

# WHĀNAU MANAAKI



Annual Report  
2021/22





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## Introduction from the Chair

I'm excited to write my first introduction to the annual report as Board Chair. It has been a privilege to represent our families in recent years on our Board, and it has been challenging and rewarding to take over as Chair for the past year.

Our vision is to be a respected leader in early childhood education and to be a strong advocate for children and whānau. This vision has helped guide us through difficult times.

Once again, our agenda has been dominated by the pandemic and the changes it has required of us, and I am proud of the way we continue to respond.

When vaccinations became available, we were part of efforts to encourage families and staff to get vaccinated at community events across the regions in which we operate. This undoubtedly contributed to the high coverage in our communities and helped mitigate sickness and hospitalisation.

The vaccine mandates for staff and volunteers were challenging for us to navigate, but we followed government requirements, health advice, and of course, our values of integrity and partnership to ensure that relationships survived the stress of differing views with everyone's mana intact.

Beyond our kindergartens, we continue to support families to gain wraparound help and have reached out to families attending our kindergartens and homebased services, as well as receiving calls channelled through the Ministry of Social Development and individuals contacting us directly. One example of this is where, as the Omicron variant spread earlier this year, impacting many of our whānau, we were able to provide shopping services for families isolating.

Increasingly, we have been delivering more and more of these kinds of services throughout our communities as our strong relationships, reputation and organisational capacity means we are well placed to serve our community in areas outside of education that impact on family wellbeing.

Our kindergartens continue to be our focus, and throughout the challenging times of alert levels, the traffic light framework, collecting vaccine records, mask requirements, social distancing, abandoned events and excursions and curtailed fundraising our services have continued to provide for the all important early education of our tamariki.



I would like to acknowledge and thank my colleagues on our Board and Mandy and our Senior Leadership Team, who work hard to ensure that our staff are enabled to do what they do best – enrich the lives of our tamariki with innovative and responsive educational programmes.

Core to our ability to continue to lead the way in everything we do at He Whānau Manaaki o Tararua is our people – our staff, our volunteers, our community partners and our whānau. Without the incredible resilience, kindness and determination that has been bought to the fore by everyone across the organization over the past year, these achievements would not have been possible. We have an amazing group of people and we cannot thank them enough for truly living and sharing the values that guide Whānau Manaaki in our kindergartens and in our communities.

Finally I'd like to thank all the families that support us every day by trusting us to do our best for your taonga, your children. We will continue to put them first in everything we do.

**Martin Robinson**  
**Chief Executive**



## From the Chief Executive

*He horomata rangatira te mahi e rite ai te whiwhinga a te ringatuku me te ringakape ake i ōna painga. Hei ruruhau, hei kaitoko i te ora, hei kaiurungi, hei kaiwhakaawe taumata hou.*

*Service is the noblest of virtues. It enhances the giver and receiver in equal measure, giving shelter and sustenance, providing direction and inspiration that lead to new and higher goals.*

I am using this whakataukī again this year, because it remains just as relevant – particularly in relation to the continued amazing work of our staff in supporting communities during Covid-19. During this past year, we had to continually adapt to the pandemic and its changing public health requirements and advice.

Late last year, we met strict vaccine requirements and earlier this year we saw the arrival of Omicron which saw many of our families and staff becoming sick or isolating.

We moved quickly to change our processes, first to ensure we obeyed the Health Order and made sure all our staff and volunteers and contractors were vaccinated, a huge job. Then we worked to keep our tamariki and their whānau safe and well while isolating or sick, providing a service that enabled food, shopping and support.

As we have done throughout the pandemic, we remain guided by our core values, which enable us to quickly make decisions to adapt and meet the needs of our staff, families and communities.

While this work has taken a lot of focus, particularly with staffing issues caused by illness, we have also been able to develop an exciting new initiative in Porirua, supporting our communities in a more holistic way.

Le Fale is a community based initiative being set up in Eastern Porirua that will provide skills training and job seeking support, initially in the construction and infrastructure industry. We are also providing financial capability training, and supporting people into home ownership.

Sometimes people question why we are moving outside our role of education.



If a family is not doing well then there's every chance the child is not doing well. If we want to support tamariki as a kindergarten association, we need to support families and communities. That's what we work really hard to do, collectively.

