

ABLE CHARITABLE TRUST (SOUTHERN FAMILY SUPPORT)

Performance Report

for the year ended 30 June 2017

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ABLE CHARITABLE TRUST (SOUTHERN FAMILY SUPPORT)

Entity Information

Legal Name Able Charitable Trust (Southern Family Support)

Type Charitable Trust registered under the Charitable Trust Act 1957

Registration Number CC52530

Purpose: Supporting families/whanau that care for someone with a mental illness or addiction, to give families the strength and skills they need for a better life experience at home, in the community and at work.

Structure The Trust is governed by a Board of Trustees with a general manager managing the day to day operations of the Trust.

Main Sources of Cash and Resources Contracts with the Ministry of Social Development (MSD) and the Southern District Health Board (SDHB) for services, grants and donations.

Main Methods Used to Raise Funds Contracting to various government agencies, and fundraising both through grant applications and general fundraising.

Reliance on Volunteers The Trust relies on gifts of volunteer time and expertise to complete work in many essential roles such as governance, fundraising, and some operational areas such as support groups. Total voluntary hours per year are estimated to be 7800 hours. This is approximately 19% of paid employee hours per year.

Additional Information The Trust is the result of a merger of four smaller organisations; Supporting Families Southland for Mental Wellness, Supporting Families in Mental Illness Waitaki Branch Incorporated, Supporting Families in Mental Illness Central Otago Branch Incorporated and Schizophrenia Fellowship Otago Branch Incorporated. The Trust was formed in July 2015 and started trading on 1 November 2015.

Physical Address 34 Prince Albert Road, St Kilda, Dunedin 9012

Postal Address P O Box 4003, St Kilda, Dunedin 9046

Contact and Phone General Manager: Karen Goffe 03 455-5973

Trustees Micheal Harte (Chair), Stephanie Pettigrew (Past Chair), Fiona Hewitt (resigned 25/1/2017), Ruth Jenkins, Brendon Murray, Roger Leslie (appointed 10/10/2016), Simon Eddy (appointed 23/2/2017), and Helen Jansen (appointed 23/5/2017)

Auditors Audit Professionals, P O Box 620, Dunedin 9054

Solicitors Goldsmith Law

Bankers ASB Bank Invercargill

ABLE CHARITABLE TRUST (SOUTHERN FAMILY SUPPORT)

Statement of Service Performance

For the year ended 30 June 2017

Outcomes that the Trust is seeking to achieve

To provide a regional, uniformly, consistent service covering the whole Southern District Health Board area, whose purpose is to support families/whanau in all matters concerning the well-being of people affected by mental illness and addictions. The service provided is free, mobile, confidential and flexible.

Output Measures

During the year to 30 June 2017, the merger of the four founding organisations was complete with all remaining cash transferred to Able Charitable Trust. Several of the founding organisations have now been wound up.

During the year to 30 June 2016 Supporting Families Southland for Mental Wellness Inc, Supporting Families Central Otago in Mental Illness Inc, Supporting Families Waitaki in Mental Illness Inc, and Schizophrenia Fellowship Otago Branch merged their assets and liabilities to become Able Charitable Trust (Southern Family Support). The 4 founding organisations have been wound down.

A new Strategic Plan, together with an Annual Plan, has been complete for the region. Policies and Procedures continue to be streamlined and standardised.

Documentation used by staff for both Administrative purposes and for Clinical purposes continue to be streamlined and standardised, with a new computerised client management system (Ministry of Health compliant) having being implemented throughout the region.

All new computer systems are Cloud based systems with hardware in both computers and telecommunications now updated.

New programs have developed for Suicide awareness, Vocational Services, Activity Centres and for support of children.

Other output measures:

	2017	2016
Referrals for the period:	470	187
Discharges for the period:	165	127
Average length of stay for the period:	216 days	147 days
Total number of contacts for the period:	10,065	(not recorded 2016 due to new data base)
Kilometres travelled by fieldworkers:	123,000	70,500
Clients placed in employment:	13	3
Number of Food parcels produced for the year:	700	(new program no comparison)

Note that the Trust commenced activities on 1 November 2015. Accordingly, the comparatives are for 8 months trading.

