

CHAMPION FOUNDATION TRUST

ANNUAL REPORT & FINANCIAL STATEMENT

YEAR ENDING 30 JUNE 2015

CHARITIES COMMISSION CC39895
PRIVATE BAG 4708
CHRISTCHURCH 8140

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PURPOSE OF THE TRUST

To benefit children with intellectual or other mental or physical disabilities compromising their development with specific focus on early intervention programmes and therapies by, including and not limited to, providing financial assistance to the Christchurch Early Intervention Trust incorporated under the Charitable Trusts Act 1957 so long as it remains a charitable trust in New Zealand

CHAIRMANS REPORT

June 2015

It has been another active year for The Foundation, and as you will have come to notice, I have a preference for headline figures, given that The Champion Foundation is tasked with capital raising for the benefit of The Champion Centre.

So here we go: FINANCIAL HIGHLIGHTS

	2015	2014
Total raised by The Champion Foundation including operational	\$1,381,655	\$1,147,351
Total raised by Foundation to date including all pledges	\$ 868,104	\$ 736,800
2014/15 Funds received	\$ 195,776	\$ 168,000
Capital Funds Invested	\$ 630,398	\$ 419,075

It is obvious from these figures that fundraising efforts continue to tap into the Community's goodwill, and all the totals above reflect positive growth. We are now in the fortunate position of earning not insignificant amounts of interest (\$25,299) from our funds on deposit, and as our costs are held very tightly to a bare minimum – principally essential secretarial administration and audit, we have a healthy little operating surplus at financial year end.

The Champion Foundation Trust

This is essentially the 'umbrella' organisation responsible for governance style activity and stewardship of the funds raised to date.

I am immensely grateful to my fellow trustees Patricia Champion, Carolyne Grant, Celia Barker, and Henry Van Asch. Henry will retire at the end of 2015 and become an advisory trustee, having served two four year terms with distinction. Our heartfelt thanks for his contribution to The Foundation.

We meet quarterly as required by regulatory authorities, and I am confident that our affairs are being extremely well run. The appointment of Deidre Rance as Executive Secretary has seen further development in the administrative efficiency of the Foundation affairs, as they grow in volume and complexity. Deidre's background in finance and her Chartered Accountants qualification bring a very welcome financial discipline to our operation.

We said goodbye to our previous secretary Sarah Jacobson at the end of 2014, and I wish to pay tribute to her enthusiasm, willingness and substantial effort she put into the Foundation running, helping bring it up to a new level for Deidre to take over.

The Champion Foundation Trust Fundraising Committee

This is the fundraising engine of the Champion Foundation. They are responsible for getting out into the community and attracting donations of all differing amounts, and also for organising specific functions and fundraising occasions so important to raising and maintaining the profile of everything related to the Champion Centre.

The committee has swelled to a group of 10, and to my fellow fundraisers – Patricia Champion, Peter Guthrey, Carolyne Grant, Gay Rutherford, Sue Rutherford, Katie Gyde, Jan Ward, Bridget Frame and Deidre Rance, may I thank you most sincerely for your dedication to our cause. Committee work like this, and the tasks we give ourselves, require considerable time to be given up to achieve our goals, and all our members put their effort in most generously. It is really gratifying to see such tangible evidence of our labours!

The Tooby Function November 2014

Repeating their generosity of throwing their magnificent home open to The Champion Foundation with the inaugural party in 2013, John and Anna Tooby again facilitated a sparkling evening of music, fun, and only a few speeches. Mayor Lianne Dalziel graciously agreed to open proceedings and spoke from the heart with real warmth about her admiration for the Champion Centre, and her first-hand knowledge of its wonderful work being done within her previous constituency. The Oswin family contributed again musically with Champion Centre graduate Andrew Oswin tinkling the keyboard for us before John Tooby showed us his rock n roll/boogie prowess himself.