Over the past year we have continued to work with other associations, producing joint press statements and working together on submissions. We continue to work on ways to work more closely together, to strengthen the kindergarten movement throughout New Zealand. Whānau Manaaki remains an extraordinary organisation to lead, and I am confident that we will continue to be a leader in our sector as we keep adapting to changing times.

**Amanda Coulston**  
**Chief Executive**



## Covid Response



Over the year Whānau Manaaki continued its consistent and community-focused response to the pandemic, supporting whānau throughout our communities.

We provided clear, consistent and frequent communication with our families using a variety of channels. Regular updates via email, Facebook and Storypark kept families up with the changing requirement and processes, and offered support.

We followed the advice of health professionals and supported community vaccination events throughout our regions, working with others, such as Pacific churches to increase vaccination uptake and make it easy for families. In Porirua East, initially a low vaccination area, we provided transport to vaccination centres for those who needed it.

Although it is hard to quantify, our mahi undoubtedly improved vaccination levels, reducing illness, hospitalisations and death.

Our kindergarten kaiako stayed connected to families affected by lockdowns, isolation or illness.

We provided learning packs, health packs, including masks and sanitiser and supermarket vouchers where needed.

When Covid 19 was widespread in the community, many people were isolating and needed supplies. We employed six shoppers from March, based in Porirua and Levin, to buy and deliver groceries to families based on their needs and wishes. In other centres, staff took on the role. At its peak we shopped for around 28 households each day.

This work was funded by the Ministry of Social Development and builds on our reputation for delivering to our communities in a sensitive and efficient way.

Positive feedback has flowed in throughout the year, with whānau appreciating our services and the friendly, cheerful and efficient way they are delivered.





Our support staff delivered groceries to families in isolation

## Political Advocacy



Prime Minister Jacinda Adern , Mana MP Barbara Edmonds and Caroline Mareko at Nuanua Kindergarten.

Whānau Manaaki Kindergartens makes the most of opportunities to advocate for children and families at the political level.

We develop relationships with MPs from all political parties and use every opportunity to lobby for policies to benefit our tamariki, whānau and communities.

We welcomed Prime Minister Jacinda Ardern to Nuanua Kindergarten earlier this year to highlight government changes which would improve the finances of families.

She was joined by Minister of Social Development Carmel Sepuloni, Minister of Transport and Workplace Relations and Safety Michael Wood and Mana MP Barbara Edmonds. The Prime Minister and her group were greeted with a Turou (Cook Island welcome) while children sang.

The event was a wonderful representation of our association and the important work we do.

We have worked with local MP's in our communities to encourage vaccination to protect children and families.





## Improving learning support for families



Over the year we have continued to improve our learning support service in our kindergartens.

Our learning support team of eight teachers, who are all trained in early intervention, is spread around our region, with each teacher released two days each term to visit kindergartens.

The focus of the team is on building capacity with our teaching teams to work collaboratively with children needing learning support. As well as responding to requests, the team are proactive and involved in coaching and mentoring and highlighting good practice.

Learning support team coordinator Soreen Scahill says she's seen significant progress in the skills kindergarten teams have acquired since the initiative began.

She says it's wonderful to work in this way, and deliver what is needed in a way that closely relates to the context of our kindergartens. "We build on the knowledge of the teams, starting where they are at, and provide powerful practical skills."

Soreen pays tribute to the passion and strengths of her wonderful team.

Webinars are also provided regularly on Storypark dealing with particular topics. They are deliberately short, so teaching teams can watch together and then talk about how they can apply skills to individual situations.

Soreen says there's been lots of feedback about how these have helped their practice and collaboration.

## Kindergarten models change

We have continued to adapt our services to meet community needs, with 43 of our 102 kindergartens now open for full year rather than closing in term breaks.

A few of our kindergartens have now extended to open for seven hours a day, to support our families in those communities.

While we are extending hours or weeks of opening in many services, some of our kindergartens have reduced hours, from ten hours a day to nine hours, where that extra hour was no longer being used by families.

We are continually adapting to make sure our services are relevant as needs in our communities change.



## Community Connections



One of our social service contracts is called Community Connections and as part of this, Community Navigator Hanaa Sadoun works with families from many of our Wellington kindergartens, helping those from different cultures and backgrounds navigate everyday issues like housing, immigration and driving licenses.

