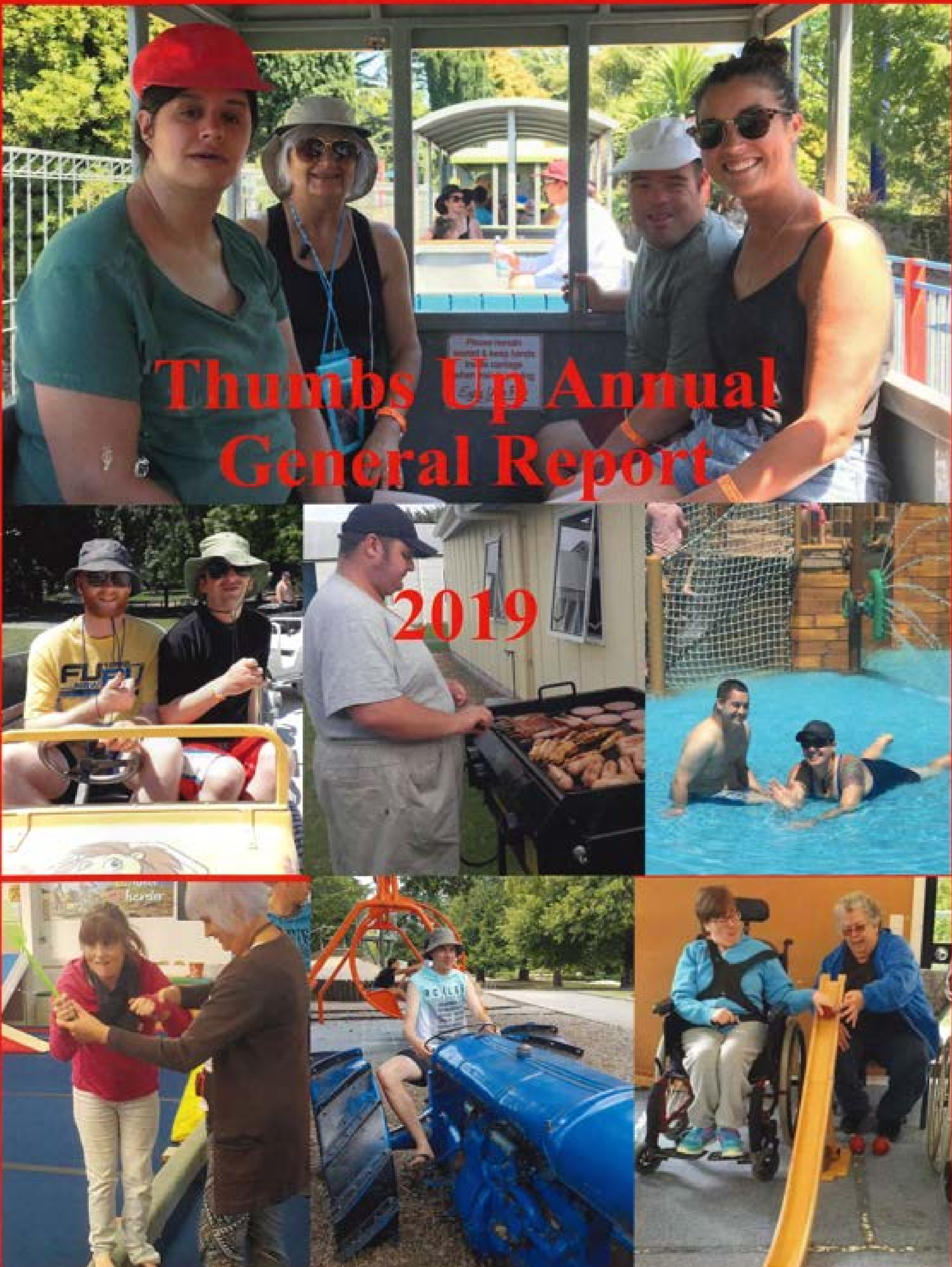
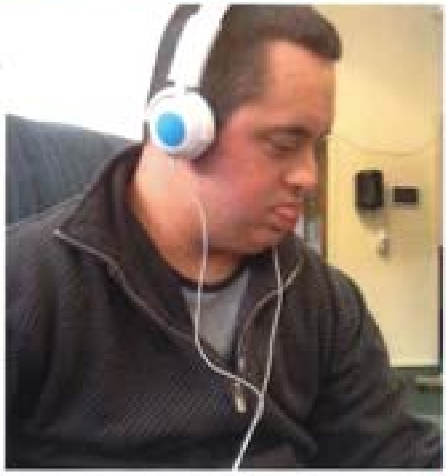
Thumbs Up Annual General Report

