Performance Report

North East Valley Community Development Project Incorporated
For the year ended 31 March 2020

Prepared by Better Business Accountants

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Entity Information

North East Valley Community Development Project Incorporated
For the year ended 31 March 2020

Legal Name

North East Valley Community Development Project Incorporated

Entity Type

Charitable Society operating in accordance with its constitution and governed by the requirements of the Incorporated Societies Act 1908

Registration Number

CC45702

Main Purpose

To enhance the life of the community, in particular to promote the wellbeing of local children and their whanau. In particular, to support local organisations and community members to promote, coordinate and collaborate activities in education, health and care, environment, community action and promotion, as well as establish new charitable activities when deemed appropriate by the community.

Entity Structure

Society governed by an executive board with 12 volunteer members

Main Sources of Cash

Funded by a variety of Grants

Main Methods Used to Raise Funds

Rental income from community rooms and vehicles, advertising income from the publication of a community newsletter (The Valley Voice), fundraising from organising community events and donations from the public

Reliance on Volunteers

The Society relies on gifts of volunteer time and expertise to complete work in many essential roles such a governance, fundraising, administration, accounting and their support services. Total voluntary hours per year are estimated to be approximately 3,500 hours.

Physical Address

248 North Road, North East Valley, Dunedin 9010

Postal Address

PO Box 8118, Gardens, Dunedin 9041

Auditors

Audit Professionals, Level 6, Burns House, 10 George Street, Dunedin 9054

Bankers

Westpac NZ Ltd

Solicitors

Downie Stewart Lawyers, Level 8, 265 Princes Street, Dunedin 9016

Accountants

Better Business Accountants, 462 Moray Place, Dunedin 9016

Statement of Service Performance

North East Valley Community Development Project Incorporated
For the year ended 31 March 2020

Outcomes that the Society is seeking to achieve

The Society aims to create a process to identify local needs, establish priorities, evaluate resources, facilitate activities and publicise them. The Society intends to build strong community ties and improve the well being of local families in the North East Valley area.

The current initiatives developed by the Society include:

Cosy Homes, a programme to help create warmer, drier, healthier homes in the North East Valley

Provides food boxes for families and people in need, in conjunction with Food share Dunedin

Publish and distribute the monthly community newsletter, The Valley Voice

Output Measures

1) Cosy Homes

Performance Measure	Target	Outcome	Description
To provide subsidisedsecondary glazing and other resources to improve energy efficiency and reduceenergy poverty in the community and to run workshops on how to get warm anddryer homes.	To assist at least 50whanau with resources, information and guidance to improve the warmthand health of their homes.	Achieved	As at 31 March 2020,we provided 100 Door draught stops, 10 boxes of secondary glazing to community members. We also held a series of Facebook live events (providing remote service due to Covid-19) on issues such as draughts, curtains and insulation. (2019: Provided 60 door draught stops, 20 boxes of secondary glazing, held 2 workshops and 3 clinics)

2) Kai Share

Performance Measure	Target	Outcome	Description
To have a minimum number of Kai share parcel deliveries	To have at least 20 parcels per week	Achieved	As at 31 March 2020, there were at least 20 parcels per week collected from Kiwi Harvest,Dunedin premises (2019: 20 parcels)

3) The Valley Voice

Performance Measure	Target	Outcome	Description
To increase online readership of the Valley Voice.	To publish a minimum of 20 Valley Voice stories via the Valley Project website	Achieved	For the year ending 31 March 2020, we had 53 stories published online. (2019: 20 stories)

4) Love the Lindsay Group

Performance Measure	Target	Outcome	Description
Awareness and information relating to cleaning up the Lindsay Creek as a valuable resource to the Community Community engagementin the improvement of biodiversity in the community.	1 Annual event with community to involve them in awareness and education of Lindsay Creek 2. To hold 3participatory events to involve community members in improving biodiversity	Achieved Achieved	One large annual event (Creekfest) held 4 community working bees for weeding and planting held.(2019: 2 events held)

Statement of Financial Performance

North East Valley Community Development Project Incorporated
For the year ended 31 March 2020