She is also contacted by other kindergartens where families have issues relating to understanding life in New Zealand.

She speaks Arabic, so she can translate for Arabic speaking families. Hanaa is Muslim and a former refugee herself, so other refugees find a shared background helps with understanding. Even if she doesn't speak their language, she can translate jargon into simple English to help people with booking appointments and understanding official letters and filling in forms.

Hanaa grew up in Baghdad and was a history teacher, but she left when the city was under sustained bombing. Like many others affected by war in Iraq, she was forced to leave for her own safety.

She enjoys her work, because helping people is so rewarding, even though it can be stressful.

"In the end when you see you can make a change in this family's life, you forget all the stress because you have done something to help."

Letters from Immigration, Work and Income and the Vehicle Testing centre can have implications for people if they don't understand what is required, so Hanaa's work is very satisfying.

While Hanaa provided practical help for families before the pandemic, Covid 19 has meant increased demand for financial support with food or vouchers.

Hanaa says as well as the financial help, families are pleased that someone is thinking of them, and helping.

Giveaway days, in particular, have made families so happy, she says.



## Political engagement



MP Ibrahim Omer visits Newtown Kindergarten



MP Terisa Ngobi playing at Ngahina Kindergarten

Throughout the year, we continued to engage in the democratic process, making submissions to government on a variety of issues relating to education, housing and the role of the Childrens Commissioner.

We continue to host MPs from all parties in our kindergartens, and to ensure that those in power are familiar with the important role that quality early childhood education plays in giving everyone a good start in life.

Newtown Kindergarten welcomed Labour list MP Ibrahim Omer for a visit late last year.

Ibrahim is a former refugee from Eritrea, and Newtown's kindergarten community includes refugee families and Eritrean families.

He said he appreciated the chance to meet the incredibly skilled and experienced teachers that work hard to ensure that every child has equal opportunities to support their development and learning.

"We will continue to listen and engage around how we can better support our teachers."

We have continued to engage publicly with the media and responding to government policies and decisions such as the budget, with press releases either for Whānau Manaaki or for our collective organisation, Kindergartens Aotearoa.



## Matariki and Puanga



Our kindergartens have celebrated Matariki for many years, but this year learning and celebrations have been more of a focus with the whole country coming to appreciate the significance of Maramataka, the Māori luna calendar.

The introduction of a holiday for Matariki has consolidated the curriculum focus. Wider recognition of Puanga has been important for our whole organisation, as we recognise the significance in how we see Puanga in relation to Matariki. Like Matariki, Puanga is a time to reflect on

the past and plan for and celebrate the year ahead. It's an opportunity for the iwi and community to remember loved ones and look forward to the new year.



## Localised curriculum



## Place-based education – whakapapa o tenei rohe

Place-based education has been a focus for us over the past year, with kindergartens connecting closely with their communities, iwi and hapū for their curriculum.

This emphasis aligns with the new history curriculum, where we learn together about the significant local Māori history in our communities.

Kindergartens in Whanganui have been reflecting on how the values, language and history of tāngata whenua have been distorted through the processes of colonisation.

To support capacity around place-based knowledge kindergartens went on a hikoi to the place where Te Tiriti o Waitangi was signed in Whanganui.





## Incredible Beginnings

Whānau Manaaki Kindergartens was involved in a pilot project to give the Ministry of Education feedback on its Incredible Beginnings training.

Our Amataga team, which includes our van drivers and assistants, who work with children each day, as well as our community navigators who work more with adults, took part in the training, which included giving a good understanding of attachment issues for young children.

The experience engendered robust feedback, but those who took part in the project say they gained from it, and it changed how they view children, as well as learning strategies to react to children's situations.

As well as helping better relate to children in their work, it also helped participants as parents.

"It was good to be able to make suggestions to improve the training to the Ministry" says Andy Cairns, Senior Teacher with responsibility for our Amataga team programmes.



## Living Wage



Whānau Manaaki celebrates supporting the living wage

Whānau Manaaki strives to remain an employer of choice.

One of the ways we seek to do this, is by supporting the Living Wage.

During the past financial year, we renewed the office collective contract which was negotiated with the education union, NZEI Te Riu Roa, and the living wage for all staff was a feature of this.

More than 80 people are employed at Whānau Manaaki's offices in Porirua and Whanganui.

