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Parenting Place Annual Report 2020

Parenting  
Place



**Our ambition is that every parent in Aotearoa feels confident and every child feels deeply loved.**





Early in 2006 I had finished university and was considering my next step. I remembered hearing a Parenting Place speaker five years earlier and how much that talk had impacted me. I endeavoured to find out more about the organisation and, captivated by their vision, I joined the Attitude team. 14 years later, after working at Parenting Place in a variety of different roles, I now have the privilege of leading it through this next season.

**Our conviction is that parenting has never been more important, and that as our world continues to be thrown into uncertainty, our children need loving, caring and stable homes more than ever.**

Like most organisations, we too felt the impact of COVID, and have subsequently needed to make some changes in order to reduce our costs. This has been a difficult process for everyone involved, but has also provided us with a catalyst to rethink how we continue to best serve the families of Aotearoa. We have developed an exciting new strategy which draws from our organisation's rich legacy of engaging and inspiring communication, but reinterprets this for a new generation of parents using online technologies. By balancing our face-to-face work with new and innovative technology-based approaches, we believe we will be able to provide even higher quality parenting support to more parents than ever, and in an increasingly sustainable way.

Five years ago, my wife and I became parents to a beautiful boy, and his little sister joined the family a year ago. After being surrounded by parenting wisdom for so many years, the actual reality of parenting is humbling. There is often a gap between the parent I long to be for my kids, and what I can muster on any given day. But I'm continually motivated to be the best parent I can, as this is what my children deserve. I also have a deep and unwavering belief that I am enough and I have what my children need. Despite the challenges facing families in 2020, our hope is that we will continue to instil this confidence in parents, so that all children flourish knowing they are deeply loved.

**Ngā manaakitanga,  
Dave Atkinson  
CEO**



Our eldest child turned 13 this year, meaning Josh and I became the proud parents of a teenager. However, this was no ordinary birthday. Ari turned 13 on the 25th March 2020 a day now etched into the memory of all New Zealanders as the date our country went into lockdown. All the restaurants closed that afternoon; no cafes were open; and the supermarkets, well they were best to be avoided. So, instead of being out celebrating, the five of us sat together at home, eating an unexpected birthday dinner made from what we could rustle together from the pantry finished with ice cream from the local dairy. And instead of counting down the days until his birthday party with his friends, we were instead considering what this new future might look like, with only each other for company.

**But our overwhelming feeling that night was one of gratitude. What really mattered, everything we valued the most, was right there in the room with us. Our family was together, unlike so many families around the world, and despite the uncertainty and change (and the birthday meal), we felt like the luckiest people alive.**

Over the course of the days and weeks following this unusual birthday, the Board and Senior Leadership team of Parenting Place considered how we could best outwork our mission for flourishing relationships and families under the new scenario we found ourselves in. I don't know about you, but I've never lived in a global pandemic before; I didn't receive the guidebook, and nobody sat me down and talked me through what one does at such a time. It has been wholly uncharted territory for us, for families throughout the country and for an organisation like Parenting Place.

We knew families needed resource, ideas, inspiration and someone to walk alongside them more than ever and we quickly adjusted to bring much-needed online content to thousands of families. As with many organisations, we developed a new way of working and a new audience, and discovered new opportunities to fulfil our mission. We have carried many of these opportunities

over into our new strategic plan and direction, which includes reaching many more families through facilitated online courses and more online materials. In this way, we hope to reach thousands more families in 2021 and make our material and insights more accessible than ever before.

Not only was 2020 significant in terms of the way we reached families, but this year also marked a significant change in leadership for Parenting Place. This year we farewelled our CEO Greg Fleming and appointed David Atkinson as our new CEO. Greg joined Parenting Place first in 1997 as General Manager and then in 2015 as CEO. Greg has been an inspiring and hardworking CEO who has held the vision of flourishing whānau closely to his heart. Greg's time as CEO will be remembered as one where he drew the organisation closer to our founding DNA, reminding all of us of our origin story, both as an organisation and as a nation. He also leaves a legacy of an expanded funding base, reaching a wider cross section of individuals who believe in our work and are willing to support us financially. Greg leaves with our deepest respect, thanks and love and we will remain engaged with Greg as he continues to work with several different organisations that are close to our heart.