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However, from looking at the year on year increase to our capital fund (\$195,775) if we continue at this rate it will be many more years before we reach the original target of \$5 million.

We will maintain our search for those able and willing to pledge significant 5 figure sums, as that is where our fund growth will come from.

Looking ahead

As our profile grows annually through our constant efforts at broadening our catchment area, we are heartened by an increasing number of visits to The Champion Centre, initiated by a few key individuals with strong connections. These visits are the forerunner to what can become sizeable donations, once a fuller understanding of the Centre becomes apparent, the excellence of its operation, its professionalism, the dedication of its staff, and the real need in meeting operational cost shortfalls.

As I write it is extremely gratifying to note that the Centre has enjoyed an unusually strong financial support in the past year, due to the generosity of a few key donors – as detailed in the Directors report, which I commend to you all.

Furthermore it is very reassuring to see the Champion Centre itself gaining substantial international, peer reviewed positive ratings for the work they do.

The Director and top management should derive much pride from the accolades.

Finally it has been a pleasure to serve on The Foundation alongside The Champion Centre, and to be increasingly in a position where we 'truly make a difference' and are definitely building a future for those children with special needs.



Michael Norris
Chairman, Champion Foundation Trust

Champion Foundation Trust
Private Bag 4708
Christchurch 8140

A registered charity, established by a Trust Deed dated 30 September 2008



The Champion Centre
TAMARIKI TOIORA

BUILDING FUTURES FOR CHILDREN WITH SPECIAL NEEDS

Statement of Financial Performance

Champion Foundation Trust For the year ended 30 June 2015

	2015	2014
Income		
Donations	195,776	168,000
Interest Received	25,299	13,999
NET INCOME	221,074	181,999
Less Operating Expenses		
Audit Fees	978	1,274
Bank Charges	-	5
Charities Com Registration	51	51
General Expenses	-	-
Secretarial / Administration Services	8,722	4,216
Total Operating Expenses	9,750	5,546
Gross Surplus	211,324	176,453
Non-operating Expenses		
Depreciation	-	-
Taxation	-	-
NET SURPLUS	211,324	176,453



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BUILDING FUTURES FOR CHILDREN WITH SPECIAL NEEDS

Statement of Movements in Equity

Champion Foundation Trust For the year ended 30 June 2015

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Equity at beginning of period	419,075	242,622
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Prior Period Adjustment	-	-
Total Equity	630,398	419,075



The Champion Centre
TAMARIKI TOIORA

BUILDING FUTURES FOR CHILDREN WITH SPECIAL NEEDS

Statement of Financial Position

Champion Foundation Trust As at 30 June 2015

	2015	2014
<u>Assets</u>		
Current Assets		
Heartland Current Account	38,009	46,329
Accounts Receivable	2,245	1,544
Total Current Assets	40,254	47,873
Investments		
Heartland Term Deposit 24	205,045	-
Heartland Term Deposit 00	389,563	372,426
Total Investments	594,608	372,426
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Trust Capital	630,398	419,075

Signature _____



The Champion Centre
TAMARIKI TOIORA

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Notes to the Financial Statements

Champion Foundation Trust As at 30 June 2015

Statement of Accounting Policies

1. Reporting Entity

The statements presented are for the reporting entity, Champion Foundation Trust.

The Champion Foundation Trust (the Trust) is a Registered Charity.

The Trust was registered with the Charities Commission on 8 May 2009 and has a registration number CC 39895.

The Trust was established by a Trust Deed dated 30 September 2008.

The Financial Statements have been prepared in accordance with generally accepted accounting practices to comply with the standards issued by the Institute of Chartered Accountants of New Zealand.

2. Measurement Base

The measurement adopted is the historic cost basis.

Reliance is placed upon the fact that the entity is a going concern.

Revenue and expenditure have been recorded on an accrual accounting basis.

3. Particular Accounting Policies

The following policies are the particular accounting policies which have a material effect upon the measurement of the financial performance and financial position.

