

Social Service Providers Aotearoa Inc.

Performance Report For The Year Ended 30 June 2018

Contents

Social Service Providers Aotearoa Inc. For the year ended 30 June 2018

	Page
Entity Information	3-4
Approval of Financial Report	5
Statement of Service Performance	6-7
Statement of Financial Performance	8
Statement of Financial Position	9
Statement of Cash Flows	10
Statement of Accounting Policies	11
Notes to the Performance Report	12-14
Independent Auditor's Report	15

Entity Information

Social Service Providers Aotearoa Inc.

For the year ended 30 June 2018

Legal Name of Entity

Social Service Providers Aotearoa Children, Family Community Incorporated (“SSPA”).

Entity Type and Legal Basis

Social Service Providers Aotearoa Children, Family Community Incorporated is a Registered Charity under the Charities Act 2005.

Registration Numbers

Incorporated Societies: 1210550

Charities: CC42895

Entity's Purpose or Mission

SSPA is the New Zealand umbrella organisation for government-funded community-based providers working with children, young people, families, and communities. Its main purpose is to further the well-being and interests of children, young persons, families and communities by supporting service providers who work with them.

SSPA contributes to building the capability of the social services sector by providing best practice professional development to members and others, provision of information and resources, regional meetings, best practice seminars and conferences. SSPA also draws on its membership to engage with government in the legislative and policy development process, including submissions, information and advice, and facilitating consultation.

Entity Structure

SSPA is a not for profit membership-based organisation with full and affiliate members. Full members are non-government service providers that have a contract with a government agency to deliver social services to children, young people, families and communities. Affiliate members are organisations or individuals that deliver social services to children, young people, families and communities or otherwise work in areas aligned to SSPA's purposes. Membership is voluntary and members pay an annual fee.

With a membership of some 200 social service providers nationwide, SSPA represents an approximate collective capacity of 6,500 staff and 5,000 volunteers providing essential services to children, families and communities throughout New Zealand.

Effective from October 2018, SSPA is governed by a national executive of up to nine members plus the national manager. Six members are elected by full SSPA members, being three tangata whenua and three tauwiwi. Up to three other members may be appointed by the national executive. The national manager is an exofficio non-voting member of the national executive.

There are three paid staff including the national manager in the organisation's office in Wellington. The national manager is appointed by and accountable to the national executive.

Entity Information

Social Service Providers Aotearoa Inc.

For the year ended 30 June 2018

Main Sources of Entity's Cash and Resources

SSPA has three main sources of funding:

- Contracts with government agencies
- Membership fees
- Income from business activities relating to its charitable purpose.

Main Methods Used by Entity to Raise Funds

SSPA has an annual contract with Oranga Tamariki (Ministry for Children) and the Ministry of Social Development. It receives subscriptions from members and income from business activities such as workshops, conferences, and resources.

Entity's Reliance on Volunteers and Donated Goods or Services

The organisation is not reliant on volunteers but has occasional volunteers in its national office. The organisation is not reliant on donated goods or services.

Physical Address

SSPA National Office, Level 4 120 Featherston St, Wellington, 6141

Postal Address

SSPA National Office, PO Box 25-515, Featherston St, Wellington, 6011

Approval of Financial Report

Social Service Providers Aotearoa Inc.

For the year ended 30 June 2018

The National Executive are pleased to present the approved financial report including the historical financial statements of Social Service Providers Aotearoa Inc. for year ended 30 June 2018.

APPROVED



Fiona Guy

Treasurer

Date 5/10/18

Statement of Service Performance

Social Service Providers Aotearoa Inc.

For the year ended 30 June 2018

Strategic Outcomes

SSPA has the over-arching goal of supporting the capability and performance of New Zealand social service providers. Four strategic outcomes focused SSPA's work in 2017/18: Sector Capability, Representation, Increased Reach, and Sustainability.