	NOTES	2020	2019
		$	$
Revenue			
Donations, grants, fundraising and other similar revenue	2	204,335	204,955
Revenue from providing goods or services	2	31,984	31,710
Interest revenue	2	5,183	6,952
Other revenue	2	2,895	2,046
Total Revenue		**244,397**	**245,663**
Expenses			
Volunteer and employee related costs	3	154,919	132,877
Costs related to providing goods or service	3	80,684	83,777
Other expenses	3	6,652	5,016
Total Expenses		**242,255**	**221,670**
Surplus for the Year		**2,142**	**23,993**

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Statement of Financial Position

North East Valley Community Development Project Incorporated
As at 31 March 2020

	NOTES	31 MAR 2020	31 MAR 2019
		$	$
Assets			
Current Assets			
Cash and Cash Equivalents	4	137,176	163,734
Debtors	4	2,610	4,831
Investment - Westpac Bank Deposit		181,856	177,873
Total Current Assets		**321,642**	**346,438**
Non-Current Assets			
Property, Plant and Equipment	5	406,796	405,788
Total Non-Current Assets		**406,796**	**405,788**
Total Assets		**728,438**	**752,226**
Liabilities			
Current Liabilities			
Creditors and accrued expenses		7,899	9,979
GST Payable		7,857	10,304
Employee costs payable		9,011	6,111
Grants received in advance	6	113,513	134,668
Revenue Received in Advance		2,259	5,407
Total Current Liabilities		**140,539**	**166,469**
Total Liabilities		**140,539**	**166,469**
Total Assets less Total Liabilities (Net Assets)		**587,899**	**585,757**
Accumulated Funds			
Accumulated surpluses	7	587,899	585,757
Total Accumulated Funds		**587,899**	**585,757**

For and on behalf of the Executive Committee

Ian Tedder ..... Committee Member 17/8/ 2020

Chairperson

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Statement of Cash Flows

North East Valley Community Development Project Incorporated
For the year ended 31 March 2020

	2020	2019
	$	$
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	183,911	200,508
Interest receipts	4,452	9,070
Cash receipts from providing goods and services	35,568	38,133
GST received (paid)	(2,447)	9,169
Payments to suppliers and employees	(237,827)	(220,138)
Total Cash Flows from Operating Activities	**(16,343)**	**36,742**
Cash Flows from Investing and Financing Activities		
Payments to acquire property, plant and equipment	(6,232)	(10,013)
Payments to purchase investments	(3,983)	(7,873)
Total Cash Flows from Investing and Financing Activities	**(10,215)**	**(17,886)**
Net Increase/(Decrease) in Cash	**(26,558)**	**18,857**
Bank Accounts and Cash		
Opening cash	163,734	144,877
Closing cash	137,176	163,734
Net change in cash for period	**(26,558)**	**18,857**

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Notes to the Performance Report

North East Valley Community Development Project Incorporated
For the year ended 31 March 2020

1. Statement of Accounting Policies

Basis of Preparation

As the Society is a registered Charity, it is required to comply with the financial reporting framework for financial statements which has been developed by the External Reporting Board (The XRB). The Society has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) (Tier 3) on the basis that it does not have a public accountability and its annual operating expenses do not exceed $2,000,000 for the last two annual reporting periods.

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

These financial and other statements are presented in New Zealand dollars.

Revenue and Expenses

All income items are recorded in the Statement of Financial Performance in the year that it 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.

Debtors

Debtors are recorded at estimated net realisable value.

Taxation

The Society is a charitable organisation registered with Charities Services and provides services for the advancement of education within New Zealand. The Society has an exemption from Inland Revenue for Income Tax and Resident Withholding Tax. Any surplus of income over expenditure is not taxable.

Gifts to the Society are deductible by the donor as donations for tax purposes.

Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Goods and Services Tax (GST)

The Society is registered for GST.

The figures in the financial and other statements have been prepared on a GST exclusive basis with the exception of Accounts Payable and Accounts Receivable which are stated GST inclusive. Any GST refund due at balance date is shown as an asset and any GST owing by the Society at balance date is shown as a liability.

Grants Received in Advance

Grants received in advance comprise grants received from grantors where the conditions relating to the grants have not been fulfilled at balance date. The grants are recorded as revenue as the conditions are fulfilled.

Changes in Accounting Policies

There have been no changes in Accounting Policies. All policies have been applied on a basis consistent with those used in the last year.