Whānau Manaaki is the only kindergarten association to have such an agreement.

Towards the end of the financial year, our board decided to extend the living wage to all staff working in kindergartens, meaning around 150 staff had a wage increase.

The Living Wage movement is a coalition of community organisations, faith-based groups and unions that work together to campaign for wage rates that enable people to participate in the community.

The board has also agreed to continue work on becoming an accredited Living Wage employer. Accreditation involves ensuring regular contractors such as cleaners are also paid the Living Wage.





## Operational Review



Over the past year, we have continued to implement our Operational Review, as we adjust to the growth and complexity of our organisation, community changes and to incorporate technology in our systems and processes.

This has included Amy Weightman taking up the new role of Chief Operating Officer.

Amy's background in strategy and systems as well as her experience as a kindergarten parent and Whānau Manaaki board member, made her ideal for this position.

Other positions and changes as a result of the operational review have been implemented over the year, including a major piece of work reviewing our remuneration strategy. This was done in consultation with NZEI Te Riu Roa.





# Strengthening our financial position

## Fee Increases

With increasing costs and historical anomalies, the board of Whānau Manaaki made the difficult decision to increase fees. As well as financial sustainability, this enabled our fee system to be transparent and consistent, in accordance with our values.

As we offer 20 free hours to all our children, many of our families do not pay fees so were not affected by the increase. All families attending equity funded kindergartens are given a fee discount.

Some kindergartens had no change in fees, but in Whanganui in particular, where we had previously offered 30 hours free, many families were asked to pay fees for the first time.

Fees to these kindergartens are being introduced in stages, to allow time to adapt.

We continue our practice of offering fee waivers for families in hardship, which means we remain accessible and affordable.





### Maintaining and building our government contracts



Le Fale Navigators: left, Tali Mareko, Fala Tavita, Kasey Burns & Presley Ah HoS

We have continued to build our strategic relationships, to enable us to deliver services to our communities, particularly through Covid.

We have continued our Whānau Ora contract with Pacific Futures which supports 264 Pacific families.

We also continue our Engaging Priority Families contract and our Community Connections contracts.

We have also developed other relationships, for example, through our Le Fale Jobs and Skills Hub that is part of the revitalisation of Eastern Porirua. Our relationships are with Ngāti Toa, Porirua City Council, Kainga Ora, The Ministry of Business Innovation and Employment, the Ministry of Social Development, and the Te Aranga Alliance. This means we can support people in the Porirua Community into skills training and employment.

We also hold a Pacific Financial Capability contract, also delivered through Le Fale.



## Whakapapa



**Ko wai mātou?  
Mai te awa o Whanganui, Ohakune  
me Waionu pekekpeke atu Taihape e  
Kei te tipu te māra  
Mai Horowhenua  
ki Kāpiti piki ake  
ki te Ūpoko o te ika e  
Mai Remutaka heke iho  
Ke te Wairarapa  
He Whānau Manaaki o  
Tararua e**





Strengthening our bicultural practice



## Relationships with iwi

Whānau Manaaki has a long-standing relationship with Ngāti Toa which we have been building on in the last year. This is because our office is situated in Ngāti Toa rohe.

This has included a specific iwi representative on the board, Hayley Galo, who was nominated by Ngāti Toa Rangatira in Takapūwāhia, to provide input and guidance.

We have also been working together on the Eastern Porirua housing regeneration project and on job skills programmes.

As we move more into health and social services contracts, working together makes sense.

Both Whānau Manaaki and Ngāti Toa are involved in jobs and skills programmes, and we have also worked together on vaccination promotion.

Whānau Manaaki was invited by Ngāti Toa to be involved in Talanoa Wānanga, a citywide collaboration across Porirua to discuss the possibility of a Citizen's Assembly.

Ngāti Toa is the lead organisation for one of nine locality hub prototypes under the health reforms, and Whānau Manaaki will continue to work with Pacific providers and the iwi on health initiatives under the new national structure that replaces district Health Boards.

All these initiatives can be more effective if we work together, with our shared kaupapa of wellbeing and success for tamariki and whānau.

All over the motu, our kindergartens are building and maintaining relationships with local iwi and hapū. We are developing these as we continue our focus on whakapapa, place-based learning, which includes learning about our histories at a community level.