As a result of Greg's time coming to an end, the Board was delighted to appoint Dave Atkinson to the position of CEO of Parenting Place in August 2020. Dave has been with Parenting Place since 2006, working in different roles throughout the organisation. Dave is a focused, diligent and passionate leader and it has been a pleasure to see Dave both drive the strategic planning process and begin to implement this in the latter half of 2020.

As Dave leads Parenting Place into this new chapter, we know that we simply couldn't do this without our many financial supporters and the network of sustaining relationships that we are part of. I want to thank each person reading this report for your interest, tautoko and aroha. I invite you to keep walking with us as we hold true to the original vision of Parenting Place in this new context and continue to build an organisation that will reach more families than ever with material that is accessible, encouraging, inspiring and full of hope.

**Mā te ngākau aroha koutou otirā tātou e ārahi**

**Nicola Taylor**

**Chair**





"I joined Space with my boy a few weeks late, when we were already at level 4 lockdown, so I have only met everyone online. That first morning felt like a revelation; I wasn't alone, and I was doing okay as a mum. I look forward to each week because it feels like for a moment, I have left my bubble to connect with other mums who can relate to my new life. Space has brought humor, kindness and support into isolation life, making it just that much more bearable."

"Space has been incredibly important to me during lockdown. It felt like almost overnight our 'village' was taken away which took some adjusting. Space continued to provide a safe place where we can chat as mums and spend time together. My Space facilitators are a wealth of knowledge and their support has meant a lot to me during lockdown. I really look forward to our Space sessions every Friday morning where [my baby] loves the songs we sing."

"It's been a real lifeline to have this group during lockdown. It's not easy being a first-time mum but it's so good to have other mums around who completely understand what you are going through. I've loved sharing stories of our day-to-day sagas – it makes you feel like you're not alone in this. I'm very grateful for this space."

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303

FACE-TO-FACE PROGRAMMES

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3,838

PARTICIPANTS

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BUILDING AWESOME  
**WHĀNAU**

"I would have loved these courses to be longer! Letting our kids have a say on how they feel is one of the many helpful tips we've taken home to get us through tricky situations. The taniwha within has calmed down and is slowly becoming warmer."

"I loved how the course answered some of my questions – especially about being the roof (the protector) of my family. It reminded me to love myself, and that my mood and actions rub off on my child."

"I enjoyed hearing the perspectives from the facilitators and other parents. I've learnt new tools I didn't know before this course."

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157

FACE-TO-FACE PROGRAMMES

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6

ONLINE PROGRAMMES

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1,011

PARTICIPANTS

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"The facilitator had a great understanding and was engaging and very helpful. If we were stuck or lost on something, she would explain more until we got a better understanding of the work we were doing. I learnt a lot today that I feel will be helpful to put in to practice with my family."

" Reflective listening has been a huge tool for me. Being a split family, my four-year-old has large emotions to deal with and gaining the tools to listen well has been a game-changer."

" This course has been great. It was so relatable and made me feel like I'm doing a good job. I now have some new tools to help me be a better mum and love my kids unconditionally."

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107

FACE-TO-FACE PROGRAMMES

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7

ONLINE PROGRAMMES

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846

PARTICIPANTS

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"The PHE course has provided me with tips to have a different outlook on the lockdown, and also the encouragement to practise looking after myself."

"The whole concept of Pause, Hold, Engage was new to me, especially the emphasis on understanding my inner world and how that can help improve my responses to the kids."

"I applied one of the strategies and my mokopuna responded immediately. Fantastic."

"Feeling that good parenting is a little invisible in society. It takes effort, dedication and energy and sometimes you can feel a bit forgotten by the world at large. Finding some parenting 'colleagues' makes a big difference!"

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618

PARTICIPANTS

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## Family Coaching

"Thank you for your support. You are truly making a difference in my life as a parent. I need some guidance in these confused times and you are a point of reference that helps me remain grounded and calm."

