Stand Children's Services
Tū Māia Whānau

Annual Report

2018 — 19

EVERY CHILD

SERVICES PROVIDED:

In the 2018 — 19 year, Stand Tū Māia Whānau provided nine essential services:

Restoration and preservation through

Family Therapy

Services to **280** children and their families —— Midland, Central and Christchurch regions only.

Intensive Family Wraparound

Services to **2,176** children and their families —— nationwide.

Trauma Treatment

Therapeutic care and education for **1,228** children —— nationwide.

Social Worker/Youth Worker in Schools

Intensive Intervention services to **544** children and their families —— Northern, East Coast and Christchurch Regions only.

Social Worker/Youth Worker in Schools

Programmes for **829** children —— Northern, East Coast and Christchurch regions only.

Strengthening Families

Support services to **280** families —— Midland region only.

Strengthening Families

Case management services to **76** families —— Midland region only.

Intensive Case Management

Case management services to **42** families —— Midland region only.

Family Support

And education services to **50** families —— East Coast region only.

SATISFACTION RATINGS WITH SERVICES PROVIDED AND OUTCOMES:

99% Family/whānau/caregiver satisfaction ratings for the Family Therapy service

98% The percentage highly satisfied

100% Child satisfaction ratings for the Family Therapy service

100% School satisfaction ratings for the Family Therapy service

100% The percentage highly satisfied

100% Referral agent satisfaction ratings for the Family Therapy service

100% The percentage highly satisfied

99% Family/whānau/caregiver satisfaction ratings for the Intensive Family Wraparound service.

95% The percentage highly satisfied.

94% Child satisfaction ratings for the Intensive Family Wraparound service

93% School satisfaction ratings for the Intensive Family Wraparound service

78% The percentage highly satisfied

98% Referral agent satisfaction ratings for the Intensive Family Wraparound service

86% The percentage highly satisfied

96% Child satisfaction ratings for the Therapeutic Care and Education service

90% Family/whānau/caregiver satisfaction ratings for the Kidzacool service

94% Child satisfaction ratings for the Kidzacool service

92% Client satisfaction ratings for the Social Worker and Youth Worker in Schools service

RESULTS:

95% of children accessing the Therapeutic Care and Education service (Trauma Treatment) showed improvement measured by the Strengths and Difficulties Questionnaire

92% of children accessing the Family Therapy service showed improvement measured by the Strengths and Difficulties Questionnaire

88% of families accessing Family Therapy service showed improvement in family functioning measured by the McMaster Family Assessment Device

95% of children accessing Intensive Family Wraparound service showed improvement measured by the Strengths and Difficulties Questionnaire

97% of children accessing Social Worker and Youth Worker in Schools service showed improvement measured by the Strengths and Difficulties Questionnaire

At the time of referral, Stand Tū Māia receives information from referral agents. This information is used to show the risk exposure at the time of referral that is known and helps prioritise access:

Of the referrals received in the 2018/19 year:

On the surface

69%
of children are assessed as medium to high risk

79%
of children have difficulty with self-regulation

60%
of children are exhibiting alienation and rebelliousness

61%
of children are displaying anti-social behaviour and hyperactivity

62%
of children are diagnosed with chronic health, mental health or developmental disabilities

43%
of children are diagnosed with a physical health condition

33%
of children have a diagnosed mental health disorder

33%
of children have a developmental disability

39%
of children have two or more chronic health, mental health or developmental disabilities

54%
of children are known to Oranga Tamariki

40%
of children are from single-parent families

58%
of parents are on a low wage or a benefit

36%
of families are struggling with socio-economic disadvantage

50%
of families live in communities where there are poor housing conditions, neighbourhood crime and violence, a lack of attachment and social and cultural discrimination

35%
of parents have low education achievement

KEY STATISTICS

WHEN CHILDREN AND FAMILIES ENGAGE WITH STAND TŪ MĀIA, WE ASK WHAT HAS HAPPENED TO THEM, WHAT IS HAPPENING AND WHAT DO THEY WANT TO HAVE HAPPEN IN THEIR LIVES.

THEIR STORIES OF RESILIENT SURVIVAL ALWAYS REVEAL PREVIOUSLY UNKNOWN FACTS RELATING TO INTERGENERATIONAL DISADVANTAGE AND RELATIONAL TRAUMA THAT WERE NOT KNOWN AT THE TIME OF REFERRAL.

49% of parents have relationship problems or a family history of abuse

47% of families have experienced recent traumatic events

75% of parents are experiencing difficulties with discipline

46% of children are failing at school

44% of children are experiencing peer rejection and bullying at school

48% of the children's schools were having difficulties managing the children's behaviour

48% of children are Māori

46% of children are NZ European

3.4% of children come from Pacific cultures

2.6% of children are from other cultures including Indian, South-East Asian, Asian and other European

64% of children are male

35.5% of children are female

0.5% of children are gender diverse or gender unknown (only recent referral data collection)

12% of children are 0–7 years old

38% of children are 8–10 years old

30% of children are 11–12 years old

20% of children are 13–17 years old

Ko ngā pou i whiria, ko ngā pou i mārama. Tiaho mai i roto, mārama mai i roto. Ko ngā pou o tēnei whare, hui te ora, hui te mārama, hui e tāiki e!

The pou of the whare bind us together. They shine, they shine bright and clear within. The pou of the whare gather with life, gather with light. They bind us together as one. It is done!

STAND TŪ MĀIA PRINCIPLES OF CHILD CENTRED PRACTICE

Family Systems – Stand Tū Māia uses an ecological approach where tamariki and whanau are understood in the context of the systems that influence their lives. In this approach, each person's behavior is seen as both a response and a trigger. Effective Interventions focus on tamariki and the whānau and social systems in which tamariki live.

Cultural and Linguistic Capability – Tamariki in pain need cultures of respect and healing. With the guidance of our Iwi Māori partners and the Stand Tū Māia diverse workforce we continually strive to be capable of serving the diverse cultural and linguistic needs of tamariki and whānau so they feel welcome, safe, understood, accepted, and celebrated.