2019










Chairperson's Report

During this past year I believe that Thumbs Up has gone through a maturity phase. Laura left last November and we have had had several people in the Manager or Acting Manager role over the course of the year. During this time the service has remained strong and staff have stepped up to ensure service users have not been affected in any way. I must thank in particular Jill and Briany for their commitment to keeping Thumbs Up running smoothly through a period of change. Our new Manager Carolyn, will begin in early September 2019 and we look forward to her leadership.

I had the privileged position to be Acting Manager from early June until the end of August, to fill an interim gap between Managers. I stepped down from the Board for this period and it was an amazing experience to be working at Thumbs Up. I experienced first-hand how the service users are supported and got to know well their daily programmes. I will particularly miss the music sessions at the start of each day, with staff and service users dancing and singing - it was great. All businesses should start the day this way. I developed caring relationships with the service users and was quite sad when I left the Acting Manager role.

This year we had another adventure as Thumbs Up went to Hawke's Bay, enjoying various local attractions, such as Slash Planet. Once again Jill, thank you for your efforts in making this happen and bringing joy to the service users.

Thumbs Up has created two films with the help of Shannon Hennig and Claire Hewitt and plans have started for the production of another. We are looking forward to a world premiere of the film, which has a Wild West theme, in 2020, when we will no doubt have an appreciative audience for the work of our Thumbs Up actors and production team members!

In the past year ACC changed its process for Disability Support Services to "Living My Life", with ACC only providing disability support services to contracted providers. A tender process was undertaken by ACC to select contracted providers. Thumbs Up was successful in its tender, resulting in a contract for provision of Tailored Support Service for our current three ACC participants. MSD has extended its contract periods with providers, and our current contract with MSD extends to 30 June 2024.

This year's financial reports show a small deficit of $9,090, with a slight drop in income from the previous year. We are making good progress towards establishing an operating reserve of fifty percent of the operational costs, with $260,000 set aside for this purpose. The Trust is also aware of the need to set up a capital and maintenance reserve in the near future.

I would like to thank the staff and contractors and volunteers for their continued dedication and support they provide to our service users - you are amazing. To our sponsors a big thanks as without you the service would struggle to exist. Finally, to the Board, I know there are plenty of pressures at home and work but you continue to give time to Thumbs Up, thanks.

Richard Bialy, Chairperson

Staff Report

Kia Ora families and friends of Thumbs Up Trust. It's been a busy and challenging year here at Thumbs Up with lots of highlights and successes to report. We have had some big changes with our staffing, including Laura Vonk finishing as Manager in November 2018. We have recently appointed our new Service Manager Carolyn Stobbs. We are very much looking forward to having Carolyn on board to help us continue to bring our vision and mission to fruition.

In February this year we took a group of our service users away to the Hawke's Bay for a summer camp. It was four days of sunshine, laughter and fun enjoying the Splash Planet pool complex and other attractions the city has to offer. Our team went to the Napier Aquarium and also had the opportunity to visit the Honey Hives where Manuka Honey is made. We were hosted by Kennedy Park which has fantastic facilities including the big jumping pillow, a swimming pool and an adventure playground. There was much fun had by all and it was a great way to finish off the summer before the colder months set in!

We have continued with our adventure outing days including a few visits to the Waikanae Equestrian Centre for horse riding and another Brookfield Scout Camp with the crew from Ignite Sports. It has been fantastic to see the development of skills with both of these activities. Particularly with the Brookfield days, we have seen huge leaps in confidence with our members each time we head out there, with wonderful relationships being formed between the Ignite staff members and our guys.

