

# Financial Statements 2020

Christchurch Early Intervention Trust Trading as The Champion  
Centre

For the year ended 30 June 2020

Prepared by Smith & Jack Ltd

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# Entity Information

## Christchurch Early Intervention Trust Trading as The Champion Centre For the year ended 30 June 2020

### Legal Name of Entity

Christchurch Early Intervention Trust Trading as The Champion Centre

### Entity Type and Legal Basis

Charitable Trust Board and Registered Charity

### Registration Number

CC22708

### Entity's Purpose or Mission

The Champion Centre is committed to providing high quality family and whānau based early intervention services for children/tamariki with multi-faceted developmental delay. In partnership with our local Rūnanga (Te Ngāi Tūāhuriri), The Champion Centre will also educate about early intervention and act with parents/Mātua of children/tamariki with developmental delay as advocates for adequate and appropriate community services for them and their children/tamariki.

### Entity Structure

The Champion Centre is governed by a Trust Board which currently provides for 5 volunteer trustees. The board operates in accordance with a trust deed and an operations manual. Trustees are selected for their expertise in governance and every effort is made to ensure that there is always at least one parent or past parent of a child who has used the service serving on the board.

In addition trustees represent expertise in health, education, finance, business and law in order to provide a solid background for the Trust's activities. Board meetings are held monthly and include presentation of a report on operations and financial statements by the Director/CEO of the service and review of health and safety sustainability.

The therapy service is overseen by a Director who acts as the CEO with a small administrative staff.

The clinical oversight is held by the Clinical Manager and the Family Services Manager who meet weekly with the Director.

A Senior Practice Team made up of the senior clinicians in each field (physiotherapy, speech and language therapy, occupational therapy, early intervention teaching, psychology, social work and educational support) also meet weekly and report via the Clinical Manager and Family Services Manager to the Director.

A separate trust (The Champion Foundation Trust) exists to raise private donations for a capital fund that can generate income for the Christchurch Early Intervention Trust through interest.

### Main Sources of Entity's Cash and Resources

Approximately 78% of current funding comes from a combination of government grants from the Ministry of Health (Disability Support Services), Ministry of Education (both High Needs Special Education funding and funding as a licensed Early Childhood Centre) and Ministry of Social Development (for social work support).

The balance is raised through grant applications to private funds, events and requests for donations.

### Main Methods Used by Entity to Raise Funds

One staff member in the administrative team has responsibility for writing grant applications and making requests for private donations. The Director makes appeals to government for more funding at every opportunity.

Appeals are made to parents and the general public through newsletters, website and Facebook pages.

### Entity's Reliance on Volunteers and Donated Goods or Services

A few volunteers support our clients by making tea and playing with the siblings of clients during their visits to the centre.

The work of the Centre is, however, highly specialised and therefore cannot be delegated to volunteers. We do, however, take advanced students on placement in a number of areas, and these individuals are able to provide support under our supervision.

### Physical Address

C/-Burwood Hospital, Main Entrance, 300 Burwood Road, Christchurch, New Zealand, 8083

### Postal Address

C/-Burwood Hospital, Private Bag 4708, Christchurch, New Zealand, 8140

# Approval of Financial Report

## Christchurch Early Intervention Trust Trading as The Champion Centre For the year ended 30 June 2020

The Trustees are pleased to present the approved financial report including the historical financial statements of Christchurch Early Intervention Trust Trading as The Champion Centre for year ended 30 June 2020.

APPROVED



Chairperson

Date 16 October 2020



Deputy Chairperson

Date 16 October 2020

# Statement of Service Performance

## Christchurch Early Intervention Trust Trading as The Champion Centre For the year ended 30 June 2020

### Description of Entity's Outcomes

The Champion Centre provided early intervention services to infants and young children with complex challenges to their development and their families. The services were delivered by a team of professionals working in partnership with each family/whānau to support the physical, intellectual, social and emotional development of the children. During the year children attended in accordance with their levels of need. Most children attended the Centre with their parent/caregiver on a weekly basis during school terms and received a multi-disciplinary service individually tailored to the needs of each child and family. Other children attended less frequently as their needs were not as significant, but nonetheless required significant intervention for both the resolution/amelioration of already identified developmental challenges or to ensure prevention of other challenges.