Neurobiology – The work of Stand Tū Māia focuses on tamariki experience of interpersonal/relational trauma and its impact on tamariki functioning. Childhood experiences leading to lack of secure attachment, exposure to traumatic stress, trigger an alarm reaction altering the neurobiology of the brain and central nervous system. This results in impaired wiring in a child's limbic brain system and altered levels of stress hormones resulting in anxiety, depression (grief) and self-regulation problems. The support offered by Stand Tū Māia to tamariki and whānau focuses on rewiring the limbic system and reducing the biochemistry of stress. It is a fact that reducing toxic stress levels in adults results in improved parenting.

Attachment – Attachment is at the core of every child's and every adult's beliefs. Our early experience of attachment creates our internal working model. Our beliefs about self, adults and the world then govern our emotions, behaviors, relationships and our sense of right and wrong. The Stand Tū Māia assessment and treatment model hinges on assessing healthy and disrupted attachment and building new beliefs and capacities which include trust, empathy, safety, dependability, appropriate boundaries and "limbic resonance". This is achieved through experiencing empathy, understanding and security – "You're safe, I see you, I hear you, I feel for you, I'm here for you……"

Trauma – Experiences caused by abuse, neglect and compromised attachment result in psychological, social, behavioral and biological distress and lifelong impact if not addressed. Trauma results in serious mental health problems such as anxiety, depression, disassociation, shame, the stress response (fight flight freeze). Exposure to toxic stress caused by trauma also results in long-term health problems. The Stand Tū Māia internal training focuses on ensuring that our staff understand developmental trauma and PTSD, and their therapeutic role in lessening the effect on self-concept and identity, attachment styles, self-regulation, core beliefs and depression/mood in both tamariki and the whānau they work with.

Understanding

Sequential and Developmental – To be effective in our work, it is essential to understand that tamariki development consists of a series of stage-relevant tasks that are essential to learn which lead to the mastery of subsequent developmental tasks over time. Assessing the emotional and cognitive stage of tamariki at the time the interpersonal/relational trauma happened helps determine the reaction and consequences. The developmental stage of tamariki at the time of treatment determines the type of interventions used.

Holistic and Integrative – Assessment and intervention needs to occur on all levels – whānau, emotional, cognitive, social, physical, behavioral, moral and spiritual – all are interconnected. Change tamariki and whanau behavior and you restore/change their beliefs and bring new meaning, cognitive changes can produce alterations in actions and choices, positive relationships/secure attachment rewires the brain, reduces stress, emotional security supports academic and new skills achievement. Mind effects body and body effects mind.

Experiential and Transformational – Trauma recovery, rewiring the brain, developing secure attachment, learning coping skills, changing core beliefs, are best achieved for tamariki through positive experiences with significant others – parents, siblings, whānau, teachers. Effective treatment requires intensity of engagement and employs change producing mental, emotional and interpersonal experiences.

Strengths and Competencies – Stand Tū Māia focuses on what is right for tamariki and whānau, what is working well. Important as it is for tamariki to deal with past traumatic experiences as part of the healing process, it is equally important to build on tamariki and whānau strengths and teach skills that foster a sense of identity, mastery and hope. Stand Tū Māia staff are trained to guard against pessimism, being overwhelmed, losing hope – it is crucial to remain calm, positive, use the language of hope and light, know how to motivate and communicate high expectation of success. Resiliency theory teaches us that recovery from trauma is associated with experiences of hope, sense of meaning and purpose, positive emotions, non-judgmental social supports, consistent acts of kindness and a belief in the fact that "I can change things".

Restoration — support strengthens

CHAMPIONS CLUB

Accenture
Fonterra Milk in Schools
Friday Patchwork Friends, Wellington
Fruit in Schools
Glenelg Children's Health Camp Charitable Trust
Lakes District Health Board
Pak N Save, Rotorua
Rotorua Energy Charitable Trust
The Good Registry
The Howick and Districts Masonic Charitable Trust
Tikipunga Protestant Children's Home
Turners & Growers
Potatoes NZ Charitable Trust

FRIENDS CLUB

Airbiz
ALSCO NZ, Scott Bason
Auckland's Fabulous Volunteer Team
AUT Dental Oral Health Daniel Fernandez and Theresa Coleman
Central Lakes Trust
Colin Rice, Kāpiti
Community Trust of Southland
Drs Alex and Scott Williams
E.B.Milton Trust
Freemasons Charity
Glennis Bason, Auckland
Inner Wheel Club of Pakuranga and Howick
Jenny Glasgow, Otaki
Karen Dalton, Auckland
Kidscan
Lions Club of Kapiti – Pakeke Inc.
Lodge Howick 314
Lodge Wairoa 55
Lotteries Grant Board
Lotteries Northland Community Grants
Michelle Braid, Auckland
Office Max, Gisborne
Otago Community Trust
Probus
Roger O'Neill, Kāpiti
Rotary Club Circus Quirkus
Rotary Club of Half Moon Bay
Rotary Club of Riccarton, Christchurch
Sherryn and Paul Cressey, Howick
Tauranga Methodist Parish
The Men's Shed, Pakuranga
The Pakuranga Lodge 416, Auckland
Variety the Children's Charity
Women's Institute, Gisborne

