

Home and Family Counselling Incorporated
Financial Statements
For the year ended 31 March 2008



**Home and Family Counselling Incorporated
Financial Statements
For the year ended 31 March 2008**

	Page
Directory	3
Statement of Financial Performance	4
Statement of Movements in General Funds	5
Statement of Financial Position	6
Notes	7-10
Auditor's Report	11

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**Home and Family Counselling Incorporated
Financial Statements
For the year ended 31 March 2008**

Directory

Mission Statement	Home & Family Counselling works towards a better society by promoting the safety and well-being of all individuals and families.	
Vision Statement	Our vision is that Home and Family Counselling shall be recognised within the Auckland Region as the leading provider of individual, couples and family counselling and group work where no individual is denied access because of their financial status.	
Organisation activities	To raise funds, and to provide counselling and group programmes for families in Auckland.	
Address	344 Mt Eden Road Mt Eden Auckland	2a Seaview Ave Northcote North Shore
Auditor	Carlton - DFK Auckland	
Bankers	ASB Auckland	
Solicitors	Glaister Ennor Penney Patel Law	
Executive Committee	Bruce Connor (Chair) Anne Hargreaves (Vice Chair) Michael Perry (Minutes Secretary) Michael Adams Eric Allan Barbara Glenie Carol White Robin Yates	

**Home and Family Counselling Incorporated
Statement of Financial Performance
For The Year Ended 31 March 2008**

	Note	2008	2007
Income			
Client Donations		207,628	179,043
Contract Counselling and Court Work		55,262	192,774
Donations	4	280,177	161,768
Grants	5	226,920	145,211
Sundry Income	6	20,589	14,869
Total Operating Income		<u>790,576</u>	<u>693,665</u>
Less Expenditure			
Audit Fee		2,000	-
ACC Levies		2,677	2,378
Advertising, Printing & Stationery		2,920	3,803
Computer Expenses		3,448	3,659
Depreciation	10	12,414	14,390
Fundraising		35,977	10,125
Loss on sale of fixed assets		664	0
Postage and Sundry Expenses		41,995	21,255
Rates, Insurance and Electricity		10,289	9,094
Rent	8,11	37,551	35,152
Repairs and Maintenance		7,326	4,799
Staff Recruitment		1,940	2,010
Telephones		14,885	9,145
Training, Education, Supervision and Library		30,894	17,711
Travel		1,239	1,175
Wages and Salaries		604,277	531,436
Total Expenditure		<u>810,496</u>	<u>666,132</u>
Net Operating Surplus/(Deficit)		<u>(19,920)</u>	<u>27,533</u>

The accompanying notes and Auditors Report form an integral part of the financial statements.

**Home and Family Counselling Incorporated
Statement of Movements in General Funds
For The Year Ended 31 March 2008**

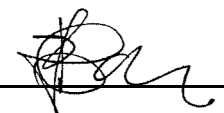
	Notes	2008	2007
General Funds as at 1 April 2007		165,822	138,289
Net Surplus/(Deficit)		(19,920)	27,533
Total Recognised Revenues and Expenses		(19,920)	27,533
Closing Balance of General Funds		<u>\$145,902</u>	<u>\$165,822</u>

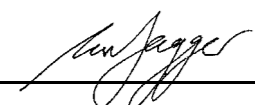
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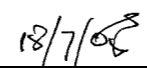
Home and Family Counselling Incorporated
Statement of Financial Position
As at 31 March 2008

	Note	2008	2007
General Funds			
Property Maintenance Provision	7	6,000	6,000
Retained earnings	2	139,902	159,822
Total General Funds		<u>145,902</u>	<u>165,822</u>
<i>Represented by:</i>			
Current Assets			
Petty Cash		130	130
Bank Accounts	14	21,634	61,388
Sundry Debtors and Accruals	13,14	7,906	8,922
Inventory on Hand at Valuation		500	500
GST		2,636	842
Marac Finance	14	143,961	71,498
Total Current Assets		<u>176,767</u>	<u>143,280</u>
Current Liabilities			
Sundry Creditors	12	61,510	50,889
Unearned Income		82,410	30,630
Total Current Liabilities		<u>143,920</u>	<u>81,519</u>
Property, Plant and Equipment	3	113,055	104,061
Net Assets		<u>145,902</u>	<u>165,822</u>

Signed for and on behalf of the Society


 _____ Chairperson


 _____ Hon. Treasurer

18/7/08 

The accompanying notes and Auditors Report form an integral part of the financial statements.