All intervention was carried out in partnership with parents who are active members of their child's team and who are themselves supported in their parenting to help their children meet their full potential. Attendance at the Centre on regular visits meant that families and whānau had an opportunity to meet with each other and build networks of support that will sustain them into their lives beyond the Champion Centre. It also meant that professionals could operate in highly integrated and cooperative teams, ensuring that goals for children were collaboratively negotiated, and that interventions were planned and delivered holistically. The Champion Centre met its goals of being a family-centred holistic one-stop-shop service that operates on the understanding that it is in relationships that all children and families thrive.

### Description and Quantification of the Entity's Outputs

We provided service to 230 children. Of these, 119 were born very prematurely with consequences ranging from moderate to severe; 50 have identifiable chromosomal or other pervasive disorders; 32 children have a diagnosis of global developmental delay; 6 children have a primary diagnosis of autism and 23 have other diagnoses.

2020: 230      2019: 230

43 of these children 'graduated' from the programme by moving onto school or being discharged; We accepted 33 new clients into the programme over the course of the year.

2020: 43      2019: 40

Our family support team successfully completed 135 family support plans including providing arrangement of practical and emotional support for families raising the children in our service. These outcomes were reported to Oranga Tamariki in the regular yearly monitoring report who acknowledge that we deliver 'well in excess of volumes contracted (50 per year).

2020: 135      2019: 198

On 30th June 2020, our quarterly return to the Ministry of Health showed that 89% of children were aged between birth and four years and the remaining 11% were between five and six. 21% (50 families) identified as Māori and 3% (8 families) identified as Pacific Island. These percentages are greater than the general population of these ethnicities in our catchment area.

Our provider report to MSD in July 2020 showed across the whole year we provided services to families identifying as being from 27 different ethnicities: NZE(127); NZE plus another ethnicity (8); Maori (21); Māori plus another ethnicity(29); Pacific Island (8); and families from across the globe, including Chinese, Korean, Filipino, Indian, German, Irish, Japanese, Malaysian, South African, Bangladeshi, Canadian, Italian, Dutch and Russian.

### Additional Output Measures

The Champion Centre's early intervention programme is internationally recognised, and staff members have given presentations on the programme at local and national level; and published in international peer-reviewed journals this year. A

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

comprehensive list of the papers and presentations produced and delivered by the Champion Centre has been added to our website along with resources to help both families and professionals in early intervention.

### **Additional Information**

Government grants to the Champion Centre only partially cover our physiotherapy, occupational therapy, speech and language therapy, early intervention teaching, early childhood education, social work/family support and psychology services.

Considerable philanthropy is needed to make up the difference between the cost of delivering these services as well as to provide our music and our computer supported learning programme. We are therefore raising donations throughout the year to ensure the services can be delivered.

# Statement of Financial Performance

## Christchurch Early Intervention Trust Trading as The Champion Centre For the year ended 30 June 2020

	NOTES	2020	2019
<b>Revenue</b>			
Donations, fundraising and other similar revenue	3	202,780	313,691
Revenue from providing goods or services	3	2,264,142	2,221,408
Interest, dividends and other investment revenue	3	9,232	10,567
Other revenue	3	2,776	3,516
<b>Total Revenue</b>		<b>2,478,929</b>	<b>2,549,182</b>
<b>Expenses</b>			
Expenses related to public fundraising	4	1,488	2,851
Volunteer and employee related costs	4	2,239,103	2,116,438
Costs related to providing goods or service	4	278,231	290,724
Other expenses	4	19,681	19,802
<b>Total Expenses</b>		<b>2,538,503</b>	<b>2,429,815</b>
<b>Surplus/(Deficit) for the Year</b>		<b>(59,574)</b>	<b>119,367</b>

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



# Statement of Changes in Equity

Christchurch Early Intervention Trust Trading as The Champion Centre  
For the year ended 30 June 2020

	2020	2019
<b>Trust Accumulated Funds</b>		
Opening Balance	422,143	302,776
Surplus / (deficit) for the Period	(59,574)	119,367
<b>Total Accumulated Funds</b>	<b>362,569</b>	<b>422,143</b>

