committee and management – and the kinds of conversation they're having with one another," he says.

"By analysing data that relates to the fundamental nature of the business, we're having more meaningful discussions in areas we never talked about before."



“
D&A substantially change the kinds of conversation we’re having with the audit committee and management.
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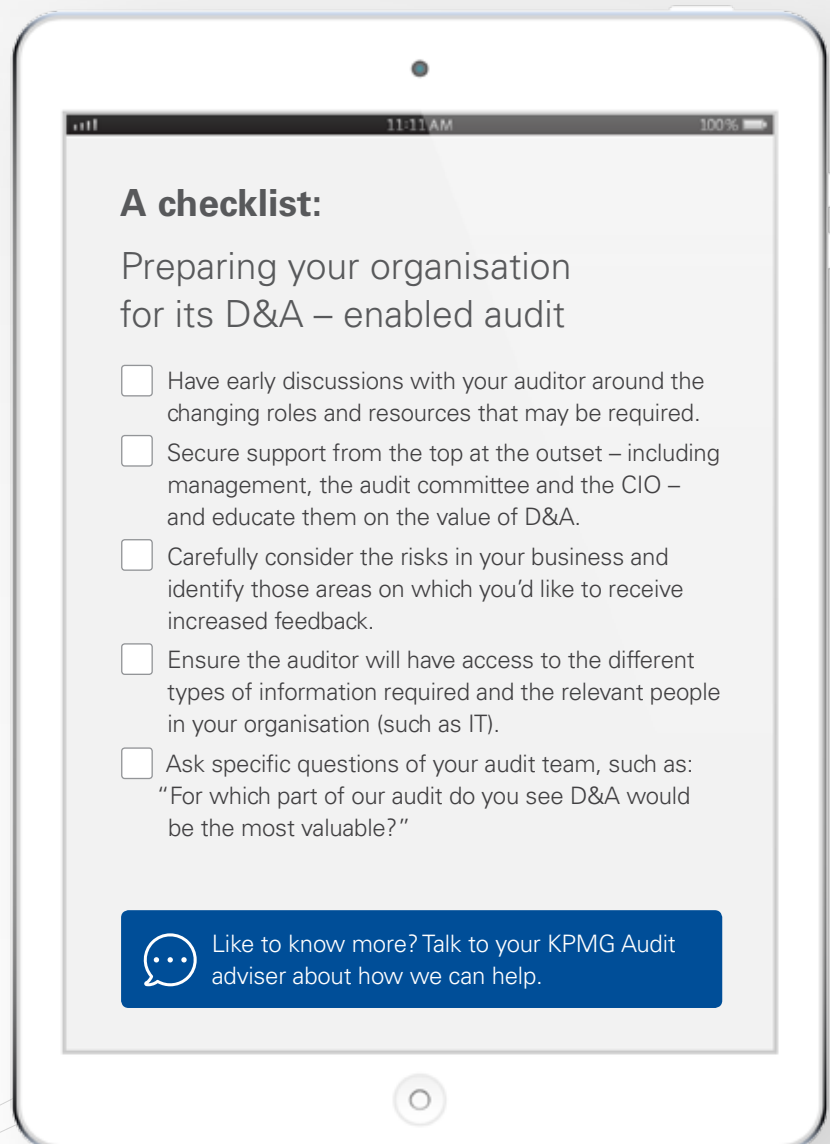
Data from beyond the business

The D&A-enabled audit provides new insights across the spectrum – from the tiniest detail to the much bigger picture.

At one end of the scale, auditors can drill down to a granular level by using very specific analysis. It’s possible, for example, to test segregation of duties in specific areas – not only to see whether or not a person has performed conflicting duties, but to identify who it was and which transactions were impacted.

Or, for the big picture, they can combine audit data with broader information from across an industry or geography to provide valuable industry benchmarking or other risk-related insights.

Even more game-changing, ‘unstructured data’ may become part of an integrated data analysis process that will take D&A in the audit to the next level. For instance, how are weather and traffic patterns impacting on the performance of your retail outlets? Or, what are the risks arising from external Facebook or Twitter posts about your brand?



Matt Diprose
Audit Partner



Laura Youdan
Senior Manager

A right royal congratulations!

Jan Dawson receives Companion of the New Zealand Order of Merit

Former KPMG Chair and Chief Executive, Jan Dawson has been recognised officially as one of New Zealand's most outstanding business leaders.

In the Queen's 90th Birthday Honours List, Jan was made a Companion of the New Zealand Order of Merit (CNZM) for services to governance. This reflects her achievements across numerous board and leadership roles – she has steered the ship at both KPMG, and Yachting New Zealand – and was the first woman in New Zealand to be appointed chair of a major bank in 2015.

Jan regards her five years with KPMG from 2006 to 2011, as one of her career highlights.

"I think KPMG is an exceptional firm so having the opportunity to lead that was quite special."

Jan's advice to other young people with leadership ambitions is to "always deliver more than what's expected".

"That doesn't just mean ploughing in the hours ... it's more about thinking about how you can make somebody else's life easier."

Jan adopted this approach early in her career while working as a young auditor in Canada for Peat Marwick Mitchell, as it was then.

"They'd just opened up Canadian banking to Schedule B banks and I was asked to do a review for a banking licence. So I did the work and then I drafted up the report. And I remember the Partner being quite amazed that I'd taken that initiative. So I thought, hmmn, that works – I'll keep doing it!"



Always
deliver more
than what's
expected.



"So my advice is to understand what your client wants – whether that's your internal or external client – and then really think about how you can deliver that additional bit of something. We all love to be surprised by people giving us something we didn't expect."



A brainchild to help Kiwi charities

Connecting skilled workers with charities

New Zealand charities will find it easier to get the right brains on the job, thanks to a new initiative being supported by KPMG.

David King, a Director at our Auckland office, is one of the founding members of Donating Brains – a platform for connecting corporate professionals with charities who are looking to build their skill base.

David explains the motivation behind the idea:

“We realised that while there are plenty of opportunities for volunteering activities that require physical skills - such as tree-planting or collecting donations - there were fewer opportunities available for people to donate their professional skills. We researched the reasons for this...and discovered one of the biggest barriers was that charities simply don't have the time to find the right people”

To overcome this, a key part of the Donating Brains model is the ‘skills partner’. This is someone from within the corporate who takes ownership of the partnership – they identify the needs of the charity, and match up people with the appropriate skills from within their organisation.



Some young Brains passing on their spreadsheeting skills at Auckland City Mission



Donating Brains is essentially a knowledge base for connecting charities and corporates.



Since launching in early 2015, the Donating Brains team has run two successful pilot programmes, both supported by KPMG.

