



TE PŪ HARAKEKE
Community Collective
Manawatū

Palmerston North Community Services Council Inc.
trading as Te Pū Harakeke—Community Collective Manawatū

Annual Performance Report

for the year ended 30 June 2023

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We are grateful for the generous support of



About us

Our Vision

A strong, vibrant, and connected community sector in the Manawatū.

Our Mission

To empower community groups to participate in, and contribute to, the community and its wellbeing.

As we assert our mission and objectives, we do so with full recognition of Te Tiriti o Waitangi as the founding covenant for Aotearoa New Zealand and as a critical guide for our work.

Strategic Objectives

1. Provide services to member organisations to support and boost their mahi.

- Provide networking opportunities for community organisations to strengthen connections, share knowledge and create opportunities for working together.
- Where appropriate, use our knowledge of the community to connect people and services.
- To strengthen and community resilience, support the building capability and capacity of people in the community sector.
- Develop and maintain relationships with local government, business, and other community-based networks in Palmerston North.

2. Provide services to the community that help build the mana and sustainability of TPH.

- Encourage and support innovative ideas and programmes for community development.
- Consider and pursue opportunities within the kaupapa of the organisation, such as the management of Hancock Community House and the Small Grants Fund administration.

3. Advocate for the social services/community sector and communicate our stories, and stories of our members, to funders, supporters, and the wider community.

- Communicate our own information.
- Communicate the stories of our members.
- Provide advocacy for the social services / community sector.

4. Ensure governance needs are met, and provide leadership to the community sector by modelling best practice for community organisations.

- Transform the Collective to a governance-focused board, including a robust set of policies covering the areas of finance, operations, personnel, governance and health and safety.
- Support a team of staff (paid and volunteer) who are passionate about the Palmerston North community and the needs of our members.
- Support and facilitate staff growth and self-reflection in a safe, fun, supportive environment.
- Ensure the collective has the appropriate spread of knowledge, skills and attributes relevant to running a small to medium size community service.
- Ensure robust administration and financial processes.

Our Team

Board

Kim Penny (Chairperson)
Cameron Jenkins (Treasurer)
Kate Aplin
Garry Buckman (resigned March 2023)
Helen King
Courtney Manu
Catherine Rikihana
Jon Spencer

Staff

Timothy Kendrew, BA, PpHTR
(Kaiwhakahaere Matua / Manager)

Josephine Gutry, BHLthSci, DipSciTech
(Kaiāwhina / Administrator)

Justin Ngai, MA, BA (Hons)
(Kairuruku Kaupapa / Programme Coordinator)

Kanchana Seneviratne, BA (Hons)
(Kaiwhakataua Manuhiri / Customer Services Officer)

Placement Student

Jada Tiepa (Studying Bachelor of Social Services
at UCOL Te Pūkenga)

Our Members

(as at 30 June 2023)

Community Groups

Abuse and Rape Crisis Support (ARCS)
ACROSS - Te Kotahitanga
Agape Fellowship
Age Concern Manawatū
Age Friendly Palmerston North
Alliance Française de Palmerston North
Alzheimers Society Manawatū
Amitabha Buddhist Centre
Aotearoa NZ Assn of Social Workers Manawatū
Arohanui Hospice
Barnardos Palmerston North
Big Brothers and Big Sisters
Birthright Central
Brain Injury Central Districts
Camellia House
Cancer Society Manawatū
Citizens Advice Bureau Palmerston North
City Mission Palmerston North
Community Birth Services
Creative Sounds Society (The Stomach)
Deaf Aotearoa
Disabled Persons Assembly PN
English Language Partners
Environment Network Manawatū
Epilepsy NZ
Financial Freedom Trust
Hato Hone St John
Hokowhitu Village Centre
Home in Place NZ
Housing Advice Centre
Just Zilch
Kind Hearts Trust
Legacy Centre
MaLGRA (Manawatū Lesbian & Gay Rights Assn)
Mana o te Tangata Trust
Manawatu Abuse Intervention Network
Manawatū Chinese Community Trust
Manawatū Community Housing Trust

