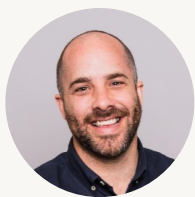


Parenting Place Annual Report

2021



CEO's letter



Parenting Place is approaching 30 years of supporting whānau across Aotearoa. Our founders started our work with the conviction that all children deserve to grow up in a home where they know they are deeply loved and that all parents can benefit from encouragement and support. This annual report speaks to the way we have continued this vision 2020 and 2021, and this work has never been more important than it is right now.

From late 2019 to early 2020, COVID-19 quickly spread internationally and, in March 2020 arrived on our shores. New Zealand's first lockdown in March was the beginning of an era of change, anxiety and uncertainty for our tamariki and families. This period of time also saw a transition of leadership at Parenting Place and with it, a new focus. Our conviction is that Parenting Place is uniquely positioned to support a wide range of parents across New Zealand with evidence-informed, New Zealand made, inspiring education. Our focus has been to do this in two ways; firstly, to continue our legacy of providing community organisations with engaging, inspiring, and evidence-informed parenting courses. Secondly, we want to continue to work directly with parents through media, online articles, family coaching, and new digital courses.

Ongoing lockdowns and uncertainty resulted in a reservation for parents to gather in groups, and so we saw a reduction in our course numbers during this financial year. We took the opportunity to focus our team's efforts on redeveloping our course material. Informed by our in-house Child

and Family Psychologist, a theory of change we developed for both our Space and Toolbox courses and each course underwent a complete redesign and rewrite. This provided us with the opportunity to update outdated information and references, embed the latest international evidence on child development, and communicate this in a way that resonates with parents in 2021.

Parenting Place has continued to develop our relationships with media outlets across New Zealand, and we have seen a hunger for more parenting support across these channels. Our team of authors and presenters are now regularly contributing to content partnerships in the New Zealand Herald, as well as weekly appearances across national TV and Radio. The current lockdowns have also provided a catalyst for us to make all our work available through zoom, which has increasingly become the preferred way for many parents to access our Family Coaching, Presentations, and Courses.

As a parent myself, I have not been immune to the challenges of this season. Our room was converted into a makeshift office, the lounge became a classroom for our eldest, and the line between work and home became increasingly blurred. Despite the stresses that all parents have felt during this season, we can be encouraged that resilience is formed in our kids not despite challenges but because of them. With all that we can't control in our children's lives, the one thing that we can control is the most important, and that is us; our availability, our consistency, and our presence. It's a privilege to work in an organisation that not only encourages me in my parenting but continues to encourage and support thousands of families across Aotearoa.

Ngā manaakitanga,
Dave Atkinson, CEO

Parenting Place opened its doors in 1993 with a heart to reach parents and inspire, equip and support healthy, thriving families in New Zealand. In the near 30 years since, we've been working with parents in Aotearoa through face-to-face courses, family coaching sessions, articles, resources and our central city parent hub to provide parents and whānau with strategies to build strong family relationships.

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

We aim to be a trusted voice on parenting in Aotearoa, and providers of the best parenting information for New Zealand whānau. Parenting Place exists to:

- inspire parents by offering hope for families
- equip parents with information and strategies
- journey with parents at key transition times

The last two years of COVID-19 restrictions, lockdowns and home isolation requirements have put the juggle of work and family life front and centre for many parents – and kids front and centre in many a Zoom call!

In 2021, Parenting Place continued to deliver our flagship facilitated parenting courses, including Toolbox, Space and Building Awesome Whānau, to thousands of New Zealand families across different ages and stages of parenting, primarily through online group sessions due to COVID-19 restrictions. We also provided training sessions coaching more facilitators to run these courses in their own communities, including support to run courses online.

Our team connected with many individual parents through our one-on-one family coaching service, providing personalised strategies for each unique situation, with all sessions conducted online through video calls.

Parenting Place hosted a number of online interviews and talks providing parents with relevant information as they continued to navigate new challenges in family life due to the pressures of the pandemic. We also ran presentations over Zoom direct to parents in workplaces through corporate engagements.

Our presence in the media grew to reach a wider parent audience through regular interviews on TV and radio, and articles published on our website and through other print and online media channels. We continued fortnightly emails to our parent database and grew our social media audience. We intentionally covered key topics facing families in Aotearoa as the juggle of work and homelife intensified with many schools, kura, kindergartens and early childcare centres being intermittently closed, particularly in Tāmaki Makaurau.