The first project was working alongside Springboard Trust, an organisation that provides strategic leadership programmes for school principals and their leadership teams. During 2015, specialist teams from KPMG helped build the HR function (as the Trust is growing

rapidly), assisted in the scoping of a new CRM system and advised on LEAN project management. This year KPMG has helped to design a new curriculum about implementing strategic change in schools with the Alumni Services programme. Three skills volunteers from KPMG also assist as ‘Capacity Partners’ within the Trust’s Strategic Leadership for Principals Programme.

Secondly, the Auckland City Mission approached KPMG for help with updating specific technology skills, so they could interpret their donor database in a more sophisticated way. Two analysts from KPMG ran a training programme in Excel, attended by nine trainees across nine departments.

Having proven the success of the model, Donating Brains is now encouraging other corporates – and charities – to get involved. As well as providing advice, they’ve written a Handbook guide to running a successful programme.



committeeofauckland.co.nz/donatingbrains
davidking@kpmg.co.nz



David King
 Director –
 Corporate Finance

Freed up to give back

KPMG Partner Matt Prichard has returned from Vanuatu with his wife Leanne and five kids.



Matt, Leanne and family on the way to dinner

KPMG gave Matt nine months' leave of absence to allow him to support Leanne's work running a small hospital on cyclone-ravaged Tanna Island in Vanuatu.

"It's by far the hardest thing we've ever done," said Matt, back at work and wearing shoes and long pants for the first time in nine months.

Leanne works as an Accident and Emergency specialist and – not one to waste an opportunity – was able to persuade her employer to stretch her maternity leave after the birth of their youngest daughter last year.

"We knew we were going into a very simple life, and that it would take a lot of energy for Leanne to get the hospital into shape, but it really did take everything we had!"

For most of their time there, Leanne was the only doctor for a population of nearly 30,000. Doctoring meant not only managing the 50 staff members, but also running clinics in the mountainous interior of the island and visiting the other nearby smaller islands.

"We loaded the kids on the back of the ute or onto the little plane and they went everywhere that Mum went," said Matt. "That meant long days on muddy, rutted tracks to get to the more remote villages but the kids loved every minute of it"

While Leanne was providing the essential medical care 24/7, Matt ran the household and took on local community projects that just needed some energy and diplomacy to get going.

"One of the best things we did over there was to make a start on rebuilding the nurses' and other staff members' homes," said Matt. "We had the money there from overseas donations, a builder ready to go and materials on a ship but it took weeks of negotiation to gain Ministry of Health approval so we could get these hard-working nurses into dry homes"

He also became an honorary member of the TAFEA Women's Association committee, when he found out they were running their meetings and community

work under a banyan tree because nobody would let them use the Women's Skills Centre that had been built by Rotary Australia but never opened for two years.

"With these sorts of things, you just had to laugh then get stuck into fixing them," Matt says. "Women have a hard time in the local culture and some of the men didn't like the idea of them having this building and taking classes. But, with a bit of a push, we got the keys, set up the brand-new sewing machines and computers, had a massive opening ceremony and got classes started"

Leanne's experience working in Botswana and her Diploma in Tropical Medicine from London gave her a great head start with the medical work. But there were some nasty surprises for her to adjust to.

"The level of poverty, especially in the remote villages, was quite shocking," she says. "I had to quickly get used to the fact that I was seeing infants dying in the hospital from malnutrition right here on our doorstep in the Pacific"

Matt and Leanne's kids were seven, five, two and four months when they left New Zealand so home schooling was a big part of the day for Matt. "It was brilliant to have the time and opportunity to focus directly on your kids and what they're learning"

Late in their stay, the family expanded to seven, when they took in and subsequently adopted a one-year-old Ni-Van baby girl, who firstly needed intense care and feeding.

“
Take your first-world education and skills, mix them with your Kiwi ability to get along with people from anywhere ...



“By the time her parents asked us to take her permanently, we were totally smitten!”

When pushed, Matt and Leanne have two bits of advice coming out of their time away:

“Take your kids to tough places; they’re tougher than you think, they love spending time with Mum and Dad, no matter what, and they love adventure!” says Matt.

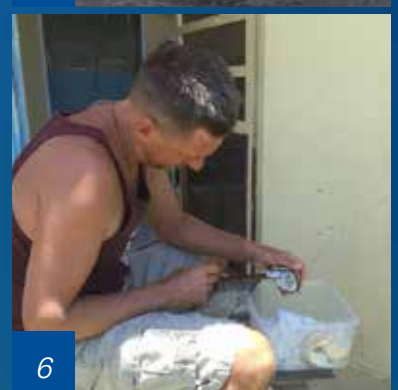
Leanne has the last word:

“Take your first-world education and skills, mix them with your Kiwi ability to get along with people from anywhere, and you can make an enormous difference in places less lucky than here.”



Matt Prichard
Partner, Audit

1. The family playing on the ash plain
2. Leanne with Sister Lina from Senegal
3. The children invented ‘kidquarters’ in their cupboard
4. Leanne at the clinic
5. Leni heading to the market with her friends
6. Matt learning how to husk a coconut



The Tauranga tog-a-thon!

Giving back to Merivale School

When KPMG people spot an opportunity to help, they're always quick to put their hands up. That's exactly what happened at our Tauranga office one afternoon last year.

Merivale School in Tauranga is one of several schools in our Partner Schools programme (this is where our KPMG regional offices partner with local, low-decile schools to provide ongoing support). The support can take many forms and, on this occasion, it was helping kids get 'togged out' so they could enjoy their swimming education.

Merivale School runs a two-week swimming programme each year, held at the local pool. But it wasn't always an enjoyable experience for the staff and children as some of the children didn't own their own togs or had to change in and out of wet togs to share with siblings.

Julianne McMillan, KPMG Tauranga's Office & Events Administrator, recalls what happened:

"I had an email late Thursday afternoon from the office manager at Merivale School, asking if we had any old togs or towels that



Merivale School students at their local pool



... they are so looking forward to swimming now: a time that they usually dread



could be passed on to the kids who were about to start their annual swimming lessons at the local pool," says Julianne.

"I put a message out to our people asking if they had anything to offer ... and, the next day, new togs, old togs, rash shirts and towels started to appear on my desk. And the momentum just grew from there!"

Other tenants of KPMG's building, at 247 Cameron Road, also generously joined in the 'tog-raising'. The staff from Realty Services had a whip-round to purchase some new togs and ANZ even spread the word to its Auckland office, who couriered more togs straight to the school.

"The looks on the teachers' and staff members' faces when we delivered the donated items said it all," says Julianne.

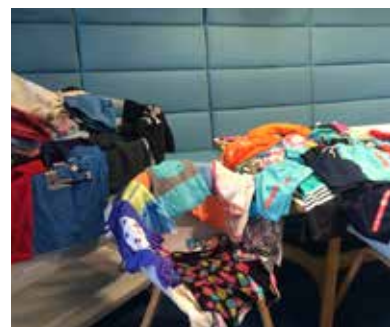
The Tauranga team later received this message from the school:

WOW! we have had such an amazing response to our request for help with togs and towels so our tamariki can participate in swimming lessons.