ABLE CHARITABLE TRUST (SOUTHERN FAMILY SUPPORT)

Statement of Financial Performance

for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Revenue			
Contracts for Service	1	1,059,136	706,733
Grants, donations and fundraising	1	106,484	30,370
Interest Revenue		17,699	0
Sundry Revenue	1	11,268	3,767
Total Revenue		<u>1,194,587</u>	<u>740,870</u>
Expenses			
Volunteer & Employment related cost	2	748,700	474,135
Costs of Programmes and Support	2	14,866	5,050
Administration costs	2	399,814	269,331
Property costs	2	133,537	60,619
Preliminary expenses	2	0	49,401
Expenses relating to Fundraising		236	0
Other expenses	2	42,877	15,993
Total Expenses		<u>1,340,030</u>	<u>874,529</u>
(Deficit) for the year		<u>(145,443)</u>	<u>(133,659)</u>

Note that the Trust commenced activities on 1 November 2015. Accordingly, the comparatives are for 8 months trading.

ABLE CHARITABLE TRUST (SOUTHERN FAMILY SUPPORT)
Statement of Financial Position
As at 30 June 2017

	Note	2017 \$	2016 \$
Current Assets			
Bank accounts and cash	3	450,712	602,695
Accounts Receivable and Prepayments	5	106,694	91,355
Total Current Assets		557,406	694,050
Non - Current Assets			
Property, plant and equipment	4	521,519	458,995
Trademarks and other Intangible Assets		817	817
Total Non - Current Assets		522,336	459,812
Less Current Liabilities			
Accounts Payable		44,756	28,766
GST Payable		8,455	27,921
Employee Costs payable		94,229	67,704
Total Liabilities		147,440	124,391
Net Assets		\$932,302	\$1,029,471
Represented by:			
Accumulated Funds			
Contributed equity	6	1,211,404	1,163,130
Accumulated deficits	7	(279,102)	(133,659)
Total Funds		\$932,302	\$1,029,471

Note that the Trust commenced activities on 1 November 2015. Accordingly, the comparatives are for 8 months trading.

For and on behalf of the Trustees of Able Charitable Trust (Southern Family Support)

Chairperson.....*M. J. Kate*.....

Dated 3 October 2017

ABLE CHARITABLE TRUST (SOUTHERN FAMILY SUPPORT)

Statement of Cash Flows

For the year ended 30 June 2017

	Note	2017 \$	2016 \$
Cash Flows from / (to) Operating Activities:			
Cash was received from			
Cash transferred in from merged entities		47,153	779,552
Receipts from providing services		1,070,380	631,061
Grants, donations and fundraising receipts		106,484	30,370
Interest received		13,423	0
Net GST received		0	27,921
		<u>1,237,440</u>	<u>1,468,904</u>
Cash was applied to			
Payments to suppliers and employees		1,266,649	822,423
Net GST Paid		19,466	0
		<u>1,286,115</u>	<u>822,423</u>
Net Cash Flows from (to) Operating Activities		<u>(48,675)</u>	<u>646,481</u>
Cash Flows from / (to) Investing Activities:			
Cash was received from:			
Receipts from the sale of property, plant and equipment		<u>2,000</u>	<u>0</u>
		2,000	0
Cash was applied to			
Payments to acquire property, plant and equipment		105,308	42,969
Payments to purchase intangible assets		0	817
		<u>105,308</u>	<u>43,786</u>
Net Cash Flows (to) Investing Activities		<u>(103,308)</u>	<u>(43,786)</u>
Net increase (decrease) in Cash at Bank		(151,983)	602,695
Opening cash and bank balances		<u>602,695</u>	<u>0</u>
Closing cash and bank balances		<u>\$450,712</u>	<u>\$602,695</u>
Represented by:			
Cheque Accounts at ASB Bank	3	<u>450,712</u>	<u>602,695</u>
		<u>\$450,712</u>	<u>\$602,695</u>

Note that the Trust commenced activities on 1 November 2015. Accordingly, the comparatives are for 8 months trading.

ABLE CHARITABLE TRUST (SOUTHERN FAMILY SUPPORT)

Statement of Accounting Policies

For the year ended 30 June 2017

1. Basis of Preparation of Performance Report

As the Trust is a registered Charity, it is required to comply with the new financial reporting framework for financial statements which has been developed by the External Reporting Board (The XRB). The Trust has adopted the Tier 3 accruals reporting framework as its annual operating expenses do not exceed \$2,000,000. As a charity, the Trust is not liable for income tax.

