



Community Housing
Nga Wharerau o Aotearoa

Consolidated
Performance
Report

For

2019/20

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Entity Information

Community Housing Aotearoa Incorporated
For the year ended 30 June 2020

Legal Name of Entity

Community Housing Aotearoa Incorporated

Entity Type and Legal Basis

CHA is registered under the Incorporated Societies Act 1908, is a public benefit entity, and is registered with Charities Services under the Charities Act 2005.

Incorporation Numbers

Incorporated Society # 1583033

Charity # CC36095

Entity's Purpose or Mission

CHA is a peak body for New Zealand's Community Housing sector.

Our vision is All New Zealanders well-housed, and our mission is to support the growth and development of community housing by providing sector leadership and building capacity.

CHS is a specialist housing consultancy which assists its charitable clients and local governments with a range of assignments in relation to social, affordable and community housing. CHS was formed by Community Housing Aotearoa (CHA) to separate its general member services from specialised consultancy services provided to members and other parties.

Entity Structure

CHA is governed by a nine- member Council, with five of the members elected from the membership at the AGM.

One member is appointed by Te Matapihi Mo Te Iwi Tirohanga Trust (the peak body for the Maori housing sector), and up to three members can be seconded by the Council based on a skills need assessment.

CHA is managed by a CEO, with 5 staff in offices in Wellington and Auckland.

Main Source of the Entity's Cash & Resources

CHA secures its funding through contracts with central and local government, membership fees, fee for service work with members, and philanthropic grants.

Main Methods Used by the Entity to Raise Funds

CHA secures its funding through contracts with central and local government, membership fees, fee for service work with members, and philanthropic grants.

Entity's Reliance on Volunteers and Donated Goods or Services

Governance is through the Council which is comprised of volunteers; we receive occasional donated goods and services.

Additional Info

CHA Council

Bernie Smith (Chair)

Greg Orchard (Treasurer)

Victoria Carroll

Nic Greene

Cate Kearney

Yvonne Wilson

Anne Huriwai

Postal Address

PO Box 11543,
Manners St,
Wellington 6142

Approval of Performance Report

Community Housing Aotearoa Incorporated

For the year ended 30 June 2020

The Council are pleased to present the approved performance report including the historical financial statements of Community Housing Aotearoa Incorporated / Community Housing Solutions Ltd for the year ended 30 June 2020.

APPROVED

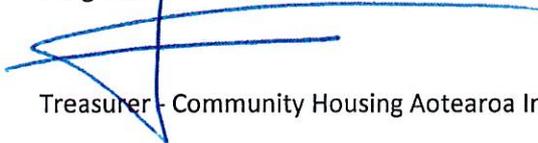


Bernie Smith

Chair - Community Housing Aotearoa Inc

Date 25/11/2020

Greg Orchard



Treasurer - Community Housing Aotearoa Inc

Date 25/11/2020

Scott Figneshow



Director - Community Housing Solutions Ltd

Date 26/11/2020

Statement of Service Performance

Community Housing Aotearoa Incorporated

For the year ended 30 June 2020

Statement of Service Performance 2019-2020

Community Housing Aotearoa worked to implement and engage with the actions contained in its 2019-2022 Strategic Plan to see 'All New Zealanders well-housed'.

A responsive housing system

Meeting housing needs across the continuum and retaining investment to benefit communities across generations.

	2020	2019
Policy Submissions	6	7
Participation on task forces	0	6
Local government members	3	3

Quality providers delivering better resident and community outcomes

Community housing providers are delivering quality services against benchmarked practice, working in partnership with residents to create sustainable, flourishing communities.