Manawatū Community Law Centre
Manawatū/Horowhenua/Tararua Diabetes Trust
Manawatū Multicultural Council
Manawatū PARS (Prisoners Aid & Rehabilitation)
Manawatū Peoples Radio
Manawatū Tenants' Union
Manawatū Toy Library
Manchester House Social Services Society
Manline
MASH Trust
Massey University Students Association
MentorED
MenzShed Manawatū
Methodist Social Services
Moneywise Manawatū
Multiple Sclerosis Society Manawatū
Neighbourhood Support Palmerston North
New Zealand Red Cross
Niuvaka Trust
Options in Community Living
Palmerston North Women's Refuge
Parentline Manawatū
Pit Park People Society
Plant to Plate Aotearoa
Plunket Manawatū/Whanganui
PN Women's Centre/Te Whare o Ngā Wāhine
Parafed Manawatu
Presbyterian New Church
PGF Services
Project Waitangi Manawatū
Public Service Association
RECAP
Salvation Army Palmerston North
Samaritans Manawatū
Social Socks Charitable Trust
SPELADD NZ
Square Edge Community Arts
Street Van Palmerston North
Strive Rehabilitation

SuperGrans Manawatū
Supporting Families in Mental Illness
Te Aroha Noa Community Services
Te Hā o Hine-ahu-one PN Women's Health Collective
Te Manawa Family Services
Te Roopu Oranga o Highbury (Te Whare Koha)
Te Roopu Whakaruruhau o Ngā Wāhine Māori
The Manawatū Just Released Accommodation Trust
Unions Manawatū
Whatunga Tūao Volunteer Central
Wellstop
Work Manawatū
Workbridge
Youth One Stop Shop
Youthline Central North Island

Government / Corporate Members

Enable NZ
Health Hub Project NZ
Mana Whaikaha
Palmerston North Electorate Office
Te Whatu Ora / Health NZ – MidCentral
UCOL Te Pūkenga

Individual Members

Angela Baker
Robyn Barnett
Lyal Brenton
Jean Hera
Teisa Kurene

Life Members

Cathy McCartney
Sue Swinbourne



Top row: Social Wellbeing Forum
 Second row: City Council Meet the Candidates event.
 Third row: Networking events with the Association of Social Workers and Hancock Community House tenants.
 Bottom row: TPH staff (L-R Tim Kendrew, Josephine Gutry, Justin Ngai and Kanchana Seneviratne).



Chairperson's Report

As I write this annual report we're in the midst of a general election campaign, with all the uncertainty that adds to the other dynamics of serving our community. I know that, in the midst of the topsy-turvyness, our member organisations are getting on with the mahi of developing and strengthening our community—one person, one workshop, one pamphlet and one media post at a time! Thank you.

Key findings from last year's Social Wellbeing Forum (SWF) were that housing continues to be a major issue, and cost of living increases have added pressure to households. Recent reports have shown how the increase in profits of large companies have been a key driver on inflation,¹ and it feels frustrating at the coal-face to be unable to make the structural changes necessary to address the systemic inequities that underlie these issues.

The SWF found that organisations are generally feeling optimistic, although under pressure due to the difficulties in finding appropriately qualified and experienced staff. A key message is that the sector feels that it provides good coverage of the community's needs, but would be able to do more with greater resources to equip the work already being done.

Worth noting also is that a key finding from the 2019 SWF—a proposal to teach financial literacy in schools—is now being talked about as government policy, and being bandied about in the election campaign; it's good to know that our voices do get heard at the policy level from time to time!

I get pleasure from working with the Te Pū Harakeke team who are focused on our role to support member organisations and their important work; thank you everyone! This year Tim, Kanchana, Justin and Jose all settled into their roles, and we were able to commence offering back-room financial services to one member organisation. We are excited to look to extend this service to other members over the next year.

We welcomed two new Board members this year, Courtney Manu and Helen King. We really valued their fresh perspectives, although sadly we are farewelling Courtney as she plans to focus on other commitments in the future.

Thank you also to Cam Jenkins for stepping into the Treasurer role, and to our other Board members: Cat Rikihana, Jon Spencer, and Kate Aplin. Garry Buckman stood down during the year after many years of service, and we wish him well in his next adventures.