"I just wanted to say thank you for your latest advice – it was so useful! I also want to say thank you for all your wisdom. You are wise, unfailingly positive and down to earth, which has been extremely helpful for us and no doubt many other whānau. Kaore e arikarika aku mihi ki a koe, noho ora mai"

"We really enjoyed our session with you. It was such a relief to speak with someone who understood our situation. Things have been going quite well with our family. We've found talking about how it's okay to make mistakes, and giving Liam examples of this from our own lives, to be really helpful. We both feel this will be a work in progress. And also, the power of play – remembering that being playful can actually be a tool that eases transitions. For me, being reminded that it is okay for Liam to be disappointed about things (like not getting his own way), has made it easier for me to be consistent and not get so affected by his emotions."

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475

FACE-TO-FACE PROGRAMMES

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147

ONLINE PROGRAMMES

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715

PARTICIPANTS

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# Events'

"On both the evenings we hosted, Pio was an inspiration to all the whānau attending. There is a special ease with which he captures everyone's attention through his storytelling technique – smooth, relational and humorous, while at the same time challenging and inspirational. The evening flew by – we could have listened to much more and not even notice the time."

"Southern REAP was delighted to host Pio Terei in the South in November 2020. Pio's Building Awesome Whānau presentation was extremely well-received by our small rural communities, touching the lives of many of our whānau by way of practical and common-sense parenting tips in a fun and relaxed delivery. Some comments we collected included:

- Best thing I have ever attended to do with parenting my kids. 100/100.
- Absolutely loved it, taking a lot of knowledge home with me to work in with my whānau.
- Among the laughter, an important message was conveyed.
- I laughed and I cried and boy did I learn a lot.

A huge thank you to the team at Parenting Place for your support for our rural communities."

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# 94

FACE-TO-FACE PROGRAMMES

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# 19

ONLINE PROGRAMMES

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# 4,184

PARTICIPANTS

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"Once again, Attitude did an amazing job with their presentations. It is wonderful when outside agencies get our message across to our young people – your presenters are always so relatable and our students just get so much from them. No matter how awesome we try to be, we just can't do what you do. This is our seventh year and we will be booking you again for 2021. We pay for your presentations as we feel they are worth every penny. We are fortunate as an independent, decile 9 school but I feel for the schools where money is tight – it is a must for these communities to hear your message, especially when they are about the health and wellbeing of our young people."  
(Teacher)

"I wanted to let you know that your presentation today was amazing. Our year group has never laughed as much as we did today. My friends and I really enjoyed hearing you speak. I know you have had an impact on many of our lives. I personally appreciated what you said about other people's words not having affect or control over my life."  
(Student)

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1,280

STUDENT PRESENTATIONS

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34

PARENT EVENINGS

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1,579

PARTICIPANTS – PARENTS

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164,863

PARTICIPANTS – STUDENTS

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**We are extremely grateful to all our sponsors and business supporters who partner with us to make a real difference in the lives of parents and young people throughout New Zealand.**

Principal partner



Key corporate partners



Key business supporters



**BELL GULLY**



**Thank you to all those who make our work possible through grant funding. We deeply appreciate your support.**

Acorn Foundation  
Albert D Hally Trust  
Alfred William Parsons Trust  
Auckland Council  
- Māngere-Ōtāhuhu Local Board  
- Manurewa Local Board  
- Maungakiekie-Tāmaki Local Board  
- Upper Harbour Local Board  
- Waiheke Local Board  
- Whau Local Board  
Bay Trust  
Blue Waters Community Trust  
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North and South Trust  
New Plymouth District Council  
Next Foundation  
One Foundation  
Otago Community Trust  
Oxford Sports Trust  
Pacific Charitable Trust  
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Rātā Foundation  
RG & EF MacDonald Trust Board  
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Rotorua Energy Charitable Trust  
Sir John Logan Campbell Residuary Estate  
SKYCITY Hamilton Community Trust  
SKYCITY Queenstown Community Trust  
Sunrise Foundation  
Sutherland Self Help Trust  
Synod Otago & Southland  
Tararua/Wairarapa REAP  
Te Karaka Foundation  
Thames Coromandel District Council  
The Lion Foundation  
The Trusts Community Foundation  
Thomas Hobson Trust  
Tindall Foundation  
Trust House Foundation  
Trust Waikato  
TSB Community Trust  
Upper Hutt City Council  
Waipa District Council  
WEL Energy Trust  
Wellington Community Trust  
Wellington Methodist Charitable and Educational Endowments Trust  
Whakatāne District Council  
Whanganui Community Foundation  
Wilberforce Foundation  
Wright Family Foundation