Transactions in the financial statements are reported using the accrual basis and historical cost bases on the assumption that the Trust will continue to operate in the foreseeable future.

These financial statements are presented in New Zealand dollars.

2. Specific Accounting Policies

Revenue and expenses

All revenue items are recorded in the Statement of Financial Performance in the year that revenue is earned. All revenue and all expenses from all sources are recorded in the Statement of Financial Performance.

Cash and Bank Balances

Cash and bank balances in the Statement of Cash Flows comprise cash held and bank balances with original maturities of 90 days or less.

Property, plant and equipment

Property, plant and equipment are recorded at cost, less aggregate depreciation. The assets transferred from the merged organisations into the Trust were transferred at the book value shown in the originating organisations balance sheets at the transfer date of 1 November 2015. The Trust has the following classes of assets and depreciation rates:

Land	0%
Buildings & Development	3% Straight Line
Motor Vehicles	10- 26% Diminishing Value
Office Furniture & Fittings	7.5-40% Diminishing Value
Plant & Equipment	10-100% Diminishing Value
Computer Equipment	10-60% Diminishing Value
Library Books	10% Straight Line

ABLE CHARITABLE TRUST (SOUTHERN FAMILY SUPPORT)

Statement of Accounting Policies (continued)

For the year ended 30 June 2017

Preliminary costs and Intangible Assets

Preliminary costs have been recorded at costs and written off during the first year of trading.

Intangible Assets are recorded at cost and have not been amortised.

Receivables

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

Comparative figures

The Trust started trading on 1 November 2015 but was established in July 2015 and accordingly comparative figures are for 8 months only.

GST

The Trust is registered for GST. The figures in the financial and other statements have been prepared exclusive of GST, except for accounts receivable and accounts payable which are stated inclusive of GST. Any GST refund due at balance date is shown as an asset and any GST owing by the Trust at balance date is shown as a liability.

Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of the asset. Lease payments under an operating lease are recognized as an expense on a straight line basis over the lease term.

Contributed Equity

The contributed equity of the Trust comprises the net assets and liabilities of the four merged entities at the date of transfer 1 November 2015.

ABLE CHARITABLE TRUST (SOUTHERN FAMILY SUPPORT)

Notes to the Performance Report

for the year ended 30 June 2017

<u>1. Analysis of Operating Receipts</u>	2017	2016
	\$	\$
<i>Contracts for Service comprise:</i>		
Contracts MSD	125,559	73,142
Contracts SDHB	<u>933,577</u>	<u>633,591</u>
	<u>1,059,136</u>	<u>706,733</u>
<i>Grants, donations and fundraising comprise:</i>		
General Donations received	2,695	370
Fundraising revenue	187	0
Grant from COGS Southland	6,000	0
Grant from COGS Otago	6,000	0
Grant from COGS Central Otago	1,000	0
Grant from Lotteries	40,000	0
Grant from Dunedin City Council	9,602	0
Other Grants	11,000	0
Grant from Otago Community Trust for Focus Activity Centre	<u>30,000</u>	<u>30,000</u>
	<u>106,484</u>	<u>30,370</u>
<i>Sundry Revenue comprises:</i>		
Community Education Revenue	0	805
Room Hire	624	432
WINZ Subsidy	10,134	2,465
Other revenue	<u>510</u>	<u>65</u>
	<u>11,268</u>	<u>3,767</u>
<u>2. Analysis of Operating Payments</u>	2017	2016
	\$	\$
<i>Volunteer & Employment related costs comprise:</i>		
Wages and expenses other than administration and Management	706,946	437,397
Supervision	6,563	3,330
Travel & Accommodation including mileage	14,904	4,646
Staff & Conference meetings	308	2,184
Recruitment Costs	2,039	14,582
Staff Training	10,718	2,236
Trustee Expenses	6,353	9,274
Volunteer Expenses	<u>869</u>	<u>486</u>
	<u>748,700</u>	<u>474,135</u>
<i>Cost of Programmes and Support comprise:</i>		
Activities Program	2,577	1,554
Carers Trips & Activities	1,060	680
Supporting Parents Healthy Children Activities	1,071	314
Education Resources & Expenses	217	409
Focus Activities	7,388	459
Suicide Program	0	722
Support Group Expenses	<u>2,553</u>	<u>912</u>
	<u>14,866</u>	<u>5,050</u>