Thank you everyone for your important mahi in the community, and for your support of Te Pū Harakeke.



Kim Penny
Tumuaki / Chairperson

¹ NZCTU Te Kauae Kaimahi, FIRST Union & ActionStation, (August 2023). Profit-led Inflation in Aotearoa New Zealand.
<https://actionstation.org.nz/publications/profit-driven-inflation>

Manager's Report

The end of 2022 saw a new name for the Palmerston North Community Services Council: Te Pū Harakeke—Community Collective Manawatū. Te Pū Harakeke alludes to our mahi connecting and equipping community groups, similar to the way individual leaves of the harakeke (flax) are connected at the roots and sustained as part of a larger whole.

The past year has also seen us mostly return to 'normal' in the delivery of our services as we work to see a strong, vibrant and connected community sector in the Manawatū.

The days of lockdowns, cancelled events and the myriad other impacts of Covid-19 look to be behind us, although we have had to contend with the new challenge throughout the year with various staff needing to isolate at home for a week at a time.

This year has marked the first year of a new funding and partnership arrangement with Palmerston North City Council as they trial 'Sector Lead' partnership agreements. This structure acknowledges the leadership role we, along with other key community sector networks, hold in the community, and our work bridging the sector and Council.

This year we delivered 23 workshops on a variety of topics aimed at building the capability and capacity of local community groups, and feedback from these continues to be positive.

We've continued to focus on connecting the sector, with regular members' gatherings and other networking opportunities. A highlight was co-hosting a lunch with the local branch of the Aotearoa NZ Association of Social Workers, where we remembered the legacy of Merv Hancock.

I want to acknowledge Sonya Holm, who has—entirely voluntarily—written and published a

series of profiles on TPH member groups in the Manawatū Guardian. Raising the profile of our mahi our members do, and the services they offer the public, continues to be a goal of ours.

In September we hosted a meet-the-candidates event for PNCC hopefuls as part of our goal of advocating for community groups and ensuring that community sector's stories and challenges remain in the minds of local & central government decision-makers.

A major project this year was the Social Wellbeing Forum, held at the end of October—the first since 2019. This included a significant research component in the lead up, around 70 attendees at the forum itself, and the production of a report following the forum which has enabled us to advocate for the sector more effectively by providing up to date data and perspectives on the state of the sector.

The report was shared with city councillors, government ministers, MPs, funders and national advocacy groups, and it's been heartening to see community groups build on the SWF work within their own sectors too.

I want to thank each of our members for your support and engagement with us—our work would be meaningless without you and the amazing mahi you all do in the community.

Lastly, to all of the Te Pū Harakeke team—Kanchana, Jose and Justin, and to Kim, Cam, and the whole Board—ngā mihi nui ki a koutou katoa.



Tim Kendrew
Kaiwhakahaere Matua / Manager



Social Wellb
Palmerston North

Audited Financial Statements

for the year ended 30 June 2023

This performance report has been approved by the Board, for and on behalf of Palmerston North Community Services Council Incorporated (trading as Te Pū Harakeke—Community Collective Manawatū), on 21 September 2023:



Kim Penny
Chairperson



Cameron Jenkins
Treasurer

Entity Information

For the year ended 30 June 2023

Legal Name	Palmerston North Community Services Council Incorporated
Trading Name	Te Pu Harakeke—Community Collective Manawatu
Type of Entity and Legal Basis	Incorporated Society
Registration Number	CC31325 / Incorporation Number 575757

Our Purpose or Mission

Our Vision is a strong, vibrant and connected community sector in Palmerston North. Our Mission is to take a lead role in facilitating the empowerment of community groups to participate in and contribute to the community and its wellbeing.

We support organisations working in the community and social services sector Palmerston North by providing training and advice, networking and collaboration opportunities, sharing knowledge, information and resources and advocating for the needs of the community sector in policy and decision-making.

Our Structure

Membership of Te Pu Harakeke is made up of not-for-profit organisations, and other businesses, agencies and individuals engaged in community or social services in the Manawatu. Governance is by a Board, (previously referred to as The Collective), who are elected by our non-profit member organisations. The board employs a Manager who oversees a small team of staff.

