Parenting Place Charitable Trust

Financial Statements

For the year ended 30 June 2023

Parenting Place Charitable Trust

Performance Report

For the year ended 30 June 2023

Contents

Parenting Place Charitable Trust

Statement of Service Performance

For the year ended 30 June 2023

Our Vision That every parent in Aotearoa feels confident and every child feels deeply loved.

Our Mission Supporting parents to build strong family relationships.

Outcomes

Our aim is to be an evidence-informed organisation. Our team has developed a Theory of Change for all our programmes, which has informed our top organisation outcomes below.

- Improved parent-child connection and attachment.
- Improved family atmosphere.
- Increased parent competence and coping capacity .
- Improved parent and caregiver mental health.
- Increased parent capacity to manage children’s strong emotions in a supportive way, so as to increase children’s development of emotional regulation.

Outputs

Program	Metric	FY23		FY22
Toolbox	Toolbox Courses Delivered	90		91
	Toolbox Course Participants	879		606
BAW	BAW Courses Delivered	74		64
	BAW Course Participants	443		405
SPACE	SPACE Courses Delivered	361		326
	SPACE Course Participants	5138		4567
Family Coaching	Family Coaching Sessions	416		370
	Family Coaching Participants	305		286
Presentations	Community Presentations Delivered	37		29
Digital offerings	WEBSITE TOTAL VISITORS	104,963		104,204
	WEBSITE TOTAL PAGES VIEWED	242,329		312,721
	INSTAGRAM REACH	332,446		176,395
	FACEBOOK REACH	354,699		513,972
	ARTICLES - TOTAL NUMBER LIVE	208		169
	ARTICLES - TOTAL NUMBER NEW PUBLISHED	63		80
	ARTICLES - REACH BY PAGE VIEWS	83,815		117,279
	TOTAL NUMBER OF SUBSCRIBERS TO EDMS (ALL LISTS)	30,151		26,731
	INSTAGRAM FOLLOWERS	10,589		4,700
	FACEBOOK FOLLOWERS	24,585		23,500
Public Relations	No. TV Appearances	27		24
	No. Radio Appearances	182		151

Parenting Place Charitable Trust
Statement of Comprehensive Revenue and Expense
for the year ended 30 June 2023

	Note	2023 12 months $	2022 12 months $
Revenue from Non-exchange transactions			
Donations	6	1,280,967	1,265,993
Sponsorship	8	217,237	407,010
Ministry of Social Development Funding	7	596,283	956,876
		2,094,487	**2,629,879**
Revenue from Exchange transactions			
Fees		381,939	326,869
Book sales		9,013	14,595
Advertising revenue		-	525
Workshop sales		-	2,449
Other income		-	18,711
Rent received		882,475	765,379
		1,273,427	**1,128,529**
Total Revenue		**3,367,914**	**3,758,407**
Expenses			
Staff costs		(2,432,900)	(2,238,223)
Book cost of sales		(4,364)	(6,095)
Communications		(84,174)	(85,076)
Programme costs		(167,874)	(162,574)
Workshop costs		-	(1,800)
Travel and vehicle		(22,015)	(19,939)
Office administration		(159,673)	(132,742)
Rental and operating leases		(11,644)	(46,181)
Information technology		(90,236)	(77,842)
Insurance		(16,728)	(23,525)
Bank fees		(12,747)	(12,270)
Bad debts		(8,584)	(132)
Professional fees	12	(7,062)	(9,920)
Property expenses		(322,210)	(290,492)
Total Expenses		**(3,340,211)**	**(3,106,811)**
Net operating surplus		**27,703**	**651,597**
Interest income		892	127
Interest expense		(31,471)	(23,934)
Depreciation	2	(380,514)	(386,320)
Gain on disposal of assets		4,358	40,537
Surplus/(Deficit) for the year		**(379,031)**	**282,005**
Other comprehensive revenue and (expense)			
Revaluation gain on property, plant and equipment	2	(3,526,573)	-
Total comprehensive revenue and expense for the year		**(3,905,604)**	**282,005**

The accompanying notes form part of these financial statements.