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

# Statement of Financial Position

## Christchurch Early Intervention Trust Trading as The Champion Centre As at 30 June 2020

	NOTES	30 JUN 2020	30 JUN 2019
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash	5	182,862	242,276
Receivables from exchange transactions	6	110,480	100,504
Investments	7	284,027	276,355
<b>Total Current Assets</b>		<b>577,370</b>	<b>619,135</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	14	34,685	33,084
<b>Total Non-Current Assets</b>		<b>34,685</b>	<b>33,084</b>
<b>Total Assets</b>		<b>612,055</b>	<b>652,219</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	8	19,415	20,608
Employee costs payable	9	189,547	136,789
Independent Providers Group Funds held on Behalf	10	5,176	7,698
Goods and services tax	11	15,260	12,739
Unspent Grants with conditions	12	20,089	52,242
<b>Total Current Liabilities</b>		<b>249,486</b>	<b>230,076</b>
<b>Total Liabilities</b>		<b>249,486</b>	<b>230,076</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>362,569</b>	<b>422,143</b>
<b>Accumulated Funds</b>			
Accumulated surpluses or (deficits)	15	362,569	422,143
<b>Total Accumulated Funds</b>		<b>362,569</b>	<b>422,143</b>

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

# Statement of Cash Flows

## Christchurch Early Intervention Trust Trading as The Champion Centre For the year ended 30 June 2020

'How the entity has received and used cash'

	2020	2019
<b>Cash Flows from Operating Activities</b>		
Revenue from Non-Exchange transactions	190,799	313,691
Revenue from Exchange transactions	2,230,893	2,145,782
Interest, dividends and other investment receipts	8,837	11,375
GST	(5,449)	(7,293)
Payments to suppliers and employees	(2,474,557)	(2,409,123)
<b>Total Cash Flows from Operating Activities</b>	<b>(49,477)</b>	<b>54,433</b>
<b>Cash Flows from Investing and Financing Activities</b>		
Receipts from sale of investments	-	114,075
Payments to acquire property, plant and equipment	(2,264)	(11,024)
Payments to purchase investments	(7,673)	(116,405)
<b>Total Cash Flows from Investing and Financing Activities</b>	<b>(9,937)</b>	<b>(13,354)</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>(59,414)</b>	<b>41,079</b>
<b>Bank Accounts and Cash</b>		
Opening cash	(242,276)	(201,197)
Closing cash	(182,862)	(242,276)
<b>Net change in cash for period</b>	<b>59,414</b>	<b>(41,079)</b>

In prior year accounts income categorisation of the cash flows was in line with the Tier 3 SPFR-NFP(A) standard. For the 2020 year, income has been categorised by Exchange and Non-Exchange Revenue principles and the prior year comparatives adjusted for comparability.

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

# Notes to the Financial Statements

## Christchurch Early Intervention Trust Trading as The Champion Centre For the year ended 30 June 2020

### 1. Reporting Entity

These financial statements are for the entity Christchurch Early Intervention Trust which is a charitable trust and charitable organisation in New Zealand registered under the Charitable Trusts Act 1957 and the Charities Act 2005.

### 2. Basis of Preparation

#### Statement of Compliance

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-for-Profit entities.

For the purposes of complying with NZ GAAP, the entity is a public benefit not-for-profit entity, and is eligible to apply Tier 2 Not-for-Profit PBE IPSAS on the basis that it is not publicly accountable and is not defined as large.

The Trustees have elected to report in accordance with Tier 2 Not-for-Profit PBE Accounting Standards, and in doing so have taken advantage of all applicable Reduced Disclosure Regime (RDR) disclosure concessions.

The Trustees have authorised these financial statements for issue on 16 November 2020.

#### Measurement basis

All transactions in the financial statements are reported using the accrual basis of accounting. The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified. The financial statements are prepared under the assumption that the entity will continue to operate in the foreseeable future.

#### Functional Presentation Currency

The financial statements are presented in New Zealand dollars.

#### Changes in Accounting policies

This is the first year Christchurch Early Intervention Trust has presented financial statements in accordance with the Tier 2 Not for profit PBE accounting standards due to exceeding \$2 million of operating expenses in the prior 2 years. Previous years were reported under the Tier 3 Not for Profit Public Benefit Accounting (accrual) standard.

#### Going Concern

The financial statements have been prepared on the basis that the entity is a going concern.