Main Sources of the Entity's Cash and Resources

Palmerston North City Council three-year Sector Lead Partnership Agreement (comprised of a Strategic Priority Grant; contract to manage Hancock Community House; and contract to administer the Community Development Small Grants). Other grants are received from PNCC's Community Training Fund, the Department of Internal Affairs, and philanthropic trusts; income is also received from membership subscriptions and services delivered (such as trainings, room hire).

Main Methods Used by the Entity to Raise Funds

Grants, contracts for services, membership subscriptions, and training registration fees.

Our Reliance on Volunteers and Donated Goods or Services

The Board is made up of volunteers. We also have volunteers who act as assessors for the Community Development Small Grants Fund, and have had volunteers facilitate some of our forums and trainings. Additionally, we have hosted students on placement from UCOL who have contributed to our work this year.

Contact details

Address	Hancock Community House 77 King Street Palmerston North 4410
Phone	06 354 3809
Email	info@tepuharakeke.org.nz
Website	www.tepuharakeke.org.nz

Statement of Service Performance

For the year ended 30 June 2023

Description of Outcomes

To build the capability and capacity of the community and social services sector in the Manawatu. To provide leadership, advice, and support to the community and social service sector in Manawatu. To build and strengthen connections between organisations, share knowledge, and create opportunities for collaboration within the community and social services sector in the Manawatu. To encourage and support innovative ideas and programmes for community development in the Manawatu. To develop relationships with local government, businesses and other community-based networks in the Manawatu.

Description and Quantification of Outputs	This year	Last year
Connecting the Community Sector		
Non-profit organisations	92	88
Individuals	5	6
Businesses/Government Agencies	6	11
Life Members	2	2
Total number of members	105	107
Networking events for the community sector	7	8
Advocacy events/other meetings for the community sector	1	5
Social Wellbeing Forum	1	
Managers' Forums	4	3
Building Capability & Capacity		
Training Programmes delivered	23	16
Number of attendees at training programmes	272	266
Te Tauteka (Legal & Professional Support) Clients Supported	7	6
Informing the Community Sector		
Flax Panui issues published	12	12
Flax Panui primary subscribers	476	413
Flax Panui average opens per issue	747	719
Grants Distributed		
PNCC Community Development Small Grants Awarded	53	62
Community Development Emergency Grants Awarded		1

Additional Output Measures

Our training in 2022/23 received a Net Promoter Score of 74% from attendees. 99% of training attendees reported they have learnt new skills or knowledge, and 94% reported they intend to implement changes to their work as a result. 77% of members who responded to our latest survey reported that they feel more connected to the community sector, and 82% reported that they feel more informed about the community sector as a result of their membership.

Statement of Financial Performance

For the year ended 30 June 2023

Revenue ^{note 1}	This year (\$)	Last year (\$)
Donations, fundraising and other similar revenue	27,500	36,513
Fees, subscriptions and other revenue from members	9,174	10,293
Revenue from providing goods or services	182,192	212,969
Interest, dividends and other investment revenue	2,009	264
Other revenue	2,743	1,023
Total Revenue	223,618	261,062

Expenses ^{note 2}	This year (\$)	Last year (\$)
Volunteer and employee related costs	171,293	151,921
Costs related to providing goods or services	61,574	82,943
Grants and donations made	430	450
Other expenses	4,118	6,582
Total Expenses	237,415	241,896

Surplus/(Deficit) for the Year	(13,797)	19,166
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Statement of Financial Position

As at 30 June 2023

Assets	This year (\$)	Last year (\$)
Current Assets ^{note 3}		
Bank accounts and cash	78,091	85,896
Debtors and prepayments	4,720	4,123
Other Current Assets	21,703	21,168
Total Current Assets	104,514	111,187
Non-Current Assets ^{note 3}		
Property, plant and equipment	653	2,646
Total Non-Current Assets	653	2,646
Total Assets	105,167	113,833
 Liabilities		
Current Liabilities ^{note 3}		
Creditors and accrued expenses	5,790	4,093
Employee costs payable	13,549	10,115
Total Current Liabilities	19,339	14,208
Total Liabilities	19,339	14,208
Total Assets less Total Liabilities (Net Assets)	85,828	99,625
 Accumulated Funds ^{note 5}		
Capital contributed by owners or members	14,822	14,822
Accumulated surpluses or (deficits)	71,006	84,803
Reserves	-	-
Total Accumulated Funds	85,828	99,625