SUPPORTERS CLUB

103 The Store, Roxburgh
360 Electrical Ltd
AK Franks Trust
Akuhata Family, Otaki
Alan Fogerty
Alexandra Lions Club
Alexandra Rotary
Amy Hardy, Te Awa Ora, He Tai Ora
Autism NZ Inc
Awarua Whanau Services, Invercargill
Baigents OPD
Barry Lennon, Christchurch
Beuker Contracting Ltd
Bev and Doug McLellan
Bike Barn, Rotorua
Bike Culture, Rotorua
Bike Fix Direct, Rotorua
Bill Milne, Bike Repairers
Blezard Hair and Beauty, Rotorua
Bream Tail Quilters Club
Brian Reid, Christchurch
Brian Stanbridge
Bridon NZ Ltd
Bronwyn Kay Real Estate
Bunnings Ltd, Whangarei
Cancer Society, Gisborne
Greig Cohen-Brooks Canine Friends
Catherine McInally, Half Moon Bay
Charity House Project, Rotorua
Cheryl Herlihy
Child Cancer Foundation and Canteen, Dunedin
Child Cancer Society, Rotorua
Circa Marine & Industrial Ltd
Clements Contractors
Comfort Socks, Levin
Con Van der Voort, Ettrick
Corson Grain, Gisborne
Cromwell Branch Rural Women New Zealand
Cutlers Property Management, Dunedin
Cycle Zone, Rotorua
Dave Robinson, Q-Plumbing Services
David Hall, Odeon Theatre, Gisborne
David Moore Pharmacy
Debbie Cobby, Give a Kid a Blanket, Rotorua
Dell Johnson and Family
Dharma Trust
Dive Tatapouri, Gisborne
Donna Clark & Peter Harland
Donna Patu
Dorothy Boyd
Duke of Edinburgh Students Macleans College
Duke of Edinburgh Students St Kentigern College
Eastland Group, Gisborne
Eastwoodhill Arboretum, Gisborne
ECMOT, Gisborne
Eeny Meeny
Elaine Flashman
Elite Electrics
Event Cinemas, Whangarei
Floorcraft, Whangarei
Fostering Kids NZ
Garry Milford, Alexandra Police
Gisborne District Council, Olympic Pools
Gisborne Police
Glen Bailey
Glenyss Hamlin, Kapiti Coast
Grandparents Raising Grandchildren, Rotorua
Greenfingers Growing Mixes Ltd
Guyco Construction Ltd, Whangarei
Hansen & Tomlinson
Heart Kids, Gisborne
Highland Park Pharmacy, Auckland
Highland Pharmacy, Roxburgh
Highlands Scaffolding, Alexandra
Hire Direct Ltd, Whangarei
Horse Riding Warkworth
Howick Combined Probus
Howick Trefoil Guild
Hugs All Round Quilters, Christchurch
Ilam New World Christchurch
Inner Wheel Group Christchurch
J & T Rutter
Jackie McClutchie
Jill Smith, Heni Materoa Trust
Julie Thorp
Kapiti Arts and Crafts, Paraparaumu
Kapiti Red Cross
Kath Kitchen
Kay and Doug Humby
KCA Kiwi Community Assistance, Wellington
Kelly Anne Ngatai, Whiti Te Rā Junior Sorts Club
Kids Foundation, Gisborne
Kidscan
Kiwanis Club, Christchurch
Kiwanis Clubs of the Auckland District
Kiwanis Club, Papatoetoe
Knitter Knatters Group
Lester Family, Temuka
Life Education Trust, Auckland
Life Education Trust, Gisborne
Lions Club of Makarewa
Lions Club of Rotorua Geyserland
Lions Club, Gisborne
Look Good Feel Better
Louise McKenzie, Alexandra
Makaraka Vege
Manaia View School
Mangamingi Marae, Raetahi
Margriet Theron
Marilyn Bakker and Wally Rice
McDowell Family, Roxburgh
McLeans Pharmacy
Melray Electrical Christchurch
Metro Glass & Glazing Ltd
Mike Ellis, Gisborne
Mindlab, Gisborne
Moerewa Christian Fellowship Trust
Morehu Pewhairangi
Morere Hot Pools
MOTAT
Motel Villa del Rio
Neighbour Penny
Ngati Raukawa Ki Te Tonga
Noble Keelan
Northland Concrete Pumping Ltd
Northland District Health Board, Community Dental
Northland District Health Board, Mobile Ear Clinic
Northland Waste Ltd
NZ Couriers, Whangarei
NZO - Rotorua
Ocean View Rest Home
Office Max, Auckland

SUPPORTERS OF STAND

OfficeMax School Supplies, Dunedin
Otago Principals Association
Ōtaki College
Ōtaki Primary School
Ōtaki Womens Craft Group
Otamatea Quilters & Knitting Group
Pa Piripi Taylor, Pukekaraka Catholic Church
Paare Ahuriri-Leach
Paper Plus, Alexandra
Paper Tree, Christchurch
Paradice Ice Skating, Avondale
Parahirahi Ngawha Waiariki Trust, Ngawha Hot Springs
Parawai Lions, Waikanae
Pat and Judy Dunick
Pat and Tania Hakaraia Lawnmowing services, Ōtaki
Pemberton Family, Roxburgh
Pinehollow Horse Riding, Gisborne
Plumbing World Ltd, Whangarei
Pompallier College
Post Haste Couriers, Whangarei
Poverty Bag Rugby Union
Rata Foundation
Rawiri Rikihana, Ngāti Kapumanawawhiti
Rebecca and Ash Johnson, Cookie Time
Red Cross
Regent Dry Cleaners
Ridges Hotel, Rotorua
Robbs Garage, Roxburgh
Robinson Asphalt 1992 Ltd
Room Service
Rotary Club of Dunedin
Rotary Club of Gisborne
Rotary Club of Gisborne West
Rotary Club of Half Moon Bay
Rotary Club of Mount Victoria
Rotorua Cycle Centre
Rotorua Multicultural Tariro Knitting Group
Rotorua Rotary Sunrise
Roxburgh Area School
Roxburgh Community Board
Roxburgh Community Garden
Roxburgh Fire Brigade
Roxburgh Lions Club
Roxburgh Police
Roxburgh Supervalue
Roxburgh Thrift Shop
RYLA Auckland
Salvation Army, Gisborne
SAR, Rotorua
Simon Hall, Spa & Pool Warehouse
Southern Hospitality, Whangarei
St Johns Opportunity Shop, Howick
St Johns, Ōtaki
St Peter Chanel Primary School
Stand Tū Māia, Midland Staff
Stitch Sisters Quilting Group
Sulphur City Lions Club
SuperGrans, Gisborne
Surfsup Investment Ltd
Tairawhiti District Health, Gisborne
Tairawhiti Museum, Gisborne
Te Ao Huri Iwi Management, Alexandra
Te Atiawa Ki Whakarongotai
Te Kura Kaupapa Arowhenua, Waihopai
Te Rau Aroha Marae, Bluff
Te Roopu Awhina, Alexandra
Te Runanga o Ngai Tahu Ki Otakau
Te Runanga o Ngati Porou, Gisborne
Te Runanga-o-Turanga-nui-a-kiwa
Te Wananga o Aotearoa
Te Wānanga o Raukawa
The Bon Bon Factory, Whakatane
The Gisborne Herald
The Kids Foundation, Wellington
The Knitting Ladies
The Pakuranga Lodge 416
The Rock Shop
The Salon
The Warehouse, Barrington
Toi Ohomai Institute of Technology
Tony George
Tracy Fergus, Public Health Nurse
Trish Stewart
Tui Medical Centre Ltd
Turners & Growers, Pukekohe Group
Uruuruwhenua Health, Central Otago
Virgin Concrete Ltd, Whangarei
Waimangu Valley
Walt Abel, Christchurch
Wellington Central Country Women's Institute
Wellington City Library
Welsh Family, Roxburgh
Whangarei 10 Pin Bowling & Entertainment Centre
Whangarei Aquatic Centre
Whangarei Patchworkers & Quilters Club
Wirihana Kiriona and Kevin Henry, Master Carvers, Ōtaki
Women's Community Group, Ōtaki
Zadie the dog
Zoe the dog
Zonta Club of East Auckland