Our Drama group has been busy with some big projects including making the Coconuts movie last year. This was a huge undertaking in which the drama group participants managed every aspect of the creative process. The finished film is fantastic and a real testament to everyone's dedication to the project. If you haven't seen the Coconuts film yet, you can find the link on our website under the Our Programme page. There is also a link to the communication film made with our Communication In Action Group and Shannon Hennig.

We have continued with our community contributions through our Meals on Wheels work and various volunteering placements. We've had a couple of our members do voluntary work at Neko Ngeru Cat Café in Petone which has been a lot of fun. We have also done regular work for the Hutt City Council helping them to distribute information relating to upcoming events such as the Hutt Winter Festival. It's great to be able to help and give back to our community and we are pleased to support organisations that have been big supporters of us over the years. Thank you to the various businesses and organisations that have opened their doors and invited us in, it's been great to work with you all!

Overall, despite the challenges of changing management, we have been able to have a fun-filled, busy and interesting year. There have been many endings and plenty of new beginnings over the year and we are excited to see where these lead us in the coming twelve months. Thank you to everyone who has supported us through our various projects and events over the year. Thank you to the staff of Thumbs Up who continue to inspire and encourage our members to live out the mission of leading a full and fulfilling life, and to our fantastic volunteers. It's been a real team effort and everyone has played their part to keep everything ticking along well. Thank you to all our members who arrive every day with a smile on their face ready to take on the world! It's been a great year… here's to another!

Jill Westenra and Briany Howes

Grants and Donations

Please note that this section is not part of the financial statements and should not be read as part of them.

We are extremely grateful to the following organisations and individuals that have supported Thumbs Up Charitable Trust this past year; without you we would not be able to provide the Service to our people.

Funds received between 1 July 2018 and 30 June 2019

Ministry of Social Development (Service contracts)	**$238,396**	**ANZ Staff Foundation** (Inclusive Communication)	**$7,000**
ACC (Support contracts)	**$164,016**	**Infinity Foundation** (Repairs to roof)	**$5,000**
Winton and Margaret Bear Charitable Trust (Music therapy)	**$2,500**	**IHC Hutt Valley Association** (Hawke's Bay camp)	**$2,000**
Rehabilitation Welfare Trust (Hawke's Bay camp)	**$1,000**	**TG Macarthy Trust** (Music therapy)	**$7,500**
Hutt City Council Creative Community (Naturally Creative You)	**$1800**		

Supporters providing services to Thumbs Up

We also are very grateful to the following:

Neil Potter - PC Patch
Computer support

Jo Young - Petone Physiotherapy
Physiotherapy Bend and Stretch sessions for participants

Sandy Jamison - HR at Work
HR support

Trevor Lacey – volunteer
Building maintenance

Avenue Service Station
Vehicle maintenance

Fine Signs
Sign writing

Vertia Solutions
Printing

Daniel Otter-Kennedy, Walter Bunker, Robert Gibb, David Schutz, Kane Prince, Marion Waswo and Charles Visser
Support volunteers

Statement of Financial Performance
For the year ended 30 June 2019

	Account	Notes	2019	2018
Revenue				
	Donations, fundraising and other similar revenue			
	Donations received		35,476	36,489
	Fundraising Revenue		4,992	1,000
	Grants		20,207	37,365
	Total Donations, fundraising and other similar revenue		**60,674**	**74,853**
	Fees, subscriptions and other revenue from members	1	105,252	115,609
	Revenue from providing goods or services	1	411,986	404,191
	Interest, dividends and other investment revenue	1	8,959	6,709
	Other revenue	1	865	895
Total Revenue			**587,736**	**602,257**
Expenses				
	Volunteer and employee related costs	2	487,417	500,873
	Costs related to providing goods or service	2	74,193	66,557
	Other expenses	2	35,217	40,353
Total Expenses			**596,826**	**607,783**
	Surplus/(Deficit) for the Year		**(9,090)**	**(5,525)**

