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# Champion Foundation Trust Performance Report

For the year ended 30 June 2019

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The Champion Centre  
Tamariki Toiora

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## Champion Foundation Trust Entity Information

**Legal Name:** Champion Foundation Trust

**Type:** Registered Charitable Trust

**Registration Number:** CC39895

**Purpose or Mission:**

To benefit children with developmental delay or physical disabilities that compromise their development, and requiring early intervention.  
We aim to give financial assistance to providers of services such as The Champion Centre.

**Structure:**

Charitable Trust, affiliated to The Champion Centre (Christchurch Early Intervention Trust).

The Trust Deed states that there will be no less than three (3) nor more than eight (8) trustees of which one (1) shall be appointed by the Christchurch Early Intervention Trust from time to time. Trustees are appointed for a four (4) year term. A Chairperson is elected from the Trustees.

**Main Sources of Cash and Resources:** Interest, donations, gifts and bequests.

**Main Methods Used to Raise Funds:** Donations requests and various fundraising activities.

**Reliance on Volunteers:**

The Trust relies on gifts of volunteer time and expertise to complete work in many essential roles such as governance, fundraising, administration and accounting.

Total voluntary hours per year are estimated to be 500 hours per annum. This is approximately 5:1 ratio to paid employee hours per year

**Physical Address:** c/- Burwood Hospital  
300 Burwood Road  
Christchurch 8083

**Postal Address:** Burwood Hospital  
Private Bag 4708  
Christchurch 8140

**Contact and Phone:** Celia Barker +64 27 561 3249

**Website:** [www.championfoundation.co.nz](http://www.championfoundation.co.nz)



The Champion Centre  
Tamariki Toiora

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## Champion Foundation Trust Statement of Service Performance For the Year Ended 30 June 2019

### Outcomes that the trust is seeking to achieve:

1. Build a capital fund of over \$5,000,000, invested judiciously, the income from which is used to fund shortfalls in operating budgets at The Champion Centre.
2. Undertake various fundraising events each year, the number of which is to be determined by the fundraising committee.
3. Investigate additional sources of funding (e.g. Government Ministries) to gain extra support for the work of The Champion Centre.

### Outcome measures:

1. Amount of the accumulated funds at year end and the amount provided to The Champion Centre. The Trust has accumulated funds of \$1,943,206 (2018 \$1,735,931). The sum of \$45,000 (2018 \$150,000) has been paid to the Champion Centre to assist with operational costs in the current fiscal year.
2. Fund raising events will be measured on both (net) direct receipts and the exposure of potential benefactors to The Champion Centre and to the Trust. Fundraising activities were undertaken this year \$163,031 (2018: \$32,428).
3. Diversity of investments and associated measures of risk. The Treasury Policy has been completed for the board and has been implemented. Investment opportunities with other financial institutions are currently being reviewed.
4. Level of government and community funding received by The Champion Centre. The Trust's role is that of an advisory in this task. Conversations have started at local levels with funding providers and iwi to understanding the cost of services provided, the beneficiaries and what options are available for funding.

## Champion Foundation Trust Statement of Financial Performance For the Year Ended 30 June 2019

	2019	2018
<b>Revenue</b>		
Donations, Fundraising & Other Similar Revenue	342,081	789,651
Revenue from Providing Goods & Services - Earlybird Book Sales	3,080	-
Interest	65,596	36,510
<b>Total Revenue</b>	<b>410,757</b>	<b>826,161</b>
<b>Expenses</b>		
Related to Fundraising	60,570	14,359
Other Expenses	56,675	170,216
Donated Books	10,359	-
Grants Made	75,878	-
<b>Total Expenses</b>	<b>203,482</b>	<b>184,575</b>
<b>Gross Surplus</b>	<b>207,275</b>	<b>641,587</b>
<b>Transfer to Reserves</b>	-	-
<b>Surplus</b>	<b>207,275</b>	<b>641,587</b>

*This statement should be read in conjunction with the Statement of Accounting Policies, Notes to the Performance Report and the Auditor's Report.*



The Champion Centre  
Tāmaki Toiora

## Champion Foundation Trust Statement of Financial Position As at 30 June 2019

	2019	2018
<b>Assets</b>		
<b>Current Assets</b>		
Bank Accounts	51,119	116,256
Debtors and Repayments	25,813	5,355
Inventory	19,606	-
<b>Total Current Assets</b>	<b>96,538</b>	<b>121,611</b>
<b>Non-Current Assets</b>		
Investments	1,850,246	1,661,119
<b>Total Assets</b>	<b>1,946,784</b>	<b>1,782,731</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Creditors & Accrued Expenses	3,578	2,223
Income in Advance	-	44,577
<b>Total Current Liabilities</b>	<b>3,578</b>	<b>46,800</b>
<b>Net Assets</b>	<b>1,943,206</b>	<b>1,735,931</b>
<b>Accumulated Funds</b>		
Accumulated Surplus	1,788,206	1,580,931
Reserves	155,000	155,000
<b>Total Accumulated Funds</b>	<b>1,943,206</b>	<b>1,735,931</b>