	2020	2019
<b>3. Revenue</b>		
<b>Revenue from non-exchange transactions</b>		
<b>Donations</b>		
Donation - Partnership Programme Donation		25,226

	2020	2019
Donations - Annual Appeals	-	26,335
Donations - Bequest	-	191
Donations - Company donation (one off)	71,778	70,195
Donations - In memory	-	2,169
Donations - Individual donation (one off)	81,786	64,458
Donations - In-kind - goods	11,231	4,676
Donations - In-kind - services	750	358
Donations - Payroll Giving	4,482	4,980
Donations - Regular giving (Champion supporters)	11,367	11,394
Foundation - Development	-	91,276
<b>Total Donations</b>	<b>181,393</b>	<b>301,257</b>
<b>Fundraising</b>		
Fundraising - Events	21,048	11,606
Fundraising - Merchandise	339	828
<b>Total Fundraising</b>	<b>21,387</b>	<b>12,434</b>
<b>Total Revenue from non-exchange transactions</b>	<b>202,780</b>	<b>313,691</b>
<b>Revenue from exchange transactions</b>		
<b>Revenue from providing goods and services</b>		
ACC/Astech	11,566	4,864
CDHB	196,019	182,502
CDHB - Child Development Services	162,000	-
Ministry of Education - Early Childhood	60,378	57,373
Ministry of Education - High Needs	566,286	545,608
Ministry of Education - Paraprofessional	368,600	322,941
Ministry of Health.	500,422	545,915
Ministry of Social Development.	82,190	76,456
<b>Total Revenue from providing goods and services</b>	<b>1,947,461</b>	<b>1,735,658</b>
<b>Grants</b>		
Community Foundation/Trust Grant	134,086	93,863
Corporate Foundation/Trust grant	25,113	52,888
Other - Community Service Groups Foundation/Trust grant	3,506	-
Private Foundation/Trusts grant	133,454	242,872
Reimbursement Independent Providers Group	2,522	1,106
Trust/Foundation donation	18,000	95,021
<b>Total Grants</b>	<b>316,681</b>	<b>485,750</b>
<b>Interest, dividends and other investment revenue</b>		
Interest Income	9,232	10,567
<b>Total Interest, dividends and other investment revenue</b>	<b>9,232</b>	<b>10,567</b>
<b>Other revenue</b>		
CD's	65	(62)
Other Income	2,646	2,863

	2020	2019
Professional Services	65	715
<b>Total Other revenue</b>	<b>2,776</b>	<b>3,516</b>
<b>Total Revenue from exchange transactions</b>	<b>2,276,150</b>	<b>2,235,491</b>

## Revenue from exchange transactions

### Government Contracts

Government contract revenue is recognised when the service is provided. Contract revenue received in advance is recognised as a liability until the services have been performed. Where the service is performed in advance of the revenue inflow it is recognised as an asset.

### Grants Revenue

Grant Revenue includes grants given by other charitable organisations, philanthropic organisations and businesses. Grants received with conditions attached are recorded as a liability until spent or the conditions are met. Where there are unfulfilled conditions attached to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled. If there are no conditions the grant is recorded as Revenue from exchange transactions in the year in which it is received. The Trust relies on these grants to help provide core services.

### Interest Income

Interest income is recognised as it accrues, using the effective interest method.

## Revenue from non-exchange transactions

### Donations

Donations are recognised as revenue upon receipt, and include donations from the general public, donations received for specific programmes or services, or donations in kind. Donations in kind include donations received for services, furniture and volunteer time, and are recognised as revenue and expense when the service or good is received. Donations in kind are measured at their fair value as at the date of acquisition, ascertained by reference to the expected cost that would otherwise be incurred by Christchurch Early Intervention Trust.

### Reclassification of Revenue figures for 2019 comparatives.

The Trust has adopted Tier 2 not for profit PBE accounting standards for the 2020 financial year. For ease of comparability the 2019 comparatives have been restated using the Revenue from exchange / non exchange classifications and as a result are not classified in the same categories as the 2019 Performance Report.

## The Trust wishes to acknowledge the following Grants and Donations

<b>Champion Supporters</b>	
A K Mora	300
D M Toothill	600
F S Lothian	240
Foodco New Zealand Ltd	873
G R and L J Roberts	252

P Gostomski and C Fry	480
I C Holdings Ltd	10,000
J and M Abrahamson	600
J and T Proctor	240
J M Pinney	252
J Murphy	360
N and M Simons	260
P and K Latz	220
R J Hanna	480
R Lucas	410
Redwood Physiotherapy	1,040
S and B Mortlock	1,200
S C Mitchell	660
S Williamson-Leadley	600
W J Blackwell	600
	19,667

<b>Payroll Giving</b>	
Christchurch Casino	1,310
J Delaney	572
S Foster-Cohen	2,600
	4,482
<b>Donations</b>	
A Hart	200
Avon-Otakaro Rotary Club	400
B J Thomas	573
Blogg Charitable Trust	5,000
Chch North Lions Club	2,606
D Heard	4,153
E A Ayling	300
F E Chambers	1,000
H Wheelans	2,000
Inner Wheel Club of Chch West	200