2021 was a challenging year for our organisation as the ongoing impact of COVID-19 limited our ability to deliver in-person, but it also created new opportunities to connect with parents and families through digital meeting and online learning.

Building strong family relationships remains at the heart of what we do, but how we connect with each other has significantly changed since we started working with parents almost 30 years ago. As a result, Parenting Place are shifting towards a digitally-driven model of connecting with parents and whānau in Aotearoa, with an overhaul of our technical capabilities and the launch of an online parent learning platform now our key focus.

— "If I'm honest, that group (Space) saved me. Everything else in my life felt desperate and dire. I was sleep-deprived, in need of a lot of physical healing after a difficult birth, and facing really hard times in my relationship with my partner. It's incredibly hard to raise a child. Everyone has an opinion. Space is not just a coffee group – you learn. Helpful information is delivered professionally and gently. I recommend Space to all my friends and the consensus when they join is 'Yep, this is exactly the support we need.'"

— "It's great to see that you're not alone, you're not the only one who struggles with teens. Other parents and kids have the same struggles."

— "I just wanted to thank you for the time, energy and knowledge you brought to each of the Wednesday parenting sessions. My partner and I really appreciated each session and we are truly seeing a difference in our lives. The best compliment I feel comes from our middle girl when she came in during one of the sessions and tried to talk to us. I explained we were on the parenting course and she said 'oh I'm not going to interrupt you as life is SOOOO much better since you started that course!'"

— "You feel like a failure as a single mum, but you're not actually far off. The course showed me I was doing quite a few things right."

— "Even if you think you're a good parent like I thought I was a good parent, you'd be surprised what you pick up from this course. I actually think all parents should do a course, because when you become a parent, no one gives you a handbook."

— "This is what Building Awesome Whānau is all about – to foster connection and to awahi the māmā and pāpā in our community raising our next generation".

— "Because it is more than empowering whānau, it is also about them doing life together – the good and the bad. This group from early on were honest with each other... This is not a course. This is a kaupapa (initiative) to empower you and for you to go away feeling successful."

— "Good examples, some food recommendations for books like the treasure tree and story-telling. Nice way of breaking down things that be complicated by applying kind, firm, calm."

— "Thanks for the wonderful parenting workshop! Even parents with great AROHA and wide experience of child-raising, need to achieve a new level of understanding of our beloved children, and their long-term interest, which associated with our behaviour in their early teenage years! I, fortunately, got a chance to hear about your course at an academic environment, and from the first session, it was understood all provided material and lecture were based on methodical integration of review, which was conducted with professional coaching. Nowadays, good events like this toolbox course are less likely to happen with busy parents, and I'm happy to say that, the guidance was very helpful to acquire information about all aspects of parenting. Personally saying, it had come evidently to me the course end was just a beginning of a long fatherhood journey with my beloved daughter."

— "The vibe in the house is much better, and we are making positive steps towards embedding the principles we talked about into our parenting. I think that being in lockdown has actually been quite helpful in creating opportunities to connect with the boys. We are really grateful for your input."

— "I found your strategies really helpful. With my son, inviting him to jump on his moral high horse with the biting so he feels more empowered has been quite effective (not totally, but baby steps!). Actually, your advice has been even more helpful when it comes to my daughter. I've been more active in terms of getting her ready in the mornings, and the phrases to use instead of stop crying and acknowledging her feelings have been really effective. I actually found your advice so helpful I told my sister to book a session too!"

— "I'm actually really learning, it's almost like starting at primary school learning how to be a parent... The stuff that we've been doing with Jenny, they're just such great tools and if we had that along the way, it would have made it easier."

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 families throughout New Zealand.

Principal partner



Key corporate partners



Key business supporters

BELL GULLY



Thank you to all those who make our work possible through the giving of grants. Grants provide a crucial source of funding for Parenting Place and we deeply appreciate all those who support us in this way.

