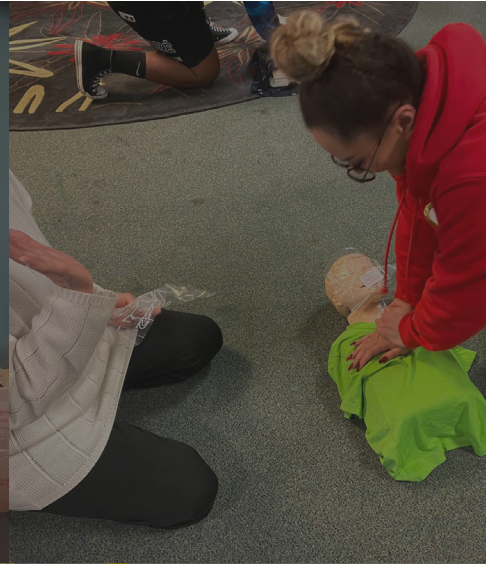
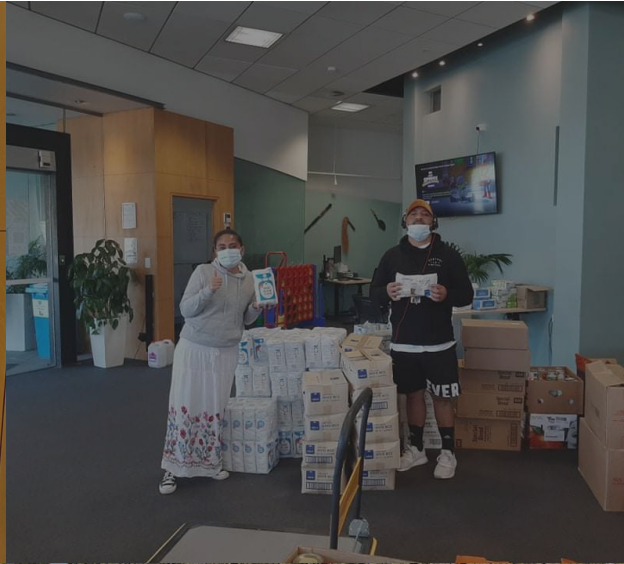
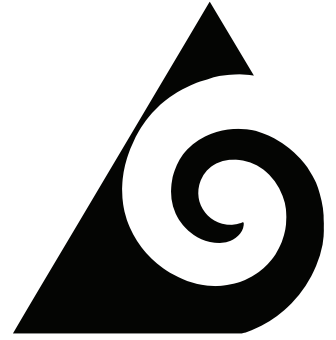


ANNUAL REPORT

FIRST COMMUNITY TRUST - TRADING AS TUATAHI



0800 882 8244
www.tuatahicentre.com
admin@tuatahicentre.com

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A word from our Chair

**Ka rongo te pō, ka rongo te ao, ka awatea
First there was nothing, then there was light,
this is a new dawn**

The pandemic, like for many, had thrust us into a year of many firsts. We found ourselves responding rapidly in an uncertain environment with the emergence of Delta and now, learning to adjust and live with COVID-19.

Whilst inequities across housing have existed for too long, the pandemic has put the spotlight on the importance of community, partnership and joined up agency solutions to address the complex issue of homelessness. This year, we've not only fed, housed, advocated, brokered and supported our whānau, we've provided hope at a time when it has seemed impossible.

Since the establishment of our organisation in 2015 we have grown from strength to strength, both in building our relationships and meeting the diverse, complex needs of our whānau and individuals in our care. This has been met with an exponential increase in demand and need for our services and support to provide 'safe, secure, warm homes' for our whānau.

Empowering whānau and communities remains at the centre of what we do for those we are here to serve, and like last year, we continue to be unrelenting in our focus and kaupapa. Our plan highlights our achievements, partnerships and importantly the voices of those who have accessed our services.

Our team of committed kaimahi continue to work tirelessly, both behind the scenes and in the frontline to ensure the best support and service is provided to our whānau and in our relationships with external partners. Fa'afetai tele lava for all you do.

A big mihi to our partners for your continued support - Ministry of Housing Urban Development, Ministry of Social Development, Hutt City Council, Community Law Wellington and Hutt Valley, Takiri Mai te Ata, Green Stones, Petone Budgeting Services, CAP, Te Paepae Arahi Housing Team, Rent Care, Sustainability Trust, Pacific Health Service Hutt valley and Angus Inn. We know that without your support those that most need our care and attention would not have been afforded the basic human right to be safely housed and supported.

Soifua ma ia manuia.

MEL HARRINGTON

Chair - First Community Trust



Be strong, Be steadfast, Be willing

Kia Kaha
Kia Maia
Kia Manawanui



A word from our General Manager

Every year is unique. The year 2021 however, was nothing short of exceptional.

Like the rest of the world, the health crisis presented us with many challenges and led us to question everything. Nonetheless, it is clear that Tuatahi made overall remarkable progress. Remarkable because we became even more committed, to serving our whānau/aiga.

We saw our whānau/aiga become more resilient and persevere through the challenges that they faced from food poverty, cost of living, housing, employment and Covid-19. These challenges that presented itself enabled Tuatahi to adapt and pivot to ensure as an organisation we were able to cater to the needs of the community.

We have learnt and seen up close, that regardless of our whānau/aiga financial background or life story, losing your home can happen to anyone. Some contributing factors which saw our whānau/aiga homeless were, changes to the Residential Tenancies Amendment Act 2020, expat's returning to New Zealand, affordability, loss of employment, mental health and family breakdown. Regardless of these challenges and setbacks our whānau/aiga, continued to navigate their way through.