J Gaudin	366
J Miller	400
Jones Foundation	10,000
K J Hickman	10,000
Kiwanis Club of Christchurch Inc.	250
L J Cogle	500
Lobblinn Farms Ltd	7,300
M Keys	258
M Manning	1,000
M R Cooney	5,000
Methodist Women's Fellowship - Nth Canty District	200
MS Renhart Trust	5,000
N G and M H Lancaster	500
Organic Kids	250
P and C Curry	3,000
P and S Williams	500
P G Brophy	34,000
R Richardson	1,000
Rotary Club of Christchurch South	580
S and A Cumming Charitable Trust	3,000
St Albans Community Choir	301
T Moriarty	500
T Oliver	206
The Make Collective - Anna and Tim Chesney	1,000
U3A Ellesmere	600
	102,143

<b>Corporate Donors</b>	
Anonymous Donation	4,000
Calder Stewart	2,500
Dynamic Controls Social Club Inc	5,000
Hazlett Ltd	250
Independent Fisheries Ltd	50,000



Kuaka New Zealand	200
Riley Consultants Ltd	250
Skope Industries Ltd	1,620
Snap Fitness New Brighton	603
SRB Law Ltd	1,250
Wayne Murray Builder	250
	65,923
<b>Grants</b>	
Cranleigh Harper Barton Charitable Trust	2,000
Dove Charitable Trust	20,000
E B Millton Charitable Trust	30,000
Elizabeth Ball Charitable Trust	8,000
Farina Thompson Charitable Trust	3,000
Hugo Charitable Trust	5,000
Kathleen Alice Boyd	1,000
Lois McFarlane Charitable Trust	10,000
Maurice Carter Charitable Trust	7,500
New Zealand Charitable Foundation	5,000
New Zealand Lottery Grants Board	30,000
Rata Foundation	60,000
Robert & Barbara Stewart Charitable Trust	10,000
SJ Charitable Trust	48,000
Southern Trust	15,000
William Toomey Charitable Trust	1,000
	255,500

<b>Events</b>	
Blackboard Theatre Collective - He Says She Says	5,100
Gift Wrapping at The Palms	2,384
K E Willis - Cards	300
Mitre 10 Mega/Roofing Industries - Golf Tournament	2,000
Scentre NZ - Westfield Local Heroes	10,000

Shirley Primary School - Mufti Day	333
Westfield Riccarton - Local Hero	449
	20,566
Donations in Kind	
A Shaw	750
Donated Equipment - iPads	965
Haydn Brushes Ltd	3,664
Kereru Books	1,220
Rheel Group Ltd	5,280
	11,879
Donations Under \$200.00	4,626
Independent Providers group grants used	2,522

<b>Total Fundraising, Grants and Donations Received</b>	<b>487,308</b>
Plus Unspent Donations / Grants bought forward from 30 June 2019	52,242
Less 2021 Grants carried forward	(20,089)
	<b>519,461</b>
<b>Fundraising, Grants and Donations recognised in the Statement of Financial Performance</b>	
Donations and fundraising	202,780
Grants	316,681
	<b>519,461</b>

2020

2019

#### 4. Analysis of Expenses

##### Expenses related to public fundraising

Advertising & Publicity	-	472
Fundraising Expenses	1,488	2,379
<b>Total Expenses related to public fundraising</b>	<b>1,488</b>	<b>2,851</b>

##### Volunteer and employee related costs

ACC Payment	5,878	6,162
Staff Development and Training	10,338	16,677
Family Education & Support - Counselling	2,305	-
Kiwisaver Contributions	51,191	49,614
Staff Travel Allowances	38,597	33,654

	2020	2019
Supervision	6,350	8,780
Salaries and Wages	2,124,444	2,001,552
<b>Total Volunteer and employee related costs</b>	<b>2,239,103</b>	<b>2,116,438</b>

**Costs related to providing goods or services**

Burwood Services Agreement	7,214	8,308
Cleaning	16,433	18,944
Clinic Supplies	1,958	2,975
Development Expenses	700	10,906
Family Education & Support	8,086	10,983
Computer Expenses	23,353	24,294
General Expenses	12,021	9,773
Independent Providers Grant expenditure	2,522	1,106
Insurance	7,377	6,639
Light, Power, Heating	2,726	3,910
Rent	180,000	168,296
Repairs and Maintenance	1,875	1,937
Stationery	8,000	12,644
Special Project Expense	4,841	7,393
Telephone	1,125	2,617
<b>Total Costs related to providing goods or services</b>	<b>278,231</b>	<b>290,724</b>