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Goods and Services Tax

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4. Differential Reporting

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CHAIRMAN’S REPORT

June 2016

This has been a steady, rather than spectacular year for the Champion Foundation Trust. Maintaining my preference for headline figures, here are the four important lines of financial achievement:

	2016	2015
Total raised by The Champion Foundation Trust including operational	\$ 1,522,117	\$ 1,381,655
Total raised by the Foundation including all pledges to Capital Fund	\$ 983,566	\$ 868,104
2015/16 Funds received incl. interest	\$ 165,191	\$ 195,776
Capital Funds invested	\$ 815,150	\$ 630,398

As I observed last year, whilst this performance is quite respectable, it does not take much examination to conclude that it will be many many years indeed to reach our original target of a capital fund of \$5 million. Moreover, with interest rates having seen a significant decline in the last few years, even a fund of \$5 million invested at 3.75% producing \$187,500 per annum will fall well short of bridging the shortfall at the Champion Centre, which traditionally hovers between \$700,000-\$800,000 pa. This deficit currently can only be balanced by donations and fundraising, and is a continuing and worrying drain on the Champion Centre’s resources. I should pay tribute to the remarkable achievement in 2016 by Champion Centre staff, principally Eve Nissen, Development Manager, who is charged with the responsibility of making the grant applications to the variety of Foundations, Trusts and funding sources throughout the country. Somehow the donations and fundraising figure climbed from around \$720,000 in 2015 to \$904,165 in 2016, contributing a small surplus for the year in the accounts of \$183,931.

The reality of the financial picture and the way forward

You may be aware that changes to the way the Champion Centre is required to produce its accounts means that this surplus is largely illusory and is created by complex technical accounting protocols. We should not delude ourselves that the funding shortfall is a thing of the past – quite the reverse in fact.

What is to be done about the perennial shortfall in the Champion Centre’s operating budget?

There is no doubt at all that the Champion Centre is a world class model service provider of early intervention. Children attending the Champion Centre make important developmental gains year on year, and most children graduate into mainstream school. Peer reviews confirm the excellence of the Centre’s clinical reputation, and that of its clinical director Dr Susan Foster-Cohen. It is an extremely successful institution, and very well respected by government.

So what is the problem?

In a word: underfunding. Despite the funding from 3 government ministries, the costs of running the Centre at this level of excellence and service always exceed funding available, creating this almost unsustainable pressure on the Centre to engage in fundraising to bridge the gap. The Champion Foundation Trust, recognising this continuing problem, has been fortunate in 2016 to secure philanthropic interests to fund two separate reports: first that of Research First, who compiled a massive report “Investigating the Value of the Champion Centre Early Intervention Programme” which confirmed the qualitative excellence of the Centre’s operation, but left open the matter of how to continue funding it in the future. The second report concentrated on a review of both the Champion Centre and the Champion Foundation Trust – their workings, their strengths and weaknesses. The principal recommendation was the need for a Commercial Director, whose responsibilities would be divided between the Centre and the Foundation, and whose principal focus would be the generation of additional sponsorship and funding for operational purposes.

The Foundation welcomes these initiatives and is involved in seeking philanthropic support to fund the payroll costs of this appointment. The Trust will also contribute to meeting the cost of this new appointment.

The Champion Foundation Trust in 2016

We welcomed Roger Young as a trustee, to join Patricia Champion, Celia Barker, Carlyne Grant and myself. Roger brings important commercial experience both domestic and international, and as Treasurer has revamped our Treasury Policy, a much needed initiative, allowing the Trust to be more adventurous with its investments, whilst maintaining risk averse policy. We said farewell to our Executive Secretary

Deidre Rance, who as a qualified Chartered Accountant as well, brought real financial discipline to us all. We will miss her significant contribution to the Trust, and with gratitude accept her offer to continue producing immaculate sets of annual accounts, thus making valued savings at audit time. We welcome Deidre's replacement Sarah Burns as Executive Secretary, and know her keenness and enthusiasm will serve us well. We are also fortunate to have persuaded Bridget Frame to join us as an advisory trustee. Her knowledge and experience of NGOs and government are proving truly invaluable to us.