Statement of Cash Flows

For the year ended 30 June 2023

Cash Flows from Operating Activities	This year (\$)	Last year (\$)
Cash was received from:		
Donations, fundraising and other similar receipts	27,500	36,513
Fees, subscriptions and other receipts from members	9,174	10,221
Receipts from providing goods or services	184,577	213,234
Interest, dividends and other investment receipts	2,009	264
Other income		1,023
Net GST	133	(6,488)
Cash was applied to:		
Payments to suppliers and employees	230,768	238,752
Donations or grants paid	430	450
Net Cash Flows from Operating Activities	(7,805)	15,565
Cash flows from Investing and Financing Activities	This year (\$)	Last year (\$)
Cash was applied to:		
Payments to acquire property, plant and equipment	-	1,959
Payments to purchase investments		80
Net Cash Flows from Investing and Financing Activities	-	(2,039)
Net Increase / (Decrease) in Cash	(7,805)	13,526
Opening Cash	85,896	72,370
Closing Cash	78,091	85,896
This is represented by:		
Bank Accounts and Cash	78,091	85,896

Statement of Accounting Policies

For the year ended 30 June 2023

Basis of Preparation

Te Pu Harakeke (Palmerston North Community Services Council Inc) 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 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)

Te Pu Harakeke (Palmerston North Community Services Council Inc) is registered for GST. All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

Income Tax

Te Pu Harakeke (Palmerston North Community Services Council Inc) 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. They exclude the Hancock Community House 002 and Small Grants Fund 001 as these are held on behalf of other entities.

Plants and Equipment

Items of property, plant, and equipment are stated at cost less accumulated depreciation and impairment losses. Where an item of property, plant, or equipment is disposed of, the gain or loss recognised in the statement of financial performance is calculated as the difference between the sale price and the carrying amount of the assets.

Depreciation

Depreciation has been charged against the operation of the Society in the Statement of Financial Performance. Rates have been used in accordance with current Inland Revenue rates. Depreciation rates are as follows: Furniture and Fixtures is 20%. Office Equipment is 25%. Computers is 50%.

Leases

Leases where Te Pu Harakeke (Palmerston North Community Services Council Inc) does not assume substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are recognised in the Statement of Financial Performance over the term of the lease.

Revenue

Revenue comprises amounts received by the entity for goods and services supplied in the ordinary course of business, subscriptions from members, donations, and other similar style receipts.

Accounts Receivable

Trade Receivables are recognised at estimated realisable value.

Expenses

Expenses have been classified on their business function.

Measurement Base

All amounts are rounded to the nearest dollar, unless stated otherwise.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year (last year: nil).

Notes to the Performance Report

For the year ended 30 June 2023

Note 1 : Analysis of Revenue

Revenue Item	Analysis	This year (\$)	Last year (\$)
Donations and other similar revenue	Lottery Community Grant	20,000	20,000
	COGS Grant	2,500	3,000
	Pub Charity Ltd Grant (HCH Furniture)	-	13,513
	Eastern & Central Community Trust Grant	5,000	-
	Total	27,500	36,513
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Revenue Item	Analysis		
Fees, subscriptions and other revenue from members	Member Subscription Fees	5,692	5,256
	Community Training Attendance Fees	3,482	5,037
	Total	9,174	10,293
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Revenue Item	Analysis		
Revenue from providing goods or services	PNCC - Sector Lead Partnership Agreement (SPG)	90,000	107,905
	PNCC - Community Training Fund Grants	9,868	27,769
	PNCC - Small Grants Administration Contract	10,000	10,000
	PNCC - HCH Management Contract	62,859	61,206
	PNCC - HCH Equipment & Communal Exp Grant	5,000	5,000
	HCH Meeting Room Hire Revenue	1,116	583
	Photocopying and Printing Revenue	329	506
Administrative Services Rendered	3,020		
	Total	182,192	212,969
<hr/>			
Revenue Item	Analysis		
Interest and dividends and other	Interest Earned	2,009	264
	Total	2,009	264
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Revenue Item	Analysis		
Other revenue	Sundry Income	343	423
	MSD COVID-19 Leave Support Scheme	2,400	600
	Total	2,743	1,023