	2020	2019
Number of members	109	125
Membership renewal rate	80%	88%
Newsletters delivered	31	23
Newsletter subscribers	860	739
2020 Covid zoom meetings/2019: Training events held	28	4
2020: Covid organisations participating	88	0
2020: Covid participants/2019: Training event participants	330	125
The Shift Aotearoa Conference participants	0	330
The Shift Aotearoa Conference satisfaction	0.00%	91.60%
Networks supported	4	4
Network members	89	78
Member Satisfaction % very and somewhat satisfied	78%	0

Increased supply of adequate homes

Increased rental and home ownership choices where housing costs are around 30% of household income and where community housing plays an important role in 'All New Zealanders well-housed'.

	2020	2019
New supply added	557	167
Overall units reported	14,321	13,764
Number of organisations reporting	52	52

Community Housing Solutions Limited

For the 15 months ended 30 June 2020

Description of Entity's Outcomes

CHS engages with clients who are typically charities providing social and affordable homes or local governments seeking advice and support to enable delivery of social and affordable homes in their communities. The outcome is that families experiencing homelessness and low income households will have greater opportunities to secure affordable homes from the work completed. We achieve this through four outputs: 1) local housing needs assessments; 2) Housing Policy or strategy delivery; 3) assisting organisations to become registered with the Community Housing Regulatory Authority to access government funding, and 4) delivery of bespoke housing advice as needed.

Description and Quantification of the Entity's Outputs	2020	2019
Local / regional Housing Needs Assessments delivered (# region/city)	3	0
Housing Policy or Strategy delivered (# Policy or strategy documents)	1	5
CHRA Registration advice delivered (# organisations)	3	2
Other advice delivered (# organisations)	2	1

Consolidated Statement of Financial Performance

Community Housing Aotearoa Incorporated

For the year ended 30 June 2020

Community Housing Solutions Limited

For the 15 months ended 30 June 2020

Account	Notes	2020	2019
Revenue			
Donations, fundraising and other similar revenue	1	1,150,000	875,000
Fees, subscriptions and other revenue from members	1	72,199	43,234
Revenue from providing goods or services	1	172,932	175,388
Interest, dividends and other investment revenue	1	1,379	1,694
Other revenue	1	5,932	128,113
Total Revenue		1,402,443	1,223,429
Expenses			
Volunteer and employee related costs	2	912,171	592,835
Costs related to providing goods or service	2	463,702	368,108
Other expenses	2	8,310	9,760
Total Expenses		1,384,183	970,703
Surplus/(Deficit) for the Year		18,260	252,726

Consolidated Statement of Financial Position

Community Housing Aotearoa Incorporated

Community Housing Solutions Limited

As at 30 June 2020

Account	Notes	30-Jun-20	30-Jun-19
Assets			
Current Assets			
Bank accounts and cash	3	499,646	358,086
Debtors and prepayments	3	11,294	93,292
Other Current Assets	3	7,525	0
Total Current Assets		518,465	451,377
Non-Current Assets			
Property, Plant and Equipment	5	4,242	5,526
Other non-current assets	3	17,899	25,864
Total Non-Current Assets		22,141	31,389
Total Assets		540,606	482,766
Liabilities			
Current Liabilities	4	157,081	117,501
Total Liabilities		157,081	117,501
Total Assets less Total Liabilities (Net Assets)		383,524	365,265
Accumulated Funds			
Accumulated surpluses or (deficits)	6	383,524	365,265
Total Accumulated Funds		383,524	365,265