Our team of 28 assisted more than 2000 adults and children in both the Wellington and Central Regions. Tuatahi could not achieve what it does without its passionate and highly skilled team members and partnerships in our communities.

We will continue to advocate for the most vulnerable whānau/aiga and after the extraordinary events of this last year, no one knows what the immediate future will look like, but we do know there will be an increased need for our services.

A handwritten signature in black ink, appearing to read 'Awhina Vailima'.

AWHINA VAILIMA

General Manager - First Community Trust

About Tuatahi



Tā tātou moemoea - Our Vision

Empowering whānau, aiga and communities

Tuatahi Centre is a Non-Government Organization that provide services for whānau/families, tamariki, young people and aiga, in the areas of housing and food response. Our dedicated and passionate teamwork across Wellington and in the Central region assisting clients daily in finding a home and reaching their goals. At our core, we envision all children, families and individuals in Aotearoa having a safe, secure and warm home with the services and support necessary to achieve a fulfilling, self-reliant life.

Referrals come to us through the Ministry of Social Development and other community organisations, and we continue to work in partnership with social service providers and agencies while a person is in our service. While being in one of our community homes, each person is encouraged to engage in personal up skilling. This may include parenting classes, budgeting, counselling, anger management, numeracy and literacy, computer classes, training and finding employment. Once they are placed into sustainable housing, our dedicated support workers will continue to work alongside them to ensure the success of that whānau or individual.

Tā tātou whāinga Our Mission

All tamariki, whānau, and individuals in Aotearoa have a safe, secure, and warm home and access to quality services and support they need to live fulfilling, self-reliant, and enhanced lives.



OUR SERVICES

- Transitional Housing
- Homelessness action
- Sustainable Tenancies
- Community
- Navigation
- Food Response



OUR VALUES

- People
- Family
- Community
- Integrity
- Communication
- Respect

Our Services

Transitional Housing



The biggest achievement is not always when they get a home, but it's seeing the little changes and steps in the journey of an individual or whānau

Transitional Housing is a temporary stay for up to 12-weeks in our homes, within the Wellington and Central region.

This service provides wrap-around support, and our support workers work alongside the whānau/aiga to achieve their goals and assist with basic everyday living. The ultimate goal is for our whānau/aiga to obtain long-term accommodation and be able to sustain it.

Quite often, our whānau/aiga have been constantly let down and have had their trust broken, so we aim to build that trust back up while we work with them. The way we do that is by keeping our word, showing up for them, being purposeful and being sensitive to the little details such as their personality, their story, their trauma, or cultural needs.

As the Wellington Housing Team Leader, I have had the privilege of working along some amazing community organisations and partners of Tuatahi. These relationships are vital to the success of our whānau/aiga. Tuatahi can not do it alone it takes a whole community. We work collaboratively with like-minded organisations such as Kokiri Marae, Christians Against Poverty, Community Law, Greenstone, Vibe and PACT, Pasefika Futures, Salvationa Army, In Work, Life Unlimited, Wellington City Mission, Link People, Red Door, and this is just to name a few.

It has been a hard but rewarding year and I look forward to what the future holds for our whānau/aiga and this is why I love what I do.



Adriana Vailima
Wellington Team Leader



Families assisted throughout the year	217
Families transitioned into Sustainable Housing	108
Families still in service at 31 March 2022	45

Our Services

Navigation



We will walk alongside our families to help provide a safe environment and to support them with their goals and daily tasks.

A Housing Navigators role is to provide support for families and individuals that are in motels, hotels or homeless who need more support and have more complex situations.

As a Navigator I focus on housing and connecting individuals/families with the community Support Services and Housing Providers. I conduct Individualised Service Plans to address any barriers to obtaining and maintaining affordable, suitable, long term accommodation

The majority of the individuals and whānau get referred to us by Work and Income, but we also have walk-ins and referrals from other Housing Providers. We will walk alongside our families to help provide a safe environment and to support them with their goals and daily tasks.

The whānau/aiga that we work with come with a lot of barriers. Through our Initial meeting we are able to identify what support they need, which will enable us to connect them with the right services. During the Goal Planning we put in place some realistic goals for them to achieve as part of the barriers they face are: Bad credit, Low income, Mental health, Suitability, Location, Affordability, No rental history, age etc.

We will walk alongside and build relationships with, health professionals, government agencies, real Estate agencies and community organisations to ensure our whānau/aiga receive the support they need whilst being in our services.

Every engagement that we have with the whānau/aiga is an achievement, especially with the barriers that they come with. Working with complex cases can be a long process, but to journey alongside them and seeing them progress is a massive achievement as without our support they would still be in the same situation. This is an ongoing reality that we face daily, but it does not stop us doing what we love to do.



Melba Tolai
Housing Navigator



Individual assisted throughout the year	41
Individual no longer requiring support	11
Individuals still in service at 31 March 2022	18

Our Services

Hutt City Council



It is very rewarding to see an individual or family receive the keys to their new home and seeing their smile radiating from ear to ear

Tuatahi has partnered with Hutt City Council for the past 3 years to support their response to homelessness in the Hutt Valley.

We have seen the demand on this service increase over the past year as the private rental market continues to become out of reach for many.

This service is a collective approach, which can call on a broad range of social, housing, education and health services which focus on the different stages of homelessness.

There are four partners in this collective, Tuatahi works with landlords and investors to establish and support our whānau/aiga into sustainable tenancies, Kokiri Marae provides early intervention support for those living in private rentals in Lower Hutt and facing the likelihood of becoming homeless, Petone Budgeting support with all budgeting services and Community Law provide our whānau/aiga housing advice and advocacy for those experiencing homelessness or housing hardship.

