



Te Whare Ruruhau O Meri Trust

Consolidated Financials Statements For the year ended 30 June 2022

Te Whare Ruruhau O Meri Trust

Consolidated Financial Statements Contents

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Te Whare Ruruhau O Meri Trust

Trust Directory

For the year ended 30 June 2022

Date of Trust Deed	8 May 1996
Address	19 Lambie Drive Manukau Auckland
Purpose	<p>To work in conjunction with wahine, tamariki and the whanau in establishing and promoting of services and facilities within the community that will:</p> <ul style="list-style-type: none">a) Advance the wellbeing of families.b) Prevent persons from suffering harm, ill treatment, abuse, neglect or deprivation.c) Relieve poverty and distress amongst families.d) Generally assist to provide a healthy and safe environment for persons suffering distress or deprivation.e) To promote the advancement of education.f) To promote the mission of the Church within Tikanga Maori.g) To uphold Te Tiriti o Waitangi.h) To do all such things as are incidental to attain the above.
Trustees	Ven. Dr. Lyndon Drake (Chairperson) Mr. Adam Martin (Secretary) David Tapene Rt. Revd. Te Kitohi Pikaahu Dame Areta Koopu CBE Tina Kilmister-Blue Carol Berghan (resigned 22 November 2021)
Main Sources of Resources	The trust received resources from grants from various organisations, Government Contracts and investment income.
Main Methods Used to Raise Funds	The trust applies for grants from various organisations, enters into agreements with Government departments and issues sales invoices for sales of its services. The trustees on the governing body are all volunteers. The trust does not receive donated goods, however it does receive cash donations.
Accountants	Findex NZ Limited Level 1 Findex House, 57 Willis Street Wellington 6011
Charity Registration Number	CC34683
IRD Number	066-721-574

Te Whare Ruruhau O Meri Foundation

Foundation Directory

For the year ended 30 June 2022

Date of Trust Deed	1 October 2021
Address	19 Lambie Drive Manukau Auckland
Purpose	The aims of the Foundation must at all times be for Charitable Purposes. Supporting Te Whare Ruruhau o Meri Trust in effecting its objects in all its works, including but without limitation, its good administration and governance in effecting its objects, provided always that those objects are Charitable Purposes.
Structure	The Foundation is governed by a Trust Board of three current Trustees. The parent body of the Foundation is Te Whare Ruruhau o Meri Trust.
Trustees	Lyndon Paul Drake David Graham Atawhai Tapene Adam Peter Pink-Martin
Main Sources of Resources	Donations and Grants
Accountants	Level Up Accounting Services Limited 21 Mandarin Place Half Moon Bay Auckland 2012
Charity Registration Number	CC59577

Independent Auditor's Report

To the trustees of Te Whare Ruruhau O Meri Trust Group

Opinion

We have audited the consolidated financial statements of Te Whare Ruruhau o Meri Trust, which comprise:

- the consolidated statement of financial position as at 30 June 2022;
- the consolidated statement of comprehensive revenue and expense for the year then ended;
- the consolidated statement of changes in net assets for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements on pages 6 to 28 present fairly, in all material respects, the financial position of Te Whare Ruruhau o Meri Trust as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for 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 consolidated financial statements* section of our report.

We are independent of the Te Whare Ruruhau o Meri Trust 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, Te Whare Ruruhau o Meri Trust.

Other information

The trustees are responsible for the other information. The other information comprises the Trust directory and Foundation directory on pages 2 and 3 (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

Responsibilities of the trustees for the consolidated financial statements

The trustees are responsible, on behalf of Te Whare Ruruhou o Meri Trust, for the preparation and fair presentation of the consolidated financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as those charged with governance determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible, on behalf of Te Whare Ruruhou o Meri Trust, for assessing Te Whare Ruruhou o Meri 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 Te Whare Ruruhou o Meri Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 these consolidated financial statements. A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located at the XRB's website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>

Who we report to

This report is made solely to the trustees, as a body. Our audit has been undertaken so that we might state to the trustees 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 Trust and the trustees as a body, for our work, for this report, or for the opinions we have formed.

A handwritten signature in blue ink that reads "RSM".

