



Community Housing Aotearoa
Nga Wharerau o Aotearoa

Consolidated 2021
Audited Accounts

Prepared by
Dent and Heath
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Community Housing Aotearoa Incorporated Consolidated

Opinion

We have audited the accompanying consolidated performance report of Community Housing Aotearoa Incorporated Consolidated and its subsidiaries (the Group) on pages 5 to 17, which comprises the entity information, the consolidated statement of service performance, the consolidated statement of financial performance and consolidated statement of cash flows for the year ended 30 June 2021, the consolidated statement of financial position as at 30 June 2021, 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 consolidated statement of service performance are suitable;
b) the consolidated performance report on pages 5 to 17 presents fairly, in all material respects:

- the entity information for the year ended 30 June 2021;
- the consolidated service performance for the year then ended; and
- the consolidated financial position of Community Housing Aotearoa Incorporated Consolidated as at 30 June 2021, and its consolidated financial performance, and consolidated cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

Basis for Opinion

We conducted our audit of the statement of consolidated 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) (ISAs (NZ)), and the audit of the entity information and consolidated statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Performance Report section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 'International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)' 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 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.

Council' Responsibility for the Consolidated Performance Report

The Council are responsible on behalf of the group 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 consolidated statement of service performance;

(b) the preparation and fair presentation of the consolidated performance report which comprises:

- the entity information;
- the consolidated statement of service performance; and
- the consolidated statement of financial performance, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of accounting policies and notes to the consolidated performance report

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

(c) for such internal control as the Council determine is necessary to enable the preparation of a consolidated performance report that is free from material misstatement, whether due to fraud or error.

In preparing the consolidated performance report, the Council are responsible on behalf of the group 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 intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities 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 decisions of users taken on the basis of this consolidated performance report.

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

- 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.

- 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 group'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 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.
- 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.
- 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.

A handwritten signature in blue ink, appearing to read "Dent and Heath".

Dent and Heath
Lower Hutt
23 November 2021

Entity Information

Community Housing Aotearoa Incorporated Consolidated Accounts For the year ended 30 June 2021

Legal Name of Entity

Community Housing Aotearoa Incorporated (parent)

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 the 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 8 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)

Nic Greene

Cate Kearney

Yvonne Wilson

Gaby Clezy

Craig Thomson

Anne Huriwai

Postal Address

PO Box 11543,
Manners St,
Wellington 6142

Approval of Financial Report

Community Housing Aotearoa Incorporated Consolidated Accounts For the year ended 30 June 2021

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 2021.

APPROVED



Bernie Smith

Chair - Community Housing Aotearoa Inc

Date 23/11/2021



Greg Orchard

Treasurer - Community Housing Aotearoa Inc

Director - Community Housing Solutions Ltd

Date 23 November 2021

Statement of Service Performance

Community Housing Aotearoa Incorporated Consolidated Accounts For the year ended 30 June 2021

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.

	2021	2020
Policy Submissions	5	6
Participation on task forces	0	0
Local government members	4	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.

	2021	2020
Number of members	105	109
Membership renewal rate	86%	80%
Newsletters delivered	27	31
Newsletter subscribers	1,269	860
2021: Training events / 2020: Covid zoom meetings	25	28
2021: Training events / 2020: Covid organisations participating	422	88
2021: Training events / 2020: Covid participants	552	330
Networks supported	7	4
Network members	217	89
Member Satisfaction % very and somewhat satisfied	85%	78%

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'.

	2021	2020
New supply added	664	557
Overall units reported	16,582	14,321
Number of organisations reporting	60	52

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	2021	01-Apr-19 30-Jun-20
Local / regional Housing Needs Assessments delivered (# region/c	1	3
Housing Policy or Strategy delivered (# Policy or strategy documen	3	1
CHRA Registration advice delivered (# organisations)	1	3
Other advice delivered (# organisations)	0	2

Consolidated Statement of Financial Performance

Community Housing Aotearoa Incorporated
For the year ended 30 June 2021

Account	Notes	2021	2020
Revenue			
Donations, fundraising and other similar revenue	1	1,300,000	1,150,000
Fees, subscriptions and other revenue from members	1	68,989	72,199
Revenue from providing goods or services	1	162,386	172,932
Interest, dividends and other investment revenue	1	969	1,379
Other revenue	1	3,000	5,932
Total Revenue		1,535,344	1,402,443
Expenses			
Volunteer and employee related costs	2	921,004	912,171
Costs related to providing goods or service	2	365,420	463,702
Other expenses	2	7,965	8,310
Total Expenses		1,294,389	1,384,183
Surplus/(Deficit) for the Year		240,955	18,260