When we work as a collective great things happen. We are successful as we journey with our whānau/aiga and the reward for me is to hand over the keys to their new home and seeing their smile radiating from ear to ear.



Kathy Johnson
Community Support Worker



Individual assisted throughout the year

57

Our Services

Sustainable Tenancies



A highlight is when our families or individual have overcome barriers that they face on a day to day basis by taking a step at a time

The aim of Sustainable tenancy is to prevent homelessness, provide services and support to whānau/aiga who need help to sustain their tenancy and address issues putting their tenancy at risk.

Tuatahi is contracted by Te Tūāpapa Kura Kāinga - Ministry of Housing and Urban Development to provides this service in Wainuiomata.

As a Navigator, my role requires me to tautoko and identify the barriers or issues that they are struggling with daily, and talking about it together to find solutions. Common issues that we face with sustainable tenancy whānau/aiga are rent arrears, damage to property, separation, tenant issues with property owner or landlords, maintenance issues that are not getting fixed, financial and Mental wellbeing. We support them by connecting them to other service providers that specialise in these areas like Mental health, Budgeting, Counselling or Ministry of Social Development.

Supporting our whānau/aiga could last up to a year or until they decide they no longer need our help. This is called post placement and it's a great way of staying connected with our whānau/aiga to make sure they are still on track moving forward.

A highlight for me is when our whānau/aiga have overcome barriers that they face on a day to day basis by taking a step at a time. It's also a huge achievement when our whānau/aiga have secured a new rental or sustained their current private rental, or even families that own their own home maintaining their mortgage.



Afele Tolai
Housing Navigator



Families assisted throughout the year	83
Families no longer requiring support	51
Families still in service at 31 March 2022	32



SUCCESS STORIES

LIBYA WILSON

Libya Wilson moved from Dunedin to Wellington two years ago when her mother fell ill. She has three children between the ages of 15-22 years.

While in Wellington, she struggled to find her own place despite having a tenancy since 17 years old. She was staying with family, but was not suitable as it was overcrowded.

When Libya came into our service, she was grateful to finally have her own space for her children and partner. She engaged with support workers, actively attended her viewings and within three months, she secured her own rental with plenty of space for her family. Her son also landed a new job and her job was within walking distance of her home.

“I was trying for two years to get into a home. After coming into Tuatahi, it took less than 12 weeks to get into the house I am in now. They don’t just help you get a home, but they help the whole family.”



SUCCESS STORIES

SAM & MATT

Sam, Matt and their daughter are both based in Wellington and were living with family, but due to conflict they needed to leave the home.

They spent some nights sleeping rough in the car, before they made contact with Tuatahi and entered into our transitional housing service.

While in our service, they received intense wrap-around support from our team to help them with their rent readiness. Within four months, they were successful in applying for a rental and are doing well settling in. Their goals include finding full time employment and finding a larger home for their daughter to freely run around in.

“There is always help out there, you just have to look and ask. That was us at the start - we didn’t ask for help and felt shame but we had to put that aside to do what’s best for our family.”

Timeline of Tuatahi

2015

- First established.
- Hills NZ taking whanau in the church
- Volunteers

2017

- Acquired first emergency housing home in Lower Hutt

2018

- First staff member hired
- Changed to "Transitional Housing" - became an Accredited Housing Provider

2019

- Opened our first office, in the heart of Wainuiomata
- Acquired 3 Transitional Homes, including our first shared facility in Feilding, Palmerston North

2020

- Opened our first office in Palmerston North
- Acquired 8 transitional homes in Wellington region

2021

- Acquired 3 transitional homes in Central region
- Acquired 3 transitional homes in Wellington region
- Opening of our first complex with 23 apartments and office space, in Lower Hutt

CENTRAL

Our Central Region team is based at our office, located in Palmerston North



WELLINGTON

Our Wellington Region team is based at our offices located in Wainuiomata and Lower Hutt.

A word from our Finance Manager

It gives me great pleasure to be able to present the financial report for the year ending 31 March 2022.



The last four years have seen a very rapid growth in the Trust with revenue and expenses and this continued in 2022. Revenue was 78% higher than the previous 12 months and is 800% higher than what it was in 2018. This reflects both the increase in the number of houses being provided as well as expansion of other support areas.

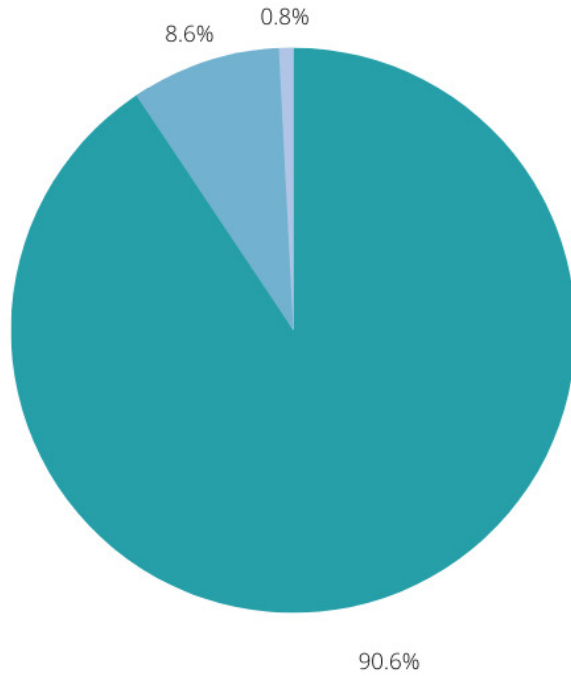
While expenses have also increased the Trust has maintained a very lean back end function with the result that 82% of all expenditure is directly related to the provision of client services.