NATIONAL SUPPLIERS AND SUPPORTERS

2Degrees
ACC
Ace Payroll (MYOB Ltd)
Air New Zealand
ANZ Bank
Angela Walker, Employers Associates
Archdiocese of Wellington/ Catholic Centre
ASB Bank
Athena Software
Bank of New Zealand
Best of the Bunch Ltd
Bidfoods
Bluestar
Careerforce
Cleantastic Wellington
Cooper Legal
CPI® Crisis Prevention Institute, USA
CQ Hotels Wellington
CSC Buying Group
David Patten
DTS
DW Dentice Datamaster Ltd
Ernst & Young
Fonterra
Good Grief McKillop Family Services, Australia
Greenwood Roche
Goodman Fielders
Helen Eskett & Associates Ltd
Hertz Rent a Car Ltd
Hui Cleaning
In house Catering
Insight Creative
Jigsaw Architects
Just Plant
LeasePlan
Loo & Moore
Marsh Insurance
N3
National Resource Centre for Youth Services (University of Oklahoma)
New Zealand Couriers
New Zealand Police
Office Max New Zealand Ltd
PB Technology
PC Traders
Penelope New Zealand
Platform
Prof Rochelle F. Hanson, Department of Psychiatry & Behavioural Services, Medical University of South Carolina, USA
Programmed Property Services
PSA
Rapid Copy Ltd
Ricoh NZ
Seasons for Growth Aotearoa New Zealand
Senate SHJ
Signbiz
Southern Hospitality
Talent Propeller
Taxi Charge NZ Ltd
The Circle of Courage Training & Development Trust
TIMG
Urban Lounge
Vitae
Vodafone
Warehouse Stationery/ The Warehouse
Watts & Hughes

THE ACTION OF RESTORING,

REFRESHING, REVITALISING.

Tāmatatia

Tiakanga

THE CIRCUMSTANCE OF PRESERVATION,

GUARDING, PROTECTING.

Building a better working world

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF STAND CHILDREN'S SERVICES – TŪ MĀIA WHĀNAU

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Stand Children's Services – Tū Māia Whānau (the "Foundation") on pages 11 to 25, which comprise the statement of financial position of the Foundation as at 30 June 2019, and the statement of financial performance, statement of other comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year then ended of the Foundation, and the notes to the financial statements including a summary of significant accounting policies.

In our opinion, the financial statements on pages 11 to 25 present fairly, in all material respects, the financial position of the Foundation as at 30 June 2019 and its financial performance and cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand). 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 the Foundation in accordance with Professional and Ethical Standard 1 (revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interest in, the Foundation. Partners and employees of our firm may deal with the Foundation on normal terms within the ordinary course of trading activities of the business of the Foundation. We have no other relationship with, or interest in, the Foundation.

Information other than the financial statements and auditor's report

Those charged with governance are responsible for the Annual Report, which includes information other than the financial statements and auditor's report which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of 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 during the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and, if uncorrected, to take appropriate action to bring the matter to the attention of users for whom our auditor's report was prepared.

Those charged with governance responsibilities for the financial statements

Those charged with Governance are responsible, on behalf of the entity, for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, those charged with governance are responsible for assessing on behalf of the entity the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the Foundation or 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 International Standards on Auditing (New Zealand) 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board website: https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/. This description forms part of our auditor's report.

Ernst & Young

Chartered Accountants
Wellington
23 September 2019

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30 June 2019

	NOTES	2019 $000	2018 $000
Revenue			
Revenue from non-exchange transactions			
Main contract with Oranga Tamariki – Ministry for Children	6	14,633	14,436
Other contracts	6	6,588	6,524
Other income		362	1,423
Revenue from exchange transactions			
Interest		410	296
Total revenue		**21,993**	**22,679**
Less expenses	5	22,962	24,627
Net surplus/(deficit) before non-operating income		**(969)**	**(1,948)**
Non-operating income	15	2,152	1,607
Net surplus/(deficit)		**1,183**	**(341)**

STATEMENT OF OTHER COMPREHENSIVE REVENUE AND EXPENSE

for the year ended 30 June 2019

	NOTES	2019 $000	2018 $000
Net surplus/(deficit) for year		**1,183**	**(341)**
Other comprehensive income			
Revaluation gain/(loss) on land and buildings	7	(4,588)	10,353
Other comprehensive income/(expense) for the year		**(4,588)**	**10,353**
Total comprehensive income/(expense) for the year		**(3,405)**	**10,012**