Note 2 : Analysis of Expenses

Expense Item	Analysis	This year (\$)	Last year (\$)
Volunteer and employee related costs	ACC Levies	300	331
	Human Resources	-	1,138
	Salaries, Wages & KiwiSaver	168,810	147,594
	Staff Training & Professional Development	1,599	2,346
	Staff Travel	344	5
	Volunteer & Student Placement Expenses	240	507
	Total	171,293	151,921

Expense Item	Analysis		
Costs related to providing goods or services	Advertising & Promotion	847	1,065
	Audit & Accounting	4,892	3,815
	Board Expenses	716	805
	Community Training Programmes	19,795	19,423
	Community Accounting	59	-
	Events	1,153	1,967
	Hancock Community House Administration & Events	1,757	2,287
	HCH Furniture, Equipment & Communal Expenses	5,080	18,531
	Insurance	2,040	1,980
	IT & Computer	4,397	5,213
	Managers' Forums	520	211
	Members' Meetings & AGM	1,052	349
	Office Furniture	447	787
	Other Operational Expenses	749	1,139
	Printing & Photocopying	1,939	1,895
	Professional Subscriptions & Memberships	343	443
	Rent, Carparks & Community House Charges	9,407	8,539
	Small Grants Fund Committee Expenses	263	440
	Social Wellbeing Forum	399	-
	Stationery & Administration	1,502	1,525
Te Tauteka Legal Entities Programme	1,824	10,225	
Telephone & Internet	2,393	2,304	
	Total	61,574	82,943

Expense Item	Analysis		
Grants and Donations	Gifts, Koha & Donations	430	450
	Total	430	450

Expense Item	Analysis		
Other expenses	50th Anniversary History Project	2,000	4,012
	Bad Debts Written Off	50	-
	Bank Fees	75	125
	Depreciation	1,993	2,445
	Total	4,118	6,582

Note 3 : Analysis of Assets and Liabilities

Asset Item	Analysis	This year (\$)	Last year (\$)
Bank accounts and cash	Westpac Current Account	22,310	17,191
	Westpac Bonus Saver	55,781	68,705
	Total	78,091	85,896

Asset Item	Analysis		
Debtors and prepayments	Accounts Receivable	564	175
	Insurance	2,061	1,720
	GST Receivable	2,095	2,228
	Total	4,720	4,123

Asset Item	Analysis		
Other current assets	Westpac Term Deposit	21,703	21,168
	Total	21,703	21,168

Asset Item	Analysis		
Other non-current assets	Property, Plant, and Equipment	653	2,646
	Total	653	2,646

Liability Item	Analysis	This year (\$)	Last year (\$)
Creditors and accrued expenses	Trade Creditors	1,087	593
	Credit Card Balance Owing	543	
	Accrued expenses	4,160	3,500
	Total	5,790	4,093

Liability Item	Analysis		
Employee costs payable	Holiday Pay accrual	7,013	4,540
	PAYE Tax Payable	3,394	3,194
	Wages Accrual	3,142	2,381
	Total	13,549	10,115

Note 4 : Property, Plant and Equipment

This year	Asset Class	Opening Carrying Amount	Purchases	Current Year Depreciation & Impairment	Closing Carrying Amount
	Computers	2,646		1,993	653
	Total	2,646		1,993	653
Last year					
	Computers	3,132	1,959	2,445	2,646
	Total	3,132	1,959	2,445	2,646

Note 5: Accumulated Funds

This year	Description	Capital Contributed by Members	Accumulated Surpluses or (Deficits)	Total
	Opening Balance	14,822	84,803	99,625
	Surplus/(Deficit)		(13,797)	(13,797)
	Closing Balance	14,822	71,006	85,828
Last year				
	Opening Balance	14,822	65,637	80,459
	Surplus/(Deficit)		19,166	19,166
	Closing Balance	14,822	84,803	99,625