The trust ended the year with a surplus of \$411,264, which is a pleasing result. It should be noted, however, that the Trust received funding for the setup of apartment complex in 71 Dudley Street which is included in the revenue, while a significant portion of what it funded has been capitalized.

PAUL WHITHAM

Finance Manager - First Community Trust

Income

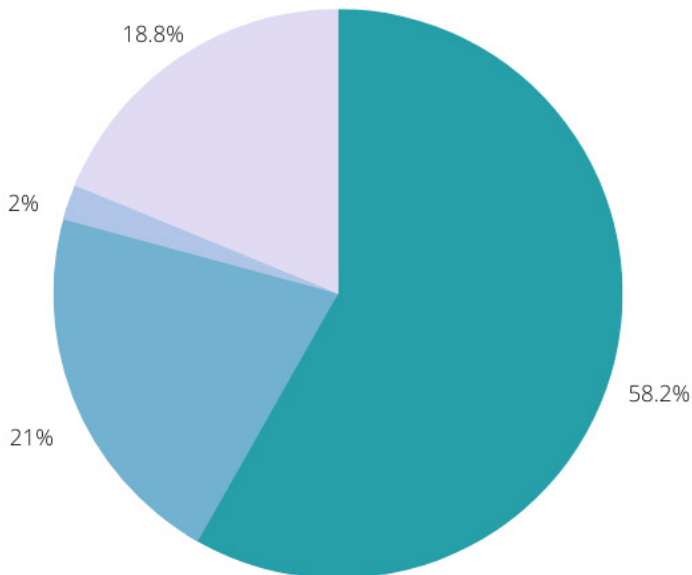


CENTRAL & LOCAL GOVERNMENT CONTRACTS
\$4,454,091

CLIENT CONTRIBUTIONS
\$421,061

OTHER SOURCES
\$40,267

Expenses



PROVISION OF HOUSING
\$2,623,642

CLIENT SUPPORT
\$944,679

COMMUNITY
\$89,689

ADMINISTRATION
\$846,147

Tuatahi at a glance

2012

Total number of adults and children supported between 2021-2022 for various services such as housing, holiday program, food response, COVID support and sponsorship

184

Families supported during level four lockdown. Included petrol vouchers, food packs, fun packs for kids, data packs and essential payments for blankets, heating, bills and utilities



108 Families

Transitioned into sustainable housing, from Transitional Housing



83 ROOMS/PROPERTIES

68 in Wellington region

15 in Central region

83

Families supported through our Sustainable Tenancies service, with 51 families no longer requiring support

57

Families supported through our collective partnership with Hutt City Council for homelessness

Our Workforce

27 Staff

- 4 in Central region

- 23 in Wellington region





Our partners

Riverlink Investments Ltd and Rivcon Services Ltd.



After much deliberation and many meetings with the Tuatahi team, we decided to buy into this vision and adapted our building to suit their needs

In mid-August 2020 we were in the middle of marketing and selling apartments in our Dudley Street project, when we were approached by Awhina and her team at Tuatahi for a conversation as to whether we would consider leasing the whole of the development to Tuatahi.

Initially our thoughts were to continue to take this to market, however, we were impressed with Tuatahi's vision for our building.

This vision was to provide transitional accommodation for their Client base in a safe, warm and secure environment whilst providing on site management and wrap around health, budgeting and up-skilling services for their clients.

After much deliberation and many meetings with the Tuatahi team, we decided to buy into this vision and adapted our building to suit their needs, adding additional disability friendly apartments, a commercial laundry, and a warm, friendly, inviting office base on the ground floor.

Tuatahi have been in residence for some months now and our relationship is strong. We feel our building is being respected and well managed by Tuatahi and look forward with confidence to a long relationship between both parties. Tuatahi are very professional in their management and provide exemplary service in their field.

- David Hadfield, Director



Making a difference

Holiday Programme



To see all of the tamariki support one another was rewarding and heart warming to see

In July 2021, Tuatahi ran a two-week holiday programme for tamariki 5-13 years old with the Lower Hutt region who are staying in Emergency Housing. We wanted to provide a quality, fun-filled programme for these tamariki that was free of charge and included activities that they may not often get the opportunity to experience such as bowling, movies at the cinema and awesome bounce.

The whole programme was designed to give the tamariki new experiences and an opportunity to socialize with other children their age, as the costs associated with child care can become a barrier for some whānau.

This programme was led by two of our own staff, and it is the first time Tuatahi has ever ran a programme like this. Within a short time frame, we enrolled 40 tamariki spanning across Lower hutt and Upper Hutt that were referred to us from MSD.

Our staff were involved with the day to day running of the programme, making sure food was prepped, activities were set up and of course making sure the kids had loads of fun. From the very first day it was buzzing with excitement, and over the course of the two weeks, we saw new friendships develop and lots of appreciation from the parents. One particular memory that stood out to me was when we had a swimming trip and there was a flying fox - one of the younger tamariki was afraid to go down but everyone from the programme started cheering him on until he finally went down and everyone erupted in applause. To see all of the tamariki support another was rewarding and heart warming to see.

At the end of the two weeks, the whole Tuatahi team held a graduation where all of the tamariki received a certificate and a gift. After the ceremony, we had food trucks, rides, face painting and bouncy castles. It was a great way to send the kids off, but also celebrate with our team the success of our first holiday programme. We look forward to running another in the future.