Acorn Foundation

BlueSky Community Trust

Central Lakes Trust

Charles Rupert Stead Trust

David Ellison Charitable Trust

David Levene Foundation

Eliza White Charitable Trust

Foundation North

Four Winds Foundation

Gallagher Charitable Trust

Geyser Community Foundation

Glenice & John Gallagher Foundation

Hawke's Bay Foundation

Hillview Trust

Lottery National Community Committee

Matua Foundation

Methodist Church PAC Distribution Group

MSD Community Awareness and Preparedness Grant Fund

New Zealand Christian Foundation

Otama Trust

Pacific Charitable Trust

Pub Charity

Rātā Foundation

Robert Horton Memorial Trust

TECT

The Dairy Goat Co-operative Trust

Trust Waikato

Waidale Missionary Trust

To the Trustees of the PARENTING PLACE CHARITABLE TRUST, for the year ended 30 June 2021

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 2021 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 2021 and its financial performance and its cash flows for the year ended, in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

Basis for an 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



Charity Integrity Audit Ltd

Director: Peter Conaglen

Chartered Accountants - South Auckland

8th November 2021

Statement of Comprehensive Revenue and Expense for the year ended 30 June 2021

	Note	<u>2021</u> <u>12 months</u> \$	<u>2020</u> <u>12 months</u> \$
Revenue from Non-exchange transactions			
Donations	6	1,347,782	2,539,654
Sponsorship	8	214,905	570,372
Ministry of Social Development Funding	7	956,339	1,096,546
		<u>2,519,026</u>	<u>4,206,572</u>
Revenue from Exchange transactions			
Fees		637,314	656,108
Book sales		23,161	63,893
Advertising revenue		47,200	84,609
Workshop sales		18,598	38,443
Other income		17,261	58,436
Consulting income		-	13,909
Rent received		760,596	805,103
		<u>1,504,130</u>	<u>1,720,502</u>
Total Revenue		<u>4,023,156</u>	<u>5,927,073</u>
Expenses			
Staff costs		(2,834,615)	(4,046,050)
Book cost of sales		(5,519)	(68,023)
Communications		(89,762)	(28,095)
Programme costs		(263,444)	(465,654)
Workshop costs		(13,998)	(19,691)
Travel and vehicle		(64,617)	(108,813)
Office administration		(180,872)	(275,426)
Rental and operating leases		(50,420)	(39,753)
Information technology		(76,487)	(75,991)
Insurance		(47,694)	(68,705)
Bank fees		(8,940)	(11,950)
Bad debts		(240)	-
Professional fees	12	(9,418)	(9,699)
Property expenses		(285,954)	(364,358)
Total Expenses		<u>(3,931,980)</u>	<u>(5,582,208)</u>
Net operating surplus/(deficit)		<u>91,176</u>	<u>344,865</u>
Interest income		113	94
Interest expense		(34,304)	(50,153)
Depreciation	2	(383,481)	(410,742)
Gain/(loss) on disposal of assets		22,425	(2,031)
Deficit for the year		<u>(304,071)</u>	<u>(117,967)</u>
Other comprehensive revenue and (expense)			
Revaluation gain on property, plant and equipment	2	1,557,986	-
Total comprehensive revenue and expense for the year		<u>1,253,915</u>	<u>(117,967)</u>

The accompanying notes form part of these financial statements.

Statement of Financial Position as at 30 June 2021

	Note	<u>2021</u>	<u>2020</u>
		\$	\$
Current assets			
Cash and cash equivalents		169,999	390,455
Accounts receivable from exchange transactions		75,037	55,069
Inventory		22,904	7,151
Prepaid expenses		7,047	4,821
Total current assets		274,987	457,496
Non-current assets			
Property, plant and equipment	2	16,849,327	15,557,512
Total non-current assets		16,849,327	15,557,512
Total assets		17,124,314	16,015,008
Current liabilities			
Accounts payable and accruals	6	(166,592)	(311,274)
Covid-19 Wage Subsidy	7	-	(206,910)
Finance leases	3	(38,564)	(106,685)
Bank overdraft	4	(88,786)	-
Bank loan	4	(93,892)	-
Income in advance	5	(386,395)	(51,525)
Provision for holiday pay		(76,445)	(167,799)
PAYE payable		(18,079)	(25,082)
Total current liabilities		(868,753)	(869,276)
Non-current liabilities			
Finance leases	3	(7,336)	(47,530)
Long term loans	4	(392,102)	(495,994)
Total non-current liabilities		(399,438)	(543,524)
Total liabilities		(1,268,191)	(1,412,800)
Trust funds		15,856,123	14,602,208

The accompanying notes form part of these financial statements.