Parenting Place Charitable Trust
Statement of Financial Position
as at 30 June 2023

Charity AUDIT

	Note	2023	2022
		$	$
Current assets			
Cash and cash equivalents		297,885	213,841
Accounts receivable (less provision for doubtful debts)		53,086	55,146
Inventory		14,032	17,977
Prepaid expenses		24,016	22,003
Total current assets		**389,019**	**308,967**
Non-current assets			
Property, plant and equipment	2	12,776,171	16,565,853
Total non-current assets		**12,776,171**	**16,565,853**
Total assets		**13,165,190**	**16,874,820**
Current liabilities			
Accounts payable and accruals		(153,262)	(144,029)
Finance leases	3	-	(7,336)
Bank overdraft	4	(226,251)	(86,058)
Current portion of term loans	4	(208,977)	(118,977)
Income in advance	5	(42,516)	(74,386)
Provision for holiday pay		(72,683)	(67,951)
Total current liabilities		**(703,689)**	**(498,737)**
Non-current liabilities			
Long term loans	4	(228,977)	(237,954)
Total non-current liabilities		**(228,977)**	**(237,954)**
Total liabilities		**(932,666)**	**(736,691)**
Trust funds		**12,232,524**	**16,138,129**

The accompanying notes form part of these financial statements.

Tuhi Isaachsen
Chairperson
Date: 25/10/23

Dave Atkinson
CEO
Date: 25/10/23

Parenting Place Charitable Trust
Statement of Movement in Net Assets
for the year ended 30 June 2023

	Accumulated comprehensive revenue and expense	Revaluation reserve	Total trust funds
	$	$	$
As at 1 July 2022	**5,187,970**	**10,950,158**	**16,138,128**
Deficit for the period	(379,031)	-	**(379,031)**
Other comprehensive expense	-	(3,526,573)	**(3,526,573)**
Total comprehensive revenue and (expense)	**(379,031)**	**(3,526,573)**	**(3,905,604)**
As at 30 June 2023	**4,808,939**	**7,423,585**	**12,232,524**
As at 1 July 2021	**4,905,965**	**10,950,158**	**15,856,123**
Surplus for the period	282,005	-	**282,005**
Other comprehensive revenue	-	-	**-**
Total comprehensive revenue and (expense)	**282,005**	**-**	**282,005**
As at 30 June 2022	**5,187,970**	**10,950,158**	**16,138,128**

The accompanying notes form part of these financial statements.

Parenting Place Charitable Trust
Statement of Cash Flows
for the year ended 30 June 2023

	Note	2023 12 months $	2022 12 months $
Cash flows from operating activities			
Total comprehensive revenue/(expense) for the period		**(3,905,604)**	**282,006**
Adjustments to reconcile total comprehensive revenue and expense for the year to net cash flows:			
Depreciation		380,514	386,320
Gain on disposal of assets		(4,358)	(40,537)
Revaluation loss on property, plant and equipment	2	3,526,573	-
Interest expense and interest received		30,579	23,807
Doubtful Debt provision		8,567	
Working capital adjustments:			
(Decrease)/increase in current assets		(4,576)	9,862
Decrease in current liabilities		(17,906)	(361,145)
Cash outflow for interest paid and interest received		(30,579)	(23,807)
Net cash from operating activities		**(16,790)**	**276,506**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(131,152)	(141,031)
Proceeds from sale of property, plant and equipment		18,106	78,721
Net cash used in investing activities		**(113,046)**	**(62,310)**
Cash flows from financing activities			
Repayment of term loans	4	(118,977)	(129,062)
Repayment of finance lease liabilities		(7,336)	(38,564)
Drawdown of term loan		200,000	0
Net cash from financing activities		**73,687**	**(167,626)**
Net (decrease)/increase in cash and cash equivalents		**(56,149)**	**46,570**
Cash and cash equivalents at the beginning of the period		127,783	81,213
Cash and cash equivalents at the end of the period		**71,634**	**127,783**
Reconciliation of closing cash balances to the Statement of Financial Position			
Cash and cash equivalents		297,885	213,841
Bank overdraft		(226,251)	(86,058)
Closing cash		**71,634**	**127,783**

The accompanying notes form part of these financial statements.

1 STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY:

On the 1st July 2017, The Parenting Place Incorporated [Society] undertook a business combination and formally transferred the operations of the Society into the Parenting Place Charitable Trust (previously known as The Parenting with Confidence Charitable Trust Board). Where the two entities had been consolidated in prior years, these are now one entity. The reporting entity is referred to as the "Trust".