Te Whare Ruruhau O Meri Trust

Consolidated Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2022

	Notes	Group 2022	Trust 2021
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
Provision of Goods and Services	6	4,816,940	3,525,851
Fundraising and donations	5	-	6,830
Grants revenue	5	80,000	80,000
Total revenue from non-exchange transactions		4,896,940	3,612,681
REVENUE FROM EXCHANGE TRANSACTIONS			
Rental income		91,347	92,856
Dividend income	11	394	369
Other income	11	8,240	10,027
Total revenue from exchange transactions		99,980	103,253
TOTAL REVENUE		4,996,920	3,715,934
EXPENSES			
Direct cost of public fundraising		81,554	650
Cost of services provided	8	1,770,466	1,054,055
Wages, salaries and other employee costs		1,850,152	1,612,035
Depreciation, amortisation and impairment expenses	7	95,311	80,428
Other overhead and administrative expenses	9	396,818	351,607
TOTAL EXPENSE		4,194,301	3,098,775
Interest income	10	2,107	551
Finance costs	10	2	-
NET SURPLUS/(DEFICIT) FROM FINANCE ACTIVITIES		2,105	551
OPERATING SURPLUS/(DEFICIT)		804,724	617,710
OTHER COMPREHENSIVE REVENUE AND EXPENSE		-	-
TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR		804,724	617,710

These financial statements should be read in conjunction with the notes to the financial statements.

Te Whare Ruruhau O Meri Trust

Consolidated Statement of Financial Position

As at 30 June 2022

	Notes	Group 2022	Trust 2021
ASSETS			
Current			
Cash and cash equivalents	12	2,795,033	1,798,240
Receivables from non-exchange transactions	13	957,487	593,222
Tax Receivable		180	89
Prepayments		1,966	747
Total current assets		3,754,666	2,392,298
Non-current			
Property, plant and equipment	14	1,546,190	437,081
Total non-current assets		1,546,190	437,081
TOTAL ASSETS		5,300,856	2,829,379
LIABILITIES			
Current			
Payables under exchange transactions	15	591,008	419,128
Employee entitlements	16	188,423	163,152
Income in Advance	17	1,895,464	425,861
Total current liabilities		2,674,895	1,008,142
Non-current liabilities		-	-
TOTAL LIABILITIES		2,674,895	1,008,142
NET ASSETS		2,625,960	1,821,236
EQUITY			
Accumulated funds		2,625,960	1,821,236
TOTAL EQUITY		2,625,960	1,821,236

These financial statements have been authorised for issue by the Te Whare Ruruhau o Meri Trust Board.



 Chairperson - Board of Trustees

17 March 2023

 Date



 General Manager

17 March 2023

 Date

These financial statements should be read in conjunction with the notes to the financial statements.

Te Whare Ruruhau O Meri Trust

Consolidated Statement of Changes in Net Assets

For the year ended 30 June 2022

	Notes	Accumulated Funds	Total equity
Balance 1 July 2021		1,821,236	1,821,236
Surplus for the year		804,724	804,724
Other comprehensive revenue and expense		-	-
Total comprehensive revenue and expense		804,724	804,724
Balance 30 June 2022		2,625,960	2,625,960
Balance 1 July 2020		1,203,526	1,203,526
Surplus for the year		617,710	617,710
Other comprehensive revenue and expense		-	-
Total comprehensive revenue and expense		617,710	617,710
Balance 30 June 2021		1,821,236	1,821,236

These financial statements should be read in conjunction with the notes to the financial statements.

Te Whare Ruruhau O Meri Trust

Consolidated Statement of Cash Flows

For the year ended 30 June 2022

	Notes	Group 2022	Trust 2021
Cash flow from operating activities			
<i>Cash was provided from/(applied to):</i>			
Fundraising, donations, grants and bequests		80,000	86,830
Receipts from goods and services provided, non-exchange transactions		6,021,864	3,463,418
Interest and dividends received		2,410	920
Payments to suppliers		(2,078,178)	(1,134,297)
Payments to employees		(1,824,881)	(1,538,398)
Net cash from operating activities		2,201,215	878,473
Cash flow from investing activities			
<i>Cash was provided from/(applied to):</i>			
Proceeds from sale of property, plant and equipment		42,728	-
Purchase of property, plant and equipment		(1,247,148)	(205,288)
Net cash (used in) investing activities		(1,204,420)	(205,288)
Cash flow from financing activities			
		(2)	-
Net cash (used in) financing activities		(2)	-
Net increase in cash and cash equivalents		996,794	673,185
Cash and cash equivalents, beginning of the year		1,798,240	1,125,055
Cash and cash equivalents at end of the year	12	2,795,033	1,798,240

These financial statements should be read in conjunction with the notes to the financial statements.