	2020	2019
	$	$
2. Analysis of Revenue		
Donations, grants, fundraising and other similar revenue		
Donations Received	9,627	6,410
Fundraising	117	1,863
Grants Received		
Grants Received - Department of Internal Affairs	18,873	46,857
Grants Received - DCC	69,353	42,997
Grants Received - NZ Lotteries	58,972	51,028
Grants Received - Community Organisations Grant Scheme	5,000	2,000
Grants Received - Ministry of Social Development	-	16,048
Grants Received - Miscellaneous	-	1,575
Grants Received - Synod of Otago & Southland	-	5,000
Grants Received - United Way	3,500	7,000
Grants Received - Otago Community Trust	25,000	6,335
Grants Received - Sargood Bequest	4,194	1,042
Grants Received - Alexander McMillan Trust	6,499	-
Grants Received - Otago Museum Trust	3,200	16,800
Total Donations, grants, fundraising and other similar revenue	**204,335**	**204,955**
Revenue from providing goods or services		
Advertising Revenue	11,129	10,629
Community Garden	-	(57)
Rent Received	20,855	21,137
Total Revenue from providing goods or services	**31,984**	**31,710**
Interest revenue		
Interest Revenue	5,183	6,952
Total Interest revenue	**5,183**	**6,952**
Other revenue		
Sundry Revenue	2,895	2,046
Total Other revenue	**2,895**	**2,046**

	2020	2019
	$	$
3. Analysis of Expenses		
Volunteer and employee related costs		
KiwiSaver Employer Contributions	4,257	-
Per Diem Allowance	183	-
Travel - National	657	591
Wages & Salaries	149,822	132,286
Total Volunteer and employee related costs	**154,919**	**132,877**

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	2020	2019
Costs related to providing goods or services	$	$
Accident Compensation Levy	484	314
Accounting Fees	3,010	3,158
Advertising & Marketing	917	792
Audit Fee	2,244	2,700
Bank Fees	261	207
Cleaning	631	1,825
Computer Expenses	2,045	930
Contractor	3,224	2,425
Cost of Goods Sold	608	-
Donations	2,605	1,550
Supplies - Event/Activity	3,460	283
Entertainment	-	462
Event Entertainment - Creekfest	2,489	695
Executive Support	41	-
Expensed Equipment	-	3,261
Funded Community Projects	527	226
Freight & Courier	30	-
General Expenses	1,484	1,171
Housing - Home Performance Assessments	-	1,080
Insurance	4,636	3,819
Loss on Disposal	-	269
Motor Vehicle Expenses	50	-
Newsletter Production & Delivery	3,925	4,285
Office Expenses	740	1,533
Orokonui Expenditure	8,853	18,736
Postage	181	436
Printing, Photocopying & Stationery	10,915	8,918
Rent - Plant & Equipment	2,042	1,952
Rents	1,262	150
Repairs and Maintenance	12,511	10,563
Supervision Fees	-	408
Supplies - General	1,091	4,694
Supplies - Volunteers	3,993	3,855
Telephone & Internet	1,781	1,717
Training & Seminars	1,942	1,402
Valuation Fees	520	-
VCW Expenses	2,182	(39)
Total Costs related to providing goods or services	**80,684**	**83,777**

Other expenses		
Depreciation	5,224	5,016
Legal Expenses	1,428	-
Total Other expenses	**6,652**	**5,016**

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	2020	2019
	$	$
4. Analysis of Assets		
Cash and Cash equivalents		
Cheque Account	98,014	125,091
Online Bonus Saver	38,645	38,074
Online Savings Account	320	319
Petty Cash	197	250
Total Cash and Cash equivalents	**137,176**	**163,734**
Debtors		
Accrued Interest	1,402	671
Accounts Receivable	1,208	4,160
Total Debtors	**2,610**	**4,831**