Making a difference

COVID Response



Funding for community connection service during COVID-19 alert levels 3 & 4

During alert level 4 & 3 lockdown, Tuatahi Centre assisted whanau who were experiencing challenges and were most affected by the COVID outbreak, such as being unable to work, essential workers struggling with travel and the increased costs of being at home with family full time. Our teams assisted with food parcels and other non-food items such as bills, petrol vouchers and activity packs for kids.

184

Families assisted during lockdown

200

Food parcels provided

25

petrol vouchers provided to essential workers

81

Bills, utility, rent, top up and winter essential payments made including 20 blankets and heaters and 2 washing machines

100

Childrens packs with fun activity items provided

10

Data packs provided



"To Awhina, Marcus and all the Tuatahi team. Just wanted to send out a little something for all that you guys had done not only for my family but for many families. Truly appreciated all the work you guys did and are still doing behind the scenes for the aiga/whanau that are in need"

"Had a delivery dropped off of goodies to me and my whanau and we are very overwhelmed. Gratitude and thanks to you, amazing mahi you are all doing"



Our Organisation Structure



Chair
Mel Harrington



Board of Director
Jordan Vailima



Board of Director
Danny Mareko



Board of Director
Fiona Daniel



Board of Director
Richard Sinnott



Board of Director
Kahurangi Tapsell



Treasurer
Paul Whitham



Secretary
Jamaica Vailima



General Manager
Awhina Vailima



Executive Assistant
Jamaica Vailima



Maintenance & Fleet Manager
Sene Vailima



Operations Manager
Marcus Mareko



Finance Manager
Paul Whitham



Wellington Team Leader
Adriana Vailima



Central Team Leader
Marama Watson



- Wellington Team**
- Support Workers
 - Housing Navigators
 - Facility Managers
 - Cleaner

- Central Team**
- Support Workers
 - Housing Navigators
 - Facility Managers

Other information

BANK	Kiwi Bank	94 Lambton Quay, Wellington Central, Wellington
LAWYER	Jim Meates	Level 1, 240 Jackson Street, Petone, Lower Hutt
AUDITOR	MOORE Markhams	Level 11, 34-42 Manners Street, Wellington
TRUST SERVICES ADDRESS	Wainuiomata Office Palmerston North Office	15 Queen Street, Wainuiomata 109 Princess Street, Pamerston North




Financial Statements



First Community Trust t/a Tuatahi

Approval of Financial Statements for the year ended 31 March 2022

The Trustees are pleased to present the financial statements of First Community Trust (trading as Tuatahi) as at and for the year ending 31 March 2022.



Board Chair

14 Sept 2022
Date



General Manager

14 Sept 2022
Date



First Community Trust t/a Tuatahi

Statement of Comprehensive Revenue and Expense For the year ended 31 March 2022

	Notes	Actual 2022 \$	Actual 2021 \$
Revenue			
<i>Revenue from exchange transactions</i>			
Income from clients		421,061	207,317
<i>Revenue from non-exchange transactions</i>			
Central & local government funding	1	4,454,091	2,539,038
Donation received	2	-	3,500
Other Income			
Interest Income		55	88
Other Income		40,212	6,593
<i>Total revenue</i>		4,915,419	2,756,536
Expenses			
Employee-related costs		1,575,284	1,154,569
Lease expense		1,966,414	1,051,778
Cleaning & Rubbish removal		27,096	23,854
Properties setup, repairs & maintenance		291,276	60,929
Light, Power & Heating		91,850	54,414
Client related costs		62,221	49,263
Insurance		55,366	48,954
Interest Expense		116	-
Depreciation of property, plant, and equipment	6	73,190	45,437
Loss/Gain on Disposal	6	19,157	1,839
Trustee fees	12	4,950	5,700
Other expenses	3	343,959	157,192
<i>Total expenses</i>		4,510,897	2,653,929
Surplus/(deficit) for the year		404,540	102,607
Other Comprehensive Revenue and Expense		-	-
Total Comprehensive Revenue and Expense for the year		404,540	102,607



First Community Trust t/a Tuatahi

Statement of Financial Position as at 31 March 2022

	Notes	Actual 2022 \$	Actual 2021 \$
Assets			
Current Assts			
Bank accounts and cash	4	203,204	123,361
Debtors and prepayments	5	644,045	105,096
<i>Total current assets</i>		847,249	228,457
Non-current assets			
Property, plant, and equipment	6	396,181	243,451
<i>Total non-current assets</i>		396,181	243,451
Total assets		1,243,430	471,908
Liabilities			
Current liabilities			
Income in Advance		296,969	85,360
Creditors and accrued expenses	7	309,303	153,929
<i>Total current liabilities</i>		606,272	239,289
Total liabilities		606,272	239,289
Total assets less total liabilities		637,159	232,619
Trust equity			
Contributed capital		-	-
Accumulated Comprehensive Revenue and Expense		637,159	232,619
Total Trust equity		637,159	232,619



First Community Trust t/a Tuatahi

Statement of Changes in Equity for the year ending at 31 March 2022

	Contributed Capital \$	Accumulated Comprehensive Revenue and Expense \$	Total Equity \$
Opening Balance at 1 April 2021	-	232,619	232,619
Surplus/(Deficit) for the year	-	404,540	411,264
Closing Balance at 31 March 2022		637,159	643,883
Opening Balance at 1 April 2020	-	130,012	130,012
Surplus/(Deficit) for the year	-	102,607	102,607
Closing Balance at 31 March 2021	-	232,619	232,619