ABLE CHARITABLE TRUST (SOUTHERN FAMILY SUPPORT)

Notes to the Performance Report (continued)

for the year ended 30 June 2017

2. Analysis of Operating Payments (continued)

	2017	2016
	\$	\$
<i>Administration Costs comprise:</i>		
Salaries and Allowances	304,951	206,971
Advertising & Branding	11,045	1,572
Audit Fees (includes \$3,200 for final SF Otago audit)	7,700	0
Telephone and Communications	24,160	16,782
IT Support	16,215	9,141
Legal Expenses	8,821	14,342
General Expenses	6,110	4,148
Stationery, Printing and Postage	15,232	13,793
Subscriptions	4,231	2,080
Other	1,349	502
	<u>399,814</u>	<u>269,331</u>
<i>Property Costs comprise:</i>		
Heat, light and power	12,283	4,649
Insurance	11,916	4,233
Rates	8,922	1,381
Rent	53,537	24,203
Repairs and maintenance – Buildings	1,706	287
Equipment	4,702	1,452
Expensed Equipment	1,124	472
Equipment rental	0	544
Cleaning	2,346	709
Motor vehicle expenses costs	37,001	22,689
	<u>133,537</u>	<u>60,619</u>
<i>Preliminary Expenses comprise:</i>		
Legal Fees	0	26,136
Signage, branding, wages, trustee expenses & training	0	23,265
	<u>0</u>	<u>49,401</u>
<i>Other Expenses comprise:</i>		
Depreciation	37,193	15,817
FBT	972	167
Loss on disposal of Assets	4,712	9
	<u>42,877</u>	<u>15,993</u>

3. Bank and Cash Balances

	2017	2016
	\$	\$
Cheque Account at ASB Bank	144,810	602,695
On call account at ASB Bank	447	0
Term deposits at ASB Bank	305,455	0
	<u>450,712</u>	<u>602,695</u>

ABLE CHARITABLE TRUST (SOUTHERN FAMILY SUPPORT)

Notes to the Performance Report (continued)

for the year ended 30 June 2017

4. Property, Plant, & Equipment

2017

Asset Class	Opening Value \$	Purchases \$	Sales/ Disposals \$	Current Year Depreciation \$	Closing Value \$
Land	120,683	0	0	0	120,683
Buildings	251,894	3,900	0	7,718	248,076
Motor Vehicles	19,986	47,576	(5,199)	9,848	52,515
Computer Equipment	12,415	18,794	(733)	11,785	18,691
Library Books	2,071	61	0	228	1,904
Office Equipment	40,685	33,605	(725)	5,614	67,951
Plant & Equipment	<u>11,261</u>	<u>2,490</u>	<u>(52)</u>	<u>2,000</u>	<u>11,699</u>
	<u>458,995</u>	<u>106,426</u>	<u>(6,709)</u>	<u>37,193</u>	<u>521,519</u>

2016

Asset Class	Opening Value \$	Purchases \$	Sales/ Disposals \$	Current Year Depreciation \$	Closing Value \$
Land	0	120,682	0	0	120,682
Buildings	0	257,034	0	5,141	251,893
Motor Vehicles	0	22,859	0	2,873	19,986
Computer Equipment	0	16,824	0	4,409	12,415
Library Books	0	2,219	0	148	2,071
Office Equipment	0	42,799	0	2,114	40,685
Plant & Equipment	<u>0</u>	<u>12,405</u>	<u>(9)</u>	<u>1,132</u>	<u>11,263</u>
	<u>0</u>	<u>474,822</u>	<u>(9)</u>	<u>15,817</u>	<u>458,995</u>

The land and buildings are the properties at 2 Calder Street and 30 Prince Albert Road, Dunedin.
Refer note 9 for rateable valuations.