5. Property, Plant and Equipment

	2019	2018
	$	$
Land		
Land at cost - 11 Allen Street	130,221	130,221
Depreciation for the year	-	-
Buildings		
Buildings at cost - 11 Allen Street	182,218	175,987
Building Development at cost - 248 North Road	118,762	118,762
Accumulated depreciation - Buildings	(27,075)	(23,020)
Total Buildings	273,905	271,728
Depreciation for the year	4,055	3,588
Furniture and Fittings		
Furniture and fittings owned	6,122	6,122
Accumulated depreciation - Furniture and fittings owned	(5,378)	(5,164)
Total Furniture and Fittings	744	957
Depreciation for the year	213	294
Office Equipment		
Office Equipment owned	18,019	18,019
Accumulated depreciation - Office equipment owned	(16,093)	(15,137)
Total Office Equipment Owned	1,926	2,882
Depreciation for the year	956	1,134
Total Plant, Property and Equipment	**406,796**	**405,788**
Total Depreciation for the year	**5,224**	**5,016**

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The 11 Allen Street, North East Valley property's recent rateable value is $300,000. Its book value of $298,180 will be recovered from future use.

6. Grants Received in Advance	2020 $	2019 $
Dunedin City Council	32,084	27,500
Otago Regional Council	20,000	-
Department of Internal Affairs	23,120	41,993
NZ Lottery Board	35,000	58,972
Sargood Bequest	3,309	5,003
Otago Museum Trust	-	1,200
Total Grants Received in Advance	**113,513**	**134,668**

7. Accumulated Funds	2020 $	2019 $
Accumulated Funds		
Opening Balance	585,757	561,764
Surplus for the year	2,142	23,993
Total Accumulated Funds	**587,899**	**585,757**
Total Accumulated Funds	**587,899**	**585,757**

8. Operating Lease Commitments

There is a commitment to Canon Finance for the rental of the photocopier over a term of 48 months from July 2018 at a rental of $170.17 (GST exclusive) per month. This was cancelled in July 2020 with the termination fees being waived. The remaining commitment is as follows:

Commitment (less than 1 year) $511 (2019: $2,042)
Commitment (Between 1 to 5 years) $ Nil (2019: $4,595)

9. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 March 2020. (2019: Nil)

10. Related Parties

The following related parties received remuneration for various duties they performed for the Society:

Hinewai Broughton (executive member) - $1,080 (2019: $Nil) For community coordinator wages
Marion McMullan (Daughter of manager) $250 (2019: $Nil) For delivery of Valley Voice Magazine

11. Events After the Balance Date

On March 11, 2020, the World Health Organisation declared the outbreak of COVID-19 (a Novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its' COVID-19 alert level to level 4 and a nationwide lockdown commenced. At the date of issuing the financial statements, the Society has been able to absorb the majority of the impact from the nationwide lockdown.
At this time the full financial impact of the COVID-19 pandemic is not able to be determined, but it is not expected to be significant to the Society.

There were no other events that have occurred after the balance date that would have a material impact on the performance report.

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Independent Auditor's Report

to the Executive Committee of North East Valley Community Development Project Incorporated

Our Qualified Opinion

We have audited the financial statements of North East Valley Community Development Project Incorporated (the Society) which comprise the statement of financial position as at 31 March 2020 and 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, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the financial statements included in the accompanying Performance Report present fairly, in all material respects, the financial position of the Society as at 31 March 2020 and its 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 Qualified Opinion

In common with other organisations of a similar nature, control over the revenues from donations, fundraising and similar revenue prior to being banked is limited. It was not practicable to extend our examination of such income beyond the accounting for amounts received as shown by the accounting records of the Society, or to determine the effect of the limited control.

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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society 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 qualified opinion.

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

Information Other than the Financial Statements and Auditor's Report

Other information included in the Performance Report with the financial statements comprises the entity information and the statement of service performance. The Executive Committee is responsible for this other information. Our qualified opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We are required to report any misstatement of other information. We have nothing to report in this regard.

Executive Committee Members' Responsibilities for the Financial Statements

The Executive Committee is responsible, on behalf of the Society, for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Simple Format Reporting-Accrual (Not-For-Profit) and for such internal control as the Executive Committee determines 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 Executive Committee is responsible for assessing the Society'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 Executive Committee either intends to liquidate the Society 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 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 these financial statements.

A further description of our responsibilities for the audit of the financial statements 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 Executive Committee members as a body. Our audit work has been undertaken so that we might state to the Executive Committee 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 Society and the Executive Committee, as a body, for our audit work, for this report or for the opinions we have formed.

Audit Professionals

Chartered Accountants
18 August 2020

Dunedin