Tuhi Isaachsen
Interim Chairperson
Date: 8 November 2021



Dave Atkinson
CEO
Date: 8 November 2021

Statement of Movement in Net Assets for the year ended 30 June 2021

	Accumulated comprehensive revenue and expense \$	Revaluation reserve \$	Total trust funds \$
As at 1 July 2020	5,210,039	9,392,172	14,602,208
Deficit for the period	(304,071)	-	(304,071)
Other comprehensive revenue	-	1,557,986	1,557,986
Total comprehensive revenue and (expense)	(304,071)	1,557,986	1,253,915
As at 30 June 2021	4,905,968	10,950,158	15,856,123
As at 1 July 2019	5,328,006	9,392,172	14,720,174
Deficit for the period	(117,967)	-	(117,967)
Other comprehensive revenue	-	-	-
Total comprehensive revenue and (expense)	(117,967)	-	(117,967)
As at 30 June 2020	5,210,039	9,392,172	14,602,208

The accompanying notes form part of these financial statements.

Statement of Cash Flows for the year ended 30 June 2021

	Note	<u>2021</u> <u>12 months</u> \$	<u>2020</u> <u>12 months</u> \$
<u>Cash flows from operating activities</u>			
Total comprehensive revenue and (expense) for the period		1,253,915	(84,530)
Adjustments to reconcile total comprehensive revenue and expense for the year to net cash flows:			
Depreciation		383,481	410,742
(Gain)/loss on disposal of assets		(22,425)	2,031
Revaluation gain on property, plant and equipment	2	(1,557,986)	-
Interest expense and interest received		34,191	50,059
Working capital adjustments:			
Increase/(decrease) in current assets		(37,946)	222,643
Increase/(decrease) in current liabilities		(115,080)	119,239
Cash outflow for interest paid and interest received		(34,191)	(50,059)
Net cash from operating activities		<u>(96,041)</u>	<u>670,125</u>
<u>Cash flows from investing activities</u>			
Purchase of property, plant and equipment	2	(146,454)	(81,320)
Proceeds from sale of property, plant and equipment		51,568	48,538
Net cash used in investing activities		<u>(94,886)</u>	<u>(32,782)</u>
<u>Cash flows from financing activities</u>			
Repayment of loans	4	(10,000)	(260,430)
Repayment of finance lease liabilities		(108,315)	(99,924)
Net cash used in financing activities		<u>(118,315)</u>	<u>(360,354)</u>
Net increase/(decrease) in cash and cash equivalents		<u>(309,242)</u>	<u>276,989</u>
Cash and cash equivalents at the beginning of the period		390,455	113,470
Cash and cash equivalents at the end of the period		<u>81,213</u>	<u>390,459</u>
Reconciliation of closing cash balances to the Statement of Financial Position			
Cash and cash equivalents		169,999	390,455
Bank overdraft		(88,786)	-
Closing cash		<u>81,213</u>	<u>390,455</u>

The accompanying notes form part of these financial statements.

Note

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 2021 were authorised for issue by the Board on 27 October 2021.

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 2021. 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 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

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 is 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.

Note

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 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:

Note

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 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, 2021: nil (2020: nil).

I) 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 annually. These assets were revalued on 30 June 2021, and valued at \$17,125,000 (2020: \$17,250,000). 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. The valuation was performed by Darroch Limited, an accredited independent valuer.

	Furniture and \$	Office equipment \$	Vehicles \$	Land \$	Buildings \$	Leasehold improvement \$	Total \$
Cost or valuation							
As at 1 July 2020	216,047	714,424	451,696	9,171,369	6,324,480	832,349	17,710,365
Additions	1,757	77,683				67,014	146,454
Disposals	(5,947)	(12,218)	(100,209)	-	-	(13,138)	(131,512)
Revaluation	-	-	-	796,304	761,682	-	1,557,986
As at 30 June 2021	211,857	779,889	351,487	9,967,673	7,086,162	886,225	19,283,293
Depreciation and impairment							
As at 1 July 2020	191,040	594,765	291,970	-	657,186	417,891	2,152,852
Depreciation	7,805	63,789	62,618	-	170,932	78,337	393,481
Disposals	(4,658)	(10,450)	(87,138)	-	-	(121)	(102,367)
As at 30 June 2021	194,187	648,104	267,450	-	828,118	496,107	2,433,966
Net book value							
As at 30 June 2020	25,007	119,659	159,726	9,171,369	5,667,294	414,458	15,557,513
As at 30 June 2021	17,670	131,785	84,037	9,967,673	6,258,044	390,118	16,849,327
Cost or valuation							
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	216,047	714,424	451,696	9,171,369	6,324,480	832,349	17,710,366
Depreciation and impairment							
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	191,040	594,765	291,970		657,186	417,891	2,152,851

The carrying value of plant and equipment held by the Group under finance leases at 30 June 2021 was \$72,989 (2020: \$153,339).