5. Accounts Receivable and Prepayments

	2017 \$	2016 \$
Accounts Receivable	91,379	91,355
Accrued Interest	4,276	0
Prepayments	<u>11,039</u>	<u>0</u>
	<u>106,694</u>	<u>91,355</u>

ABLE CHARITABLE TRUST (SOUTHERN FAMILY SUPPORT)

Notes to the Performance Report (continued)

for the year ended 30 June 2017

<u>6. Contributed Equity</u>	2017	2016
	\$	\$
Opening balance	1,163,130	0
Transferred in from Supporting Families Southland for Mental Wellness	0	100,688
Transferred in from Supporting Families in Mental Illness Central Otago Branch Incorporated	46,317	(151)
Transferred in from Supporting Families in Mental Illness Waitaki Branch Incorporated	475	(4,358)
Transferred in from Schizophrenia Fellowship Otago Branch Incorporated	<u>1,482</u>	<u>1,066,951</u>
Closing balance	<u>1,211,404</u>	<u>1,163,130</u>

All balances were the net assets/liabilities at 1 November 2015. This comprised cash transferred of \$779,552, property, plant and equipment transferred of \$431,902 and other net liabilities taken over (mainly holiday pay) of \$48,324. Various contracts for service delivery were assigned to the Trust, effective 1 November 2015. Two of the merged entities have been wound up and it is intended to wind up the other two merged entities once all matters have been attended to.

<u>7. Accumulated Surpluses or Deficits</u>	2017	2016
	\$	\$
Opening balance – (deficit)	(133,659)	0
(Deficit) for the year	<u>(145,443)</u>	<u>(133,659)</u>
Closing balance – (deficit)	<u>(279,102)</u>	<u>(133,659)</u>

8. Related Party Transactions

There were no transactions involving related parties during the year, other than the transfer of net assets from the four merged entities as set out in note 6 above.

9. Property

The Trust properties comprise the following with their most recent Government Valuations:

	2017	2016
	\$	\$
2 Calder St – Land value	215,000	205,000
2 Calder St – Improvements	280,000	260,000
30 Prince Albert Road – Land value	106,000	101,000
30 Prince Albert Road – Improvements	<u>64,000</u>	<u>79,000</u>
	<u>665,000</u>	<u>645,000</u>

ABLE CHARITABLE TRUST (SOUTHERN FAMILY SUPPORT)

Notes to the Performance Report (continued)

for the year ended 30 June 2017

10. Capital Commitments

As at 30 June 2017 the Trust has no capital commitments.

As at 30 June 2016 the Trust was committed to upgrading its computer and phone systems to the cost of \$32,000.

11. Lease Commitments

As at 30 June 2017 the Trust was committed to operating leases for the Invercargill premises, the Oamaru premises and for photocopiers totalling \$49,134 excluding GST. The amount committed under the leases at 30 June 2016 was \$70,744.

12. Contingencies

The Trust has no contingent assets or liabilities at 30 June 2017 (2016 nil).

13. Subsequent Events

There are no events that have occurred after balance date that would significantly affect these financial and other statements. However, since 30 June 2017, arrangements have been finalised to merge the activities of Timeout Carers Southland Trust, which is based in Invercargill, with Able Charitable Trust (Southern Family Support) which expand the services provided from 1 July 2017.

Independent Auditor's Report

to the Trustees of Able Charitable Trust (Southern Family Support)

Our Opinion

We have audited the performance report of Able Charitable Trust (Southern Family Support) (the Trust) which comprise the statement of financial position as at 30 June 2017 and the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year then ended, and the statement of accounting policies and other explanatory information.

In our opinion:

- (a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- (b) the accompanying performance report presents fairly, in all material respects, the financial position of the Trust as at 30 June 2017 and its entity information, service performance, financial performance and cash flows for the year ended on that date in accordance with the accounting standard, Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditors we have no relationship with, or interests in, the Trust.

Trustees' Responsibilities for the Performance Report

The Trustees' are responsible, on behalf of the Trust for:

- (a) identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) the preparation and fair presentation of the performance report which comprises the entity information, the statement of service performance, statement of financial performance, statement of financial position, statement of cash flows, and the accounting policies and notes to the performance report, in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit); and
- (c) such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

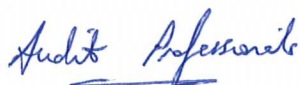
In preparing the performance report the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to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

Auditor's Responsibilities for the Audit of the Performance Report

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

A further description of our responsibilities for the audit of the performance report is located on the External Reporting Board website: https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx

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



Chartered Accountants
3 October 2017

Dunedin