Significant Donations for 2016 Include:

Manchester Trust \$10,000 (part of 2nd \$30,000 pledge)
Henry Van Asch \$25,000 (balance of earlier pledge of \$37,500)
Maurice Carter Charitable Trust \$50,000
Hickman – Waiwetū Trust \$20,000 (part of \$100,000 pledge)
Renhart Trust \$10,000 (2 x \$5,000 payments)
Spanbuild \$25,000 – used for Research First

Obviously these are very generous donations indeed, and on behalf of the Trust we acknowledge this magnificent support of the Champion Foundation Trust these represent.

I should also (at the risk of singling out one individual who would probably rather remain anonymous) pay tribute to the tireless efforts of Mike Dormer, who directly and indirectly has introduced us to several donors who have made or are proposing to make significant contributions to both the Champion Centre and the Champion Foundation Trust.

The Fundraising Committee

Since the amazing Ben Waters concert in April (more on that below) the Committee has had a quieter year, concentrating on following up the many productive leads generated. As I write there are several significant donors lined up who have substantial resources at their disposal, and we remain hopeful they will come to fruition.

Sometimes people forget that all our Committee members are volunteers only, freely giving of their own time, and should not be confused with full time, salaried fundraising personnel. This is one of the reasons we support the idea of a full time, salaried Commercial Director. My thanks to my Committee – Patricia Champion, Peter Guthrey, Carolyn Grant, Gay Rutherford, Sue Rutherford, Katie Gyde, Jan Ward, Bridget Frame and Sarah Burns for their wonderful work in 2016.

Already plans are afoot for an Art Auction in late summer 2017 and we think this will be a productive and fun way to raise more funds, and awareness of the Centre.

The Committee is also planning a presentation to leading law firms in the city, in the New Year, to circulate details of the Champion Foundation's fundraising needs, and to direct lawyers' attention to the opportunity for clients to nominate the Champion Foundation for bequests in their wills.

The Ben Waters Concert – John and Anna Tooby home 5 April 2016

Ben Waters has just been crowned “the best boogie pianist in Europe” and is a Rock n Roll legend in his own right. Together with his prestigiously talented son Tom (15) and two accomplished musicians from the Christchurch Jazz School, Ben on keyboard, and the Band wowed an invited audience of over 100 guests, at the home of John and Anna Tooby, who yet again made their beautiful residence available to us. Chuck Berry, Jerry Lee Lewis and Rolling Stones music all night long!

A high ticket price of \$300 per couple did not deter guests, and it was the best attended fundraising event the Foundation has hosted, and achieved a nearly \$20,000 addition to the Funds coffers.

Two auction items – a guitar signed by Ray Davies of the Kinks, and a wonderful weekend offer at The Point, a remarkable eco property, donated by Edward and Penny Aitken, were the financial icing on the cake.

Again my thanks to all the Fundraising Team and their families, for making the event such a success.

Looking ahead

As stated earlier, 2016 represents a year of steady progress, but also unprecedented opportunity for change in the future. We embrace the findings of both reports I have mentioned above, and look forward to working with the Champion Centre to make these changes happen.

There is no doubt the business model of the Foundation needs critical examination, and we, as realists, welcome that.

Michael Norris, Chairman, Champion Foundation Trust



The Champion Centre
TAMARIKI TOIORA

BUILDING FUTURES FOR CHILDREN WITH SPECIAL NEEDS

Champion Foundation Trust Performance Report

For the year ended 30 June 2016

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BUILDING FUTURES FOR CHILDREN WITH SPECIAL NEEDS

Champion Foundation Trust Entity Information

Legal Name: Champion Foundation Trust

Type: Registered Charitable Trust

Registration Number: 2203880

Purpose or Mission:

To benefit children with developmental delay or physical disabilities that compromise their development, and requiring early intervention.