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2019

	RETAINED EARNINGS $000	REVALUATION RESERVE $000	Total $000
At 1 July 2018	**23,422**	**39,932**	**63,354**
Net surplus	1,183	–	1,183
Other comprehensive expense	–	(4,588)	(4,588)
Total comprehensive income/(expense)	1,183	(4,588)	(3,405)
At 30 June 2019	**24,605**	**35,344**	**59,949**
At 1 July 2017	**23,763**	**29,579**	**53,354**
Net deficit	(341)	–	(341)
Other comprehensive income	–	10,353	10,353
Total comprehensive income/(expense)	**(341)**	**10,353**	**10,012**
At 30 June 2018	**23,442**	**39,932**	**63,354**

THE FINANCIAL STATEMENTS SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

STATEMENT OF FINANCIAL POSITION

as at 30 June 2019

	NOTES	2019 $000	2018 $000
Current assets			
Cash and cash equivalents	8	6,219	5,152
Receivables from exchange transactions		103	93
Receivables from non-exchange transactions		896	–
Prepayments		160	130
Total current assets		**7,378**	**5,375**
Non-current assets			
Financial assets at fair value through surplus or deficit		2	2
Property, plant and equipment		55,230	60,545
Intangible assets	9a	5	86
Total non-current assets		**55,237**	**60,633**
Total assets		**62,615**	**66,008**
Less current liabilities			
Employee entitlements		1,641	1,878
Payables		963	701
GST payable		62	75
Total current liabilities		**2,666**	**2,654**
Net assets		**59,949**	**63,354**
Equity:			
Revaluation reserves	7	35,344	39,932
Retained earnings		24,605	23,422
Total equity		**59,949**	**63,354**

For and on behalf of the Board of Trustees who authorised the issue of these financial statements on 23 September 2019.

WAYNE CHAPMAN
CHAIRMAN

DR FIONA INKPEN
CHIEF EXECUTIVE

STATEMENT OF CASH FLOWS

for the year ended 30 June 2019

	Notes	2019 $000	2018 $000
Cash flows from operating activities			
Cash was provided from:			
Contract income		20,553	20,941
Other income		2,440	3,010
Interest received		410	296
Restricted donations		264	37
Net GST received		–	216
		23,667	**24,500**
Cash was applied to:			
Payments to suppliers and employees		22,279	23,023
Restricted expenditure		76	15
Interest paid		–	10
Net GST paid		108	–
		22,463	**23,048**
Net cash inflow from operating activities		**1,204**	**1,452**
Cash flows from investing activities			
Cash was provided from:			
Sale of property, plant and equipment		43	2
		43	**2**
Cash was applied to:			
Purchase of property, plant and equipment and intangible assets		180	201
		180	**201**
Net cash outflow from investing activities		**(137)**	**(199)**
Net increase in cash held		1,067	1,253
Opening cash brought forward		5,152	3,899
Closing cash carried forward	8	**6,219**	**5,152**

NOTES TO THE FINANCIALS

FOR THE YEAR ENDED 30 JUNE 2019

1. Reporting entity

The financial statements presented here are for the reporting entity Stand Children's Services – Tū Māia Whānau, incorporated under the Charitable Trusts Act 1957.

Nature of business

The business of the Foundation is providing specialist social services including therapeutic care and education. The organisation is structured to provide a nationwide service from seven regions with a National Office in Wellington.

2. Summary of significant accounting policies

(a) Statement of compliance and basis of preparation

Statement of compliance

The financial statements are prepared in accordance with generally accepted accounting practice in New Zealand ("NZ GAAP").

The financial statements comply with Public Benefit Entity (PBE) standards.

The financial statements have been prepared in accordance with Tier 2 PBE Standards, and disclosure concessions have been applied. The Foundation is eligible to report in accordance with Tier 2 PBE Standards because it does not have public accountability and it is not large.

Measurement base

The financial statements have been prepared on a historical cost basis, except for land and buildings, which have been measured at fair value. Both the functional and presentation currency of the Foundation is New Zealand dollars ($). All values are rounded to the nearest thousand dollars ($000) unless otherwise stated. There have been no changes to accounting policies or disclosures during the current reporting period.

(b) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Foundation and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue from non-exchange transactions

Restricted donations and contract income

Revenue from restricted donations and contracts is measured at the fair value of the assets transferred over to the Foundation at the time of transfer.

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

Other donations and bequests

In common with organisations of a similar nature, the Foundation is often the recipient of gratuities provided by way of donation or bequest of monies, goods and services. Such events are inherently unpredictable. Accordingly, it is impractical to record such events in the financial records prior to receipt being acknowledged by the Foundation. The Foundation recognises revenue when the cash has been received.

(c) Expenditure

Salaries and wages

Gross salaries and wages payable to Foundation employees are recognised as expenses with the deductions from the employees' salaries for board and lodgings separately recognised as revenue.

Restricted donations

Restricted donations expenditure is recognised within the relevant expenditure or property, plant and equipment category that best describes the nature of the expenditure.

(d) Taxation

No provision for taxation has been made as the Foundation is exempt from income taxation under section CB 4 of the Income Tax Act.

(e) Goods and services tax

The financial statements have been prepared on a GST-exclusive basis with the exception of accounts receivable and accounts payable, which are recorded in the balance sheet inclusive of GST.

(f) Financial instruments – initial recognition and subsequent measurement

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

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments, available-for-sale financial assets or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through surplus or deficit, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Foundation commits to purchase or sell the asset. The Foundation's financial assets include cash and short-term deposits, trade and other receivables and unquoted financial instruments.

Subsequent measurement

The Foundation's significant financial assets are classified as loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance income in the statement of financial performance. The losses arising from impairment are recognised separately in the statement of financial performance. This category generally applies to trade and other receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e. removed from the Foundation's consolidated statement of financial position) primarily when:

- the rights to receive cash flows from the asset have expired, or
- the Foundation has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and either (a) the Foundation has transferred substantially all the risks and rewards of the asset or (b) the Foundation has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Foundation has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates whether and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the Foundation continues to recognise the transferred asset to the extent of the Foundation's continuing involvement. In that case, the Foundation also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Foundation has retained.