## Auditor's Report

To the Trustees of the PARENTING PLACE CHARITABLE TRUST, for the year ended 30 June 2020

### Unqualified Opinion

We have audited the performance report of the PARENTING PLACE on pages 4 to 12, which comprises the statement of financial position as at 30 June 2020 and the statement of comprehensive income, statement of changes in net assets/equity and statement of cash flows for the year ended, and notes to the performance report, including a summary of significant accounting policies.

In our opinion, the performance report on pages 4 to 12 present fairly, in all material respects, the financial position of the PARENTING PLACE as at 30 June 2020 and its financial performance and its cash flows for the year ended, in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

### Basis for Unqualified Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described below in the *Auditor's Responsibilities for the Audit of the Performance report* section of our report. We are independent of the PARENTING PLACE 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. 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 PARENTING PLACE.

### 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 Performance report

The governance is responsible for the preparation and fair presentation of the performance report in accordance with Public Benefit Entity NZ IPSAS Standards with the Reduced Disclosure Regime and for such internal control as the governance determines is necessary to enable the preparation of performance report that are free from material misstatement, whether due to fraud or error.

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

A further description of the auditor's responsibilities for the audit of the performance report is located at the XRB's website at [https://xrb.govt.nz/Site/Auditing\\_Assurance\\_Standards/Current\\_Standards/Page8.aspx](https://xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page8.aspx)



**Charity Integrity Audit**  
Chartered Accountants  
South Auckland  
21 October 2020

**Parenting Place Charitable Trust**  
**Statement of Comprehensive Income**

	Note	2020 12 months \$	2019 12 months \$
<b>Revenue from Non-exchange transactions</b>			
Donations	5	2,539,654	3,149,712
Sponsorship	7	570,372	357,500
Ministry of Social Development Funding	6	1,096,546	608,169
		<b>4,206,572</b>	<b>4,115,381</b>
<b>Revenue from Exchange transactions</b>			
Fees		656,108	1,393,951
Book sales		63,893	148,770
Advertising revenue		84,609	284,703
Workshop sales		38,443	63,974
Other income		58,436	162,287
Consulting income		13,909	140,430
Rent received		805,103	830,206
		<b>1,720,502</b>	<b>3,024,322</b>
<b>Total Revenue</b>		<b>5,927,073</b>	<b>7,139,702</b>
<b>Expenses</b>			
Staff costs		(4,046,050)	(5,143,737)
Book cost of sales		(88,023)	(46,137)
Communications		(28,095)	(47,134)
Programme costs		(465,654)	(888,593)
Workshop costs		(19,691)	(39,663)
Travel and vehicle		(108,813)	(316,355)
Office administration		(275,426)	(268,103)
Rental and operating leases		(39,753)	(56,618)
Information technology		(75,991)	(88,729)
Insurance		(68,705)	(74,263)
Bank fees		(11,950)	(16,568)
Legal fees		(200)	(700)
Audit fees		(8,500)	(15,000)
Accounting fees		(999)	(4,200)
Property expenses		(364,358)	(366,696)
<b>Total Expenses</b>		<b>(5,582,208)</b>	<b>(7,372,496)</b>
<b>Net operating surplus/(deficit)</b>		<b>344,865</b>	<b>(232,794)</b>
Interest income		94	125
Dividend income		-	2,280
Interest expense		(50,153)	(59,184)
Depreciation	2	(410,742)	(400,789)
Gain on disposal of assets		(2,031)	1,787
<b>Surplus / (Deficit) for the year</b>		<b>(117,967)</b>	<b>(688,575)</b>
<b>Other comprehensive revenue and expense</b>			
Revaluation gain on property, plant and equipment	2	-	1,238,717
<b>Total comprehensive revenue and expense for the year</b>		<b>(117,966)</b>	<b>550,142</b>

The accompanying notes form part of these financial statements.