We aim to give financial assistance to providers of services such as The Champion Centre.

Structure:

Charitable Trust, affiliated to The Champion Centre (Christchurch Early Intervention Trust).

The Trust Deed states that there will be between two (2) and five (5) trustees of which one (1) may be appointed by the Christchurch Early Intervention Trust from time to time. Trustees are appointed for a four (4) year term. A Chairperson is elected from the Trustees.

Main Sources of Cash and Resources: Interest, donations, gifts and bequests.

Main Methods Used to Raise Funds: Donations requests and various fundraising activities.

Reliance on Volunteers:

The Trust relies on gifts of volunteer time and expertise to complete work in many essential roles such as governance, fundraising, administration and accounting.

Total voluntary hours per year are estimated to be 500 hours per annum. This is approximately 5:1 ratio to paid employee hours per year

Physical Address: c/- Burwood Hospital
Burwood Road
Christchurch

Postal Address: Burwood Hospital
Private Bag 4708
Christchurch 8140

Contact and Phone: Michael Norris +64 21 660 292

Website: www.championcentre.org.nz/Make-a-Difference/champion-foundation-trust



The Champion Centre
TAMARIKI TOIORA

BUILDING FUTURES FOR CHILDREN WITH SPECIAL NEEDS

Champion Foundation Trust Statement of Service Performance For the Year Ended 30 June 2016

Outcomes that the trust is seeking to achieve:

1. Build a capital fund of over \$5,000,000, invested judiciously, the income from which is used to fund shortfalls in operating budgets at The Champion Centre.
2. Undertake various fundraising events each year, the number of which is to be determined by the fundraising committee.
3. Adopt new Treasury Policy enabling diversification of investment portfolio, whilst maintaining a risk averse stance.
4. Investigate additional sources of funding (e.g. Government Ministries) to gain extra support for the work of The Champion Centre.

Outcome measures:

1. Amount of the accumulated funds at year end and the amount provided to The Champion Centre.
The Trust has accumulated funds of \$815,150 (2015 \$630,398) as the fund has not reached the target there has been no funding to The Champion Centre in the current fiscal year.
2. Fund raising events will be measured on both (net) direct receipts and the exposure of potential benefactors to The Champion Centre and to the Trust.
Activities were undertaken this year that achieved revenue of \$19,087 (2015 Nil) and exposed over 500 people to the Trust and The Champion Centre.
3. Diversity of investments and associated measures of risk.
The Treasury Policy remains a work in progress for the board and will be implemented gradually as the value of the fund increases. Investment opportunities with other financial institutions are currently being reviewed.
4. Level of government and community funding received by The Champion Centre
The Trust's role is that of an advisory in this task. Conversations have started at local levels with funding providers and iwi to understanding the cost of services provided, the beneficiaries and what options are available for funding.



The Champion Centre
TAMARIKI TOIORA

BUILDING FUTURES FOR CHILDREN WITH SPECIAL NEEDS

Champion Foundation Trust Statement of Financial Performance For the Year Ended 30 June 2016

	2016	2015
Revenue		
Donations, Fund Raising & Other Similar Revenue	165,191	195,776
Interest Received	31,414	25,299
Total Revenue	196,605	221,074
Expenses		
Related to Fund Raising	10,394	8,722
Other Expenses	1,459	1,028
Total Expenses	11,853	9,750
Surplus	184,752	211,324

This statement should be read in conjunction with the Statement of Accounting Policies, Notes to the Performance Report and the Auditor's Report.