They are all very happy with their new togs and towels and so proud wearing them. Swimming lessons are so important for our children and giving them exposure to the water and the opportunity to learn to swim is invaluable.

No children have missed out on swimming this term thanks to your generosity. A HUGE thank-you from everyone at Merivale School. We are very, very grateful and think you are all amazing.

Jan Honey, Office Manager, Merivale School



Piles of swimwear ready for the school students



Julianne McMillan
Office & Events Administrator

KPMG voted a Good Business Egg

We celebrate our 'authentic' award

KPMG was thrilled to be recognised in the BACS Good Business Egg Awards 2016.

There's something extra-special about winning these awards – as they represent a truly authentic 'thank-you' from the community. Read on to find out why.

As an organisation, Business and Community Shares (BACS) is the hub of Corporate Social Responsibility (CSR) in New Zealand. With its fourth annual Good Business Egg Awards, held in April this year, it aims to showcase the best of community investment by Kiwi businesses – and does things a little differently.



Award presenters, Dain Guttenbeil, Centre for Social Impact; Shaun Sutton, Teach First NZ; and Guy Ryan, Inspiring Stories, with Justine Todd, KPMG



From left: KPMG Community Partners, Trevor Easton, OUTLine; Dr Ang Jury, Women's Refuge; and Mat Scott, Father and Child Trust with Justine Todd, KPMG

"Firms cannot put themselves forward for these awards," explains Julie Donvin-Irons, CEO of BACS.

"Both the list of nominated firms and the eventual winners are chosen by a panel of community leaders."

Three categories

Julie says the panellists are looking for firms with mature and meaningful CSR strategies – and there is "zero tolerance for empty bragging."

"There can be a lot of 'huff and puff' from companies that enjoy the publicity of helping out but don't understand the real issue, or are just doing it for their marketing strategies. The aim of these awards is to showcase those companies who are really leading the way in terms of CSR best practice"

This year, a total of 85 nominated firms was whittled down to 16 finalist organisations for three main categories.

KPMG was delighted to pick up the award for the category of Education and Skills. (The other two category winners were: Contact Energy, for Community Empowerment; and Countdown, for Health and Wellbeing).

Even the award trophies were something a little more meaningful. The three winning companies were given an empty cardboard box – with a brief to fill the box with something that will really add value to Women's Refuge, the BACS charity of choice for 2016.

Sharing expertise

In making the award, the judging panel made the following comment about KPMG:

"The firm doesn't try to steamroll its own ideas into the community sector but works with established not-for-profit organisations to access their expertise. To have a dedicated internal working group for community engagement is a professional approach."

That group is our National Communities Team (NCT), which is a team of people drawn from KPMG offices around the country. Justine Todd, KPMG's National Corporate Social Responsibility Manager, also acknowledges their fantastic commitment.

"The NCT members do this role on top of their 'day jobs' and are vital parts of making our community engagement happen," says Justine.

"Also, to all our KPMG colleagues who take up volunteering, pro bono jobs or leadership roles in the community ... thank you for helping KPMG to live its values and purpose in helping to make New Zealand a better place for all of us."



Justine Todd
Corporate Social
Responsibility
Manager

Putting the power of KPMG behind small business

KPMG's Small Business offering

Do you know of a small-to-medium business with ambitions to grow?

Then you'll want to tell them about KPMG's exciting new offering from our Private Enterprise team.

With affordable fixed monthly packages – delivered throughout New Zealand – the power of KPMG is now available to small businesses everywhere.



We believe our small-to-medium businesses are critical to New Zealand's successful future.



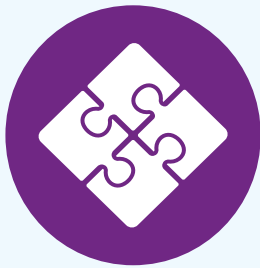
Paul McPadden, KPMG's Head of Private Enterprise, explains the driver behind the new Small Business offering:

"We believe our small-to-medium businesses are critical to New Zealand's successful future. While they've always been the backbone of our economy, it's KPMG's goal to help more of our small businesses grow from good to great. Helping these businesses transform into the 'next big thing' is something that really excites us."

Launched earlier this year, KPMG's Small Business platform "puts the power of KPMG behind your business, but at a price you can afford."

It offers a series of affordable fixed monthly packages, starting from just \$100 per month for core annual tax and compliance services. There are also packages for fast-growing or more complex businesses, which include regular reporting and high-level support and advice.





Fit-for-purpose resources

A key aspect of KPMG’s offering is that the firm can provide the right resources for the businesses – at every stage of growth – by drawing on the depth of expertise throughout the firm, including global resources where needed.

“As they grow, we can bring in the right capability at every stage,” says Paul McPadden.

“We can effectively take a business from its infancy through to being a listed company.”

For example, client Totum is a Wellington-based software company with ambitious plans for growth. It was introduced to KPMG through the Grow Wellington scheme in early 2015.

“KPMG has been pivotal in helping us work through the issues facing an early-stage company,” says Totum’s CEO, Caroline Taylor.

“It’s also invaluable for us to have access to KPMG’s broad range of experts both here and abroad. When we take our products to global markets, or open international offices, we know KPMG will be there to help us navigate the new set of challenges that will bring.”



Industry knowledge

Another unique aspect of KPMG’s Small Business offering is the depth of knowledge by sector. For instance, KPMG has industry-specific expertise in real estate/property, the health sector (including GPs), agriculture, technology and financial services.

“Our packages, including tax advice, can be tailored to the needs of any sector. This makes our Small Business services particularly appealing to any corporate that has an industry ‘eco-system’ built around it,” says Hamish McLachlan, Head of KPMG Small Business.

“For instance, one of our clients is LJ Hooker Real Estate. As well as its real estate brand and franchise owners, it deals with multiple different small businesses in the property sector.”

In a similar way, the Small Business model is suited to franchise networks.

Like to know more? Talk to your contacts at KPMG or be in touch with the KPMG Small Business team directly:

- ☎ 0800 KPMGSB (0800 576 472)
- ✉ smallbusiness@kpmg.co.nz
- 🌐 kpmg-private-enterprise.co.nz



Paul McPadden
National Managing Partner for Private Enterprise



Hamish McLachlan
Head of KPMG Small Business

Jack Carroll secondment

Leading government transformation for vulnerable children

The tragic case of baby Moko has thrown the plight of New Zealand's at-risk children into the spotlight once again. The Government is currently looking at transforming the way we support vulnerable children and young people – and KPMG Partner Jack Carroll is playing a key role.

We talk to Jack about his secondment, the challenges and his hopes for the future of Kiwi kids.

In 2015, an expert advisory panel started reviewing the care and support system for vulnerable children in New Zealand. Their report, published in April 2016, made a range of recommendations on how and why the system needs to change.