**Parenting Place Charitable Trust**  
**Statement of Financial Position**  
**For the Year Ended 30 June 2020**

	Note	2020	2019
		\$	\$
<b>Current assets</b>			
Cash and cash equivalents		390,455	113,471
Accounts receivable from exchange transactions		55,069	200,184
Inventory		7,151	52,471
Prepaid expenses		4,821	29,361
GST refund due		-	5,458
<b>Total current assets</b>		<b>457,496</b>	<b>400,945</b>
<b>Non-current assets</b>			
Property, plant and equipment	2	15,557,512	15,937,504
<b>Total non-current assets</b>		<b>15,557,512</b>	<b>15,937,504</b>
<b>Total assets</b>		<b>16,015,008</b>	<b>16,338,449</b>
<b>Current liabilities</b>			
Accounts payable and accruals	5	(311,274)	(258,098)
Covid-19 Wage Subsidy	6	(206,910)	-
Finance leases	3	(106,685)	(120,943)
Bank overdraft	4	-	(163,342)
Income in advance		(51,525)	(2,609)
Provision for holiday pay		(167,799)	(114,000)
PAYE payable		(25,082)	(71,872)
<b>Total current liabilities</b>		<b>(869,276)</b>	<b>(730,865)</b>
<b>Non-current liabilities</b>			
Finance leases	3	(47,530)	(130,986)
Long term loans	4	(495,994)	(756,424)
<b>Total non-current liabilities</b>		<b>(543,524)</b>	<b>(887,409)</b>
<b>Total liabilities</b>		<b>(1,412,800)</b>	<b>(1,618,274)</b>
<b>Trust funds</b>		<b>14,602,208</b>	<b>14,720,174</b>

The accompanying notes form part of these financial statements.

Nicola Taylor  
 Chairperson

Date: 21/10/2020



Dave Atkinson  
 CEO

Date: 21/10/2020



**Parenting Place Charitable Trust**  
**Statement of Movement in Net Assets**  
**For the Year Ended 30 June 2020**

	Accumulated comprehensive revenue and expense \$	Revaluation reserve \$	Total trust funds \$
As at 1 July 2019	5,328,006	9,392,172	14,720,174
Surplus/(deficit) for the period	(117,967)	-	(117,967)
Other comprehensive revenue and expense	-	-	-
<b>Total comprehensive revenue and expense</b>	<b>(117,967)</b>	<b>-</b>	<b>(117,967)</b>
<b>As at 30 June 2020</b>	<b>5,210,039</b>	<b>9,392,172</b>	<b>14,602,208</b>

The accompanying notes form part of these financial statements.

**Parenting Place Charitable Trust**  
**Statement of Cash Flows**  
**For the Year Ended 30 June 2020**

	Note	<u>2020</u> <u>12 months</u>	<u>2019</u> <u>12 months</u>
		\$	\$
<b><u>Cash flows from operating activities</u></b>			
Total comprehensive revenue and expense for the period		(84,530)	550,139
<b>Adjustments to reconcile total comprehensive revenue and expense for the year to net cash flows:</b>			
Depreciation		410,742	400,789
Gain on disposal of assets		2,031	(1,787)
Revaluation gain on property, plant and equipment	2	-	(1,238,717)
Bank fees		-	-
Goods in kind		-	-
Services in kind		-	-
(Reversal of)/Bad Debt Provision		-	-
Interest expense, Interest received and Dividend received		50,059	56,779
<b>Working capital adjustments:</b>			
Increase in current assets		222,643	43,555
Increase in current liabilities		119,239	(94,269)
Cash Inflow/(Outflow) for interest paid and interest/dividends received		(50,059)	(56,779)
<b>Net cash from operating activities</b>		<b>670,125</b>	<b>(340,290)</b>
<b><u>Cash flows from investing activities</u></b>			
Purchase of property, plant and equipment	2	(81,320)	(213,252)
Proceeds from sale of property, plant and equipment		48,538	26,121
<b>Net cash used in investing activities</b>		<b>(32,782)</b>	<b>(187,131)</b>
<b><u>Cash flows from financing activities</u></b>			
Movements in loans	4	(260,430)	622,399
Repayment of finance lease liabilities		(99,924)	(133,075)
<b>Net cash used in financing activities</b>		<b>(360,354)</b>	<b>489,324</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>276,989</b>	<b>(38,097)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>113,470</b>	<b>151,567</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>390,459</b>	<b>113,470</b>