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements

For the year ended 30 June 2022

1 Reporting entity

These consolidated financial statements comprise the financial statements of Te Whare Ruruhau O Meri Trust (the "Trust"), and its subsidiary Te Whare Ruruhau o Meri Foundation (the "Foundation") (together referred to as the "Group") for the year ended 30 June 2022.

The consolidated financial statements were authorised for issue by the Trust Board.

2 Basis of preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit Public Benefit Entities, for which all reduced disclosure regime exemptions have been adopted.

The Group is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and annual expenditure has not exceeded \$30 million for the two most recent reporting periods.

The Group is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

(b) Basis of measurement

The financial statements have been prepared on a historical costs basis, except for assets and liabilities that have been measured at fair value.

The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

(c) Presentation currency

The financial statements are presented in New Zealand dollars.

All Numbers are stated in whole numbers.

(d) Balance Dates

The Trust has a balance date of 30 June. The Foundation has a balance date of 31 March. The consolidated financial statements have been prepared using financial data to 30 June for both entities.

(e) Comparatives

The comparative financial period is 12 months for the Trust only. Refer to note 23 for the Foundation information.

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

3 Summary of significant accounting policies

The significant accounting policies used in the preparation of these financial statements are summarised below:

(a) Basis of consolidation

Controlled entities

Controlled entities are entities controlled by the Group. The Group controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. The financial statements of the Group's controlled entities are included in the consolidated financial statements from the date that control commences until the date that control ceases.

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.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(c) Debtors and other receivables

Trade debtors and other receivables are measured at their cost less any impairment losses.

(d) Creditors and other payables

Trade creditors and other payables are stated at cost.

(e) Property, plant and equipment

All items of property, plant and equipment are measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Additions and subsequent costs

Subsequent costs and the cost replacing part of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the acquisition date.

All repairs and maintenance expenditure is charged to surplus or deficit in the year in which the expense is incurred.

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

3 Summary of significant accounting policies (continued)

(e) Property, plant and equipment (continued)

Disposals

A item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use or disposal.

When an item of property, plant or equipment is disposed of, the gain or loss recognised in the surplus or deficit is calculated as the difference between the net sale proceeds and the carrying amount of the asset.

Depreciation

Depreciation is recognised as an expense in the reported surplus or deficit and measured on a diminishing value (DV) basis on all property, plant and equipment over the estimated useful life of the asset. The following depreciation rates have been applied at each class of property, plant and equipment:

Land and Buildings	0%
Leasehold improvements	10% - 40%
Motor Vehicles	20% - 30%
Furniture and Fittings	10% - 67%
Computer Software & Equipment	25% - 67%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining life of the improvements, whichever is shorter.

The residual value, useful life, and depreciation methods of property, plant and equipment is reassessed annually.

Computer software

Purchased computer software licences are capitalised on the basis of the costs incurred to acquire and install the specific software. Subsequent expenditure is expensed as incurred. Costs associated with maintaining computer software, i.e. expenditure relating to patches and other minor updates as well as their installation, is expensed as incurred.

Disposals

Gains or losses on de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in the surplus of deficit for the year.

(f) Leased assets

Leases where the Group assumes substantially all the risks and rewards incidental to ownership of the leased assets, are classified as finance leases. All other leases are classified as operating leases.

Payments made under operating leases are recognised in the surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Associated costs, such as maintenance and insurance, are expensed as incurred.

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

3 Summary of significant accounting policies (continued)

(g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity.

Financial instruments are comprised of trade debtors and other receivables, cash and cash equivalents, other financial assets, trade creditors and other payables, borrowings, and other financial liabilities.

Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition.

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the Group transfers the financial asset to another party without retaining control or substantial all risks and rewards of the asset.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition and re-evaluates this designation at each reporting date.

All financial assets held by the Group in the years reported have been designated into one classification, "loans and receivables", being non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

Subsequent measurement of financial liabilities

Trade payables and other borrowings are subsequently measured at amortised cost using the effective interest method.