The brief is to improve the outcomes for vulnerable children in New Zealand radically. It aims to protect all children – ranging from newborn babies and children who may be at risk of abuse or neglect through to those in our youth



“
It’s not often you have the opportunity to help improve the fabric of New Zealand society through the work you’re doing.
”

justice system, or transitioning out of State care when they turn 17.

As a Wellington-based Partner, Jack has been engaged on a full-time secondment – working on behalf of the Chief Executive of the Ministry for Social Development (MSD) – to validate and implement those changes. He says the sheer scope of the project is unprecedented.

“In terms of the size, scale and complexity of change ... nothing quite like this has been done before. There’s also a great deal of support – at ministerial level across a range of social sectors – so the chances of success are high”

As Jack explains, there are three key aspects underpinning the change programme:

“Firstly, it’s about creating real engagement with the community in addressing the issues. Because this can’t be solved by Government alone, it needs to be solved by communities. Secondly, we are redesigning five service areas: prevention, intervention, care and

support, youth justice and transition services. And the third piece is to develop an overarching organisation – one that will be quite different to what’s there today – in order to deliver on all that”

Jack sees one of the major challenges is to change misconceptions around child abuse and to engage every New Zealander in solving the problem.

“I think the biggest challenge is getting New Zealand communities engaged in what the issues are and understanding where they can help. There’s still this view that family business is private business. You can’t tell me there was no one who knew what was going on with baby Moko. One of our goals is to ensure that anyone can intervene – be that the Government or members of the community – before things escalate to that level”

As part of his work, Jack consults with an advisory youth panel that’s made up of young people in care and visits many of the facilities that are in place. An overhaul of the care



system is one of the key priorities for the change programme.

“There’s currently a significant level of cycling children through a whole range of different care facilities – which is not giving them any time to develop relationships and be in loving environments. In some cases, kids are being put into environments that are riskier than those they’ve come from.”

Another lesser-known issue is the plight of young adults who are transitioning out of the State-care system. “This is another focus for change,” says Jack.

“At the moment, when a youth in care turns 17, the day after their birthday they have to go out and fend for themselves. They have to navigate where to live, how to support themselves and everything else. We’re looking at ways to better support these young people as they start off in life.”

As a father of three, Jack has come across some heart-breaking stories.

“I’m of the view that most kids misbehave because they’re not receiving the love they need or they have problems that no one is helping them deal with. So it’s pretty challenging when you see that firsthand.”

He finds it very rewarding, however, to be involved in such a cornerstone project for New Zealand. It’s also a great example of fulfilling KPMG’s vision of fuelling New Zealand’s prosperity.

“It’s not often you have the opportunity to help improve the fabric of New Zealand society through the work you’re doing.”



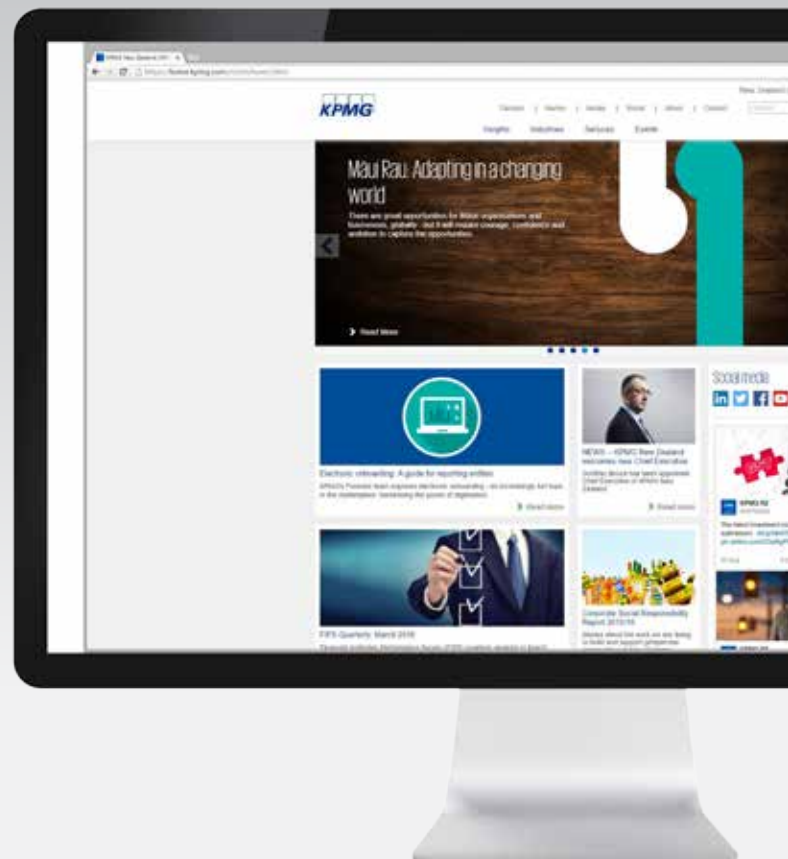
Jack Carroll
National Managing
Partner for Advisory

Have you seen our new digital platform?

You may have noticed a new look for our website. We are committed to providing a simple, easy-to-use digital user experience that meets and exceeds the expectations and needs of everyone engaging with KPMG’s digital presence. We have invested in the latest technologies to deliver new features and revamped the visual design.

Check out our new website here:

 kpmg.com/nz



A game-changing opportunity

KPMG and the World Masters Games 2017

KEEN TO BE PART OF SPORTING HISTORY?

Who hasn't daydreamed of taking part in the Olympics? Here's your chance to recreate your own moment of sporting glory by taking part in the World Masters Games 2017.

Held every four years, the Games is a global festival of sport for amateur athletes – fostering friendship and encouraging participation in sport throughout life. This unique spirit will be very much alive in April 2017 when 25,000 athletes from more than 100 countries will touch down in Auckland for 10 days of sporting challenge and excitement.

Starting with an Opening Ceremony at Eden Park, the Games will feature 28 different sports hosted at 48 different venues across Auckland. Between play, there's the chance to soak up the festival vibe at the official entertainment hub in downtown Auckland.

For most sports, there are no qualification criteria other than a minimum age (in most cases, 30 or 35 years). That means anyone can compete – either to win or simply to have fun. Unlike an Olympics, all athletes represent themselves, not their countries, so there is no process of being selected.

Aside from competing, there are plenty of other ways to be involved in the Games. You could become a volunteer or a supporter, or home-host an athlete; also your organisation could become an official partner.



Robert Campbell at the World Masters Games office in Auckland.

Visiting a gun shop is not usually part of an auditor's job description ... but it's all in a day's work for Robert Campbell these days.

The KPMG audit director is part of the executive team involved in delivering the World Masters Games – the largest multisport event in the world – which is being hosted in Auckland in April 2017.

Robert was seconded to the executive team as part of KPMG's role as an official partner to the Games. As GM of Finance & Corporate Services, he is responsible for the event's finance operations and strategy.

This involves working closely with the executive team and Board, as well as the commercial and funding partners of the multi-million-dollar event.