Statement of Financial Position
For the year ended 30 June 2019

	Account	Notes	2019	2018
Assets				
	Current Assets			
	Bank accounts and cash	3	118,389	145,770
	Debtors and prepayments	3	37,206	8,487
	Other Current Assets	3	261,130	231,563
	Total Current Assets		**416,725**	**385,821**
	Non-Current Assets			
	Property, Plant and Equipment	5	766,232	791,538
	Total Non-Current Assets		**766,232**	**791,538**
Total Assets			**1,182,957**	**1,177,359**
Liabilities				
	Current Liabilities			
	Creditors and accrued expenses	4	16,142	8,096
	Employee costs payable	4	45,773	32,642
	Unused donations and grants with conditions	4	6,593	0
	Other current liabilities	4	3,500	16,581
	Total Current Liabilities		**72,008**	**57,320**
Total Liabilities			**72,008**	**57,320**
	Total Assets less Total Liabilities (Net Assets)		**1,110,949**	**1,120,039**
Accumulated Funds				
	Accumulated surpluses or (deficits)	6	627,851	676,941
	Reserves	7	483,098	443,098
Total Accumulated Funds			**1,110,949**	**1,120,039**

Statement of Cash Flows
For the year ended 30 June 2019

	Account	2019	2018
Cash Flows from Operating Activities			
	Donations, fundraising and other similar receipts	60,998	68,047
	Fees, subscriptions and other receipts from members	105,415	112,964
	Receipts from providing goods or services	446,977	492,369
	Interest, dividends and other investment receipts	9,547	6,122
	Cash receipts from other operating activities	983	1,024
	GST	(45,706)	(49,002)
	Payments to suppliers and employees	(570,714)	(582,770)
Total Cash Flows from Operating Activities		**7,500**	**48,753**
Cash Flows from Investing and Financing Activities			
	Net Payments to Acquire property, plant and equipment	(710)	(1,646)
	Net proceeds from Investments	(40,000)	(15,000)
	Cash Flows from Other Investing and Financing Activities	5,829	(21,991)
Total Cash Flows from Investing and Financing Activities		**(34,881)**	**(38,636)**
	Net Increase/ (Decrease) in Cash	**(27,381)**	**10,117**
Cash Balances			
	Cash and cash equivalents at beginning of period	145,770	135,653
	Cash and cash equivalents at end of period	118,389	145,770
	Net change in cash for period	**(27,381)**	**10,117**

Statement of Accounting Policies
For the year ended 30 June 2019

Basis of Preparation
The financial statements presented here are for the entity Thumbs Up Charitable Trust ("the Trust"), incorporated under the Charitable Trusts Act 1957 on 20 May 2008. The principal aim of the Trust is to support the intellectually and/or physically disabled beneficiaries of the Trust to lead full active lives in their community, through the process of a day service.

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than $2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)
The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax
Thumbs Up Charitable Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

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

Changes in Accounting Policies
There have been no changes in the accounting policies.