The Champion Centre
TAMARIKI TOIORA

BUILDING FUTURES FOR CHILDREN WITH SPECIAL NEEDS

Champion Foundation Trust Statement of Financial Position As at 30 June 2016

	2016	2015
<u>Assets</u>		
Current Assets		
Bank Accounts	94,281	38,009
Debtors & Prepayments	2,443	2,245
Total Current Assets	96,724	40,254
Non-Current Assets		
Investments	720,133	594,608
Total Non-Current Assets	720,133	594,608
Total Assets	816,856	634,862
<u>Liabilities</u>		
Current Liabilities		
Creditors & Accrued Expense	1,706	4,464
Total Current Liabilities	1,706	4,464
Net Assets	815,150	630,398
Accumulated Funds		
Accumulated Surplus	710,150	525,398
Reserves	105,000	105,000
Total Accumulated Funds	815,150	630,398

Signed: _____

This statement should be read in conjunction with the Statement of Accounting Policies, Notes to the Performance Report and the Auditor's Report.



The Champion Centre
TAMARIKI TOIORA

BUILDING FUTURES FOR CHILDREN WITH SPECIAL NEEDS

Champion Foundation Trust Statement of Cash Flows For the Year Ended 30 June 2016

	2016	2015
Cash Flows from (to) Operating Activities		
Cash was received from		
Donations, Fund Raising & Other Similar Revenue	165,191	195,776
Interest Received	31,217	24,598
	196,408	220,373
Cash was applied to		
Payment to suppliers	(14,611)	(6,511)
	(14,611)	(6,511)
Net Cash Flows from (to) Operations	181,797	213,862
Cash Flows from (to) Investing & Financing Activities		
Cash was received from		
Maturity of Term Deposits	-	-
	-	-
Cash was applied to		
Placement of Term Deposits	(125,525)	(222,182)
Net Cash Flows from (to) Investing Activities	(125,525)	(222,182)
Net Increase (decrease) in Cash at Bank	56,272	(8,320)
Opening Bank Balance	38,009	46,329
Closing Bank Balance	94,281	38,009

This statement should be read in conjunction with the Statement of Accounting Policies, Notes to the Performance Report and the Auditor's Report.



The Champion Centre
TAMARIKI TOIORA

BUILDING FUTURES FOR CHILDREN WITH SPECIAL NEEDS

Champion Foundation Trust Statement of Accounting Policies For the Year Ended 30 June 2016

1. Basis of Preparation of Performance Report

Champion Foundation Trust has elected to apply PBE SFR-A (NFP) public benefit entity simple format reporting – accrual (not for profit) on the basis that it does not have public accountability and has total annual expenses of less than \$2,000,000.

2. Measurement Base

Transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report has been prepared on the assumption that the Trust will continue to operate in the foreseeable future.

The Performance Report is presented in New Zealand dollars, rounded to the nearest dollar.

3. Specific Accounting Policies

GST

The Trust is not registered for GST. The figures in the Performance Report have been prepared inclusive of GST (if any).

Revenue

All revenue recorded in the Performance Report is in the year that it is earned. As at balance date there were no donations received that had any conditions that are required to be met by the Trust prior to recognition as revenue (2015 Nil). Revenue has been derived from the following activities.

	2016	2015
<u>Revenue</u>		
Donations	165,191	195,776
Fund Raising	19,087	-
Interest Received	31,414	25,299
Total Current Assets	196,605	221,074

The Accounting Policies should be read in conjunction with the Notes to the Performance Report.



The Champion Centre
TAMARIKI TOIORA

BUILDING FUTURES FOR CHILDREN WITH SPECIAL NEEDS

Expenses

All expenses recorded in the Performance Report relate to the year that they were incurred. Expenses are classified into the following activities.

	2016	2015
<u>Expenses</u>		
Audit Fees	1,106	978
Charities Registration	51	51
General Expenses	302	-
Secretarial Services	10,394	8,722
Total Current Assets	11,853	9,750

Income Tax

The entity is exempt from income tax.