Head Office Staff at Pipitea Marae



Takapūwāhia Marae



## Becoming a Tiriti Focused Organisation

Whānau Manaaki Kindergartens has been continuing to develop as a Tiriti-o-Waitangi focused organisation.

This commitment will be spelt out more prominently and clearly in our revised Strategic Plan.

Over the past year, we have worked to provide increased Te Reo Māori capacity in our organisation, with online courses made available to all staff, including our office staff.

Our Māori staff group, Ngā Taura Here has produced an action plan and has continued to provide guidance. Ngā Taura Here has also worked to support and strengthen members' growth and offer pathways to leadership to suit individual aspirations.

Our teaching and learning focus has included place based education, which aligns with the new school history curriculum, where we learn together about the significant local Māori history in our communities.

The introduction of a holiday for Matariki has consolidated and strengthened the significance of Matariki which has been included in our educational programme for many years. Wider recognition of Puanga has been important for our whole organisation.

At an organisational level, we have continued to increase the content and visibility of Te Ao Māori in our systems, processes, structures and programmes.



Whānau Manaaki is in  
the Heart of so Many  
Communities.





**Adventure**

18 Longitude Place, Whitby 5024

**Aramoho**

15 Field Street, Whanganui

**Arohanui**

74 Bartholomew Road, Levin

**Ascot Park**

175 Conclusion Street, Porirua 5024

**Awatea**

19 Awatea Street, Porirua

**Barsanti**

19 Rogers Street, Whanganui

**Bellevue**

50 Link Road, Newlands

**Berhampore**

3-5 Stanley Street, Berhampore

**Betty Montford**

46 York Street, Levin

**Birchville**

12 Amber Grove, Birchville, UH

**Brian Webb**

28 Victory Crescent, Tawa

**Brooklyn**

62 Todman Street, Brooklyn

**Brown Owl**

5 Aniseed Grove, Upper Hutt

**Campbell**

25 Campbell Street, Karori

**Carterton**

3 Victoria Street, Carterton

**Central**

32 Keith Street, Whanganui

**Churton Park**

86 Churton Drive, Churton Park

**Cottle**

117 Thackeray Street, Upper Hutt

**Discovery**

3 Pullen Lane, Whitby

**Doris Nicholson**

1122 Fergusson Drive, Upper Hutt

**Durie Hill**

25 Maxwell Avenue, Whanganui

**East Harbour**

99 Muritai Road, Eastbourne

**Fanau Pasifika**

76a Cambridge Street, Levin

**Gonville**

86 Alma Road, Whanganui

**Greytown**

McMaster Street, Greytown

**Harriette Vine**

5 Watkin Street, Whanganui

**Hataitai**

8 Taurima Street, Hataitai

**Heretaunga**

9a Ruru Crescent, Heretaunga, UH

**Barsanti**

19 Rogers Street, Whanganui

**Irmgard Ritchie**

88a McLeod Street, Upper Hutt

**Island Bay**

100 Melbourne Road, Island Bay

**Johnsonville West**

34a Kipling Street, Johnsonville

**Kahurangi**

11 Surrey Street, Masterton,

**Karori**

155 Campbell Street, Karori

**Katoa**

52 Takapuwahia Drive Porirua

**Khandallah**

24 Everest Street, Khandallah

**Lansdowne**

30c Totara Street Masterton

**Lyall Bay**

89 Apu Crescent, Lyall Bay

**Manaia**

53 South Road, Masterton

**Maraeroa**

36 Astrolabe Street, Porirua

**Marie Mcfarland**

40b Cornfoot Steet, Castlecliff, Whanganui

**Martinborough**

Roberts Street, Martinborough

**Masterton West**

159 Cole Street Masterton