Consolidated Statement of Cash Flows

Community Housing Aotearoa Incorporated

For the year ended 30 June 2020

Community Housing Solutions Limited

For the 15 months ended 30 June 2020

Account	2020	2019
Donations, fundraising and other similar receipts	1,173,000	965,000
Fees, subscriptions and other receipts from members	75,937	50,835
Receipts from providing goods or services	273,836	405,323
Other Revenue	5,932	
Interest	1,379	1,694
Net GST	25,679	
Received from operating activities	1,555,763	1,422,852
Cash was applied to		
Volunteer and employee related costs	889,248	592,835
Payments to suppliers and employees	502,797	653,035
Other Costs	11,812	
Net GST	296	84,670
Cash applied	1,404,153	1,330,540
Net Cash Flows from Operating Activities	151,610	92,312
Cash Flows from Investing and Financing Activities		
Cash was received from		
Proceeds from Loan borrowed from other parties	599	999
Payments to purchase investments	0	212,780
Cash was applied to		
Payments to acquire property, plant and equipment	9,654	6,143
Payments on loans from other parties	995	883
Net Cash Flows from Investing and Financing Activities	-10,050	206,753
Net Increase/ (Decrease) in Cash	141,560	299,065
CHA Cash and cash equivalents at beginning of period	352,242	56,642
CHS Cash and cash equivalents at beginning of period	5,844	(2,378)
Cash and cash equivalents at end of period	499,646	358,086

Statement of Accounting Policies

Community Housing Aotearoa Incorporated

For the year ended 30 June 2020

Basis of Preparation

As Community Housing Aotearoa Incorporated and Community Housing Solutions Limited have aligned Balance Dates and Community Housing Solutions Limited has been accepted as a Registered Charity, Consolidated Accounts have been produced for the 2020 Financial Year as per Charities Services guidelines.

The entity has elected to apply PBE SFR-A (NFP) 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.

Revenue

Revenue is accounted for as follows:

Fees earned

The entity records fees earned in the statement of financial performance (as revenue from providing goods or services) when the services have been delivered. In practice this will normally be when the invoice is issued (if issued on a monthly basis or something similar). Any amounts invoiced but not yet received at balance date are recorded as a debtor in the statement of financial position.

Grants received

Grants received are recognised in operating revenue, unless specific conditions attach to a grant and repayment of the grant is required where these conditions are not met. In these cases, the grant is treated as a liability until the conditions are met.

Interest Income

Interest income is recognised on an accruals basis

Other Income

All other income is accounted for on an accruals basis and accounted for in accordance with the substance of the transaction

Goods & 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

Community Housing Aotearoa Incorporated 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.

Debtors

Debtors are carried at estimated realisable value after providing against debts where collection is doubtful.

Property, Plant & Equipment

Property, Plant and Equipment are recorded at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, at rates that will write off the assets to their estimated residual values over their useful lives. The depreciation rates and useful major classes of assets have been estimated as follows:

- Furniture & Fittings 9.5% - 10.5%

- Office Equipment 39% - 67%

Intangible Assets

Intangible assets are carried at cost less any accumulated amortisation and any accumulated Internally generated intangible assets, excluding capitalised development costs, are not capitalised and is recognised in profit or loss in the year in which the expenditure is incurred.

Intangible assets are amortised on a systematic basis over their useful life and tested for impairment there is an indication that the intangible asset may be impaired. The amortisation period and the intangible asset is reviewed at each financial year end.

Changes in the expected useful life are accounted for by changing the amortisation period for the current and future reporting years. Where no reliable estimate can be determined, the intangible asset will be amortised over 5 years.

Changes in Accounting Policies

The 2020 Performance Report for Community Housing Solutions Ltd changes from Special Purpose to Public Benefit Entity.

The current Performance Report for Community Housing Solutions Ltd covers a 15-month period due to aligning the balance date with Community Housing Aotearoa Inc, it's sole shareholder.

Therefore, comparative amounts for certain statements such as the statement of comprehensive revenue and expense. statement of changes in net assets/equity, cash flow statement, and related notes are not entirely comparable.