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

3 Summary of significant accounting policies (continued)

(h) Employee entitlements

Short-term employee benefits

Employee benefits, previously earned from past services, that the Group expect to be settled within 12 months of reporting date are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date.

(i) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Group and revenue can be reliably measured. Revenue is measured at the fair value of consideration received.

The Group assesses its revenue arrangements against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. In an agency relationship only the portion of revenue earned on the Group's own account is recognised as gross revenue in the Statement of Comprehensive Revenue and Expense.

The following specific recognition criteria must be met before revenue is recognised:

Revenue from non-exchange transactions

A non-exchange transaction is where the Group either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

When non-exchange revenue is received with conditions attached, the asset is recognised with a matching liability. As the conditions are satisfied the liability is decreased and revenue recognised.

When non-exchange revenue is received with restrictions attached, but no requirement to return the asset if not deployed as specified, then revenue is recognised on receipt

Condition stipulation – funds received are required to be used for a specific purpose, with a requirement to return unused funds.

Restriction stipulation – funds received are required to be used for a specific purpose, with no requirement to return unused funds.

Revenue from exchange transactions

An exchange transaction is where the Group either receives value from another entity and directly gives approximately equal in exchange, or gives value to another entity and directly receives approximately equal value in exchange.

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

3 Summary of significant accounting policies (continued)

(i) Revenue (continued)

Donations and grants

Donations and grant income is recognised as revenue when received and all associated obligations have been met. Where grants have been given for a specific purpose, or with conditions attached, income is not recognised until agreed upon services and conditions have been satisfied. Government grants relating to income are recognised as income over the periods necessary to match them with the related services when performed. Grants received for which the requirements and services have not been met is treated as "income in advance" under current liabilities.

To the extent that there is a condition attached that would give rise to a liability to repay the grant amount or to return the granted asset, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the Group has satisfied these conditions.

Interest income

Interest income is recognised as it accrues, using the effective interest method.

Dividend income

Dividend income is recognised on the date that the Group's rights to receive payments are established.

Rental income

Rental income arising from rental premises is accounted for on a straight-line basis over the lease term.

Donated services

The operations of the Group is reliant on services provided by volunteers. Volunteer services received are not recognised as revenue or expenditure.

(j) Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The Group has chosen not to capitalise borrowing costs directly attributable to the acquisition, construction or production of assets.

(k) Income tax

Due to its charitable status, the Group is exempt from income tax having fully complied with all statutory conditions for these exemptions.

(l) Goods and Services Tax (GST)

All amounts in these financial statements are shown exclusive of GST, except for receivables and payables that are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

4 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(a) Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Revenue recognition – non-exchange revenue (conditions vs. restrictions)

Classification of non-financial assets as cash generating or non-cash generating assets for the purposes of assessing impairment indicators and impairment testing.

The majority of property, plant and equipment held by the Group is classified as cash generating assets.

(b) Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Management based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(c) Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

The condition of the asset based on the assessment of experts employed by the Group

The nature of the asset, its susceptibility and adaptability to changes in technology and processes

The nature of the processes in which the asset is deployed

Availability of funding to replace the asset

Changes in the market in relation to the asset

(d) Changes in accounting estimates

There have been no changes in the accounting estimates for the current reporting period.

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

5 Revenue from grants, fundraising and donations

	Group 2022	Trust 2021
Koha, Fundraising and Donations	-	6,830
St Mary's Trust	80,000	80,000
Total grant revenue	80,000	86,830

6 Revenue from provision of goods and services

	Group 2022	Trust 2021
Department of Corrections	294,796	301,965
Ministry of Health	190,529	190,529
Ministry of Justice	375,748	374,720
Ministry of Social Development	1,795,339	940,892
New Zealand Police	306,667	306,667
Oranga Tamariki	1,053,079	948,635
Te Iwi o Ngati Kahu Trust	582,417	336,041
Whanau Resilience	-	79,672
Whangaia Nga Pa Harakeke	218,365	46,730
Total	4,816,940	3,525,851

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

7 Depreciation, amortisation and impairment expenses

	Group 2022	Trust 2021
Depreciation of property, plant and equipment	95,311	80,428
Total	95,311	80,428

8 Cost of services provided

<i>The following amounts were expensed in the surplus/(deficit) for the year:</i>	Group 2022	Trust 2021
Contract Services Expenses	1,464,203	786,294
Rent	306,263	267,761
Total	1,770,466	1,054,055