Impairment of financial assets

The Foundation assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost (loans and receivables)

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the loss is recognised in surplus or deficit. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Individual trade receivable balances that are known to be uncollectible are written off when identified, along with associated allowances.

If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to the statement of financial performance.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through surplus or deficit, payables, loans and borrowings or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

The Foundation's financial liabilities include payables.

Subsequent measurement

Financial liabilities at amortised cost

This is the category of financial liabilities that is most relevant to the Foundation. After initial recognition, payables are subsequently measured at amortised cost using the effective interest rate method.

Gains and losses are recognised in surplus or deficit when the liabilities are derecognised as well as through the effective interest rate amortisation process. The effective interest rate amortisation is included in the statement of financial performance.

Payables are unsecured and are usually paid within 30 days of recognition. Due to their short-term nature, they are not discounted.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in surplus or deficit.

(g) Property, plant and equipment

Land and buildings are measured at fair value based on periodic valuation as performed by external independent valuers, less accumulated depreciation on buildings. Valuations are performed at least triennially but more periodically where there are indications that the value may have significantly changed since the last valuation.

Property, plant and equipment are recorded at historical cost, including costs directly attributable to bringing the asset to its working condition, less any accumulated depreciation and any accumulated impairment losses. Such costs include the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. All other repairs and maintenance are recognised in profit or loss as incurred.

Revaluations of land and buildings

Any revaluation increment is credited to the asset revaluation reserve included in equity, except to the extent that it reverses a revaluation decrement for the same class of assets previously recognised in profit or loss, in which case, the increment is recognised in profit or loss.

Any revaluation decrement is recognised in profit or loss, except to the extent that it offsets a previous revaluation increment for the same class of assets, in which case, the decrement is debited directly to the asset revaluation reserve to the extent of the credit balance existing in the revaluation reserve for that class of assets.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets, and the net amounts are restated to the revalued amounts of the assets.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in surplus or deficit. The revaluation surplus included in equity is transferred directly to retained earnings when the asset is de-recognised.

Depreciation

Depreciation has been calculated by reference to the cost or valuation established in accordance with the property, plant and equipment policy as outlined above.

Depreciation is calculated on a straight-line basis at rates that will write off the cost or valuation of the assets over their estimated useful lives. The useful lives of the major classes of assets have been estimated as follows:

Buildings	5–50 years
Plant and equipment	5–12.5 years
Motor vehicles	5–6 years
Furniture and fittings	5 years
Computer equipment	4–5 years

(h) Employee entitlements

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave, are recognised in surplus or deficit during the period in which the employee rendered the related services and are generally expected to be settled within 12 months of the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(i) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Operating leases

Lease payments under operating leases are charged as expenses in the period in which they are incurred.

(j) Equity

The Foundation's equity is measured as the difference between total assets and total liabilities. Equity is made up of the following components:

Retained earnings

Retained earnings is the Foundation's accumulated surplus or deficit since the formation of the Foundation, adjusted for transfers from the asset revaluation reserve.

Asset revaluation reserve

This reserve is for the revaluation of land and buildings measured at fair value after initial recognition.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Foundation's 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.

Estimates and assumptions

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. The Foundation 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 Foundation. Such changes are reflected in the assumptions when they occur.

Revaluation of property, plant and equipment

The Foundation measures land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive revenue and expense.

The Foundation engaged an independent valuation specialist to assess fair value as at 30 June 2018 for revalued land and buildings.

Land was revalued at fair value. Buildings were revalued using the depreciated replacement cost (DRC) method, as the property is specialised and is unlikely to be sold in the open market in the near future. The key assumptions used to determine the fair value of these non-financial assets are provided in Note 9.

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.
- The nature of the asset and 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.

The estimated useful lives of the asset classes held by the Foundation are listed in Note 2(g).

4. Segment reporting

The Foundation has reported by segments to assist in measuring, evaluating and managing its objectives and to assist in making decisions about allocation of its resources. It is reporting by service operations (the fulfilment of government and other contracts) and property and investments. The operations segment illustrates the revenues and costs of fulfilling operational contracts and commitments. The property and investments segment illustrates contributions derived from property and investments that support both the operational shortfall and capital assets that are essential to service provision requirements.

INCOME STATEMENT
for the year ended 30 June 2019

	Operations $000	Property and investments $000	Intersegment elimination $000	Combined $000
Revenue				
Contract with Oranga Tamariki – Ministry for Children	14,633	–	–	14,633
Other contracts	6,588	–	–	6,588
Interest	260	150	–	410
Total revenue	**21,481**	**150**	**–**	**21,631**
Other income	275	4,889	(4,802)	362
Total income	**21,756**	**5,039**	**(4,802)**	**21,993**
Less expenses	26,020	1,744	(4,802)	22,962
Profit/(deficit) before non-operating income	**(4,264)**	**3,295**	**–**	**(969)**
Non-operating income	**1,668**	**484**	**–**	**2,152**
Net profit/(deficit)	**(2,596)**	**3,779**	**–**	**1,183**

The property and investment segment charged rent of $4,802,000 (2018: $4,058,000) to the operations segment for its use of land and buildings at a market rate of 8% of the capital value of the assets.