**Matairangi**

112-114 Waipapa Road, Hataitai



**Miramar North**

20 Whanganui Street, Miramar

**Moira Gallagher**

24 Hampshire Street, Porirua

**Newlands**

13 Horokiwi Road West, Newlands

**Ngahina**

Ngahina Street, Paraparaumu

**Ngaio**

65 Ottawa Road, Ngaio

**Northland**

22 Albemarle Road, Northland

**Nuanua**

5A Warspite Avenue Porirua

**Ohakune**

58 Arawa Street, Ohakune

**Onslow**

1a Delhi Crescent, Khandallah

**Otaki**

68 Waerenga Road, Otaki

**Owhiro Bay**

96 Happy Valley Road, Owhiro Bay

**Papakowhai**

5 Yarrow Place, Papakowhai

**Paparangi**

10 Mark Avenue, Paparangi

**Paraparaumu**

27 Donovan Road, Paraparaumu

**Paremata**

51 Paremata Road, Paremata

**Paremata Creche**

Discover Drive, Whitby Porirua

**Parsons Avenue**

20 Parsons Avenue, Levin

**Petone**

10a Tennyson Street, Petone

**Petone Beach**

20 King Street, Petone

**Pikopiko**

Cnr Elizabeth & Brougham Streets, Mt Victoria

**Plimmerton**

8a Beach Road, Plimmerton

**Pukerua Bay**

1 Wairaka Road, Pukerua Bay

**Putiki**

21 Te Anau St, Whanganui

**Raumati Beach**

32 Raumati Road

**Raumati South**

45 Tiromoana Road, Raumati South

**Seatoun**

14 Gore Street, Seatoun

**Silverstream**

51 - 53 Kiln Street Upper Hutt,

**South End**

High Street South, Carterton

**St Johns Hill**

19 Parsons Avenue, Whanganui

**Strathmore Park**

50a Strathmore Avenue, Strathmore

**Sunshine**

21a Sunshine Avenue, Karori

**Tai Tamariki**

55 Cable Street, PO Box 467, Wgtn

**Taihape**

Toroa Street, Taihape

**Tairangi**

1 Omapere Street, Porirua

**Taitoko**

36 Kinross Street, Levin

**Tawa Central**

21 Oxford Street, Tawa

**Te Manawanui**

1 Grey Street, Shannon

**Te Puna Ako Ki Totara Puku**

Whanganui East School, Patapu Street, Whanganui

**Te Timatanga Hou**

19 Wilton Street, Levin

**Titahi Bay**

48 Herewini Street, Titahi Bay

**Toru Fetu**

36a Astrolabe Street, Porirua

**Totara Park**

7a Denver Grove, Upper Hutt

**Trentham**

19a Tawai Street, Upper Hutt





**Tui Park**

12b Mexted Terrace, Linden

**Una Williams**

12 Macara Street, Masterton,

14a McParland Street, Upper Hutt

62 Todman Street, Brooklyn

**Wadestown**

45 Oban Street, Wadestown

**Waikanae**

Russell Reserve, Ngaio Road

**Waiouru**

25 Kenningston Street, Waiouru

**Waitangirua**

4 Kalingo Street, Porirua

**Waitohi**

34 Moorefield Road, Johnsonville

**Wanganui East**

58 Nile Street, Whanganui

**Wellington South**

103 Owen Street, Newtown

**York Street**

4 York Street, Masterton





He Whānau Manaaki o Tararua  
Free Kindergarten Association Incorporated

**Financial Statements  
for the year ended 30 June 2022**





## Financial Statements for the year ended 30 June 2022

### Directory

**Board Members:**

Amy Weightman	Resigned July 2021
Emma McGregor	
Genia Kohrt	
Hayley Galo	Appointed May 2022
Iona To'omaga-Iona	
Joanna Young	
Kathleen Cooper	Appointed September 2021
Kyran Smith	Resigned September 2021
Martin Robinson	
Miranda Zander	
Monika Ciolek	Resigned September 2021
Tania Jones	Resigned September 2021

**Registered Office:**

Unit F  
15 John Seddon Drive  
Elsdon  
PORIRUA 5022

**Nature of Business:**

Provision of Early Childhood Education services

**Charities Commission Registration Number:**

CC11092

**Independent Auditor:**

Grant Thornton New Zealand Audit Limited  
Grant Thornton House  
215 Lambton Quay  
WELLINGTON 6011