Notes to the Financial Statements
For the year ended 30 June 2019

Account	2019	2018
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Donations Rec'd - Miscellaneous	377	86
Donations Received Members	35,099	36,403
Fundraising - General	4,992	1,000
Grants Received	20,207	37,365
Total Donations, fundraising and other similar revenue	**60,674**	**74,853**
Fees, subscriptions and other revenue from members		
Support Funding (IF)	105,252	115,609
Total Fees, subscriptions and other revenue from members	**105,252**	**115,609**
Revenue from providing goods or services		
Hall Hire	9,574	9,070
Income from ACC	164,016	150,529
MSD Very High Needs Contract	183,196	189,391
MSD Community Participation Contract	55,200	55,200
Total Revenue from providing goods or services	**411,986**	**404,191**
Interest, dividends and other investment revenue		
Interest Income	8,959	6,709
Total Interest, dividends and other investment revenue	**8,959**	**6,709**
Other revenue		
Other Revenue	865	895
Total Other revenue	**865**	**895**
2. Analysis of Expenses		
Volunteer and employee related costs		
Salaries	437,083	444,540
Holiday Pay	2,815	3,562
KiwiSaver Employer Contributions	9,224	7,658
Contract Tutors	38,294	45,112
Total Volunteer and employee related costs	**487,417**	**500,873**
Costs related to providing goods or services		
ACC Levy	3,924	4,177
Cleaning	11,935	9,096
Computer Costs	191	79
Equipment - Sub $500 & Repairs	148	855
General Expenses	732	1,315
Insurance	12,816	10,569
Light, Power, Heating	2,413	2,477
Materials	300	1,776
Mobile Phone Costs	36	224
Motor Vehicle Expenses	8,326	11,726
Printing & Stationery & Postage	2,636	2,191
Professional Development	7,376	4,071
Provisions (Foodstuffs)	2,471	2,132
Rates	767	721
Recruitment	1,180	179
Rent	0	650
Repair & Maint Building	10,284	8,194
Repairs & Maint Fire & Security	1,603	865
Sports & Recreation	2,998	2,408
Subscriptions	1,516	429
Telephone & Internet	1,933	1,985
Travel - National	609	438
Total Costs related to providing goods or services	**74,193**	**66,557**
Other expenses		
Audit fees	3,500	3,500
Bank Fees	160	115
Consulting & Accounting	5,540	1,882
Depreciation	26,017	34,855
Total Other expenses	**35,217**	**40,353**

Account	2019	2018

3. Analysis of Assets

Bank accounts and cash		
ANZ - TU Managers Account	0	949
ASB Current Acct 00	20,545	35,872
ASB Savings Acct 50	97,594	108,699
Petty Cash	250	250
Total Bank accounts and cash	**118,389**	**145,770**
Debtors and prepayments		
Accounts Receivable	36,555	7,900
Debtor Accruals	651	588
Total Debtors and prepayments	**37,206**	**8,487**
Other current assets		
Other Receivables	1,130	11,563
Term Deposits	260,000	220,000
Total Other current assets	**261,130**	**231,563**

4. Analysis of Liabilities

Creditors and accrued expenses		
Accounts Payable	14,101	7,599
GST	2,041	498
Total Creditors and accrued expenses	**16,142**	**8,096**
Employee costs payable		
Employee Entitlement	35,458	32,642
Wages Payable - Payroll	10,316	0
Total Employee costs payable	**45,773**	**32,642**
Unused donations and grants with conditions		
Grants in advance	6,593	0
Total Unused donations and grants with conditions	**6,593**	**0**
Other current liabilities	3,500	16,581

5. Property, Plant and Equipment

Land		
Land at cost	320,000	320,000
Total Land	**320,000**	**320,000**
Buildings		
Buildings at cost	464,377	464,377
Accumulated depreciation - buildings	(71,480)	(59,871)
Total Buildings	**392,896**	**404,506**
Motor Vehicles		
Vehicles owned	118,381	118,381
Accumulated depreciation - vehicles owned	(70,030)	(57,942)
Total Motor Vehicles	**48,351**	**60,439**
Furniture and Fittings		
Furniture and fittings owned	18,750	18,040
Accumulated depreciation - furniture and fittings owned	(16,730)	(15,103)
Total Furniture and Fittings	**2,020**	**2,937**
Plant and Equipment		
Plant and machinery owned	14,213	14,213
Accumulated depreciation - plant and machinery owned	(12,227)	(11,779)
Total Plant and Equipment	**1,987**	**2,434**
Other Fixed Assets		
Owned fixed assets	2,485	2,485
Accumulated depreciation - fixed assets owned	(1,507)	(1,263)
Total Other Fixed Assets	**977**	**1,222**
	766,232	**791,538**

Significant Donated Assets Recorded: Nil

Significant Donated Assets – Not Recorded: Nil

Account	2019	2018
6. Accumulated Funds		
Accumulated Funds		
Opening Balance	1,120,039	1,125,564
Accumulated surpluses or (deficits)	(49,090)	(25,525)
Reserves	40,000	20,000
Total Accumulated Funds	1,110,949	1,120,039

Account	2019	2018
7. Breakdown of Reserves		
Reserves		
Asset Revaluation Reserve	223,098	223,098
Operating Reserve	260,000	220,000
Total Reserves	483,098	443,098

The operating reserve has a purpose of keeping the trust operating in case there is a change in funding climate. The aim of the operating reserve is to voer the operating costs of half a year.