First Community Trust t/a Tuatahi Centre

Statement of Cash Flows for The Year Ended 31 March 2022

	Notes	Actual 2022 \$	Actual 2021 \$
Cash flows from operating activities			
Cash flows from other operating activities		40,212	6,593
Receipts of central government funding		4,261,042	2,556,938
Receipts from client		411,304	207,497
Receipts from donation		-	3,500
Payment to suppliers and employees		(4,431,318)	(2,620,281)
Interest, Dividends and other receipts		114	63
Interest paid		(116)	-
Net GST		43,682	(43,109)
<i>Net cash flow from operating activities</i>		324,920	111,162
Cash flows from investing and financing activities			
Payment for property, plant and equipment		(245,077)	(116,329)
<i>Net cash flow from investing and financing activities</i>		(245,077)	(116,329)
Net increase/(decrease) in cash for the year		79,843	(5,166)
Add opening bank accounts and cash		123,361	128,527
Closing bank accounts and cash	4	203,204	123,361



First Community Trust t/a Tuatahi

Notes to the Financial Statements for the year ended 31 March 2022

Reporting Entity

First Community Trust trading as Tuatahi, is established and domiciled in New Zealand and is a registered charity under the Charities Act 2005. The purpose of Tuatahi is to provide housing support to the most vulnerable individuals, families and children.

Basis of Preparation

The accounts have been prepared in accordance with New Zealand Generally Accepted Accounting Practise ("NZ GAAP"). They comply with the Public Benefit Entity Standard Reduced Disclosure Regime ("PBE Standard RDR") as appropriate for Tier-2 not-for-profit public benefit entities, and disclosure concessions have been applied. As a registered charity Tuatahi is required to prepare financial statements in accordance with NZ GAAP as specified in XRB A1.

The Board has elected to report in accordance with PNE Accounting Standards Not-For-Profit Tier 2 on the basis that it does not have public accountability and has total annual expenses of less than \$30 million in the current and prior year.

Previous reports from the Trust have been prepared on the Tier 3 basis. In transitioning to Tier 2 there have been no changes that require a restatement of opening balances, or comparatives.

The financial statements are presented rounded to the nearest New Zealand dollar (NZ\$) which is Tuatahi's functional currency.

All transactions in the financial statements are reported using the accrual basis of accounting. The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future. There is no significant estimates used on the preparation of the financial statements.

The financial statements were authorised for issue by the Board on 14 September 2022.

Taxes

The Trust is a registered charity under the Charities Act 2005 and is wholly exempt from New Zealand income tax.

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

SIGNIFICANT ACCOUNTING POLICIES (not otherwise details in the individual notes)

Nature of revenue

Revenue is classified as either exchange or non-exchange based on whether the trust is directly providing services in return.

Client Contribution and Damage

Revenue from the client/tenant is recognised when the invoice is sent.

Employee-related costs

Wages, salaries, and annual leave are recognised as an expense as staff provide services and become entitled to wages, salaries, and leave entitlements.



Performance payments are recognised when the employee is notified that the payment has been granted.

Superannuation contribution are recognised as an expense as staff provide services.

Administration, overhead costs

These costs are recognised as an expense when the related service has been received.

Lease expense

Lease payments are recognised as an expense on straight-line basis over the lease term.

SIGNIFICANT ACCOUNTING JUDGEMENTS. ESTIMATES AND ASSUMPTIONS

Judgements

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

Operating Lease

Tuatahi has entered into a number of vehicle, equipment and property leases. Tuatahi has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the vehicles, that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Useful lives

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

- The condition of the asset
- The nature of the asset





CHANGES IN ACCOUNTING POLICIES

During the year a formal policy with regards to the capitalisation of fixed assets was agreed by the Board. Assets are now only capitalised if they have an individual value exceeding \$2,000. Pooled assets may be capitalised where the total purchase price is over \$2,000 and the individual items are located in the same place and used together.

No reinstatement has been done on assets capitalised in previous years to expense those that no longer would be required to be capitalised.



First Community Trust t/a Tuatahi

Notes to the Financial Statements for The Year Ended 31 March 2022

1. Central & local government funding

	2022	2021
	\$	\$
Grants – Accommodation Subsidy	1,280,179	732,728
Grants – Service Delivery	1,961,079	1,301,928
Grants – Flexiwage	10,080	7,120
Grants – Setup Costs	415,267	121,394
Grants – Repairs & Maintenance	41,839	4,145
Grants – Other	745,647	371,723
Total central and local government funding	4,454,091	2,539,038

Council and government funding, and non-government donations are recognised as revenue when the accommodation & operational grants invoices are sent to the relevant party, unless there is an obligation to return the funds if conditions are not met (overpayment by tenant or over-refund by other party).

2. Donation received

During the year, the Trust received no cash donations (2021: \$3,500). Donations received are recognised on receipt,

3. Other expenses

	2022	2021
	\$	\$
Accounting and Audit fees	20,165	10,862
Legal expenses	25,802	10,252
Office and Staff general administration expenses	63,588	121,093
Telecommunication and IT expenses	35,837	6,912
Other expenses	198,567	8,073
Total other expenses	343,959	157,192

4. Bank accounts and cash

	2022	2021
	\$	\$
Cheque account	83,355	121,293
On-call account	117,207	1,151
Debit card account	2,642	917
Total bank accounts and cash for the statement of cash flows	203,204	123,361

Bank accounts and cash comprise cash on hand, cheque, debt card accounts or saving accounts, and deposits held at call with banks. Bank accounts and cash are measured at the amount held.