Home and Family Counselling Incorporated

Notes to the Financial Statements
For the year ended 31 March 2008

1. Statement of Accounting Policies

The Home and Family Counselling Incorporated is a Society registered under the Incorporated Societies Act 1908. The financial statements of the Society are a general purpose report which has been prepared in accordance with generally accepted accounting practice.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed by the Society.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied:

- Investments are stated at cost
- Property plant and equipment are recorded at cost less accumulated depreciation.
- Depreciation is provided on a diminishing value basis on all tangible fixed assets other than the freehold land, at rates calculated to allocate the assets cost less estimated residual value over their estimated lives. The depreciations rates used are:
 - i) Chattels 11.4% to 48%, depending on category
 - ii) Leasehold improvements 2% DV
- The financial statements have been prepared on a GST exclusive basis.
- The Society qualifies for differential reporting as it is not publicly accountable, and it is not large as defined in the Framework for Differential Reporting. The Society has taken full advantage of all differential reporting exemptions.
- Operating leases are those which all the risks and benefits are substantially retained by the lessor. Lease payments are expensed in the periods the amounts are payable.
- Inventories are valued by the Executive Committee at the lower of cost and net realisable value. Cost is determined on a first-in-first-out basis. Where necessary, the Executive Committee have provided for slow-moving and obsolete stock, in order to better reflect net realisable values.
- Grants and donations are recognised as operating revenue on a cash basis, unless specific conditions attach to a grant and repayment of the grant is required where these conditions are not met.
- Receivables are stated at their estimated realisable value.
- Income tax – The Society has charitable status and is exempt from income tax.

Changes in Accounting Policy

There have been no material changes in accounting policies. All policies have been applied on a basis consistent with those in previous years.

Home and Family Counselling Incorporated

Notes to the Financial Statements
For the year ended 31 March 2008

2. Retained Earnings	2008	2007
General Reserve		
Opening Balance	159,822	132,289
Net Surplus/(Deficit)	(19,920)	27,533
	<u>139,902</u>	<u>159,822</u>

3. Property, Plant and Equipment

	2008		Net Book Value
	Cost	Accumulated Depreciation	
Leasehold Improvements	86,650	4,775	81,875
Chattels	128,013	96,833	31,180
	<u>214,663</u>	<u>101,608</u>	<u>113,055</u>

	2007		Net Book Value
	Cost	Accumulated Depreciation	
Leasehold Improvements	80,701	3,196	77,505
Chattels	121,855	95,299	26,556
	<u>202,556</u>	<u>98,495</u>	<u>104,061</u>

4. Donations	2008	2007
Charitable Trusts	126,057	51,587
Other	37,043	39,418
ASB Trust	58,167	33,354
Support Group Projects	58,910	37,409
	<u>280,177</u>	<u>161,768</u>

5. Grants	2008	2007
New Zealand Lottery	16,667	25,000
CYFS	205,809	119,174
Other	4,444	1,037
	<u>226,920</u>	<u>145,211</u>

Home and Family Counselling Incorporated

Notes to the Financial Statements
For the year ended 31 March 2008

6. Sundry Income	2008	2007
Subscriptions	1,111	1,200
Interest Received	9,463	6,875
Room Hire	390	298
Other	779	2,376
Supervision	8,846	4,120
	<u>20,589</u>	<u>14,869</u>

7. Property Management

The property maintenance reserve has been set aside for as set out in the lease agreement.

8. Related Party

During the year, the Society rented their premises from the Trust Board. No debts have been written off or forgiven during the year. 2008: 15,000 (2007: 5,200)

9. Commitments and Contingencies

There are no material commitments and contingencies as at 31 March 2008 (2007 Nil).