Strategic Outcomes	Approach	Activities and Results
Sector Capability	<p>With partners, develop workforce development plan</p> <p>Deliver professional development programme</p>	<p>Partnered with Careerforce to report on social service sector workforce capability as a precursor to a development plan.</p> <p>Launched magazine <i>Kia Mauri Ora</i> to highlight best practice and innovation.</p> <p>Delivered professional development training and workshops to 1089 individuals from 478 organisations on topics such as child-centred and trauma-informed practice, engaging with trauma, cross-cultural communication, contracting best practice.</p>
Representation	<p>Work with government on sector developments and priorities</p> <p>Facilitate networking and collaboration between providers and government</p>	<p>Submissions provided to select committees on the CYPF Act Amendment Bill, Social Workers Registration Bill and Child Poverty Reduction Bill. Input to inquiries or reviews of mental health, historical abuse in State care, social worker training, and the Charities Act.</p> <p>Provided a briefing to incoming ministers and advice to Ministers for Children/Associate Education, Community and Voluntary Sector, Social Development/Social Investment on sector developments such as funding challenges, pay equity, social sector data, workforce development, sector engagement.</p> <p>Participation in Oranga Tamariki co-design, policy development and consultation processes.</p> <p>Continued working with various other government agencies including MSD, MBIE, Statistics NZ, Social Investment Agency, Multi Agency Team on Family Violence and Sexual Violence, Social Workers Registration Board, State Services Commission. Areas of work included: social investment, social sector data and statistics, accreditation, government-provider engagement, family violence, open government and protected disclosures.</p> <p>Active collaboration with various NGOs including NZ Council of Christian Social Services, Community Networks Aotearoa, Platform Trust, ComVoices, Te Ara Taiohi, Community Housing Aotearoa, Public Service Association, ACE Aotearoa.</p>

Statement of Service Performance

Social Service Providers Aotearoa Inc.

For the year ended 30 June 2018

<p>Increased Reach</p>	<p>Extend SSPA reach in the social services sector, especially Māori and Pasefika providers</p> <p>Provide effective services to SSPA members</p> <p>Greater diversity of membership</p>	<p>Changes made to governance structure to ensure tangata whenua and tauwiwi representation at National Executive level, and widen the scope of membership.</p> <p>Weekly e-newsletter and periodic Alerts provided to members to share information and promote engagement.</p> <p>Regional meetings and networking held in Christchurch, Wellington, Palmerston North, Whanganui, Auckland. Focus group and members surveyed for workforce report</p> <p>Presentations and input to strategic planning with various member groups.</p> <p>Focus on boosting membership of Level 1 providers.</p> <p>Twenty five new organisations joined SSPA in the 2017/18 year.</p> <p>Member advisory groups convened to provide front-line experience to submissions and development work on specialist subjects such as mental health, social sector data, pay equity.</p>
<p>Sustainability</p>	<p>A diverse and sustainable funding base for SSPA</p>	<p>Proposal made to Oranga Tamariki and MSD for additional service funding to support strategic goals including sector capability.</p> <p>Workforce development project funded through contract.</p>

Statement of Financial Performance

Social Service Providers Aotearoa Inc.

For the year ended 30 June 2018

	Notes	2018	2017
Revenue			
Fees, subscriptions and other revenue from members	1	18,130	19,469
Revenue from providing goods or services	1	349,043	220,397
Interest, dividends and other investment revenue	1	2,892	3,889
Other revenue	1	4,661	1,588
Total Revenue		374,726	245,343
Expenses			
Volunteer and employee related costs	2	184,344	170,173
Costs related to providing goods or service	2	198,632	126,619
Other expenses	2	6,026	3,839
Total Expenses		389,002	300,631
Surplus/(Deficit) for the Year		(14,276)	(55,289)

This statement should be read in conjunction with statement of accounting policies and the notes to the performance report.

Statement of Financial Position

Social Service Providers Aotearoa Inc.

As at 30 June 2018

	Notes	2018	2017
Assets			
Current Assets			
Bank accounts and cash	3	65,735	17,165
Debtors and prepayments	3	34,339	210,301
Other Current Assets	3	-	86,903
Total Current Assets		100,074	314,369
Non-Current Assets			
Property, Plant and Equipment	5	3,099	6,197
Total Non-Current Assets		3,099	6,197
Total Assets		103,173	320,566
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	13,559	40,648
Employee costs payable	4	11,217	8,553
Other current liabilities	4	17,180	195,871
Total Current Liabilities		41,955	245,072
Total Liabilities		41,955	245,072
Total Assets less Total Liabilities (Net Assets)		61,218	75,494
Accumulated Funds			
Accumulated surpluses or (deficits)	6	61,218	75,494
Total Accumulated Funds		61,218	75,494

This statement should be read in conjunction with statement of accounting policies and the notes to the performance report.

Statement of Cash Flows

Social Service Providers Aotearoa Inc.