"We're very focused on achieving a balanced budget so a big part of my role has been establishing very strong protocols around the financial management, and ensuring we stay close to the detail," says Robert.

The Games will be the largest event hosted by New Zealand since the 2011 Rugby World Cup and the sheer logistics are daunting. With 28 different sports, 25,000+ competitors, and 48 venues across



This partnership feels like a good fit. I think KPMG shares a lot of the same values and a similar sense of purpose.



Auckland and the Waikato ... Robert likens it to "building a giant 10-day jigsaw puzzle"

Initial planning started in 2013 and the current 35-strong team will almost double by launch date, supported by an army of around 4,000 volunteers.

Robert says the close-knit executive team also turns its hand to other tasks when needed. For instance, Robert has been involved in promoting different sporting codes (hence the visit to the gun shop) as well as recruiting potential athletes and volunteers.

"So I've had a few different experiences in this job," he laughs. "You don't normally go up to people on the street to ask them if they want an audit ..."

Another rewarding aspect of the role, says Robert, is the very strong culture within the WMG team.

"Everyone is fully focused on delivering a great event. We did

a survey recently and employee engagement was off the charts. The sports event management industry attracts a certain kind of person ... they'll often travel around the world to work on different events"

Robert says KPMG is well respected in the sports event industry; this is based on the firm's involvement in successful events like Rugby World Cup 2011 and Cricket World Cup 2015.

"This partnership feels like a good fit. I think KPMG shares a lot of the same values and a similar sense of purpose"

To find out more, visit the website at: worldmastersgames2017.co.nz



Robert Campbell
General Manager of Finance & Corporate Services, WMG2017

WORLD MASTERS GAMES 2017

25,000 ATHLETES

28 SPORTS, 10 DAYS

AUCKLAND, NEW ZEALAND



Find out more:

REGISTER NOW www.worldmastersgames2017.co.nz



Welcomes

Welcome to our new appointments to the partnership.



Bruce Bernacchi

Bruce is a highly experienced tax professional who makes his return to KPMG as a Tax Partner based in Auckland. Bruce returns to KPMG after a 10-year career as a senior tax executive with GE and prior to that he was a tax partner at Minter Ellison. Bruce is well regarded expert in international tax issues, the financial services industry and treasury issues.



Mike Clarke

Mike Clarke's previous experience working across many facets of technology has given him the expertise to excel at his role as lead Partner for KPMG's National IT Advisory Service Line practice. He brings direct CIO experience having held that role at SKYCITY Entertainment Group and adds a different perspective from leadership roles with Lotus IBM and 3Com.



Ken Stephens

Ken Stephens started his professional career at KPMG as a graduate in the Hamilton office in 1998. Since then, he has worked with many Waikato-based companies and gained international experience with KPMG secondments to London and the US. After six years as the General Manager of Accounting Services at Fonterra, and having gained extensive experience in providing best-practice management and financial accounting services, Ken returned to KPMG as a Partner in the Private Enterprise team.



Andrew Tubb

KPMG welcomes Andrew Tubb as a new Advisory Partner, specialising in Business & Technology Consulting. Andrew leads the National Performance Consulting Service Line and comes with a strong consulting and commercial background in leading business improvement and transformation projects. This experience was gained from his previous key leadership roles with IBM Global Business Services, PwC Consulting and Mobil Oil.

Farewells

Since the last edition of *Konnections*, we farewelled:



Alex Skinner

Alex has been a well-respected and instrumental Partner within the Audit division in both the Wellington and the Christchurch offices during his 20-year career with KPMG. He has made an outstanding contribution in leading the development of our Christchurch practice and working as the lead Audit Partner. After 28 years in the CA environment, Alex looks forward to taking time out before embarking on his next professional challenge.



Paul Dunne

Paul was a key leader at KPMG as the National Managing Partner in the Tax division. He was a KPMG representative on several key industry associations and was involved with a variety of funds management, insurance and financial services clients.



Graeme Fraser

Graeme and his team from Fraser Accounting merged with the Tauranga Private Enterprise team in 2013. During his time at KPMG, he contributed vastly to the innovation and success of the business. He has provided specialist advice on strategic planning, business model development, taxation and funding, restructuring and much more. Graeme leaves KPMG to take some quality time out.



Chandan Ohri

Chandan has been a significant leader in the ITA Advisory Practice for the past five years and has built IT Advisory into the successful business it has become. Chandan is joining a client of KPMG, IBM New Zealand, where he will be in the position of Managing Partner for Global Business Services.

Special mentions



Jack Carroll

Congratulations to Jack Carroll on being appointed National Managing Partner for Advisory. Jack currently heads Performance Consulting, which has thrived under his leadership. He is a well-respected Partner and is a member of the National Executive Committee. Jack is currently on secondment with the Ministry of Social Development and we look forward to his return.



Souella Cumming

Congratulations to Souella Cumming who has been appointed Head of Consulting. Souella has been with KPMG for more than 30 years and currently leads the Government Advisory practice and the IARCS service line. She has a trusted reputation in the market, having worked with a wide range of organisations, particularly in the public and not-for-profit sectors.

Have you met our new Chief Executive?

Godfrey Boyce takes on a new leadership position.

For many of our alumni, KPMG's new Chief Executive will already be a familiar face.

Godfrey Boyce has been with KPMG for more than 30 years – and we're thrilled to announce he's recently joined Executive Chairman Ross Buckley in leading the firm.

Godfrey took up his new role on July 1. We're also fortunate to retain the talents of Paul Herrod, our previous Chief Executive, as an Audit Partner in our Financial Services team.



Godfrey's other big role ... pictured with his two sons, Nick (left) and Connor



Godfrey originally began his career in Wellington as an audit graduate in 1985; during this time, he flatted with Ross Buckley for several months. He recalls that Ross roped him in to play in a friendly rugby match he'd organised against Deloitte, which later grew into the Big 4 rugby tournament that continues to this day.

During his 30-year KPMG career, Godfrey has worked on secondment in Canada, the UK and Australia, where he was global audit lead on National Australia Bank. He became an Audit Partner at age 32.

Since mid-2013, he has led KPMG's growing Advisory Practice. During that time, Advisory has more than doubled in size and now has more than 240 specialists throughout the country.

Godfrey is still based in Wellington but is spending three days a week in Auckland as well as travelling to KPMG's other offices around the country.

On a personal note, Godfrey looks forward to connecting with you at upcoming alumni events held in Auckland (21 September) and Wellington (12 October).

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KPMG Wellington



Godfrey Boyce
Chief Executive

Timaru boasts two first 15s!

This is shaping up to be a record-breaking year for KPMG's Timaru office.

Since moving into its new premises on The Terrace in February this year, and to meet growing client demand, the Timaru office has expanded to become a team of 15.

The growing Farm Enterprise client base, led by Director Brent Love, is matched with an equally strong Private Enterprise practice (boosted by the merger with Pivot Accounting in mid-2015).