The financial statements of the Trust for the year ended 30 June 2023 were authorised for issue by the Board on

STATEMENT OF COMPLIANCE:

The financial statements have been prepared in accordance with the Charities Act 2005 which requires compliance with the generally accepted accounting practice in New Zealand (NZ GAAP). The Trust is a public benefit entity for the purpose of financial reporting. The financial statements of the Trust comply with PBE Standards. The financial statements of the Trust have been prepared in accordance with Tier 2 PBE Standards and disclosure concessions have been applied. The Trust is eligible to report in accordance with Tier 2 PBE Standards because it does not have public accountability and it is not large.

MEASUREMENT BASE:

The measurement base adopted is that of historical cost, with the exception of land and buildings classified as property, plant and equipment, which is measured at fair value.
The reporting currency is NZ dollars, rounded to the nearest dollar.

Reporting Period

The reporting period covered by these financial statements is a 12 month period to 30 June 2023. This is comparable to the previous year.

SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Consolidation

There are no subsidiaries to be consolidated in these accounts.

b) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdraft has been disclosed as a current liability in the Statement of Financial Position and the use of this bank overdraft is for operating activities within the Trust.

c) Accounts receivable

Accounts receivable are classified as loans and receivables financial assets. They are initially measured at fair value plus transaction costs that are attributable to the acquisition. Accounts receivable are subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.
Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Trust will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 60 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows.

d) Goods and services tax

These accounts have been prepared on a GST exclusive basis, except for receivables and payables, which are recognised inclusive of GST.

e) Inventories

Inventory is recorded at cost upon initial recognition. Where inventories have been donated, these are recorded at fair value, with an equal amount recognised as donations. Inventories consist of finished goods only.
After initial recognition, inventories are recognised at the lower of cost, determined on a first-in first-out basis and net realisable value. However, inventory held for distribution or deployment at no charge or for a nominal charge is measured at cost, adjusted when applicable for any loss of service potential.

f) Property, plant and equipment

Property, plant and equipment are initially recorded at cost. Property, plant and equipment, except for land and buildings, are subsequently measured at costs less accumulated depreciation and accumulated impairment losses. Land and buildings are measured at fair value, less accumulated depreciation on the building recognised after the date of the revaluation. Valuation is performed with sufficient frequency to ensure the fair value of a revalued asset does not differ materially from its carrying amount. A revaluation surplus is recorded in other comprehensive revenue and expense and credited to the asset revaluation reserve in Trust Funds. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in surplus or deficit, the increase is recognised in surplus or deficit.
Depreciation is provided on a straight line value basis at rates based on the useful life of the asset.

Furniture and fittings	10% to 25%
Office equipment	7% to 60%
Leasehold improvements	6% to 20%
Vehicles	20% to 21%
Buildings	3%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.
For revalued buildings, any accumulated depreciation as at the revaluation date is eliminated against the gross amount of the asset and the net are restated to the revalued amount of the asset.

Any expenditure that increases the economic benefits derived from an asset is capitalised. Expenditure on repairs and maintenance that does not increase the economic benefits is expensed in the period it occurs.

When an item of property, plant and equipment is disposed of, the difference between net disposal proceeds and the carrying amount is recognised as a gain or loss in the Statement of Comprehensive Income and Expense. Upon disposal or derecognition, any revaluation reserve relating to the asset being sold is transferred to accumulated comprehensive revenue and expense.

The building at 300 Great South Road has been pledged as security for the bank loans and overdraft currently in place.

SIGNIFICANT ACCOUNTING POLICIES: (continued)

Impairment of property, plant and equipment
For the purpose of assessing impairment indicators and impairment testing, the Trust classifies all property, plant and equipment as cash generating assets because the primary objective of these Trust's assets is to generate commercial return.

At each reporting period, assets are tested for impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is less than its carrying amount, the item is written down to its recoverable amount. The write down of an asset recorded at historical cost is recognised as an expense in the Statement of Financial Performance.

The carrying amount of an asset, except for goodwill, that has previously been written down to recoverable amount is increased to its current recoverable amount if there has been a reversal of the impairment loss. The increased carrying amount of the item will not exceed the carrying amount that would have been determined if the write down to recoverable amount had not occurred. Reversals of impairment write downs are recognised in the Statement of Financial Performance.

g) Accounts payable

Accounts payable, on initial recognition, are classified as financial liabilities at amortised cost. Accounts payable are initially recognised at fair value net of directly attributable transaction costs. After initial recognition, accounts payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided prior to the end of the financial year that are unpaid and arise when the Trust becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

h) Provisions

Provisions are recognised when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

i) Income tax

Parenting Place Charitable Trust has been approved as a charitable organisation for income tax purposes and has no income tax liability.

j) Leases
Trust as a lessee
The Trust has leased buildings, office equipment and vehicles during the year.

Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased item, are recognised as an expense in surplus or deficit in equal instalments over the lease term.

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Trust. Assets held under a finance lease are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Trust also recognises the associated lease liability (hire purchases) at the inception of the lease, at the same amount as the capitalised leased asset. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Trust will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Trust as a lessor

The Trust rents out a building in Auckland.
Leases in which the Trust does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term.
Rent received from an operating lease is recognised as revenue on a straight-line basis over the lease term.

k) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognised:

Parenting Place Charitable Trust
Notes to the Financial Statements
for the year ended 30 June 2023

SIGNIFICANT ACCOUNTING POLICIES: (continued)

Revenue from exchange transactions:

Sale of goods

Revenue from the sale of goods is recognised when there is persuasive evidence, usually in the form of an executed sales agreement at the time of delivery of the goods to the customer, indicating that there has been a transfer of risks and rewards to the customer, no further work or processing is required, the quantity and quality of the goods has been determined, the price is fixed and generally title has passed.

Performance of services

Revenue from the performance of services such as seminars, toolbox courses, workshops and speaking engagements is recognised in the period the services are provided as this is when the transaction can be estimated reliably.

Revenue from non-exchange

Donations, funding and sponsorship

Revenues from non-exchange transactions is recognised when the Trust obtains control of the transferred asset (cash, goods, services, or property) and the transfer is free from conditions that require the asset to be refunded or returned if the conditions are not fulfilled.

A deferred revenue liability is recognised instead of revenue when there is a condition attached that would give rise to a liability to repay, for example, the funding or sponsorship amount or to return the granted asset if the conditions of funding are not met. Revenue is then recognised only once the Trust has satisfied these conditions.

Revenue received in kind

Revenue received in kind is recorded in donations at fair value when material to the financial statements.

l) Term loans

Term loans, on initial recognition, are classified as financial liabilities at amortised cost. Term loans are initially recognised at fair value net of directly attributable transaction costs. After initial recognition, loans are carried at amortised cost using the effective interest rate method.

2 PROPERTY, PLANT AND EQUIPMENT

Land and buildings are measured using the revaluation model and are revalued with sufficient frequency to ensure the fair value does not differ materially from it's carrying amount. The Trust employed the services of CBRE Valuation and Advisory Services, an independent and accredited valuer, to value the premises at 300 Great South Road as at 30 June 2023. The value was estimated at $12,300,000. Fair value of the land and buildings was determined using a combination of the Capitalisation and Discounted Cash Flow approaches.

	Furniture and fittings	Office equipment	Vehicles	Land	Buildings	Land and Buildings	Leasehold improvemen	Total
	$	$	$	$	$	$	$	$
Cost or valuation								
As at 1 July 2022	216,407	850,664	185,327	9,967,673	7,086,162	17,053,835	935,188	19,241,421
Additions		117,800				-	13,353	131,152
Disposals	-	-	(62,604)	-	-	-	(13,226)	(75,830)
Revaluation	-	-	-	1,832,327	(5,358,900)	(3,526,573)	-	(3,526,573)
As at 30 June 2023	**216,407**	**968,464**	**122,723**	**11,800,000**	**1,727,262**	**13,527,262**	**935,314**	**15,770,170**
Depreciation and impairment								
As at 1 July 2022	200,244	712,733	162,945	-	1,024,956	1,024,956	574,689	2,675,567
Depreciation	4,292	74,831	17,009		202,306	202,306	82,075	380,514
Disposals	-		(62,083)		-	-	-	(62,083)
As at 30 June 2023	**204,537**	**787,564**	**117,871**	**-**	**1,227,262**	**1,227,262**	**656,764**	**2,993,998**
Net book value								
As at 30 June 2022	**16,162**	**137,931**	**22,382**	**9,967,673**	**6,061,206**	**16,028,879**	**360,499**	**16,565,854**
As at 30 June 2023	**11,870**	**180,900**	**4,851**	**11,800,000**	**500,000**	**12,300,000**	**278,550**	**12,776,172**
Cost or valuation								
As at 1 July 2021	211,857	779,891	351,486	9,967,673	7,086,162	17,053,835	886,225	19,283,294
Additions	4,550	78,250				-	58,231	141,031
Disposals	-	(7,476)	(166,159)	-	-	-	(9,268)	(182,904)
Revaluation	-	-	-	-	-	-	-	-
As at 30 June 2022	**216,407**	**850,664**	**185,327**	**9,967,673**	**7,086,162**	**17,053,835**	**935,188**	**19,241,421**
Depreciation and impairment								
As at 1 July 2021	194,187	648,103	267,452	-	828,118	828,118	496,107	2,433,967
Depreciation	6,057	70,213	34,631		196,838	196,838	78,582	386,320
Disposals	-	(5,583)	(139,137)		-	-	-	(144,720)
As at 30 June 2022	**200,244**	**712,733**	**162,945**	**-**	**1,024,956**	**1,024,956**	**574,689**	**2,675,567**