Signed: \_\_\_\_\_

*This statement should be read in conjunction with the Statement of Accounting Policies, Notes to the Performance Report and the Auditor's Report.*





The Champion Centre  
Tamariki Toiora

## Champion Foundation Trust Statement of Cash Flows For the Year Ended 30 June 2019

	2019	2018
<b>Cashflow from (to) Operating Activities</b>		
<b>Cash was received from</b>		
Donations, Fundraising & Other Similar Revenue	297,504	834,228
Receipts from Providing Goods & Services	3,080	-
Interest Received	45,138	3,747
	<b>345,722</b>	<b>837,975</b>
<b>Cash was applied to</b>		
Payments to Suppliers	(147,753)	(192,214)
Net GST	1,900	-
Grants Made	(75,878)	-
	<b>(221,731)</b>	<b>(192,214)</b>
<b>Net Cashflows from (to) Operations</b>	<b>123,991</b>	<b>645,761</b>
<b>Cashflows from (to) Investing &amp; Financing Activities</b>		
<b>Cash was received from</b>		
Maturity of Term Deposits	866,402	-
		-
<b>Cash was applied to</b>		
Placement of Term Deposits	(1,055,530)	(800,000)
<b>Net Cash Flows from (to) Investing Activities</b>	<b>(189,128)</b>	<b>(800,000)</b>
<b>Net Increase (decrease) in Cash at Bank</b>	<b>(65,137)</b>	<b>(154,239)</b>
<b>Opening Bank Balance</b>	<b>116,256</b>	<b>270,495</b>
<b>Closing Bank Balance</b>	<b>51,119</b>	<b>116,256</b>

*This statement should be read in conjunction with the Statement of Accounting Policies, Notes to the Performance Report and the Auditor's Report.*



# Champion Foundation Trust

## Statement of Accounting Policies

### For the Year Ended 30 June 2019

#### 1. Basis of Preparation of Performance Report

Champion Foundation Trust 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 of less than \$2,000,000.

#### 2. Measurement Base

Transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report has been prepared on the assumption that the Trust will continue to operate in the foreseeable future.

The Performance Report is presented in New Zealand dollars, rounded to the nearest dollar.

#### 3. Specific Accounting Policies

##### **GST**

During the year the Trust registered for GST on a payments basis. The amounts in the Performance Report have been prepared exclusive of GST. 2018 comparatives are inclusive of GST (if any).

##### **Revenue**

All revenue recorded in the Performance Report is in the year that it is earned. As at balance date there were no donations received that had any conditions that are required to be met by the Trust prior to recognition of revenue (2018 \$44,577). Revenue has been derived from the following activities.

Revenue	2019	2018
Donations	118,480	742,975
Funding	223,601	46,676
Earlybird Book Sales	3,080	-
Interest Received	65,596	36,510
	<b>410,757</b>	<b>826,161</b>

*The Accounting Policies should be read in conjunction with the Notes to the Performance Report.*



## Expenses

All expenses recorded in the Performance Report relate to the year that they were incurred. Expenses are classified into the following activities.

	2019	2018
<b><u>Expenses</u></b>		
Audit Fees	850	1,135
Charities Registration	44	51
Fundraising Expenses	60,570	14,358
General Expenses	1,969	1,583
Recruitment Expenses	-	10,809
Champion Centre Operational Costs	45,000	150,000
Secretarial Services	8,812	6,638
Cost of donated Earlybird books	10,358	-
Grants	75,878	-
	<b>203,482</b>	<b>184,575</b>

## Earlybird Books

During the year the Trust produced a book "Earlybird". \$47,000 funding was received for the production of this book. During the year books were sold and also donated to NICU units around New Zealand. As at balance date the Trust holds books and artwork prints as inventory.

## Income Tax

The entity is exempt from income tax.

## Bank Accounts

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

## 4. Changes in Accounting Policies

The Performance Report is reported as exclusive of GST for this financial year. There have been no other changes in accounting policies during the year under review.