5. Debtors and prepayments

	2022 \$	2021 \$
Gross debtors	393,492	83,427
Provision for impairment	-	-
Net debtors	393,492	83,427
Prepaid bond	9,550	4,610
Prepaid expenses	119,654	-
Other receivables/recoveries	121,349	17,059
Total debtors and prepayments	644,045	105,096

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recorded and the loss is recognised as a bad debt expense.

6. Property, plant, and equipment

	2022 Cost or valuation	2022 Accumulated Depreciation	2022 Net book value	2021 Cost or valuation	2021 Accumulated Depreciation	2021 Net book value
	\$	\$	\$	\$		\$
Computer Equipment	21,746	(8,550)	13,196	40,717	(19,417)	21,300
Household furniture & fittings	148,638	(52,366)	96,272	148,638	(22,638)	126,000
Leasehold improvements	288,954	(40,961)	247,993	80,917	(12,755)	68,162
Office furniture	19,384	(8,638)	10,746	14,186	(4,090)	10,096
Plant & equipment	38,440	(10,466)	27,974	23,172	(5,279)	17,893
Total Property, plant and equipment	538,462	(120,981)	396,181	307,630	(64,179)	243,451

	Computers and software	Leasehold improvements	Furniture and fittings	Office equipment	Household Furniture & Fittings	Total
	\$	\$	\$	\$		\$
Carrying amount at 1 April 2020	26,766	76,254	4,622	8,417	55,433	171,492
Additions	7,258	-	8,023	14,954	89,000	119,235
Disposals (net of accumulated depreciation)	-	-	-	(1,839)	-	(1,839)
Depreciation expense	(12,724)	(8,092)	(2,549)	(3,639)	(18,433)	(45,437)
Carrying amount at 31 March 2021	21,300	68,162	10,096	17,893	126,000	243,451
Carrying amount at 1 April 2021	21,300	68,162	10,096	17,893	126,000	243,451
Additions	16,573	208,036	2,591	17,874	-	245,077
Disposals (net of accumulated depreciation)	(19,157)	-	-	-	-	(19,157)
Asset reclassification	-	-	1,892	(1,892)	-	-
Depreciation expense	(5,523)	(28,205)	(3,833)	(5,901)	(29,728)	(73,190)
Carrying amount at 31 March 2022	13,196	247,993	10,746	27,974	92,272	396,181



Property, plant, and equipment is recorded at cost, less accumulated depreciation and impairment losses. From 1 March 2021 the trust adopted a capitalisation policy that only items with an individual value of \$2,000 would be capitalised.

Donated assets are recorded upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recorded.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

If there is any indication that an impairment charge recorded in prior periods may no longer exist or has reduced, an impairment reversal is recognised. The reversal of impairment shall be all or part of the previous impairment charge. However, it must not result in the carrying amount of the asset (net of depreciation) being recorded at more than it would have been had the impairment not been recorded.

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

Leasehold improvements	10 years (10%)
Household Furniture and Fittings	5 years (20%)
Computers and software	3 years (33%)
Plant & Equipment	5 years (20%)

7. Creditors and accrued expenses

	2022	2021
	\$	\$
Creditors	38,901	25,262
GST payable	44,677	995
Accrued expenses	36,948	11,500
Annual leave liabilities	135,967	77,957
Salary accrual	52,810	38,215
Total creditors and accrued expenses	309,303	153,929

Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

Employee costs payable

A liability for employee costs payable is recorded when an employee has earned the entitlement.



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

Provisions

The Trust records a provision for future expenditure of uncertain amount or timing when there is a present obligation as a result of a past event, it is probable that expenditure will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

8. Trust equity

	2022 \$	2021 \$
Contributed capital		
Balance at 1 April	-	-
Capital contribution	-	-
Balance at 31 March	-	-
Accumulated surpluses		
Prior year closing balance as 31 March	232,619	129,734
Correction of prior year error	-	278
Opening balance at 1 April	232,619	130,012
Surplus/(deficit) for the year	411,264	102,607
Closing balance at 31 March	643,883	232,619
Total trust equity at 31 March	643,882	232,619

9. Financial Instruments categories

		2022 \$	2021 \$
Loans and receivables			
Trade receivables and other receivables		524,391	105,096
Prepayments		119,654	-
Cash and cash equivalents		203,204	123,361
Total loans and receivables		847,249	228,457
Financial liabilities measured at amortised cost			
Trade creditors and accrued expenses	7	302,579	153,929
Income in advance		296,969	85,360
Total Financial liabilities measured at amortised cost		599,548	239,289

Financial assets and financial liabilities are recognised when Tuatahi becomes a party to the contractual provisions of the financial instrument

Financial assets

Financial assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. PNZ financial assets are classified as either financial assets at fair value through surplus or deficit, or loans and receivables. Tuatahi's financial assets include: cash and cash equivalents, short-term investments, receivables from exchange transactions.

Receivables

Receivables are 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 any allowance for impairment. Tuatahi cash and cash equivalents, short-term investments and receivables from exchange transactions fall into this category of financial instruments.

Financial liabilities

Financial liabilities include trade and other creditors (excluding GST and PAYE), employee entitlements, loans and borrowings and income in advance (in respect to grants whose conditions are yet to be complied with).

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

10. Commitments

	2022 \$	2021 \$
Commitment type		
No later than one year	1,797,648	946,909
Between one year and not later than five years	2,932,880	1,040,351
Total commitments	4,730,528	1,987,260

11. Contingent liabilities

The Trust has no contingent liabilities and claim (2021: nil).

12. Loans

The Trust has no outstanding loans at the balance date.