9 Other overhead and administrative expenses

<i>The following amounts were expensed in the surplus/(deficit) for the year:</i>	Group 2022	Trust 2021
Accountancy Fees	6,060	5,000
Audit Fees	18,316	7,596
Low Value Assets	10,321	2,381
Bank Fees	759	465
Cleaning	21,297	24,464
Computer Expenses	24,726	35,728
Trustees Governance	12,992	56,012
Entertainment	-	1,977
Consulting	1,800	-
General Expenses	11,636	9,375
Hui Expenses	6,913	10,900
Insurance	21,603	22,746
IRD Penalties	21	-
Lease Charges	4,365	6,472
Legal Fees	9,268	787
Light, Heating and Power	17,485	17,054
Loss on Sale of Fixed Assets	3,906	-
Motor Vehicle Expenses	23,904	33,788
Printing and Stationery	8,909	8,689
Programme Resources	38,467	25,428
Health and Safety	7,789	-
Rates	1,185	-
Provision for Bad Debts	61,908	-
Repairs and Maintenance	17,020	24,281
Subscriptions and Licenses	24,681	8,655
Telephone and Tolls	23,614	21,287
Travelling Expenses	17,875	28,523
Total	396,818	351,607

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

10 Finance income and costs

	Group 2022	Trust 2021
Financing income		
Interest income on bank deposits	2,107	551
IRD Use of Money Interest	-	-
Total finance income	2,107	551
Financing expenditure		
IRD Use of Money Interest	2	-
Total finance costs	2	-

11 Other income

	Group 2022	Trust 2021
Depreciation Recovered	8,035	-
Dividend income on available-for-sale financial assets	394	369
Other Revenue	205	10,027
Total	8,634	10,397

12 Cash and cash equivalents

	Group 2022	Trust 2021
Cash at bank and in hand	2,795,033	1,798,240
Total cash and cash equivalents	2,795,033	1,798,240

The carrying amount of cash and cash equivalents approximates their fair value.

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

13 Receivables from non-exchange transactions

	Notes	Group 2022	Trust 2021
Trade debtors		959,078	593,222
Provision for Doubtful Debts		(71,194)	-
GST Receivable		69,603	-
Total		957,487	593,222

Trade debtors and other receivables are non-interest bearing and receipt is normally on 30 days terms. Therefore the carrying value of trade debtors and other receivables approximates its fair value.

As at 30 June 2021 and 2022, all overdue receivables have been assessed for impairment and appropriate allowances made. All receivables are subject to credit risk exposure.

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

14 Property, plant and equipment

Movements for each class of property, plant and equipment are as follows:

Group	Land	Buildings	Leasehold Improvements	Motor Vehicles	Furniture and Fittings	Computer Software & Equipment	Total
2022							
Gross carrying amount	-	-	52,494	297,310	57,132	30,146	437,081
Additions	202,040	197,960	777,661		49,763	19,723	1,247,148
Disposals				(46,858)		(2,071)	(48,928)
Closing balance	202,040	197,960	830,155	250,452	106,895	47,799	1,635,300
Accumulated depreciation and impairment							
Net (Profit)/Loss on disposal				(6,200)		-	(6,200)
Depreciation for the year	-	-	11,933	52,007	11,712	19,659	95,311
Closing balance	-	-	11,933	45,807	11,712	19,659	89,110
Carrying amount 30 June 2022	202,040	197,960	818,222	204,646	95,183	28,140	1,546,190

Trust	Land	Buildings	Leasehold Improvements	Motor Vehicles	Furniture and Fittings	Computer Software & Equipment	Total
2022							
Gross carrying amount	-	-	51,759	169,460	56,116	34,886	312,221
Additions	-	-	6,316	166,022	11,098	21,853	205,288
Disposals							-
Closing balance	-	-	6,316	166,022	11,098	21,853	205,288
Accumulated depreciation and impairment							
Net (Profit)/Loss on disposal							
Depreciation for the year	-	-	5,581	38,172	10,082	26,593	80,428
Closing balance	-	-	5,581	38,172	10,082	26,593	80,428
Carrying amount 30 June 2021	-	-	52,494	297,310	57,132	30,146	437,081

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

15 Payables under exchange transactions

	Group 2022	Trust 2021
Current		
Trade creditors	573,758	358,289
Trade creditors - debit balances	17,250	-
GST payable	-	60,840
Total current	591,008	419,128

Trade creditors and other payables are non-interest bearing and normally settled on 30 day terms; therefore their carrying amount approximates their fair value.