**Other expenses**

Accountancy & Audit	9,066	11,001
Bank Charges	-	30
Depreciation	9,963	8,769
Interest Expense	45	2
Loss on Sale of Fixed Assets	608	-
<b>Total Other expenses</b>	<b>19,681</b>	<b>19,802</b>

	2020	2019
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**5. Cash and Cash Equivalents****Bank accounts and cash**

ASB - 00 Account	5,521	1,337
ASB - 01 Account	4,838	1,012
ASB - 50 Account	172,630	240,041
Credit Card - S Foster-Cohen	(127)	(114)
<b>Total Bank accounts and cash</b>	<b>182,862</b>	<b>242,276</b>

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

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

	2020	2019
<b>6. Receivables from exchange transactions</b>		
Accounts Receivable	104,605	95,254
Prepaid Expenses	5,875	5,250
<b>Total Receivables from exchange transactions</b>	<b>110,480</b>	<b>100,504</b>

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

	2020	2019
<b>7. Short Term Investments</b>		
ASB - 85 Account	58,744	56,981
ASB - 87 Account	57,734	55,919
ASB - 88 Account	56,359	55,469
ASB - 90 Account	59,694	57,985
Kiwibank Term Deposit 01	51,497	50,000
<b>Total Short Term Investments</b>	<b>284,027</b>	<b>276,355</b>

Short term investments comprise term deposits which have a term of greater than three months, and therefore do not fall into the category of cash and cash equivalents. Investments and deposits are valued at cost.

	2020	2019
<b>8. Current Liabilities</b>		
<b>Creditors and accrued expenses</b>		
<b>Accounts Payable</b>		
Accounts Payable	6,772	6,320
Sundry Creditors	12,642	14,288
<b>Total Accounts Payable</b>	<b>19,415</b>	<b>20,608</b>
<b>Total Creditors and accrued expenses</b>	<b>19,415</b>	<b>20,608</b>

Liabilities are stated at the estimated amounts payable and include obligations which can be reliably estimated.

Christchurch Early Intervention Trust administers the independent Providers group funds and moves funds from liabilities to exchange Revenue to match any expenses it incurs on behalf of the group.

	2020	2019
<b>9. Employee Costs Payable</b>		
Holiday Pay Provision	83,657	53,869
PAYE Suspense	42,954	40,669
Wages Payable - Payroll	62,936	42,251
<b>Total Employee Costs Payable</b>	<b>189,547</b>	<b>136,789</b>

	2020	2019
<b>10. Funds Held on Behalf</b>		
Independent Providers Group Funds held on Behalf	5,176	7,698
<b>Total Funds Held on Behalf</b>	<b>5,176</b>	<b>7,698</b>

Liabilities for wages and salaries, annual leave and long service leave are recognised in the surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

	2020	2019
<b>11. GST</b>		
GST	15,260	12,739
<b>Total GST</b>	<b>15,260</b>	<b>12,739</b>

Christchurch Early Intervention Trust is registered for GST. All amounts are recorded exclusive of GST, except for receivables and payables, which are stated inclusive of GST.

Christchurch Early Intervention Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions due to its charitable status.

	2020	2019
<b>12. Unspent Grants with Conditions</b>		
B A Lewis Charitable Trust	10,089	17,894
CERT Grant	-	18,398
Lois McFarlane Charitable Trust	10,000	-
Mary Moodie Family Trust Grant	-	81
NZ Lottery Grants Board	-	5,607
SJ Charitable Trust Donation	-	5,149
VFNZ Special Project Grant	-	5,113
<b>Total Unspent Grants with Conditions</b>	<b>20,089</b>	<b>52,242</b>

### 13. Financial Instruments - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the financial instrument.

#### Financial assets

Financial assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Trust financial assets are classified in no other category except for loan and receivables. The Trust financial assets include: cash and cash equivalents, receivables from exchange transactions, receivables from non-exchange transactions.

#### Loan and receivables

Loan and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Trust's cash and cash equivalent, receivables from exchange transactions, and receivables from non-exchange transactions fall into this category of financial instruments.

#### Financial liabilities

Financial liabilities include trade and other payables (excluding GST and PAYE), employee entitlements, loans and borrowings and income received in advance (in respect of grants whose conditions are yet to be compiled with).