Note

3 COMMITMENTS UNDER NON CANCELLABLE LEASES

Operating lease commitments - Trust as a lessee

The operating leases are for an office in Christchurch. (2020: One motor vehicle and an office in Christchurch)

	2021	2020
	\$	\$
Within one year	45,000	59,304
After one year but no later than two years	15,000	60,000
After two years but no later than five years	-	-
Total	60,000	119,304

Operating lease commitments - Trust as a lessor

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

	2021	2020
	\$	\$
Within one year	638,611	639,447
After one year but no later than two years	452,809	538,478
After two years but no later than five years	295,205	606,532
Total	1,386,625	1,784,457

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:

	2021	2020
	\$	\$
Minimum payments:		
Within one year	38,564	106,685
After one year but no later than two years	7,336	40,830
After two years but no later than five years	-	6,647
Total	45,900	154,162

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 \$88,786 as at 30 June 2021 (2020:\$0). Interest on the bank overdraft was 5.09% as at 30 June 2021.

Bank loan

The Trust entered into a loan secured against the property at 300 Great South Road, Greenlane on 30 June 2019. The loan has a 4 year term and matures on 30 June 2023. Interest on the loan was 3.5% p.a as at 30 June 2021 (2020: 4.1%)

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

	2021	2020
	\$	\$
Current loan	93,892	-
Non-current loan	372,102	465,994
Total	465,994	465,994

5 INCOME IN ADVANCE

Included in income in advance are amounts that relate to the prepayment of rental income by current lessees, amounts received from sponsors that have been deferred to match the contractual timeframes for the funds received, and grant funding where the expenses being funded have not yet been incurred at balance date, but are still expected to be fulfilled in the following financial year.

6 DONATIONS

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

The prior year included \$81,088 in Accounts Payable that had to be returned to the funder, as Parenting Place were no longer able to fulfil the commitments to three funders due to changes in the organisation structure and the impacts of Covid-19. This year there are no amounts in Accounts Payable that relate to this.

7 MINISTRY OF SOCIAL DEVELOPMENT FUNDING - Covid-19 Wage Subsidy & ORANGA TAMARIKI FUNDING

The Oranga Tamariki (OT) provides funding in relation to the Toolbox Parenting Programme. The annual funding received this year was \$628,704 (2020:\$618,455). 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, for the value of \$618,455 each year (as a minimum).

Parenting Place also received \$327,635 (2020: \$478,091) from MSD who were administering the Government Wage Subsidy and Wage Subsidy extension due to Covid-19. This amount includes \$206,910 released from the balance sheet, that was received in the prior financial year but related to wages paid in this financial year.

8 SPONSORSHIP

This includes funds that have been received from one of our key sponsors Toyota NZ Ltd for \$83,333 (2020:\$260,000).

Note

9 SERVICES IN KIND

No services in kind were received for the 12 months ended 30 June 2021 (2020: \$nil).

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.

The Trust engaged an independent valuation specialist to assess fair value as at 30 June 2021 for its revalued land and buildings.

11 RELATED PARTY TRANSACTIONS

a) Related party transactions

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

Minor payments were made to the former 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 Trust.

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:

	2021 12 months	2020 12 months
	\$	\$
Total remuneration	596,321	686,415
Number of persons, FTE	4.08	5.35

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

12 AUDIT FEES

Included in professional fees is \$8,500 (2020:\$6,435) paid to Charity Integrity Audit for the audit of the financial statements for the year ended 30 June 2021.

13 CONTINGENCIES AND COMMITMENTS

As of 2nd July 2021, eight staff in the Attitude department of Parenting Place are to transfer to Attitude Youth Charitable Trust (see Subsequent Event note 13). Parenting Place has agreed that it will transfer to Attitude Youth Charitable Trust the value of all annual leave and holiday pay accrued to those eight staff after the 2nd July once their new employment agreements are in force.

14 SUBSEQUENT EVENTS

Attitude Programmes for Schools has been a department of Parenting Place for over 20 years. In 2020, the Parenting Place board decided that the ambitions of both Parenting Place and Attitude would be better served as separate organisations. Attitude Youth Charitable Trust was incorporated in November 2020 and became a registered charity in December 2020.

As of 1st of July 2021, all eight Attitude staff members previously employed by Parenting Place were transferred to Attitude Youth Charitable Trust.

**The charity with a heart for
New Zealand families**

parentingplace.nz