*The Accounting Policies should be read in conjunction with the Notes to the Performance Report.*





## Champion Foundation Trust Notes to the Performance Report For the Year Ended 30 June 2019

### 5. Subsequent Events

There are no events that have occurred after balance date that would significantly affect this Performance Report.

### 6. Accumulated Funds

2019	Accumulated Surplus	Reserves	Total
Balance at Start of Year	1,580,931	155,000	1,735,931
Surplus	207,275	-	207,275
Balance at End of Year	1,788,206	155,000	1,943,206

2018	Accumulated Surplus	Reserves	Total
Balance at Start of Year	939,343	155,000	1,094,343
Surplus	641,587	-	641,587
Balance at End of Year	1,580,931	155,000	1,735,931

### 7. Donated Assets

No donated assets were received during the year.

### 8. Related Party Transactions

During the year, the Trust provided funding to the Christchurch Early Intervention Trust totalling \$120,878.

The Trustees of Champion Foundation Trust were appointed as Advisory Trustees to Christchurch Early Intervention Trust during the year.

The Trustees of Christchurch Early Intervention Trust were appointed as Advisory Trustees to Champion Foundation Trust during the year.

Advisory Trustees have no entitlement to vote.

*The Notes are to be read in conjunction with the Performance Report and the Auditor's Report.*

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## Champion Foundation Trust

### Notes to the Performance Report

### For the Year Ended 30 June 2019

#### **9. Commitments and Contingent Liabilities**

As at balance date, the Trust has no commitments (2018: \$10,000) and no contingent liabilities (2018: Nil)

#### **10. Trust Equity**

The Trust has four classes of Capital A, B, C and D

*Class A:* The Capital is to be held or invested on the terms set out in the Trustees Act 1956 with no capital distribution being made.

*Class B:* The Capital will be held on the same terms as Class A provided that after 50 years from the date of gift the capital will be transferred to the Default Class D.

*Class C:* The Capital is to be held on the same terms as Class B except that the Trustees are allowed to purchase one or more real estate properties to lease to Christchurch Early Intervention Trust on such terms as the Board sees fit (which need to be market terms).

*Class D: (Default Class)* The Capital is to be held on the presumption that the capital be preserved provided that if the Trustees unanimously agree to distribution or capital purchase will benefit the Christchurch Early Intervention Trust more than the retention of capital then a capital payment may be made.

As at 30 June 2019 \$5,000 of equity was included in Class A and \$150,000 held in Class B.

As at 30 June 2018 \$5,000 of equity was included in Class A and \$150,000 held in Class B.

*The Notes are to be read in conjunction with the Performance Report and the Auditor's Report.*



## **INDEPENDENT AUDITOR'S REPORT**

To the Trustees of Champion Foundation Trust

### **Opinion**

We have audited the accompanying performance report of Champion Foundation Trust on pages 4 to 10, which comprises the statement of financial position as at 30 June 2019, the statement of financial performance and statement of cash flows for the year then ended, the statement of accounting policies and other explanatory information.

In our opinion, the accompanying performance report gives a true and fair view of the financial position of Champion Foundation Trust as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with the requirements of Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit), issued in New Zealand by the New Zealand Accounting Standards Board.

### **Basis of Opinion**

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

Nexia Christchurch Limited, a related entity, is assisting Champion Foundation Trust in relation to its business plan. Other than this assignment, and in our capacity as auditor we have no relationship with, or interests in, Champion Foundation Trust.

### **Other Information**

The Trustees are responsible for the other information. The other information comprises the entity information and statement of service performance but does not include the financial statements and our auditor's report thereon.

Our opinion on the performance report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the performance report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based, on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Trustees' Responsibility for the Performance Report**

The Trustees are responsible on behalf of the Trust for determining that the Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) framework is acceptable in the Trust's circumstances and, 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:
  - i. the entity information;
  - ii. the statement of service performance; and
  - iii. the statement of financial performance, statement of financial position, statement of cash flows,
  - iv. statement of accounting policies and notes to the 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 Trustees determine is necessary to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible on behalf of the Trust 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 Trustees either intend to liquidate the Trust or to cease operations, or have 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 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 decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional skepticism 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 Trust'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 Trustees 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.

We communicate with the Trustees 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.

**Restriction on use of our Report**

This report is made solely to the Trustees of Champion Foundation Trust. Our audit work has been undertaken so that we might state to the Trustees those matters which we are required to state to them in our audit report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Champion Foundation Trust and the Trustees for our audit work, for this report or for the opinion we have formed.

*Nexia Audit Christchurch.*

**Nexia Audit Christchurch**  
**20 November 2019**  
**Christchurch**