The Timaru office has strong links with the local community. Brent Love is an old boy of Timaru Boys' High School while Private Enterprise Director Tracy Tierney contributes her talent to local government. Tracy is a second-term councillor on the Timaru District Council and, also, is leading the development of a local government strategy for Canterbury.

KPMG's 15-strong team has been supporting another winning 15 – by sponsoring Timaru Boys' High School 1st XV for two seasons now. The rugby team won the 2016 Moascar Cup, a prestigious schoolboy rugby trophy with a fascinating history. The Cup dates back to the end of WWI, when British and Anzac soldiers camped at Moascar in Ismailia, Egypt, and was presented to the NZRFU as a challenge trophy for secondary schools.

And there are plenty more highlights among the school's proud rugby tradition. Its annual clash against Waitaki Boys' High School – now in its 133th year – is believed to be the oldest continuous interschool match in the Southern Hemisphere!



KPMG Timaru's new premises The Terrace



Timaru Boys' High School 1st XV



The Timaru team in its new office



Brent Love
Director,
KPMG Timaru



Tracy Tierney
Director,
KPMG Timaru

NZ Innovation Council joins forces with KPMG



Innovation Heroes 2015 team (left – right), Toni Moyes, Lisa King, Dale Clareburt, Stephen Henry and Glenn Martin

We're both passionate about developing and growing great Kiwi companies – which is why KPMG is excited to start our new collaboration with the New Zealand Innovation Council.

We'd been working together for a while but it became 'official' in May this year when the NZ Innovation Council team, including founder CEO Louise Webster, became part of KPMG.

Paul McPadden, KPMG's National Managing Partner for Private Enterprise, says the partnership aligns strongly with our goal to help create more high-growth enterprises.

"We've always known that New Zealand is a nation of talented entrepreneurs and innovators. There's no shortage of great ideas –

it's just a matter of nurturing those into successful commercial entities. Our team at KPMG is passionate about supporting young businesses on their growth paths, and helping them become the next world-beating ideas"

Originally founded in 2009, the NZ Innovation Council launched its online hub and membership in 2013. Via the hub, the Council provides innovators, entrepreneurs and business people with nationwide access to innovation experts, forums, events and resources. Membership is free to all New Zealand businesses, innovators and entrepreneurs.

Paul McPadden says networking and 'informal collaboration' is a growing trend among high-growth enterprises.

"It's something we're seeing work really effectively within the market place. There's an immense amount of value to be gained from collaborating with people with similar issues – or learning from someone who's already been where you're heading."



Louise Webster
CEO – NZ Innovation Council & NZ Innovators Awards



Paul McPadden
National Managing Partner for Private Enterprise

TO FIND OUT MORE:

KEEN TO JOIN THE NZ INNOVATION COUNCIL?

It's free to join and will hook you up with everything innovative that's happening across Aotearoa. Join the community [here](#).

2016 INNOVATION AWARDS.

Prepare yourself New Zealand ... the latest batch of remarkable ideas and inspiring innovators will be revealed at the sixth annual New Zealand Innovation Awards. The finalists will be announced on 6 September, with the Awards ceremony on 20 October. Click [here](#) to buy tickets for the Awards.

INNOVATION HEROES SERIES

The Innovation Heroes series showcases some of the previous year's award winners. The 2015 team includes: 'Eat My Lunch' founder Lisa King; Martin Jet Pack inventor Glenn Martin; COO of virtual reality company 8i, Toni Moyes; founder and CEO at Weirdly Limited, Dale Clareburt; and Stephen Henry, CEO of Kode Biotech. To find out more about the Innovation Heroes, click [here](#).

EVERYDAY
KIWIS DOING
WORLD CHANGING
THINGS

To find out more about the awards, go to: www.innovators.org.nz

NEW ZEALAND
INNOVATION
AWARDS® 2016

Where in the world?

Our secondees on the move



Emma Campbell

What is the duration of your secondment?
Two years

Where is your home office?
Auckland

Where in the world are you now and what is your role?
Tax Manager – Financial Services, Hong Kong

✈ What made you want to go to Hong Kong?

Being a major international financial centre, Hong Kong was definitely appealing and everyone that I spoke to who had previously lived in Hong Kong loved it! Also, I had been on a short-term secondment to Singapore a few years ago and had really enjoyed working/living in Asia. So, although I knew there would be differences between Singapore and Hong Kong, it made the shift a lot less daunting.

📈 How do you think this experience will benefit your career?

You get a wide variety of work in Hong Kong, which is awesome – in one day, I can be advising a client on establishing a new real estate fund, working on a structured financing transaction with a bank and managing a global/regional client proposal. The exposure to such a large and varied client base, combined with the cultural experience, means that I am constantly learning.

😊 What is your favourite dish in Hong Kong?

I am still amazed at the number of places to eat in Hong Kong – eating seems to be a national pastime! If I had to pick a favourite it would have to be xiao long bao or egg waffles from the local street vendors.



Karen Tam

What is the duration of your secondment?

I'm on a two-year secondment to KPMG China, based in Hong Kong.

Where is your home office?

Auckland

Where in the world are you now and what is your role?

I'm in HK with occasional trips to Beijing, Shanghai and Shenzhen. I'm an Insurance Sector Executive and Senior Manager in the Financial Services Business Development team, focusing on insurance.

What made you want to go to Hong Kong?

Despite growing up in New Zealand, I was actually born in HK. Having been on short-term secondments to Amsterdam, London and Bermuda, I thought it was time to explore Asia and what's better than coming back to my roots?! In addition, HK is a great place – it's always buzzing and vibrant, no matter what time of day or night! Most people's immediate perception of HK is skyscrapers and concrete jungle but that's not true. HK has much more to offer.

What is your favourite dish in Hong Kong?

Not so much a favourite dish, but related is 'Michelin stars'. HK has a number of Michelin-starred restaurants and they range from very high-end fine dining (that will definitely break the bank) to local diners that are so basic and unadorned; the commonality is great food. That's a distinct feature of HK – diversity – people, culture, food and the lifestyle.

How do you think this experience will benefit your career?

This secondment experience has been invaluable in terms of my professional and personal development. It's certainly challenging me and forcing me to get out of my comfort zone, with a new country, new office, new clients, new teams, new role and new lifestyle! This secondment has provided me with good exposure to senior partners at local, regional and global levels, via day-to-day work, sector strategy and large advisory proposals, and a broader understanding of the challenges faced by larger and more complex clients and how we can help. I also have opportunities to interact with executives from the insurance industry as well as other industries, large corporates to start-ups, and exchange insights. All this experience will help me to develop into a more versatile business advisor.



Zack Arcus

What is the duration of your secondment?

Six months

Where is your home office?

Auckland

Where in the world are you now and what is your role?

Amsterdam office in the Netherlands. I'm part of the Holdings and Finance division, working as an Audit Senior.