Note 6 : Commitments and Contingencies

Commitment	Explanation and Timing	at 30/6/23 (\$)	at 30/6/22 (\$)
Commitments to lease	Lease of Photocopier (Expires 24/5/27) - FujiXerox	5,028	6,418
or rent assets	Office Lease (Expires 1/3/26) - PNCC	8,324	9,776

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (Last year: nil)

Note 7: Assets Held on Behalf of Others

Description of the Assets Held	Entity of Whose Behalf Assets are Held
Community Development Small Grants Fund (001 Bank Account)	Palmerston North City Council
Hancock Community House Koha Received (002 Bank Account)	The Tenants of Hancock Community House

Te Pu Harakeke has an agreement to manage the Small Grants Fund on behalf of the Palmerston North City Council. These funds are held in a separate bank account until such funds are distributed. Te Pū Harakeke collects koha from meeting room users at Hancock Community House on behalf of all the tenants, which are held in a separate bank account and used for communal expenses the maintenance and improvement of shared facilities.

Community Development Small Grants Fund (001 Bank Account)	This year (\$)	Last year (\$)
Opening Balance	3,705	6,000
Plus: Community Development Small Grants funds received from PNCC	254,074	235,895
Plus: Interest received	206	5
Less: Administration Fee transferred to trading account	(10,000)	
Less: Grants paid	(224,649)	(228,408)
Less: Emergency Grants paid		(2,300)
Less: transferred to trading account for GST payment to IRD	(10,441)	(7,486)
Closing Balance	12,895	3,705

Hancock Community House Koha Account (002 Bank Account)	This year (\$)	Last year (\$)
Opening Balance	7,448	7,022
Plus: Koha Received	1,544	1,050
Plus: Interest Received	32	5
Less: Funds applied to HCH maintenance and improvements	(7,443)	
Less: Funds applied to other HCH communal expenses		(629)
Closing Balance	1,581	7,448

Note 8: Related Party Disclosures

There were no transactions involving related parties during the financial year. (Last year: nil)

Note 9: 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)

Note 10: Correction of Errors

There are no correction of errors as at balance date.

(Last year: In the Statement of Cash Flow in the 2021 Performance Report, payments to purchase investments of \$21,088 was not disclosed, thus overstating the Closing Cash Balance. This has been rectified in the 2022 Performance Report, by including an adjustment to the 2022 Opening Cash balance in the Statement of Cash Flows.)

**INDEPENDENT AUDITOR'S REPORT
TO THE COLLECTIVE OF PALMERSTON NORT COMMUNITY SERVICES COUNCIL
INCORPORATED**

Opinion

We have audited the performance report of Palmerston North Community Services Council Incorporated (the Entity) on pages 1 to 12, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 30 June 2023, the statement of financial position as at 30 June 2023 and the statement of accounting policies and other explanatory information.

In our opinion, the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable, and the performance report on pages 1 to 12 presents fairly, in all material respects the entity information and service performance for the year then ended, and the financial position of the Entity as at 30 June 2023, and its financial performance and 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 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) (ISAs (NZ)), 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). 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 the Entity in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Responsibilities of the Members of the Collective for the Performance Report

The Members of the Collective are responsible on behalf of the Entity for 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; the preparation and fair presentation of the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit); and for such internal control as the Members of the Collective determine is necessary to enable the preparation of performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Members of the Collective are responsible for assessing the Entity'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 those charged with governance either intends to liquidate the Entity 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 whether the performance report as a whole



is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

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 override of internal controls.
- Obtain an understanding of internal controls 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 those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 conclusions may cause the entity to cease to continue as a going concern.

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

AuditLink Limited

AuditLink Ltd
Palmerston North

21 September 2023



Hutia te rito o te harakeke
Kei whea to kōmako e kō?
Ki mai ki ahau “he aha te mea nui o te ao?”
Maku e kī atu, “he tāngata, he tāngata, he tāngata!”

If the heart of the harakeke was removed,
where would the bellbird sing?
If I was asked “what is the most important thing in the world?”
I would be compelled to reply, “it is people, it is people, it is people!”