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

Gains and losses are recognised in surplus or deficit when the liabilities are derecognised as well as through the effective interest rate amortisation process. The effective interest rate amortisation is included as finance costs in the statement of financial performance.

Trade and other payables are unsecured and are usually paid within 30 days of recognition. Due to their short-term nature they are not discounted. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

	2020	2019
<b>Financial Assets classified as Loans and Receivables</b>		
Cash and Cash Equivalents (Assets)	182,862	242,276
Receivables	110,480	100,504
Investments (Short Term Bank Deposits)	284,027	276,355
<b>Total Financial Assets classified as Loans and Receivables</b>	<b>577,370</b>	<b>619,135</b>
	2020	2019
<b>Financial Liabilities classified at amortised cost</b>		
Trade and other payables	19,414	20,608
Employee Entitlements	189,547	136,789

	2020	2019
Unspent Grants with Conditions and Funds Held on Behalf	25,265	59,940
<b>Total Financial Liabilities classified at amortised cost</b>	<b>234,227</b>	<b>217,337</b>

#### 14. Property Plant and Equipment

2020	Clinic Equipment	Computer Equipment and Software	Furniture and Fittings	Office Furniture and Equipment	Other Leasehold Assets	Total
Cost	87,623	106,432	21,265	61,623	166,493	443,436
Opening Book Value	19,357	6,175	2,038	3,394	2,120	33,084
Additions - exchange	-	1,465	-	799	-	2,264
Additions - non exchange	-	9,908	-	-	-	9,908
Depreciation Current Year	4,023	3,706	805	879	550	9,963
Disposals	-	-	608	-	-	608
Accumulated Depreciation	72,289	74,828	17,787	58,309	164,017	387,230
Closing Book Value	15,334	13,842	625	3,314	1,570	34,685

2019	Clinic Equipment	Computer Equipment and Software	Furniture and Fittings	Office Furniture and Equipment	Other Leasehold Assets	Total
Cost	87,623	95,059	21,265	60,824	166,493	431,264
Opening Book Value	15,930	7,015	1,152	4,063	2,670	30,830
Additions - exchange	6,439	3,175	-	-	-	9,614
Additions - non exchange	-	-	1,409	-	-	1,409
Depreciation Current Year	3,012	4,015	523	669	550	8,769
Disposals	-	-	-	-	-	-
Accumulated Depreciation	68,266	88,885	19,227	57,429	164,372	398,179
Closing Book Value	19,357	6,175	2,038	3,394	2,120	33,084

All property, plant and equipment is recorded at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value at the date of acquisition.

Depreciation is recognised on a straight line basis over the estimated useful life of each item. The Trust has the following classes of Assets

Account	Method	Rate
Furniture and Fittings	Straight Line	10% - 20%
Office Furniture and Equipment	Straight Line	10%
Clinic Equipment	Straight Line	0% - 33%
Other Leashold Assets	Straight Line	10%
Computer Equipment and Software	Straight Line	20%

2020

2019

## 15. Accumulated Funds

Accumulated Funds		
Opening Balance	422,143	302,776
Accumulated surpluses or (deficits)	(59,574)	119,367
<b>Total Accumulated Funds</b>	<b>362,569</b>	<b>422,143</b>
<b>Total Accumulated Funds</b>	<b>362,569</b>	<b>422,143</b>

## 16. Commitments

The Trust leases its building from Canterbury District Health Board. The lease is for 4 years to 31 July 2022.

The Trust pays market rent of \$180,000 (excluding GST) per year. This is fully covered by a CDHB contract for Psychology services which commenced on 1 August 2018 for a period of 4 years.

### 2020 Rent amounts due

Not later than one year: \$180,000

Between one and five years: \$195,000

### 2019 Rent amounts due

Not later than one year: \$180,000

Between one and five years: \$375,000

The Trust has a credit card facility of \$5,000.



There are no other commitments at balance date.

## 17. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2020 (Last year - nil).

Christchurch Early Intervention Trust has not granted any securities in respect of liabilities payable by any other party whatsoever. There was no overdraft at balance date nor was any facility arranged.

## 18. Related Parties

There were no related party transactions for the 2020 financial year.

For the 2019 financial year The Trustees of Champion Foundation Trust were appointed as Advisory Trustees to Christchurch Early Intervention Trust.

The Trustees of Christchurch Early Intervention Trust were also appointed as Advisory Trustees to Champion Foundation Trust. Advisory Trustees had no entitlement to vote.