What made you want to go to Netherlands?

I've always wanted to live in the Netherlands ever since visiting family here back in 2010 and being able to move with KPMG was a bonus. The city is in a great location for travel throughout Europe and, with Amsterdam being a hub for many businesses, it was sure to provide great professional experience as well.

Have you learnt a good/funny/helpful phrase you can share?

Niet mokken, lekker wokken (Don't be angry, eat wok). It doesn't make much sense to me but at least it rhymes!

How do you think this experience will benefit your career?

Being part of the Holdings and Finance division has meant that I've had the opportunity to work on various global clients with operations located throughout the world, including: Singapore, Russia, Poland, the UK, the US, Italy, France and Brazil. The exposure I've had with such a diverse portfolio of clients has helped me build skills and experience which I would never have been able to attain otherwise.

Work hard, play hard

KPMG in the business, social and community environment



Fleet Day

In February, KPMG set sail across the Waitemata Harbour with a number of our clients on the MRX yachts led by John Kensington, Head of Financial Services and fellow Partner, Greg Knowles (both passionate sailors).



Mayoral Candidates Share Auckland vision

KPMG Auckland hosted Auckland Mayoral candidates, Victoria Crone and Phil Goff, separately, to share their visions for Auckland with staff.



Te Hono National Summit

In April, Ian Proudfoot, KPMG's Global Head of Agribusiness, and Simon Hunter, Performance Consulting Partner, presented at the Te Hono Movement Accelerating Transformation Summit at Mystery Creek.



Corporate Mothers' Network

KPMG Auckland recently hosted two Corporate Mothers' Network events: one in March with Barbara Chapman, Chief Executive/MD of ASB; and one in June with Victoria Crone, Auckland Mayoral Candidate.



Enterprise Report Launch Event

In April, we held a launch event for the inaugural KPMG Enterprise Report, led by Paul McPadden, National Managing Partner for Private Enterprise.



KPMG Kaumātua

KPMG was delighted to announce the appointment of Matua Pita Pou (Ngāti Whātua, Ngā Puhī) as the KPMG New Zealand Kaumātua. A powhiri was held at KPMG Auckland to welcome Matua Pita Pou officially to the KPMG whānau.

Matariki Launch and Māori Language Week

In support of Matariki (Māori New Year) and Te Wiki o Te Reo Māori (Māori Language Week), KPMG Auckland partnered with Vodafone, ASB and Fonterra to celebrate Māori people, language and culture.



Graduate Update

In August, KPMG and The University of Auckland both competed in a 'Beat the Partners' Quiz Night. The night consisted of 10 teams of students from The University of Auckland each hosted by a KPMG grad, competing to win against a team of KPMG Partners, hosted by Quizmaster, Ross Buckley.



Luncheon with Bill English at KPMG Hamilton

In May, KPMG Hamilton hosted the Hon. Bill English, Deputy Prime Minister and Minister of Finance, for an intimate luncheon where he spoke about key issues and trends facing businesses today.



Hamilton Alumni Function

In August, KPMG Hamilton held an alumni event at Easy Tiger Eatery & Cocktail Bar. It was a great night for reconnecting with ex-colleagues and sharing the latest news at KPMG.



Accounting and Financial Reporting Updates

KPMG hosts a range of Accounting and Financial Reporting Updates across the country to help keep senior financial leaders up to date with the latest changes in financial reporting.



Phoenix Family Day in Wellington

In March, KPMG hosted another successful Phoenix Family Day at Westpac Stadium, Wellington, whilst they took on Perth Glory. There were funtivities, face painting and a visit from some of the Phoenix players!



Māui Rau Report Launch Event

In May, Riria Te Kanawa and Joe Hanita of KPMG, in collaboration with Jamie Rihia of ASB, launched the Māui Rau thought leadership report, which focused on improving the well-being and prosperity of Māori.



Diversity Panel with the Institute of Directors

In August, Kim Jarrett, KPMG Tax Partner, was a panellist at the Institute of Directors' event on *Driving diversity throughout your business – from the boardroom to the shop floor.*

Movers and shakers

Auckland

Natasha Belien (2012 – 2015) is now Head of Product Performance at BNZ

Heidi Broom-Hirst (2006 – 2016) is now Senior Manager, Audit for KPMG UK

Brett Cammell (2012 – 2015) is now a Director at Rhumb Line Ltd

Jenny Chen (2010 – 2015) is now a Reporting Analyst for Pearson

Deepak Daniel (2015 – 2016) is now a Management Consultant for Deloitte NZ

Noel de Charmoy (2002 – 2016) is now at parkrun New Zealand

Rukmal Dissanayak (2008 – 2015) is now a Manager at KPMG UK

Taryn Dobrin (nee Tracey) (2014 – 2015) is now Marketing Advisor at QBE Insurance

Lucie Douma (2012 – 2015) is currently completing a Master's at the University of Oxford in Biodiversity, Conservation and Management

Paul Dunne (1997 – 2016) is now a Tax Partner with EY

Louise French (2012 – 2016) is now on her OE

Caroline Glen (2010 – 2016) is now an Associate, Transaction Services for KPMG Netherlands

Damon Green (2005 – 2016) is now a Tax Manager at BNZ

Tim Henderson (2015 – 2015) is now an Associate, Investment Banking at Forsyth Barr

Sarah Hickson (2008 – 2015) is now a Senior Manager at BHW

Sarah Hipkiss (1996 – 2015) is now with Cavalier Corporation Ltd

Shona Irving (2012 – 2016) is now EDRMS Engineer at Next Page Ltd

Mark Kippenberger (2009 – 2015) is now a Governance and Succession Advisor

Jeremy Knoke (2014 – 2015) is now a Senior Accountant for KPMG Canada

Tereza Kohlerova (2014 – 2015) is now a Senior Manager at KPMG Czech Republic

David Lilley (2004 – 2015) is now Global Operations Manager, Facilities at Fonterra

Angel Ling (2011 – 2015) is now a Product Controller for Goldmans in London

Amanda Lowe (2015 – 2015) is now Dynamics Service Manager at Endeavour Solutions

Leanne Luijken (2010 – 2016) is now a Cost and Management Accountant at Repertoire

Sarah Maud (2009 – 2015) is now Senior Manager, Corporate Finance for Air New Zealand

Francesco Micarelli (2011 – 2015) is now Programme Manager at Westpac

Desislava Miteva (2013 – 2016) is now at KPMG UK

Jennifer Nale (2011 – 2015) is now Audit Manager for KPMG US

George Ott (2009 – 2015) is now EU Digital Finance Analyst at Amazon

Wei Ou (2014 – 2016) is now a Manager at KPMG China

Claire Pethica (2012 – 2016) is now at Sony Global Tax Office in Europe

Justine Reeves (2005 – 2016) is now NZ Tax Manager, Corporate at Fletcher Building