STATEMENT OF FINANCIAL POSITION

as at 30 June 2019

	Operations $000	Property and investments $000	Intersegment elimination $000	Combined $000
Current assets				
Cash and cash equivalents	1,342	4,877	–	6,219
Accounts receivable and prepayments	1,159	–	–	1,159
Intersegment account	–	20,635	(20,635)	–
Total current assets	**2,501**	**25,512**	**(20,635)**	**7,378**
Non-current assets				
Long-term investments	–	2	–	2
Property, plant and equipment	414	54,816	–	55,230
Intangible assets	5	–	–	5
Total non-current assets	**419**	**54,818**	**–**	**55,237**
Total assets	**2,920**	**80,330**	**(20,635)**	**62,615**
Less current liabilities				
Employee entitlements	1,641	–	–	1,641
Accounts payable and accruals	944	–	–	944
Contracts in advance	19	–	–	19
GST payable	62	–	–	62
Intersegment account	20,635	–	(20,635)	–
Total current liabilities	**23,301**	**–**	**(20,635)**	**2,666**
Net assets	**(20,381)**	**80,330**	**–**	**59,949**

NOTES TO THE FINANCIALS

— CONTINUED

FOR THE YEAR ENDED 30 JUNE 2019

INCOME STATEMENT

for the year ended 30 June 2018

	Operations $000	Property and investments $000	Intersegment elimination $000	Combined $000
Revenue				
Contract with Oranga Tamariki – Ministry for Children	14,436	–	–	14,436
Other contracts	6,524	–	–	6,524
Interest	161	135	–	296
Total revenue	**21,121**	**135**	**–**	**21,256**
Other income	1,368	4,113	(4,058)	1,423
Total income	**22,489**	**4,248**	**(4,058)**	**22,679**
Less expenses	27,096	1,589	(4,058)	24,627
Profit/(deficit) before non-operating income	**(4,607)**	**2,659**	**–**	**(1,948)**
Non-operating income	1,607	–	–	1,607
Net profit/(deficit)	**(3,000)**	**2,659**		**(341)**

STATEMENT OF FINANCIAL POSITION

as at 30 June 2018

	Operations $000	Property and investments $000	Intersegment elimination $000	Combined $000
Current assets				
Cash and cash equivalents	959	4193	–	5,152
Accounts receivable and prepayments	223	–	–	223
Intersegment account	–	16,911	(16,911)	–
Total current assets	**1,182**	**21,104**	**(16,911)**	**5,375**
Non-current assets				
Long-term investments	–	2	–	2
Property, plant and equipment	521	60,024	–	60,545
Intangible assets	86	–	–	86
Total non-current assets	**607**	**60,026**	**–**	**60,633**
Total assets	**1,789**	**81,130**	**(16,911)**	**66,008**
Less current liabilities				
Employee entitlements	1,878	–	–	1,878
Accounts payable and accruals	626	–	–	626
Contracts in advance	75	–	–	75
GST payable	75			75
Intersegment account	16,911	–	(16,911)	–
Total current liabilities	**19,565**	**–**	**(16,911)**	**2,654**
Net assets	**(17,776)**	**81,130**	**–**	**63,354**

The intersegment elimination in the statement of financial position is composed of the unsettled rental charge in the statement of financial performance above plus income or funds received by the operations segment on behalf of and owed to the property and investment segment, offset against expenses or capital expenditure paid by the operations segment on behalf of and owed by the property and investment segment.

5. Total expenses

	2019 $000	2018 $000
Staff Related	17,159	18,736
Operating services and supplies	1,609	1,814
Repairs and maintenance	590	564
Administration costs	537	592
Rent and rates	506	443
Employer contribution to KiwiSaver	449	442
Operating leases	382	332
Honoraria and fees paid to Directors and Kahui Kaumātua	138	171
Computer software amortisation	80	84
Audit	60	60
Special projects	80	24
Other expenses	41	66
Depreciation		
Buildings	1,109	1,059
Plant and equipment	112	112
Motor vehicles	3	3
Furniture and fittings	94	101
Computer hardware	13	24
Total depreciation	**1,331**	**1,299**
Total expenses	**22,962**	**24,627**

6. Operational Risk

In 2019, approximately 81% (2018: 80%) of total income came from the Foundation's contract with Oranga Tamariki – Ministry for Children. The remaining 19% of the income is derived from contracts with the Ministry of Education, the Ministry of Health, donations, interest and income from investments.

All contracts for service are for a limited duration with terms ranging from 1–4 years.

None of the Foundation's contracts to provide services, nor the fact that the Foundation provides services to Oranga Tamariki – Ministry for Children and the Ministry of Education, confers on the Foundation the right to expect any further contracts or any other arrangements with these agencies. Management believes, because of the services it provides and the length of existence of Stand Children's Services, it is likely that funding will continue.

Contracts with the Ministry of Social Development and Ministry of Education have been combined into one 2-year contract and end on 30 June 2020.

Agency	Timeframe	Contract value (excl GST)	Contract expiry date
Government agencies			
Oranga Tamariki – Ministry for Children	2 years	$29,512,816	30 June 2020
Ministry of Education	2 years	$4,217,970	30 June 2020
Oranga Tamariki – Ministry for Children	4 years	$4,952,252	30 June 2021
Oranga Tamariki – Ministry for Children	3 years	$6,955,734	30 June 2021
Oranga Tamariki – Ministry for Children	3 years	$250,501	30 June 2020
Ministry of Health	3 years	$2,773,008	30 Sept 2020
Oranga Tamariki – Ministry for Children	3 years	$38,774	30 June 2020

7. Reserve

Asset revaluation reserve

	2019 $000	2018 $000
Balance at beginning of the year	39,932	29,579
Revaluation gain/(loss)	(4,588)	10,353
Balance at end of the year	**35,344**	**39,932**

The asset revaluation reserve is used to record increments and decrements in the fair value of land and buildings. Land and buildings were revalued by G Callaghan, Registered Valuer (LPINZ NZIV(LIFE)) and R Blackwell, Registered Valuer (BSC BCOM GradDipVal MPINZ) of Colliers International on 30 June 2018. The revaluation loss recognised in the 2018/19 year related to the impairment of the Otaki and Roxburgh land and buildings prior to transfer to the government. An impairment was also recognised in relation to the Foundation's Gisborne land due to restrictions identified during the period as existing on this land established with the Reserves Act 1977.

Comprising

	2019 $000	2018 $000
Land	20,889	23,239
Buildings	14,455	16,693
Total revaluation reserve	**35,344**	**39,932**

8. Cash and cash equivalents

	2019 $000	2018 $000
Cash and current accounts	919	992
Term deposit	5,300	4,160
Balance at end of the year	**6,219**	**5,152**

Term deposits with a maturity of 3 months or less are classified as cash or cash equivalents.