Group Notes to the Performance Report

Community Housing Aotearoa Incorporated

For the year ended 30 June 2020

Community Housing Solutions Limited

For the 15 months ended 30 June 2020

Account	2020	2019
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Government (MHUD) Funding	920,000	600,000
Philanthropic Grant Support	230,000	275,000
Total Donations, fundraising and other similar revenue	1,150,000	875,000
Fees, subscriptions and other revenue from members		
Membership	72,199	43,234
Total Fees, subscriptions and other revenue from members	72,199	43,234
Revenue from providing goods or services		
Programme/Contract Revenue	172,932	175,388
Total Revenue from providing goods or services	172,932	175,388
Interest, dividends and other investment revenue		
Interest Income	1,379	1,694
Total Interest, dividends and other investment revenue	1,379	1,694
Other revenue		
CHA Conference	0	127,363
Other Revenue	5,932	750
Total Other revenue	5,932	128,113
Account	2020	2019
2. Analysis of Expenses		
Volunteer and employee related costs		
Employment Expenses	72,363	31,016
Salaries	839,808	561,819
Total Volunteer and employee related costs	912,171	592,835
Costs related to providing goods or services		
Accounting, Audit & Payroll	15,018	16,643
Advertising & Sponsorship	5,000	0
Bank Fees & Insurance	3,255	3,045
Communications, Marketing & Subscriptions	37,884	14,068
Contracted / Consulting Services	230,462	115,178
Legal & Office Expenses	7,421	7,306
Office Rent & Utilities	39,426	38,846
Support Services V & T, Cloud & Telephone	15,185	10,120
Tech Equipment, Web Consulting & Depreciation	14,292	11,431
Training IMPACT Conference	20,622	95,686
Travel, Accommodation & Meeting Expenses	75,137	55,785
Total Costs related to providing goods or services	463,702	368,108
Other expenses		
Preliminary Expenses Written Off	7,965	7,965
Loss on Disposal of Assets	345	1,796
Total Other expenses	8,310	9,760
Account	2020	2019

3. Analysis of Assets

Bank accounts and cash		
Paypal	277	517
Business Performer	264,324	319,563
Kiwibank Business Online Call	184,537	498
Kiwibank Business Edge	14,391	31,663
CHS Main Account	36,116	5,844
Total Bank accounts and cash	499,646	358,086
Debtors and prepayments		
ACHPN Prepaid	0	6,900
RWT & Non-deductibles	655	0
Insurance Prepaid	0	655
Accounts Receivable	5,162	90,916
Conference Accrual	0	(10,053)
Rent Prepaid	2,149	2,117
Subscriptions prepaid	2,125	2,550
Travel Prepaid	1,202	207
Total Debtors and prepayments	11,294	93,292
Other current assets		
Website WIP	7,525	0
Total Other current assets	7,525	0
Other non-current assets		
CHS Ltd Intangibles	16,823	24,788
Loan to Ranchhod Tower	796	796
Logo	280	280
Total Other non-current assets	17,899	25,864
Account	2020	2019

4. Analysis of Liabilities

Creditors and accrued expenses		
Accounts Payable	43,650	58,066
GST	41,694	17,413
Audit/Accounting/Valuation Fee Accrual	8,453	3,500
Valuation Accrual	0	0
Holiday Pay Accrual	56,887	33,964
Kiwibank Mastercard	4,392	3,694
BNZ Visas	1,540	0
Rounding	0	2
Total Creditors and accrued expenses	156,616	116,639
Loans		
Equipment Purchases Financed	3,747	3,148
Equipment Purchases Payments	(3,282)	(2,286)
Total Loans	466	862
Account	2020	2019

5. Property, Plant and Equipment

Furniture and Fittings		
Furniture and fittings owned	6,130	6,130
Accumulated depreciation - furniture and fittings owned	(4,762)	(4,547)
Total Furniture and Fittings	1,369	1,583
Plant and Equipment		
Plant and machinery owned	26,515	30,611
Accumulated depreciation - plant and machinery owned	(23,641)	(26,669)
Total Plant and Equipment	2,874	3,942
Total Property, Plant and Equipment	4,242	5,526
Account	2020	2019

6. Accumulated Funds

Accumulated Funds		
Opening Balance - CHA	314,954	354,820
Opening Balance - CHS	50,311	(242,281)
Accumulated surpluses or (deficits)	18,260	252,726
Total Accumulated Funds	383,524	365,265
Total Accumulated Funds	383,524	365,265

7. Commitments

Non-cancellable leases

CHA has the following non-cancellable property leases: -

A share of offices at Level 11, Ranchhod Tower, 39 The Terrace, Wellington

	2020	2019
Less than 1	25,399	25,399
Between 1 - 2 Years	25,399	25,399
Between 2 - 5 Years	25,399	25,399
TOTAL	76,197	76,197

The Society jointly shares office premises as co-members with other tenants under Ranchhod Tower Community Cluster Level 11 Incorporated at an annual rental share of 59.10% (\$25,399 plus GST). The lease is for 5 years, plus 2 rights of renewal of 3 years each, and the expiry date is 30 September 2029.