Deborah Ross (2010 – 2016) is now a Director at BartonRoss Ltd

Marilee Soon (2011 – 2015) is now a Financial Accountant at Cerebos Gregg's Ltd

Simon Studer (2013 – 2015) is now Audit Manager with KPMG Switzerland

Wei-Jiat Tan (2012 – 2015) is now Manager, Intelligence at New Zealand Customs Service

Jordan Taylor (2007 – 2015) is now a Senior Associate, Institutional Banking at BNZ

Rowan Teh (2011 – 2016) is now Enterprise Solutions Manager at Frucor Beverages Ltd

Francesco Virruso (2013 – 2016) is now Support Centre Audit Manager for Farmers Trading Company Ltd

Yue Wang (2013 – 2015) is now Principal Lawyer at HYI

David Wong (2014 – 2015) is now Senior Group Accountant at T&G

Christchurch

Juan Coetzee (2013 – 2015) is now Management Accountant for WorkSafe New Zealand

Tai Daniel (2014 – 2015) has returned to London (his second OE) to take up Project Accounting roles for business transitioning to FRS 102

Bruce Duyvesteyn (2008 – 2015) is now an Assistant Manager, Transaction Services for KPMG UK

Lisa Mead (2009 – 2016) is now an Assistant Manager at Kendons Scott MacDonald Ltd

Elaine Teh (2013 – 2015) is now Group Internal Auditor at House of Travel

Erin van der Peet (2015 – 2016) has moved back to Melbourne with husband Matt after having a new baby Freya Margaret on 21 January 2016.

Hamilton

Felicity Andrews (2010 – 2016) is now an Assistant Manager for EY in Auckland

Sheree Eyes (2005 – 2015) is now taking time out to be with family

Ashleigh Graham (2011 – 2015) is now based in London and travelling around Europe

Sam Hurst (2013 – 2015) is now Specialist Investigator at Inland Revenue NZ

Christine Jackson (2004 – 2015) is now IT Manager for Beaufort

Shannon Lu (2015 – 2015) is now Financial Controller at Waikato Import Agencies Ltd T/A The ToolShed

Matt Kibble (2010 – 2016) is now based in London and working for Bank of America

Jovana Marovic (2014 – 2016) is now Research Coordinator at Institute Alternative

Hannah McDonnell (2012 – 2016) is now based in London and travelling around Europe

Rory Noorland (2005 – 2016) is now a Specialist Accountant for CooperAitken Ltd

Liz Tombleson (2012 – 2016) is now an Auditor at Audit NZ

Monique Wolfe (2015 – 2015) is now a Manager at Auctus Advisory Ltd

Atareta Wilson (2013 – 2016) is now enrolled at university completing a Bachelor of Management Studies Degree

Tauranga

Casey Brodie (2015 – 2015) is now Company Accountant for Tauranga Motor Company

Chelan Burton-Brown (2000 – 2015) has joined Plus Group Horticulture Ltd

Elizabeth Leslie (2013 – 2016) is now at the Port of Taranaki in New Plymouth

Kelly Reid (2001 – 2015) is now at Zariba Holdings Ltd

Matthew Sargison (2002 – 2016) is now an Independent IT Contractor with Foretech Solutions

Wellington

Johan Barton (1999 – 2016) is now a Director at BartonRoss Ltd

Lucy Blackburn (2011 – 2016) is now pursuing a career in environmental management whilst completing a Master's Degree at Massey University

Simon Brown (2013 – 2016) is now Christchurch Area Manager at CrashCram Ltd

Ruth Buchanan (2012 – 2016) is now a Solicitor for Inland Revenue NZ

Deane Carson (2006 – 2016) is now CFO for Optimisation NZ Ltd

Brent Chalmers (2012 – 2016) is now Head of Public Sector Strategy & Relationships at Westpac NZ

Emma Cochrane (2015 – 2016) is now a Corporate Accountant at the Todd Corporation Ltd

Michelle Dustow (2009 – 2015) is now Manager Treasury Accounting at the European Bank for Reconstruction and Development

Natasha Flavell (2011 – 2016) is now Group Internal Auditor for Lewis Trust Group

Matthew Hunt (2014 – 2016) is now a consultant Senior Project Manager

Sue-Anne Lee (2010 – 2016) is now Operational Risk and Compliance Manager at ANZ

Noel Miranda (2011 – 2016) is now GM Assurance at the Ministry of Social Development

Anika Rani (2012 – 2015) is now Technical Business Analyst, Agile Systems at Xero

Timothy Young (2010 – 2016) is now Fund Reporting Analyst at Gareth Morgan Investments

Kathy Zhang (2010 – 2015) is now an Assistant Manager at KPMG UK

Marriages

Christopher Macaulay (AKL 2011 – 2015) married Gemma Barclay at Cibo, Parnell, on 7 February 2015

Sarah Florkowski (née Maud) (AKL 2009 – 2015) married Andrew Florkowski at The Ambers, Silverdale, on 30 January 2016

Timothy Henderson (AKL 2015) married Emilie Robertson at the Auckland Art Gallery in November 2015

Georgia Ingram (née Coyte) (AKL 2013 – 2015) married Blake Ingram in Muriwai on 13 February 2016

Elaine Teh (CHC 2013 – 2015) married Andy Li on 22 December 2015 at Peppers Clearwater Resort

Anna Clark (née Krielen) (HAM 2015) married John Clark on 7 November 2015 at Waihi Water Lily Gardens

Pete Harris (HAM 2006 – 2009) married Caroline Huntley at the end of 2015

Jason Te Brake (HAM 2006 – 2012) married Emma Hughes at Craggy Range Winery in Hawke's Bay at the end of 2015

Angie Maber (HAM 2005 – 2015) married Glen Goosen at the end of 2015

Lucia Perez (née Mendez-Abellan) (HAM 2011 – 2013) married Rodrigo Perez on 12 February 2016 in NZ and then again in Chile on 20 February 2016

Births

Sarah Foo (AKL 2013 – 2014) and husband Darren welcomed twin boys, Alexander and Atticus, on 21 March 2015, weighing 1.975kg and 2.205kg respectively

Erin van der Peet (CHC 2015 – 2016) and Matt welcomed daughter Freya Margaret on 21 January 2016

Sarah (née Brown) (HAM 2005 – 2011) and Shane Coombe welcomed a little girl born 30 March, 3.25am; she weighed a healthy 7 pounds 10 ounces

Jason Te Brake (HAM 2006 – 2012) and his wife Emma welcomed son Alexander James Te Brake on 28 March 2016; he weighed 8 pounds

Rory Noorland (HAM 2005 – 2016) welcomed son Ashford Bowie-George Noorland on Friday 3 June 2016; he weighed 3.5kg

Caitlyn Aarsen (HAM 2008 – 2013) and Ben Buchanan welcomed daughter Tyla Jade Buchanan on 25 May 2016; she weighed 8 pounds 2 ounces

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