8. Commitments
There are no commitments as of 30 June 2019 (before last year – nil)

9. Contingent Liabilities
There are no contingent liabilities or guarantees as of 30 June 2019 (before last year – nil)

10. Related Parties
There were no related party transactions.

11. Events after the Balance Date
There were no events that have occurred after the balance date that would have a material impact on the Performance report (last year – nil)

12. Ability to Continue Operating
The entity will continue to operate for the forseeable future.

Approval of Financial Report
For the year ended 30 June 2019

The Board of Thumbs Up Trust is pleased to present the approved financial report including the historical financial statements of Thumbs Up Charitable Trust for year ended 30 June 2019.

Approved

Rose Chadwick

Richard Bialy, Chairperson

17 September 2019

Rose Chadwick, Treasurer

17 September 2019

Thumbs Up Charitable Trust - Grants 2018-2019

Funder Grants	**Purpose**	**Brought Fwd Last Year ($)**	**Received in 2018-2019 ($)**	**Disbursed in 2018-2019 ($)**	**Brought Fwd Next Year ($)**
ANZ Staff Foundation	Communication		7000	1157.35	5842.65
Hutt City Council-Creative Community	Naturally Creative You		1800	1050.00	750
Winton and Margaret Bear	Music Therapy		2500	2500	
TG Macarthy	Music Therapy		7500	7500	
IHC Hutt Valley Association	Hawke's Bay Camp		2000	2000	
Infinity Foundation	Repair of roof		5000	5000	
Rehabilitation Welfare Trust	Hawke's Bay camp		1000	1000	
Total			**$26,800**	**$20,207**	**$6592**

Independent Auditor's Report

Thumbs Up Charitable Trust - For the year ended 30 June 2019

Opinions

We have audited the accompanying performance report of the Thumbs Up Charitable Trust ("the Trust") on pages 1 to 18, which comprises the entity information, statement of service performance, statement of financial performance and statement of cash flows for the year ended 30th June 2019, the statement of financial position as at 30th June 2019, and the statement of accounting policies, and other explanatory information.

Opinion on Financial Position, Entity Information and Service Performance

In our opinion:

(a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable; The performance report on pages 1 to 18 gives a true and fair view of:

- the financial position of Thumbs Up Charitable Trust as at 30th June 2019;
- the entity information for the year then ended; and
- the service performance for the year then ended

in accordance with the requirements of Public Benefit Entity Simple Format Reporting Standard – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board.

Qualified opinion on financial performance and cash flows

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the performance report on pages 1 to 18 gives a true and fair view of the financial performance and cash flows of Thumbs Up Charitable Trust for the year ended 30th June 2019 in accordance with the requirements of Public Benefit Entity Simple Format Reporting Standard – Accrual (Not-For-Profit).

Basis for Qualified Opinion

In common with similar organisations control over cash revenues such as donations prior to being recorded is limited and there are no practical audit procedures to determine the effect of that limited control.

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the performance report is free from material misstatement.

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

Restriction on Responsibility

This report is made solely to the Members, as a body, in accordance with section 42F of the Charities Act 2005. Our audit work has been undertaken so that we might state to the Members 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 Members as a body, for our audit work, for this report, or for the opinions we have formed.

Board's Responsibility for the Performance Report

The Board is responsible on behalf of the entity for:

a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
b) the preparation and fair presentation of the performance report which comprises:
    - the entity information;
    - the statement of service performance; and
    - the statement of financial performance, statement of financial position, statement of changes in equity, statement of cash flows, statement of accounting policies and notes to the performance report

    in accordance with the Public Benefit Entity Simple Format Reporting Standard – Accrual (Not-For-Profit), and
c) for such internal control as the Board determines is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report 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) 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 this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.

- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

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

DJ Turner & Associates
Chartered Accountants
Wellington, NZ
19th September 2019

Thumbs Up Board of Trustees

Thumbs Up Staff