Bank Accounts

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

4. Changes in Accounting Policies

This is the first Performance Report prepared under the new PBE SFR-A (NFP) Standard. The adoption of the standard has not required any significant change in accounting treatment or measurement of transactions for this entity for the current year.

The adoption of the standard has not required any restatement of the comparative Statement of Financial Performance or Statement of Financial Position. All accounting policies have been applied consistently in the Performance Report.

The Accounting Policies should be read in conjunction with the Notes to the Performance Report.



The Champion Centre
TAMARIKI TOIORA

BUILDING FUTURES FOR CHILDREN WITH SPECIAL NEEDS

Champion Foundation Trust Notes to the Performance Report For the Year Ended 30 June 2016

5. Subsequent Events

There are no events that have occurred after balance date that would significantly affect this Performance Report.

6. Accumulated Funds

2016	Accumulated Surplus	Reserves	Total
Balance at Start of Year	525,398	105,000	630,398
Surplus	184,752		184,752
Balance at End of Year	<u>710,150</u>	<u>105,000</u>	<u>815,150</u>

2015	Accumulated Surplus	Reserves	Total
Balance at Start of Year	314,074	105,000	419,074
Surplus	211,324		211,324
Balance at End of Year	<u>525,398</u>	<u>105,000</u>	<u>630,398</u>

7. Capital Commitments and Contingent Liabilities

As at balance date the trust has no capital commitment nor contingent liabilities (2015: Nil).

8. Related Party Transactions

There are no related party transactions (2015: Nil).

The Notes are to be read in conjunction with the Performance Report and the Auditor's Report.



The Champion Centre
TAMARIKI TOIORA

BUILDING FUTURES FOR CHILDREN WITH SPECIAL NEEDS

9. Trust Equity

The Trust has four classes of Capital A, B, C and D

Class A: The Capital is to be held or invested on the terms set out in the Trustees Act 1956 with no capital distribution being made.

Class B: The Capital will be held on the same terms as Class A provided that after 50 years from the date of gift the capital will be transferred to the Default Class D.

Class C: The Capital is to be held on the same terms as Class B except that the Trustees are allowed to purchase one or more real estate properties to lease to Christchurch Early Intervention Trust on such terms as the Board sees fit (which need to be market terms).

Class D: (Default Class) The Capital is to be held on the presumption that the capital be preserved provided that if the Trustees unanimously agree to distribution or capital purchase will benefit the Christchurch Early Intervention Trust more than the retention of capital then a capital payment may be made.

As at 30 June 2016 \$5,000 of equity was included in Class A and \$100,000 held in Class B.

As at 30 June 2015 \$5,000 of equity was included in Class A and \$100,000 held in Class B.

The Notes are to be read in conjunction with the Performance Report and the Auditor's Report.

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Champion Foundation Trust

Report on the Performance Report

We have audited the accompanying performance report of Champion Foundation Trust on pages 4 to 10 which comprises the Statement of Financial Performance and Statement of Cash Flows for the year ended 30 June 2016, the Statement of Financial Position as at 30 June 2016, and the Statement of Accounting Policies, notes to the Performance Report and other explanatory information.

The Responsibility of the Trustees

The Trustees are responsible on behalf of the entity 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; and
 - the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Statement of Accounting Policies and notes to the Performance Report;in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and
- (c) for 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Performance Report based on our audit. We conducted our audit of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Statement of Accounting Policies and notes to the Performance Report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Performance Report is free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor, we have no relationship with, or interests in, Champion Foundation Trust.

Opinion

In our opinion, the Performance Report on pages 4 to 10 gives a true and fair view of the financial position of Champion Foundation Trust as at 30 June 2016, and its financial performance, and cash flows for the year then ended, in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

NEXIA CHRISTCHURCH LIMITED

Nexia New Zealand

7 November 2016

Champion Foundation Trust

Private Bag 4708

Christchurch 8140

A registered charity, established by a Trust Deed dated 30 September 2008