## 19. Key Management Personnel Remuneration

Trustee positions are voluntary and no honoraria is paid.

The Senior Management team is comprised of 4 positions, the total combined remuneration for the 2020 year was \$214,958. This was higher than the 2019 year (4 positions, \$182,603) due to additional hours needed to ensure a successful transition from staff who are retiring.

## 20. Assets Held on Behalf of Others

Christchurch Early Intervention Trust does not hold assets on behalf of others (2019: Nil)

## 21. Ability to Continue Operating

The Trust is reliant on a combination of government funding and donations to fund its services.

The majority of government contracts held are due for renewal in July 2022. There is no indication that funding support after this date will be withdrawn.

The Trust works with a large number of families with vulnerable children, it also operates as a responsible employer. It is the policy of the Trust Board that every attempt will be made to hold sufficient reserves (a minimum of 3 months operating costs) to cover these expenses in the unlikely event of the centre having to close.

## 22. COVID 19 Impacts on the Centre

On 11 March 2020 the World Health Organisation declared a global pandemic as a result of the outbreak and spread of COVID-19. Following this, on Wednesday 25 March 2020 the New Zealand Government raised its Alert Level to 4 (full lockdown of non-essential services) for an initial 4 week period.

During Alert Level 4 the Champion Centre was closed, however services to families continued via various means of telehealth. During Alert Level 3 a small group of staff returned to the building to prepare for a safe reopening to families in Level 2. Operations continued throughout Levels 2 and 1.

Throughout the Lockdown The Trust's contracts with Government agencies, namely the Ministry of Health, the Ministry of Education and Oranga Tamariki were unaffected and revenue is ongoing.

Since the end of Lockdown, and throughout Alert Levels 2 and 1 a number of grant applications to Trusts have been successful. A small number of funding decisions remain pending and a small number of Trust Boards have either pulled or postponed funding rounds due to economic uncertainty as a result of the pandemic. During this time the Trust has successfully identified and applied for funds from a number of new funds.

As described above, the Trust's contracts with Government agencies, namely the Ministry of Health, the Ministry of Education and Oranga Tamariki were unaffected by Covid 19 and revenue was ongoing. We do not expect this situation will change. This represents the most significant portion of The Champion Centre's funding.

No funding decisions from philanthropic trust funds were made during lockdown, however we have had some success from grant applications to Trusts since the end of lockdown. We have continued to make applications for grants, and are all the time seeking new avenues for funding applications. As described above, the Trust has successfully identified and applied for funds from a number of new funds since the end of Lockdown. The portion of funding received from philanthropy is by nature inconsistent.

As COVID-19 is a developing situation, there remains uncertainty about the full financial impact it will have on the Trust moving forwards in terms of income received from philanthropy. Possible effects we have identified, resulting from the COVID-19 pandemic are reduced income received from grant applications, individual donors and corporate donors.

There are no major impacts from additional developments of COVID-19 that should be documented as non-adjusting events.

**INDEPENDENT AUDITOR'S REPORT**

To the Trustees of Christchurch Early Intervention Trust

**Report on the Financial Statements****Opinion**

We have audited the financial statements of Christchurch Early Intervention Trust (the "Trust") on pages 3 to 26 which comprise the statement of financial position as at 30 June 2020, and the entity information, statement of service performance, statement of financial performance, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 30 June 2020 and its financial performance, and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued in New Zealand by the New Zealand Accounting Standards Board.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 21 in the financial statements, which indicates that the Trust continues to be reliant on both a combination of government funding and donations to fund its services. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**Emphasis of Matter – Covid-19**

Without modifying our opinion, we draw attention to Note 22 in the financial statements, which explains the impact of the Covid-19 pandemic on the Trust. As Covid-19 is a developing situation, there remains uncertainty about the full financial impact it will have on the Trust.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditors 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 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 auditor, we have no relationship with, or interests in, the Trust.

### **Responsibilities of the Trustees for the Financial Statements**

The Trustees are responsible on behalf of the Trust for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the Trust 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 Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISA's (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 decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Restriction on use of our report**

This report is made solely to the Trust's Trustees, as a body. Our audit work has been undertaken so that we might state to the Trust's Trustees, as a body those matters which we are required to state to them in our audit 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 Trust's Trustees, as a body, for our audit work, for this report or for the opinion we have formed.

*Nexia Audit Christchurch.*

**Nexia Audit Christchurch**  
**16 October 2020**  
**Christchurch**