9. Non-current assets – property, plant and equipment and intangible assets

Property, Plant and Equipment

Year ended 30 June 2019	Land $000	Buildings $000	Plant and equipment $000	Furniture and fittings $000	Motor vehicles $000	Computer hardware $000	Total $000
At 1 July 2018 carrying amount	**23,713**	**36,310**	**314**	**173**	**16**	**19**	**60,545**
Additions	–	490	106	45	–	–	641
Impairment	(2,350)	(2,331)	(602)	(506)	(130)	(137)	(6,056)
Disposal accumulated depreciation	–	93	572	499	130	137	1,431
Depreciation charge for year	–	(1,109)	(112)	(94)	(3)	(13)	(1,331)
At 30 June 2019 carrying amount	**21,363**	**33,453**	**278**	**117**	**13**	**6**	**55,230**
At 30 June 2019							
Cost or fair value	21,363	34,470	2,030	1,456	1,113	607	61,039
Accumulated depreciation	–	(1,017)	(1,752)	(1,339)	(1,100)	(601)	(5,809)
Net carrying amount	**21,363**	**33,453**	**278**	**117**	**13**	**6**	**55,230**
At 30 June 2018							
Cost or fair value	23,713	36,310	2,533	1,911	1,289	744	66,500
Accumulated depreciation	–	–	(2,219)	(1,738)	(1,273)	(725)	(5,955)
Net carrying amount	**23,713**	**36,310**	**314**	**173**	**16**	**19**	**60,545**
At 30 June 2017							
Cost or fair value	18,499	34,224	2,420	1,889	1,274	790	59,096
Accumulated depreciation	(1,995)	(2,149)	(1,639)	(1,271)	(749)	(7,803)	(7,803)
Net carrying amount	**18,499**	**32,229**	**271**	**250**	**3**	**41**	**51,293**

Land and buildings were valued as at 30 June 2018 by an independent valuer, Colliers International. It was determined that the Foundation's buildings are of a specialised nature and require valuation using optimised depreciated replacement cost (ODRC). The buildings were valued at $36,311,000 as at 30 June 2018. Land valuation is valued at fair value based on their highest and best use.

Depreciation of property, plant and equipment is recognised within expenses in the statement of financial performance. See analysis of expenses in Note 5.

10. Financial instruments

Financial instruments are designated as follows:

	Loans and receivables $000	Financial assets at fair value through profit and loss – designated $000	Financial liabilities at amortised cost $000
Year ended 30 June 2019	7,218	2	541
Year ended 30 June 2018	5,242	2	382

11. Related-party transactions

Glenelg Children's Health Camp Charitable Trust (GCHCCT)

GCHCCT receives income from the Twigger Endowment Fund, administered by Public Trust and was set up to support the Children's Health Camp Movement to benefit the children of Canterbury and West Coast region.

GCHCCT is a related party as some of the Trustees are also Foundation Board members. No related-party debts have been written off or forgiven during the year.

Key management personnel

Key management personnel comprises the Board of Trustees, Chief Executive and Regional Managers.

Remuneration paid to key management personnel is paid at normal staff remuneration levels for the role. Key management personnel did not receive any remuneration or compensation other than in their capacity as key management personnel (2018: nil).

Outstanding balances at year end are unsecured, interest free and settlement occurs in cash.

No guarantees have been provided or received for any related party of key management personnel.

The Foundation did not provide any compensation at non-arm's length terms to close family members of key management personnel during the year (2018: nil).

The Foundation did not provide any loans to key management personnel or their close family members.

	2019 $000	**2018** $000
Compensation for key management personnel:		
Short-term employee benefits	1,248	1,212
Post-employment benefits	–	–
Employer contribution to KiwiSaver	35	35
Other long-term benefits	–	–
Total compensation	**1,282**	**1,247**

12. Operating lease commitments

	2019 $000	2018 $000
Non-cancellable operating lease commitments:		
– Not later than 1 year	537	476
– Later than 1 year but not later than 5 years	288	189
– Later than 5 years	17	41
Total commitments	**842**	**706**

Lease commitments include office rental, which has a 4-year term with an option for renewal, property maintenance contracts from 7–12 years and 1–3 years for motor vehicle leases.

13. Contingencies

There are no contingent liabilities outstanding at 30 June 2019 (2018: nil).

14. Donations

The following donations have been received by Stand Children's Services.

	2019
Tikipunga Protestant Children's Home	$260,000
Glenelg Children's Health Camp Charitable Trust	$10,900
Accenture and Charity Auction	$13,070
E.B. Milton Trust	$10,000
Spark Foundation Givealittle	$8,320
Lotteries Grants Board	$7,000
Tauranga Methodist Parish	$3,000
Tony George	$3,000
Howick Inner Wheel Club	$1,450
Mike and Diane Dubey	$1,400

15. Non-operating income

As a result of the Mental Health and Addiction Support Workers (Pay Equity) Settlement signed in June 2018, $633,653 plus GST was received from Oranga Tamariki for the 2017/18 year. The revenue was not recognised until the 2018/19 year as the extent of the funding was uncertain at the time the 2017/18 financial statement were approved.

Subsequent to the 2017/18 Mental Health and Addiction Support Workers (Pay Equity) Settlement, Oranga Tamariki estimated the 2018/19 settlement amount based on 2017/18 payment and requested an invoice before 30 June 2019. Stand was unable to complete the requested invoice prior to 30 June 2019 and consequently accrued $568,700 as income in the 2018/19 year. Further discussions with Oranga Tamariki to verify this amount are currently under way to confirm the final 2018/19 settlement amount.

The Ministry of Education agreed to sell its buildings situated on Stand's land and pay a transfer fee to Stand. In February 2019 a transfer fee of $483,973 plus GST was received. The Foundation recognised the Whangarei buildings at a fair value of $472,000 during the 2018/19 year.

Stand Children's Services
Tū Māia Whānau

EVERY
CHILD
HAS
THE
RIGHT
TO LIVE
A LIFE
FREE
FROM
HARM.

SO
WHY
AREN'T
THEY?