Loans are recorded at the amount borrowed from the lender. Loan balances include any interest accrued at balance date that has not yet been paid.

13. Board of Trustee fees

	2022	2021
	\$	\$
A Perez	-	1,800
D Mareko	600	-
F Daniel	150	-
J Vailima	-	1,050
K Alder	1,350	600
K Tapsell	150	-
M Harrington	1,200	-
M Payne	1,350	1,500
R Sinnott	150	-
S Vailima	-	750
Total trustee fees	4,950	5,700

During the year K Alder and M Payne resigned as Trustees, and they were replaced with D Mareko, F Daniel, K Tapsule and R Sinnott. M Harrington also joined the Board in the position of Chair. J Vailima is not paid Trustee fees as he is employed by the Trust.

14. Key Management Personnel

	2022	2021
	\$	\$
Number of Key Management Personnel	6	4
Salary & KiwiSaver paid	447,100	318,938

Key Management personnel is defined as the members of the Management Team. At 31 March 2022 these positions were held by Awhina Vailima (General Manager), Sene Vailima (Manager Maintenance & Fleet Vehicles), Marcus Mareko (Operations Manager) and Paul Whitham (Finance Manager). The numbers reported in the year also include payments made to former CEO Andrew Perez and former Manager Human Resources & Finance Luni Perez.

15. Related Party Disclosure

Tuatahi is founded and operated as a family trust. Related party disclosures are noted and managed in accordance with Tuatahi policies and procedures.

In this we disclose the following related party disclosures:

- Andrew Perez & Luni Perez (Husband and Wife)
- Sene Vailima & Awhina Vailima (Husband and Wife)
- Jordan Vailima (Son to Sene Vailima and Awhina Vailima)

- Positions Held by each individual:



- Andrew Perez: Chief Executive Officer (till October 2021)
- Awhina Vailima: General Manager
- Iuni Perez: Manager Human Resources & Finance (till October 2021)
- Sene Vailima: Manager Maintenance & Fleet Vehicles
- Jordan Vailima: Board member

The Board of Trustees disclosed Conflict of interest in regard to the property owned by Sene Vailima and leased by Tuatahi Centre. A total of \$41,545 paid in rent. (2021 - \$39,000).

At 31 March 2022 Jordan Vailima owes the Trust \$1,890 relating to personal purchases charged to the Trust credit facilities and then on-charged by invoice.

During the year the Trust provided housing support to close family members of Awhina Vailima when they became clients of Tuatahi. This was on the same basis to other clients in that they were required to contribute 25% of their after-tax income. One member was in accommodation 8 -22 October 2021 and contributed \$420. Rentals paid on the property was \$1,380. The other member was in accommodation from 19 July to 10 December 2021. They contributed \$4,200. Rental on this property for the period was \$12,997.

16. Covid-19

On 30 January 2020, the spread of novel Corona virus (COVID-19) was declared a public health emergency by the World Health Organisation. Through the last two years and up to the date the financial statements were authorised for issue by the Board, the country has cycled in an out of various Alert Levels, some of which have included further lockdowns and restrictions on citizen movement and activities for extended periods.

As the Omicron outbreak spread through the community it was necessary to reduce the capacity especially in communal homes which had an impact on the financials, however this was not deemed significant.

The Board will continue to monitor the impact of COVID-19 on the Trust but at the date of signing this report the Board does not believe the entity has been or will be adversely financially affected by the pandemic.

The Board maintain the view that Trust has sufficient resources that it will continue to operate as a going concern provided operational targets are met.

17. Funds held on behalf of another entity

At year end, \$2,414 was held by First Community Trust in one bank account on behalf of the staff social club. In 2021 \$23,702 was held made up of \$420 in the Staff Social Club account and \$23,282 in the 'Home Grown Heroes' project. This total has not been disclosed as an asset of the Trust.

Independent auditor's report

To the Trustees of First Community Trust trading as Tuatahi Centre

Qualified Opinion

We have audited the financial statements of First Community Trust trading as Tuatahi Centre on pages 39 to 52, which comprise the statement of financial position as at 31 March 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the statement of accounting policies and notes to the financial statements.

In our opinion, except for the matter described in the *Basis for qualified opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of First Community Trust trading as Tuatahi Centre as at 31 March 2022, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR).

Basis for Qualified Opinion

Our audit opinion for the year ended 31 March 2021 was qualified. In the 2021 financial year, we were unable to obtain sufficient appropriate audit evidence regarding the completeness of client contributions income. Consequently, we were unable to determine whether any adjustments were necessary. Our opinion on the current year's financial statements is also modified because of the possible effects of the matters above on the comparability of the current year's figures and the corresponding figures. No such qualification was issued in respect of the client contribution income for the year ended 31 March 2022.

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 financial statements' section of our report.

We are independent of First Community Trust trading as Tuatahi Centre 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 our capacity as auditor we have no relationship with, or interests in, First Community Trust trading as Tuatahi Centre.

Other Information

The Board are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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.

Board's responsibilities for the financial statements

The Board are responsible on behalf of First Community Trust trading as Tuatahi Centre for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR), and for such internal control as the Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board are responsible on behalf of First Community Trust trading as Tuatahi Centre for assessing First Community Trust trading as Tuatahi Centre'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 Board either intend to liquidate First Community Trust trading as Tuatahi Centre or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at

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

This report is made solely to the Trustees of First Community Trust trading as Tuatahi Centre. Our audit has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditors' 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 trustees, for our audit work, for this report, or for the opinions we have formed.

Moore Markhams

Moore Markhams Wellington Audit | Qualified Auditors, Wellington, New Zealand
14 September 2022