16 Employee entitlements

	Group 2022	Trust 2021
Current		
PAYE Accrual	14,485	37,696
Wages Accrual	37,558	42,586
Annual leave entitlements	136,381	82,871
Total	188,423	163,152

Short-term employee entitlements represent the Group's obligation to its current and former employees that are expected to be settled within 12 months of balance date. These mainly consist of accrued holiday entitlements at the reporting date.

17 Income in Advance

	Group 2022	Trust 2021
Ministry of Social Development	366,723	-
NZ Police (MDCAT)	174,880	-
Oranga Tamariki	521,861	305,861
Te Hiku Pataka Partnership	832,000	-
Whangaia Nga Pa Harakeke	-	120,000
Total	1,895,464	425,861

Income in Advance represents contracts the Group has received payment for, but has yet to complete the contracted services.

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

18 Operating leases

Office Rent

The Trust has entered into rental agreements for properties in Kaitaia (monthly payments \$2,200 - no GST), Manukau (monthly payments \$14,732.55 + GST), Karikari Peninsula (Weekly payments \$400 - no GST), and Parnell (monthly payments \$10,373 + GST).

	Group	Trust
	2022	2021
<i>Non-cancellable operating leases are payable as follows:</i>		
Less than one year	321,497	171,605
Between one and five years	210,744	269,456
More than five years	-	-
Total	532,242	441,062

Photocopy Lease

On 19 September 2019 the Trust entered into a photocopier lease with Fuji Xerox (expiring 28 October 2023). The monthly payments are \$425.50 + GST.

	Group	Trust
	2022	2021
<i>Non-cancellable operating leases are payable as follows:</i>		
Less than one year	5,872	5,872
Between one and five years	1,957	7,802
More than five years	-	-
Total	7,829	13,674

19 Financial instruments

(a) Carrying value of financial instruments

The carrying amount of all material financial position assets and liabilities are considered to be equivalent to fair value.

Fair value is the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction.

(b) Classification of financial instruments

All financial assets held by the Group are classified as "loans and receivables" are carried at cost less accumulated impairment losses.

All financial liabilities held by the Group are carried at amortised cost using the effective interest rate method.

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

19 Financial instruments (continued)

(c) Classification of financial instruments

The carrying amounts presented in the statement of financial position relate to the following categories of financial assets and liabilities.

Group 2022	Financial assets at fair value through surplus or deficit	Held-to- maturity investments	Loans and receivables	Available-for- sale financial assets	Financial Liabilities at amortised cost	Total
Financial assets						
Cash and cash equivalents	-	-	2,795,033	-	-	2,795,033
Trade debtors and other receivables	-	-	957,487	-	-	957,487
Other financial assets	-	-	-	-	-	-
Total	-	-	3,752,520	-	-	3,752,520
Financial liabilities						
Trade creditors and other payables	-	-	-	-	591,008	591,008
Loans and borrowings	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
Total	-	-	-	-	591,008	591,008

Trust 2021	Financial assets at fair value through surplus or deficit	Held-to- maturity investments	Loans and receivables	Available-for- sale financial assets	Financial Liabilities at amortised cost	Total
Financial assets						
Cash and cash equivalents	-	-	1,798,240	-	-	1,798,240
Trade debtors and other receivables	-	-	593,222	-	-	593,222
Other financial assets	-	-	-	-	-	-
Total	-	-	2,391,462	-	-	2,391,462
Financial liabilities						
Trade creditors and other payables	-	-	-	-	419,128	419,128
Loans and borrowings	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
Total	-	-	-	-	419,128	419,128

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

20 Capital Commitments

Invoice 2232 from Craig Maisey Builders and Glass Limited for final fit out claim of \$84,382 (including GST) due by 30 November 2022 (2021: Nil).

21 Contingent assets and contingent liabilities

The Group has no contingent assets or contingent liabilities at balance date (2021: Nil).

22 Related party transactions

Related party transactions arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the entity.

The Group has a related party relationship with its Trustees and other key management personnel.