Consolidated Statement of Financial Position

Community Housing Aotearoa Incorporated
For the year ended 30 June 2021

Account	Notes	30-Jun-21	30-Jun-20
Assets			
Current Assets			
Bank accounts and cash	3	466,357	499,646
Debtors and prepayments	3	278,318	11,294
Other Current Assets	3	27,825	7,525
Total Current Assets		772,500	518,465
Non-Current Assets			
Property, Plant and Equipment	5	1,664	4,242
Other non-current assets	3	9,935	17,899
Total Non-Current Assets		11,599	22,141
Total Assets		784,099	540,606
Liabilities			
Current Liabilities	4	160,275	157,081
Total Liabilities		160,275	157,081
Total Assets less Total Liabilities (Net Assets)		623,824	383,524
Accumulated Funds			
Accumulated surpluses or (deficits)	6	623,824	383,524
Total Accumulated Funds		623,824	383,524

Consolidated Statement of Cash Flows

Community Housing Aotearoa Incorporated

For the year ended 30 June 2021

Account	2021	2020
Cash Flows from Operating Activities		
Cash was received from		
Donations, fundraising and other similar receipts	1,100,000	1,173,000
Fees, subscriptions and other receipts from members	68,564	75,937
Receipts from providing goods or services	113,958	273,836
Other Revenue	3,000	5,932
Interest	969	1,379
Net GST		25,679
Received from operating activities	1,286,491	1,555,763
Cash was applied to		
Volunteer and employee related costs	898,500	889,248
Payments to suppliers and employees	400,212	502,797
Other Costs	0	11,812
Net GST	4,811	296
Cash applied	1,303,523	1,404,153
Net Cash Flows from Operating Activities	-17,032	151,610
Cash Flows from Investing and Financing Activities		
Cash was received from		
Proceeds from Loan borrowed from other parties	5,395	599
Payments to purchase investments	0	0
Cash was applied to		
Payments to acquire property, plant and equipment	20,300	9,654
Payments on loans from other parties	1,352	995
Net Cash Flows from Investing and Financing Activities	-16,257	-10,050
Net Increase/ (Decrease) in Cash	(33,289)	141,560
Bank Balances		
Opening Balance	499,646	358,086
Closing Balance	466,357	499,646
Net Movement	(33,289)	141,560

Consolidated Statement of Accounting Policies

Community Housing Aotearoa Incorporated

For the year ended 30 June 2021

Basis of Preparation

These are consolidated accounts incorporate Community Housing Aotearoa Incorporated (Parent) and Community Housing Solutions Limited (Subsidiary) as Community Housing Solutions is wholly owned by Community Housing Aotearoa Incorporated.

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.

Basis of Consolidation

Controlled entities

Controlled entities are those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from that entity's activities. The financial statements of the group's controlled entity are included in the consolidated financial statements from the date that control commences until the date that control ceases. The financial statements of the controlled entity are prepared for the same reporting period as the controlling entity, using consistent accounting policies.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Comparatives

The comparative figures for 2020 include a 15 month period from 1 April 2019 to 30 June 2020 for Community Housing Solutions Limited in order to align their balance date with the Parent entity.

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 impairment. 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 whenever there is an indication that the intangible asset may be impaired. The amortisation period and the method for an 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

There have been no changes in accounting policies for the year.