The carrying value of plant and equipment held by the Trust under finance leases at 30 June 2023 was Nil (2022: $10,203).

3 COMMITMENTS UNDER NON CANCELLABLE LEASES

Operating lease commitments - Trust as a lessee

The operating lease for the prior year was for an office in Christchurch. The lease came to an end on 12 October 2022 and was not renewed.

	2023	2022
	$	$
Within one year	-	11,644
After one year but no later than two years	-	-
After two years but no later than five years	-	-
Total	**-**	**11,644**

Operating lease commitments - Trust as a lessor

Future minimum rental receivables from 3rd party tenants under non-cancellable leases are as follows:

	2023	2022
	$	$
Within one year	782,862	775,968
After one year but no later than two years	924,526	441,408
After two years but no later than five years	-	632,427
	1,707,388	**1,849,803**

Finance lease commitments - Trust as a lessee

The Trust has entered into finance leases for its motor vehicle fleet. Future minimum lease payments under finance lease contracts are as follows and include the principle and interest component:

	2023	2022
Minimum payments:	$	$
Within one year	-	7,336
After one year but no later than two years	-	-
After two years but no later than five years	-	-
	-	**7,336**

4 FINANCIAL LIABILITIES

Bank overdraft

The building at 300 Great South Road, Greenlane has been pledged as security for the bank overdraft facility currently in place. The total facility available is $450,000. The bank overdraft facility was drawn down to $226,251 as at 30 June 2023 (2022:$86,058). The interest rate on the bank overdraft was 10.28% as at 30 June 2023 (2022: 7.28%).

Bank loan

The Trust entered into a loan secured against the property at 300 Great South Road, Greenlane on 30 June 2019. The loan matures on 30 June 2025. Principal repayments are made monthly. The interest rate on the loan was 8.84% p.a as at 30 June 2023 (2022: 5.57%). The balance of the loan as at 30 June 2023 was $237,954 (2022: $356,931).

Matua Foundation loan

In June 2023, a loan of $200,000 was drawn down from Matua Foundation. The principal repayments will be made monthly from October 2023. The loan is secured with a General Security Agreement on all present and after acquired property. The interest rate is 0%. The balance of the loan as at 30 June 2023 was $200,000 (2022: Nil).

	2023	2022
	$	$
Current loan	208,977	118,977
Non-current loan	228,977	237,954
	437,954	**356,931**

5 INCOME IN ADVANCE

Included in income in advance is property rental income for periods beyond the balance date.

6 DONATIONS

This includes all funds that have been received and used for a specific programme or purpose from various donors within New Zealand.

7 MINISTRY OF SOCIAL DEVELOPMENT FUNDING - MSD Contract and Covid-19 Wage Subsidy

Oranga Tamariki (OT) provides funding in relation to the Toolbox Parenting Programme. The annual funding received this year was $596,283 (2022:$635,919). The Trust reports back on progress to OT on a regular basis. In July 2020, the Trust was issued a new contract, with funding renewed for another four years to 30 June 2024.

In the prior year Parenting Place received $320,957 from MSD who were administering the Government Wage Subsidy and Resurgence Support Payments due to Covid-19.

8 SPONSORSHIP

This includes funds that have been received from one of our key sponsors Toyota NZ Ltd for $125,000 (2022: $291,667). Toyota ended their sponsorship on 31 December 2022.

9 SERVICES IN KIND

During the year Bell Gully provided training on Consumer Law and the Privacy Act . In addition, Bell Gully have assisted with an audit of Intellectual Property risk.

10 SIGNIFICANT JUDGEMENT AND ESTIMATE

The Trust measures its land and buildings at 300 Great South Road, Greenlane, at revalued amounts with changes in fair value being recognised in Other Comprehensive Revenue and Expense. They are revalued with sufficient frequency to ensure the fair value does not differ matierally from it's carrying amount.