# Financial Statements for the year ended 30 June 2022

He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated



## Statement of Comprehensive Revenue and Expenses for the year ended 30 June 2022

		Year ended 30 June 2022	Year ended 30 June 2021
		\$000s	\$000s
<b>Revenue From Non-Exchange Transactions</b>	<b>Note</b>		
Ministry of Education Funding	4	56,886	54,367
Donations	5	598	613
Fundraising		171	296
Grants		209	192
Other Revenue		3,456	1,742
<b>Total Revenue From Non-Exchange Transactions</b>		<b>61,320</b>	<b>57,210</b>
<b>Revenue From Exchange Transactions</b>			
Fees		2,640	2,744
Other Revenue		1,078	407
Interest Revenue		44	11
<b>Total Revenue From Exchange Transactions</b>		<b>3,762</b>	<b>3,162</b>
<b>Total Revenue</b>		<b>65,082</b>	<b>60,372</b>
<b>Expenses</b>			
Employee Benefits	6	52,650	49,730
Kindergarten Operating	8	4,154	4,594
Head Office Operating	7	1,939	2,014
Homebased Operating	9	698	594
Property		1,115	1,052
Community Support Payments		1,989	459
Depreciation		2,193	2,123
Amortisation		53	53
<b>Total Expenses</b>		<b>64,791</b>	<b>60,619</b>
<b>Total Surplus/(Deficit) for the Year</b>		<b>291</b>	<b>(247)</b>
<b>Other Comprehensive Revenue and Expenses</b>		<b>0</b>	<b>0</b>
<b>Total Comprehensive Revenue and Expenses</b>		<b>291</b>	<b>(247)</b>

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





## Statement of Changes in Net Assets for the year ended 30 June 2022

	Retained Surplus \$000s	Asset Revaluation Reserve \$000s	Total Equity \$000s
Opening Balance at 1 July 2021	15,300	15,664	30,964
Surplus/(Deficit) for the Year	291	0	291
Other Comprehensive Revenue and Expenses	0	0	
<b>Closing Equity at 30 June 2022</b>	<b>15,591</b>	<b>15,664</b>	<b>31,255</b>
Opening Balance at 1 July 2020	15,547	15,664	31,211
Surplus/(Deficit) for the Year	(247)	0	(247)
Other Comprehensive Revenue and Expenses	0	0	
<b>Closing Equity at 30 June 2021</b>	<b>15,300</b>	<b>15,664</b>	<b>30,964</b>

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

# Financial Statements for the year ended 30 June 2022

He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated



## Statement of Financial Position as at 30 June 2022

		As at 30 June 2022 \$000s	As at 30 June 2021 \$000s
	Note		
<b>Current Assets</b>			
Cash and Cash Equivalents	10	5,922	2,449
Receivables from Exchange Transactions	11	395	259
Receivables from Non-Exchange Transactions	11	342	607
<b>Total Current Assets</b>		<b>6,659</b>	<b>3,315</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	12	27,779	28,820
Finance Lease Asset	16	1,216	1,269
Work in Progress		122	50
<b>Total Non-Current Assets</b>		<b>29,117</b>	<b>30,139</b>
<b>Total Assets</b>		<b>35,776</b>	<b>33,454</b>
<b>Current Liabilities</b>			
Employee Entitlements	14	2,660	1,981
Trade and Other Payables	13	348	438
Revenue in Advance		1,513	61
Other Liabilities		0	10
<b>Total Current Liabilities</b>		<b>4,521</b>	<b>2,490</b>
<b>Net Assets</b>		<b>31,255</b>	<b>30,964</b>
<b>Equity</b>			
Retained Surplus		15,591	15,300
Asset Revaluation Reserve		15,664	15,664
<b>Total Equity</b>		<b>31,255</b>	<b>30,964</b>

Signed as approved on behalf of the Board of He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated

Martin Robinson  
**Chair**  
17 August 2022

Amanda Coulston  
**Chief Executive**  
17 August 2022

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





## Statement of Cash Flow for the year ended 30 June 2022

		Year ended 30 June 2022 \$000s	Year ended 30 June 2021 \$000s
<b>Cash Flow From Operating Activities</b>			
Ministry of Education Funding		65,792	63,241
Other Receipts		10,462	6,738
Interest Receipts		44	11
Employee Benefit Payments		(52,051)	(49,534)
Supplier Payments		(19,366)	(17,559)
<b>Net Cash Flow From Operating Activities</b>	<b>22.1</b>	<b>4,881</b>	<b>2,897</b>
<b>Cash Flow From Investing Activities</b>			
Payment for Property, Plant & Equipment		(1,408)	(1,496)
Sale of Property, Plant & Equipment		0	13
<b>Net Cash Flow From Investing Activities</b>		<b>(1,408)</b>	<b>(1,483)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		<b>3,473</b>	<b>1,414</b>
Cash and Cash Equivalents at the Start of the Year		2,449	1,035
Net Increase/(Decrease) in Cash and Cash Equivalents		3,473	1,414
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>10</b>	<b>5,922</b>	<b>2,449</b>