Consolidated Notes to the Performance Report

Community Housing Aotearoa Incorporated

For the year ended 30 June 2020

Account	2021	2020
1. Analysis of Revenue		
Donations, fundraising and other similar revenue		
Government (MHUD) Funding	1,100,000	920,000
Philanthropic Grant Support	200,000	230,000
Total Donations, fundraising and other similar revenue	1,300,000	1,150,000
Fees, subscriptions and other revenue from members		
Membership	68,989	72,199
Total Fees, subscriptions and other revenue from members	68,989	72,199
Revenue from providing goods or services		
Programme/Contract Revenue	162,386	172,932
Total Revenue from providing goods or services	162,386	172,932
Interest, dividends and other investment revenue		
Interest Income	969	1,379
Total Interest, dividends and other investment revenue	969	1,379
Other revenue		
CHA Conference	0	0
Other Revenue	3,000	5,932
Total Other revenue	3,000	5,932
Account	2021	2020

2. Analysis of Expenses

Volunteer and employee related costs		
Employment Expenses	79,734	72,363
Salaries	841,270	839,808
Total Volunteer and employee related costs	921,004	912,171
Costs related to providing goods or services		
Accounting, Audit & Payroll	13,523	15,018
Advertising & Sponsorship	0	5,000
Bank Fees & Insurance	3,185	3,255
Communications, Marketing & Subscriptions	74,056	37,884
Contracted / Consulting Services	142,861	230,462
Legal & Office Expenses	11,656	7,421
Office Rent & Utilities	42,283	39,426
Support Services V & T, Cloud & Telephone	6,925	15,185
Tech Equipment, Web Consulting & Depreciation	13,881	14,292
Training IMPACT Conference	3,021	20,622
Travel, Accommodation & Meeting Expenses	54,029	75,137
Total Costs related to providing goods or services	365,420	463,702
Other expenses		
Preliminary Expenses Written Off	7,965	7,965
Loss on Disposal of Assets	0	345
Total Other expenses	7,965	8,310
Account	2021	2020

3. Analysis of Assets

Bank accounts and cash		
Paypal	2,990	277
Business Performer	254,160	264,324
Kiwbank Business Online Call	185,252	184,537
Kiwbank Business Edge	3,917	14,391
CHS Main Account	20,038	36,116
Total Bank accounts and cash	466,357	499,646
Debtors and prepayments		
RWT & Non-deductibles	0	655
Accounts Receivable	253,590	5,162
Conference Accrual	20,000	0
Rent Prepaid	2,178	2,149
Subscriptions prepaid	2,550	2,125
Travel Prepaid	0	1,202

These accounts must be read in conjunction with the attached Notes to the Accounts and Audit Report



Total Debtors and prepayments	278,318	11,294
Other current assets		
Website WIP	27,825	7,525
Total Other current assets	27,825	7,525
Other non-current assets		
CHS Ltd Intangibles	8,859	16,823
Loan to Ranchhod Tower	796	796
Logo	280	280
Total Other non-current assets	9,935	17,899

Account	2021	2020
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4. Analysis of Liabilities

Creditors and accrued expenses		
Accounts Payable	33,842	43,650
GST	36,883	41,694
Audit/Accounting/Valuation Fee Accrual	5,500	8,453
Meeting Room Accrual	120	0
Holiday Pay Accrual	60,740	56,887
Kiwibank Mastercard	(1,000)	4,392
BNZ Visas	1,030	1,540
Total Creditors and accrued expenses	137,115	156,615
Employee costs payable		
Wages Payable	18,651	0
Total Employee Costs Payable	18,651	0
Loans		
Equipment Purchases Financed	9,143	3,747
Equipment Purchases Payments	(4,634)	(3,282)
Total Loans	4,509	466

Account	2021	2020
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5. Property, Plant and Equipment

Furniture and Fittings		
Furniture and fittings owned	6,130	6,130
Accumulated depreciation - furniture and fittings owned	(4,976)	(4,762)
Total Furniture and Fittings	1,154	1,369
Plant and Equipment		
Plant and machinery owned	26,515	26,515
Accumulated depreciation - plant and machinery owned	(26,004)	(23,641)
Total Plant and Equipment	510	2,874

Total Property, Plant and Equipment	1,664	4,242
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Account	2021	2020
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6. Accumulated Funds

Accumulated Funds		
Opening Balance	383,524	365,264
Prior Period Adjustment	-655	0
Accumulated surpluses or (deficits)	240,955	18,260
Total Accumulated Funds	623,824	383,524

Total Accumulated Funds	623,824	383,524
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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

	2021	2020
Less than 1 Year	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	2021 1 July - 30 June	2020 1 April - 30 June
Sales/Purchases		
Staff Hours	\$40,650	\$30,765

9. Events After the Balance Date

The performance report has been prepared based upon conditions that existed at 30 June 2021 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.
(2020:Nil)

10. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