8. Related Parties

Community Housing Aotearoa Inc. is an Incorporated Society with members throughout New Zealand. Accordingly, Community Housing Aotearoa Inc. will be related to any transactions with these members. Community Housing Aotearoa Inc. is the sole shareholder of Community Housing Solutions Limited. Community Housing Aotearoa Inc. has a contract with CHS Ltd to provide staffing to fulfill CHS Ltd's contracts with its' clients.

Community Housing Aotearoa Inc also provides office facilities at no cost to CHS Ltd.

Community Housing Aotearoa Inc staff also use CHS Limited issued credit cards for travel purposes.

These charges are then reimbursed to Community Housing Aotearoa Inc within the month.

Account	2020	2019
	1 July - 30 June	1 July - 30 June
Sales/Purchases		
Staff Hours	\$30,765.00	\$92,185.00

9. Events After the Balance Date

The performance report has been prepared based upon conditions that existed at 30 June 2020 and considering those events occurring subsequent to that date. The Council has considered the impact of the Covid- 19 pandemic and have determined that no adjustments be made to the performance report and it does not foresee any issues affecting the going concern assumption.

The Council will continue to monitor the impact of COVID-19 on the Association but at the date of signing this report the Council does not believe the Association has been or will be adversely financially affected by the pandemic. (2019 - Nil).

There are no other significant events after the balance date.

10. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

Independent Auditor's Report

To the Members of Community Housing Aotearoa Incorporated

Report on the Consolidated Performance Report

Opinion

We have audited the accompanying consolidated performance report of the Community Housing Aotearoa Incorporated and its subsidiaries ("the Group") on pages 1 to 14, which comprises the entity information, statement of service performance, consolidated statement of financial performance and statement of cash flows for the year ended 30 June 2020, the consolidated statement of financial position as at 30 June 2020, and the statement of accounting policies, and other explanatory information.

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;
- (b) The Consolidated Performance Report on pages 1 to 14 fairly presents:
 - the financial position of Community Housing Aotearoa Incorporated as at 30 June 2020;
 - the financial performance and cashflows for the year then ended;
 - the entity information for the year then ended; and
 - the service performance for the year then ended

and is prepared, in all material respects, 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.

Basis for Opinion

We conducted our audit of the consolidated statement of financial performance, consolidated statement of financial position, consolidated statement of cash flows, statement of accounting policies and notes to the consolidated 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 Consolidated Performance Report is free from material misstatement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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.

Independent Auditor's Report (Contd.)

Council's Responsibility for the Consolidated Performance Report

The Council 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 consolidated performance report which comprises:
 - the entity information;
 - the statement of service performance; and
 - the consolidated statement of financial performance, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows, statement of accounting policies and notes to the Consolidated 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 Council determines is necessary to enable the preparation of the Consolidated Performance Report that is free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Performance Report, the Council is responsible for assessing the Group'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 Council either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Consolidated Performance Report

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated 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:

- ① Identify and assess the risks of material misstatement of the Consolidated 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.
- ② 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.
- ③ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report (Contd.)

- ④ Conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Consolidated 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 Group to cease to continue as a going concern.
- ④ Evaluate the overall presentation, structure and content of the Consolidated Performance Report, including the disclosures, and whether the Consolidated Performance Report represents the underlying transactions and events in a manner that achieves fair presentation.
- ④ 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 Council 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
17th November 2020