The accompanying notes form part of these financial statements.

**Parenting Place Charitable Trust  
Notes to the Financial Statements  
For the Year Ended 30 June 2020**

**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 2020 were authorised for issue by the Board on 21 October 2020.

**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 are eligible to report in accordance with Tier 2 PBE Standards because they do not have public accountability and they are 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 2020. 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. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above. Bank overdraft has been disclosed as a current liability in 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.

**Parenting Place Charitable Trust  
Notes to the Financial Statements  
For the Year Ended 30 June 2020**

**SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**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 Financial Performance. 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.

*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.

**Parenting Place Charitable Trust  
Notes to the Financial Statements  
For the Year Ended 30 June 2020**

**j) Leases**

*Trust as a lessee*

The Trust leases certain buildings, office equipment and vehicles.

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:

**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 transactions:**

***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, 2020: nil (2019: nil).

**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.



**Parenting Place Charitable Trust  
Notes to the Financial Statements  
For the Year Ended 30 June 2020**

**2 PROPERTY, PLANT AND EQUIPMENT**

Land and buildings are measured using the revaluation model and are revalued annually. These assets were revalued on 30 June 2020, and valued at \$17,250,000 (2019: \$15,500,000).

Fair value of the land and buildings was determined by using the market comparable method. This means that valuations performed by the valuer are based on active market prices and market based yields, adjusted for difference in the nature, location or condition of the specific property.

As at the date of revaluation 30 June 2020, the property's fair value is based on a valuation performed by Darroch Limited, an accredited independent valuer. However, as quoted in their report 'as a result of Covid 19, there is significant uncertainty in the market due to the business disruption, ongoing restrictions and future uncertainty for the economy, businesses and individuals alike. The valuation is therefore subject to a wider range of variation than pre Covid, when the economy was operating normally'. Therefore, we will not use the 30 June 2020 valuation and the increase has not been applied - the property values have stayed at the 30 June 2019 valuation, in the balance sheet.

	Furniture and fittings	Office equipment	Vehicles	Land	Buildings	Leasehold improvements	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost or valuation</b>							
As at 1 July 2019	213,267	662,900	552,006	9,171,369	6,324,480	821,609	17,745,631
Additions	2,780	67,238	561	-	-	10,740	81,319
Disposals	-	(15,714)	(100,871)	-	-	-	(116,585)
Revaluation	-	-	-	-	-	-	-
As at 30 June 2020	<u>216,047</u>	<u>714,424</u>	<u>451,696</u>	<u>9,171,369</u>	<u>6,324,480</u>	<u>832,349</u>	<u>17,710,366</u>
<b>Depreciation and impairment</b>							
As at 1 July 2019	181,805	537,134	271,731	-	490,752	326,705	1,808,127
Depreciation	9,235	62,045	86,359	-	166,434	91,186	415,258
Disposals	-	(4,414)	(66,120)	-	-	-	(70,534)
As at 30 June 2020	<u>191,040</u>	<u>594,765</u>	<u>291,970</u>	<u>-</u>	<u>657,186</u>	<u>417,891</u>	<u>2,152,851</u>
<b>Net book value</b>							
As at 30 June 2019	31,462	125,766	280,275	9,171,369	5,833,728	494,904	15,937,504
As at 30 June 2020	<u>25,007</u>	<u>119,660</u>	<u>159,725</u>	<u>9,171,369</u>	<u>5,667,294</u>	<u>414,457</u>	<u>15,557,512</u>

The carrying value of plant and equipment held by the Group under finance leases at 30 June 2020 was \$153,339 (2019: \$278,787).