10. Depreciation	2008	2007
Chattels	10,834	12,808
Leasehold Improvements	1,580	1,582
	<u>12,414</u>	<u>14,390</u>

11. Operating Lease Commitments

Non-Cancellable Operating Leases	2008	2007
Up to one year	31,299	0
More than One Year	260,000	0

12. Trade Creditors	2008	2007
Trade creditors	30,374	6,986
Payroll	20,729	30,697
PAYE	10,409	13,206
	<u>61,509</u>	<u>50,889</u>

13. Sundry Debtors and Accruals

	2008	2007
Other debtors	756	3,057
Department of Courts	4,156	3,181
CYFS	444	2,684
Rent	2,550	-
	<u>7,906</u>	<u>8,922</u>

Notes to the Financial Statements
For the year ended 31 March 2008

14. Statement of Uncommitted Funds	2008	2007
Funds held:		
Cash	130	130
Bank Accounts	21,634	61,388
Marac Finance	143,961	71,498
	<u>165,725</u>	<u>133,016</u>
To meet the following commitments:		
Current liabilities	61,509	50,889
	<u>104,216</u>	<u>82,127</u>

15. Credit Risk

Financial instruments which potentially subject the society to credit risk principally consist of bank balances, accounts receivable and investments.

Maximum exposures to credit risk as at balance date are:

	2008	2007
Bank Accounts	21,634	61,388
Sundry Debtors and Accruals	7,906	8,922
Marac Finance	143,961	71,498
	<u>173,501</u>	<u>141,808</u>

No collateral is held on the above amounts.

16. Concentrations of Credit Risk

The Society is not exposed to any concentrations of credit risk.

17. Credit Facilities

The Society does not have a bank overdraft facility.

18. Interest Rate Risk

The Society is exposed to interest rate risk in that the future interest rate movements will affect the returns earned, cash flows, and the market value of all financial instruments. The short-term Marac Investment is at call; interest is set at 8.45% pa.

19. Fair values

The carrying amount of bank balances, accounts receivable, investments, and accounts payable, is the fair value for each of these classes of financial instrument.

20. Segment Reporting

The Society has only one activity as a non-profit organisation for the provision of social services. All operations are carried out within New Zealand.

21. Events Subsequent to Balance Date

No material events have occurred between 31 March 2008, and the date on which the Statement of Position was signed.

AUDITOR'S REPORT**TO THE MEMBERS OF HOME AND FAMILY COUNSELLING INCORPORATED**

We have audited the financial report on pages 2 to 8. The financial report provides information about the past financial performance of the Home and Family Counselling Incorporated and its financial position as at 31 March 2008. This information is stated in accordance with the accounting policies set out on page 5.

EXECUTIVE COMMITTEE'S RESPONSIBILITIES

The Executive Committee is responsible for the preparation of a financial report which fairly reflects the financial position of the Home and Family Counselling Incorporated as at 31 March 2008 and the results of its operations for the year ended on that date.

AUDITOR'S RESPONSIBILITIES

It is our responsibility to express an independent opinion on the financial report presented by the Executive Committee and report our opinion to you.

BASIS OF OPINION

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgments made by the Executive Committee in the preparation of the financial report, and
- whether the accounting policies are appropriate to the Home and Family Counselling Incorporated's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards except that our work was limited as explained below. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in our capacity as auditors, we have no relationship with, or interests in, the Home and Family Counselling Incorporated.

QUALIFIED OPINION

In common with other organisations of a similar type, control over donation income is limited and there are no practical audit procedures to determine the effects of this limited control.

In this respect alone, we have not obtained all the information and explanations that we have required.

In our opinion, subject to the limited control, the financial statements fairly reflect the position of the Society as at 31 March 2008 and the results of its operations for the year ended on that date.

Our audit report was completed on 18 July 2008 and our qualified opinion is expressed as at that date.


CARLTON-DFK

AUCKLAND