Nature of Related Party relationships

Related Party	Relationship
Lyndon Drake Consulting Limited	Common Trustee
St Marys Trust	Common Interest Group
Te Iwi o Ngati Kahu Trust	Common Trustees
Te Kahui o Mana Ririki Trust	Common Trustees/Key Management Personnel
Te Hui Amorangi Ki Te Tai Tokerau Trust Board	Common Trustees
Te Whare Ruruhau o Meri Foundation Trust	Subsidiary
Te Whanau Rangimarie	Common Trustee

Transactions with related parties

The following transactions were carried out with related parties:

(a) Receipts

	Group 2022	Trust 2021
<i>Donations:</i>		
St Marys Trust	80,000	80,000
<i>Sale of services - Management agreement</i>		
Te Iwi o Ngati Kahu Trust - Contracting Income	582,417	336,041
Te Iwi o Ngati Kahu Trust - Other	-	-
Te Iwi o Ngati Kahu Trust - Rental	48,984	45,893
Te Kahui o Mana Ririki Trust - Rental	-	4,600
Total receipts from related parties	711,401	466,534

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

22 Related party transactions (continued)

(b) Purchase of goods and services

	Group 2022	Trust 2021
<i>Purchase of services</i>		
Development of Te Whare Ruruhau o Meri Foundation:		
Te Hui Amorangi Ki Te Tai Tokerau Trust Board	457	50,000
Te Whare Ruruhau o Meri Trust Board Donation	754,304	-
Total sale of goods and services to related parties	754,761	50,000

(c) Payables and Recievables balances

	Group 2022	Trust 2021
<i>Related Party Payables balances:</i>		
Lyndon Drake Consulting Limited	766	-
Te Whanau Rangimarie	115,000	-
<i>Related Party Receivables balances:</i>		
Te Iwi o Ngati Kahu Trust	92,380	-

(d) Key management compensation

The Group has a related party relationship with its key management personnel. Key management personnel include the Senior Management.

Key management personnel compensation includes the following expenses:

	Group 2022	Trust 2021
Salaries and other short-term employee benefits	153,490	188,034
Total remuneration		
Number of persons recognised as key management personnel	1.0	1.7

There are no close family members of the key management personnel employed by the Group (2021: one close family member paid \$76,523.20).

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

23 Foundation Trust Information

Te Whare Ruruhau o Meri Foundation Trust (Foundation) is a subsidiary of Te Whare Rurhuau o Meri Trust (Trust) based on control. The Foundation commenced operations on 12 October 2021 and transactions to year end date have been included in the consolidated financial statements for the year end 30 June 2022.

The 2022 consolidated figures include transactions relating to the Parent and the Foundation. The transactions related to the Foundation, alone, are disclosed below:

	2022	2021
Statement of Comprehensive Revenue and Expense		
<i>Revenue from Non Exchange Transactions</i>		
Donations *	754,304	-
<i>Expenses</i>		
Other overhead and administrative expenses	11,766	-
<i>Operating Surplus</i>	742,538	-
Other comprehensive revenue and expense	-	-
Total Comprehensive Revenue and Expense for the Year	742,538	-
Statement of Financial Position		
<i>Current Assets</i>		
Cash and cash equivalents	350,000	-
<i>Non Current Assets</i>		
Property, plant and equipment	400,000	-
<i>Total Assets</i>	750,000	-
<i>Current Liabilities</i>		
Payables under exchange transactions	7,472	-
<i>Total Liabilities</i>	7,472	-
<i>Equity</i>		
Accumulated Funds	742,528	-
Total Equity	742,528	-

Te Whare Ruruhau O Meri Trust

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2022

23 Foundation Trust Information (continued)

Statement of Cash Flows

Cashflow from operating activities

Donations received *	754,304	-
Payments to suppliers	(4,304)	-
<i>Net cash from operating activities</i>	<u>750,000</u>	-

Cashflow from investing activities

Purchase of property, plant and equipment	(400,000)	-
<i>Net cash from investing activities</i>	<u>(400,000)</u>	-

Net increase in cash and cash equivalents	350,000	-
Cash and cash equivalents, beginning of the year	-	-
Cash and cash equivalents at end of the year	<u>350,000</u>	-

* The donations received from Te Whare Ruruhau O Meri Trust of \$754,304 were eliminated on consolidation.