**Parenting Place Charitable Trust  
Notes to the Financial Statements  
For the Year Ended 30 June 2020**

**3 COMMITMENTS UNDER NON CANCELLABLE LEASES**

*Operating lease commitments - Trust as a lessee*

The operating leases are for one motor vehicle and an office in Christchurch.

	2019	2019
	\$	\$
Within one year	59,304	48,704
After one year but no later than two years	60,000	16,725
After two years but no later than five years	-	-
<b>Total</b>	<b>119,304</b>	<b>65,429</b>

*Operating lease commitments - Trust as a lessor*

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

	2020	2019
	\$	\$
Within one year	639,447	725,124
After one year but no later than two years	538,478	495,435
After two years but no later than five years	606,532	-
	<b>1,784,457</b>	<b>1,222,559</b>

*Finance lease commitments - Trust as a lessee*

The Group 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:

	2020	2019
	\$	\$
<b>Minimum payments:</b>		
Within one year	106,685	137,848
After one year but no later than two years	40,830	89,930
After two years but no later than five years	6,647	49,464
	<b>154,162</b>	<b>277,242</b>

**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 bank overdraft facility was not being used at 30 June 2020 (2019:\$163,342).

*Bank loan*

*Loan 1*

The Trust entered into a loan secured against the property at 300 Great South Road, Greenlane. The loan had a 4 year term and matured 30 Jan 2020.

*Loan 2*

The Trust entered into a new loan secured against the property at 300 Great South Road, Greenlane on 30 June 2019. The loan has a 4 year term and matures 30 June 2023. Interest on the loan was at 4.1% p.a as at 30 June 2020.

There is no undrawn facility at 30 June 2020. The repayments on this loan changed to interest only in April 2020 and will remain as this until August 2021.

	2020	2019
	\$	\$
Current loan	-	126,751
Non-current loan	465,994	423,249
	<b>465,994</b>	<b>550,000</b>

**5 DONATIONS**

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

Due to changes in our organisation and impacts of Covid-19, we were no longer able to fulfil the commitments to three funders and they have been removed from revenue and included in Accounts Payable, totalling \$81,088.

**Parenting Place Charitable Trust  
Notes to the Financial Statements  
For the Year Ended 30 June 2020**

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

The MSD provides funding in relation to the Toolbox Parenting Programme. The annual funding received this year was \$618,455 (2019:\$608,169). The Trust reports back on progress to MSD 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, for the value of \$618,455 each year (as a minimum).

Parenting Place also received \$478,091 from MSD who were administering the Government Wage Subsidy and Wage Subsidy extension due to Covid-19. As at 30 June 2020 \$206,910 of this wage subsidy related to wages paid after 30 June 2020 and was moved to the Balance Sheet.

**7 SPONSORSHIP**

This includes funds that have been received from one of our key sponsors Toyota NZ Ltd for \$260,000 (2019:\$250,000).

**8 SERVICES IN KIND**

No services in kind were received for the 12 months ended 30 June 2020 (2019: \$nil).

**9 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.

The Trust engaged an independent valuation specialist to assess fair value as at 30 June 2020 for its revalued land and buildings.

As per note 2 the above 2020 revaluation has not been applied due to the uncertainty created by the covid-19 pandemic.

**10 RELATED PARTY TRANSACTIONS**

*a) Related party transactions*

The Parenting Place has received one interest free loans from a member of the Senior Leadership Team.

Minor payments were made to the CEO Greg Fleming's family members with three of his children being part of a roster system assisting with evening Events and his wife being one of the facilitators of the Auckland Space programme.

**Key management personnel of the Group:**

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

*b) Compensation of key management personnel*

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

	2020	2019
	12 months	12 months
	\$	\$
Total remuneration	686,415	791,135
Number of persons, FTE	5.35	6.35

No remuneration is paid to Board members or Trustees of the Group.

**11 SUBSEQUENT EVENTS**

There are no subsequent events post balance date.