The Trust engaged an independent valuation specialist to assess the fair value of its revalued land and buildings as at 30 June 2023. The trust believes the 30 June 2023 revalued amount reflects the market value.

11 RELATED PARTY TRANSACTIONS

a) Related party transactions

Attitude Youth Charitable Trust was previously the Attitude Programs for Schools department of Parenting Place. In July 2021 they began operating as a separate entity. During the year services provided to Attitude Youth Charitable Trust, (such as insurance and IT services) have been paid for by the Trust and on-charged to Attitude Youth Charitable Trust. As at 30 June 2023 Attitude Youth Charitable Trust owed the Trust $8,567 (2022: $25). Due to the uncertainty around collectability of this balance, it has been fully provided for in our provision for doubtful debts.

During the year Parenting Place made a payment of $2,500 to Hohaia Innovations, whose Director Jade Hohaia is also a Trustee. The payments were for services on culturally responsive approaches. (2022: $5,000)

During the year a loan of $200,000 was drawn down from Matua Foundation. The loan is secured with a General Security Agreement on all present and after acquired property. The interest rate is 0%. This loan is classified as a related party transaction due to a Trustee, John McDougall, being connected with the Matua Foundation. As at 30 June 2023 a balance of $200,000 was owed with repayment due to start in October 2023.

Key management personnel of the Trust:

The key management personnel are the members of the governing body which is comprised of the Board of Trustees and the senior management team of the Trust.

b) Compensation of key management personnel

The total remuneration of key management personnel and the number of individuals, on a full-time equivalent (FTE) basis, receiving remuneration from the Trust are:

	2023 12 months $	2022 12 months $
Total remuneration	531,739	560,850
FTE	3.55	3.96

No remuneration is paid to the Board of Trustees.

12 AUDIT FEES

Included in professional fees is a $7,200 audit fee for the year ended 30 June 2023. (2022: $5,689)

13 CONTINGENCIES AND COMMITMENTS

There were no contingent liabilities or commitments at 30 June 2023.

14 SUBSEQUENT EVENTS

Subsequent to balance date an agreement was signed with real estate agency Colliers, to put the building at 300 Great South Road, Greenlane, up for sale. The reasoning behind the decision is to free up time from the responsibilities of property ownership to allow more time to focus on our mission to support parents build strong family relationships and to diversify our investment.

There are no other events after the balance date needing to be disclosed.

15 ABILITY TO CONTINUE OPERATING

The Board and management of the Trust consider forecasted revenue and expenditure will ensure the entity will be able to continue operating in the following financial year. There is sufficient cash available to ensure the Trust's ability to continue to operate and meet strategic priorities as set in their annual plan.

P O Box 217-125, Botany Junction Auckland 2164
peter@charityaudit.nz www.charityaudit.nz
(027) 568-2538

INDEPENDENT AUDITOR'S REPORT

To the Trustees of the Parenting Place Charitable Trust, for the year ended 30 June 2023

Opinion

We have audited the performance report of the Parenting Place Charitable Trust on pages 2 to 12, which comprises the entity information and statement of financial position as at 30 June 2023 and the statements of comprehensive income, service performance, cashflows, changes in equity for the year ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the performance statements on pages 2 to 12 present fairly, in all material respects, the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable, the entity information and financial position of the Parenting Place Charitable Trust as at 30 June 2023 and its financial performance and its cash flows for the year ended, in accordance with Public Benefit Entity International Public Sector Accounting Standards [PBE NZ IPSAS] Reduced Disclosure Regime [RDR] tier 2 framework.

Basis for Opinion

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

Other than in our capacity as auditor of the report, we have no other relationship with, or interests in, the Parenting Place Charitable Trust.

Restriction on Responsibility

This report is made solely to the Trustees, as a body, in accordance with section 42F of the Charities Act 2005, and their deed of incorporation. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Governance Responsibility for the Financial Statements

The governance is responsible for the preparation and fair presentation of the performance statements in accordance with PBE NZ IPSAS framework with the RDR and for such internal control as the governance determines is necessary to enable the preparation of the performance statements that are free from material misstatement, whether due to fraud or error.

In preparing the performance statements, the governance is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the governance either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance 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) and ISAE (NZ) 3000 (Revised) 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 performance statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/

Charity Audit

Charity Integrity Audit Ltd, Chartered Accountants South Auckland – Director: Peter Conaglen
25 October 2023