For the year ended 30 June 2018

	2018	2017
Cash Flows from Operating Activities		
Fees, subscriptions and other receipts from members	24,266	18,805
Receipts from providing goods or services	342,673	234,450
Interest, dividends and other investment receipts	3,801	4,313
Cash receipts from other operating activities	-	1,313
GST	9,350	2,470
Payments to suppliers and employees	(417,513)	(297,113)
Net Cash flows from Operating Activities	<u>(37,423)</u>	<u>(35,762)</u>
Cash flows from investing and finance activities		
Receipts from term deposits maturing	85,993	45,775
Payments to acquire property, plant and equipment	-	(6,975)
Net cash flows from investing and finance activities	<u>85,993</u>	<u>38,800</u>
Net increase/(decrease) in cash	<u><u>48,570</u></u>	<u><u>3,038</u></u>
Cash Balances		
Opening Cash	17,165	14,127
Closing Cash	<u>65,735</u>	<u>17,165</u>
Net change in cash for the year	<u><u>48,570</u></u>	<u><u>3,038</u></u>

This statement should be read in conjunction with statement of accounting policies and the notes to the performance report.

Statement of Accounting Policies

Social Service Providers Aotearoa Inc.

For the year ended 30 June 2018

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Social Service Providers Aotearoa is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

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

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period. Policies have been applied on a consistent basis with those of the previous reporting period.

Measurement Basis

The general accounting policies recognised as appropriate for the measurement of results, and financial position have been followed in the preparation of these financial statements with the exception of certain items for which particular accounting policies have been identified. The measurement base adopted is historical cost.

Revenue Recognition

Grant and contract revenue are recognised when the attached conditions have been complied with. Where there are unfulfilled conditions attaching to the grant or contract, the amount relating to the unfulfilled condition is recognised as a liability and released to income as the conditions are fulfilled.

Interest income is recognised as it accrues.

Membership fees are recognised on a receipts basis, as payment is voluntary.

Presentation Currency

The financial statements have been prepared in New Zealand dollars. All numbers are rounded to the nearest dollar, unless otherwise stated.

Receivables

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

Property, Plant and Equipment

The entity has the following classes of fixed assets - computer equipment, software and website. All fixed assets are initially recorded at cost with depreciation being deducted on all tangible fixed assets in accordance with rates set out in the Income Tax Act 2007.

Notes to the Performance Report

Social Service Providers Aotearoa Inc.

For the year ended 30 June 2018

	2018	2017
1. Analysis of Revenue		
Fees, subscriptions and other revenue from members		
Conference Sponsorship from Members	5,000	10,000
Membership Fees	13,130	9,469
Total Fees, subscriptions and other revenue from members	18,130	19,469
Revenue from providing goods or services		
Best Practice Fees	35,146	13,744
Conference Contract from Government	5,000	5,000
Conference Revenue	50,512	40,176
Conference Sponsorship from Non-members	8,000	5,000
Government Contracts	156,477	156,477
Journal Revenue	4,538	-
Project Income (see Note 8)	89,370	-
Total Revenue from providing goods or services	349,043	220,397
Interest, dividends and other investment revenue		
Interest Income	2,892	3,889
Total Interest, dividends and other investment revenue	2,892	3,889
Other revenue		
Donation	-	401
Other Revenue	4,661	1,187
Total Other revenue	4,661	1,588
2. Analysis of Expenses		
Volunteer and employee related costs		
ACC Levy	411	353
Employee Expenses	1,108	-
KiwiSaver Employer Contributions	5,221	4,798
Professional Development	900	635
Wages & Salaries	164,084	164,387
Project Wages (see Note 8)	12,620	-
Total Volunteer and employee related costs	184,344	170,173
Costs related to providing goods or services		
Annual Conference	57,956	53,558
General Expenses	669	192
Growth Strategy	852	4,240
Insurance	1,035	990
Meeting costs - National Executive	13,186	16,576
Meeting costs - SSPA staff	2,756	5,155
Office Expenses	3,936	3,293
Postage & Courier	1,106	913
Professional Services	3,400	2,820
Project Expenses (see Note 8)	64,726	-
Publications - Magazine	1,946	2,870
Publications - Other	913	-
Purchase of Materials for On Sale	2,783	717
Regional Best Practice Seminars	25,243	21,765
Regional Meeting Expenses	1,897	1,288
Rent	11,586	8,335
Subscriptions	724	994
Support Services	2,497	2,278
Website	1,421	634
Total Costs related to providing goods or services	198,632	126,619

Notes to the Performance Report

Social Service Providers Aotearoa Inc.

For the year ended 30 June 2018

	2018	2017
Other expenses		
Audit Fees	2,750	2,300
Bank Fees	177	135
Depreciation	3,099	1,404
Total Other expenses	6,026	3,839
3. Analysis of Assets		
Bank accounts and cash		
ASB - Everyday Account	(40)	-
BNZ Cheque Account	15,037	17,159
On Call Savings	50,732	-
Petty Cash	6	6
Total Bank accounts and cash	65,735	17,165
Debtors and prepayments		
Accounts Receivable	22,572	204,875
Prepayments	11,727	4,758
Sundry Accounts Receivable & Prepayments	40	668
Total Debtors and prepayments	34,339	210,301
Other current assets		
BNZ Term Deposit - 02	-	85,993
Interest Accrued	-	910
Total Other current assets	-	86,903
4. Analysis of Liabilities		
Creditors and accrued expenses		
Accounts Payable	3,876	15,559
Accruals	3,017	2,474
GST	6,666	22,615
Total Creditors and accrued expenses	13,559	40,648
Employee costs payable		
Accrued wages	3,095	2,490
Provision for leave	8,122	6,063
Total Employee costs payable	11,217	8,553
Other current liabilities		
Income in Advance	9,000	189,770
Magazine Subscriptions in Advance	278	-
SSPA Canterbury	-	5,421
SSPA Credit Card Manager	1,545	180
Subscriptions in Advance	6,357	499
Total Other current liabilities	17,180	195,871

Notes to the Performance Report

Social Service Providers Aotearoa Inc.
For the year ended 30 June 2018

5. Property, Plant and Equipment

2018	Cost	Opening	Additions	Deprn	Closing
	Price	Bk Value	(Disposals)	\$	Bk Value
Computer & Software Equipment	6,499	1,595	-	798	798
Website Asset	4,802	4,602	-	2,301	2,301
Total Property, Plant and Equipment	11,301	6,197	-	3,099	3,099
2017	Cost	Opening	Additions	Deprn	Closing
	Price	Bk Value	(Disposals)	\$	Bk Value
Computer & Software Equipment	4,326	626	2173	1204	1,595
Website Asset	-	-	4802	200	4,602
Total Property, Plant and Equipment	4,326	626	6,975	1,404	6,197

	2018	2017
Opening Balance	75,494	130,783
Accumulated surpluses or (deficits)	(14,276)	(55,289)
Total Accumulated Funds	61,218	75,494

7. Canterbury SSPA

The organisation has no liability for SSPA Canterbury group at year end. Last year's liability was used to cover regional meeting expenses in the 2017-18 year. Last year \$5,421.

8. Project Income	2018	2017
Work Force Project		
Income	89,370	-
Less Expenses		
Project Expenses	64,726	-
Project Wages	12,620	-
Net Surplus	12,024	-

9. Comparatives

The 2017 figures for creditors and accrued expenses and employee costs payable - Note 4, have been reclassified to match the 2018 figures and show a better disclosure of costs for the entity.

10. Commitments

There are no commitments as at 30 June 2018. (Last year - nil).

11. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2018. (Last year - nil).

12. Related Parties

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

13. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

14. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

INDEPENDENT AUDITOR'S REPORT

To Social Service Providers Aotearoa Inc

Report on the Performance Report

Opinion

We have audited the performance report of Social Service Providers Aotearoa Inc which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 30 June 2018, the statement of financial position as at 30 June 2018, and the statement of accounting policies and other explanatory information.

In our opinion:

- (a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- (b) the accompanying performance report presents fairly, in all material respects:
 - the entity information for the year then ended;
 - the service performance for the year then ended; and
 - the financial position of Social Service Providers Aotearoa Inc as at 30 June 2018, and of its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Performance Report section of our report. We are independent of Social Service Providers Aotearoa in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Social Service Providers Aotearoa Inc.

Responsibilities of the National Executive for the Performance Report

The National Executive is responsible for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) the preparation and fair presentation of the performance report on behalf of the entity which comprises:
 - the entity information;
 - the statement of service performance; and

- the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and

- (c) such internal control as the National Executive determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the National Executive are responsible on behalf of Social Service Providers Aotearoa Inc for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the National Executive either intend to liquidate Social Service Providers Aotearoa Inc or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

A further description of our responsibilities for the audit of this performance report is located at the External Reporting Board (XRB) website at:

https://www.xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/

This description forms part of our Independent Auditor's Report.

Croucher & Associates.

Chartered Accountants
Lower Hutt

5 October 2018