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



## Notes to the Financial Statements for the year ended 30 June 2022

### Note 1 Reporting Entity

The reporting entity is He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated ("WMK"). WMK is domiciled in New Zealand and is a charitable organisation registered under the Charities Act 2015. WMK was incorporated under the Incorporated Societies Act 1908 on 21 August 1984.

The financial statements of WMK are presented for the year ended 30 June 2022.

The reporting entity consists of the WMK Head Office and its constituent kindergartens and the principle activity of WMK is the provision of Early Childhood Education. The financial statements have been prepared on the assumption that WMK is a going concern. They have been approved and were authorised for issue by the Board on 17 August 2022.

### Note 2 Statement of Compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards issued by the New Zealand Accounting Standards Board for Not-For-Profit entities. For the purpose of complying with NZ GAAP WMK is a public benefit not-for-profit entity and is applying Tier 1 Not-For-Profit PBE IPSAS as it has expenditure of more than \$30 million. The Board has elected to report and is compliant with Tier 1 Not-For-Profit PBE IPSAS Standards.

### Note 3 Summary of Accounting Policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to both years presented in these financial statements.

#### 3.1 Basis of Measurement

The financial statements have been prepared on the basis of historical cost.

#### 3.2 Functional and Presentation Currency

The financial statements are presented in New Zealand dollars which is WMK's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest thousand dollars.

#### 3.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to WMK and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

#### Revenue from non-exchange transactions

##### *Ministry of Education Funding*

Ministry of Education Funding received for Kindergarten, Homebased or Playgroup services is recognised as earned by reference to actual enrolled child hours. Other funding received from the Ministry of Education is recognised as received except where "use or return" conditions are attached in which case a liability is recognised and extinguished to revenue when the conditions are met.





## Notes to the Financial Statements for the year ended 30 June 2022

### Note 3 Summary of Accounting Policies (continued)

#### 3.3 Revenue (continued)

##### *Donations and Fundraising*

Donations and Fundraising are recognised as revenue on receipt as this is when the revenue is reliably measurable. Due to the difficulty in reliably determining the value of services donated by kindergarten volunteers, donated services are not recognised in these financial statements.

##### *Grants*

Grant revenue includes grants given by other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to a grant have been complied with. Where there are unfulfilled conditions attached to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled. In the case where there is no return obligation specified the grant is recognised as revenue.

#### Revenue from exchange transactions

##### *Fees*

WMK provides Early Childcare Services for children over and above the 20 free hours provided by the Government. In this instance an additional fee is charged at an hourly rate. Fee revenue of this nature is recognised as incurred by reference to actual enrolled child hours.

##### *Interest*

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

#### 3.4 Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash in bank accounts with entities where there is an insignificant risk of changes in value.

#### 3.5 Financial Assets

Financial assets can be classified as either 'fair value through profit and loss', 'available for sale', 'held to maturity' or 'loans and receivables'. The classification depends on the nature and purpose of the financial asset and is determined at the time of initial recognition. WMK does not have held to maturity or available for sale assets.

Financial assets are recognised on trade date, the date at which WMK commits to purchase the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and WMK no longer holds substantially all the risks and rewards of ownership.

All WMK financial assets (Cash and Cash Equivalents and Receivables) are classified as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.



## Notes to the Financial Statements for the year ended 30 June 2022

### Note 3 Summary of Accounting Policies (continued)

#### 3.5 Financial Assets (continued)

After initial recognition WMK financial assets that are classified as loans and receivable are measured at amortised cost using the effective interest rate method. Gains and losses arising when a financial asset is impaired or derecognised are recorded in the statement of comprehensive revenue and expenses.

#### 3.6 Impairment of Financial Assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. If there is objective evidence that a financial asset or group of financial assets is impaired then any impairment losses are recognised in the profit or loss within the statement of comprehensive revenue and expenses. In the case where impairment losses are considered to have reversed, the amount of the reversal is recognised in the statement of comprehensive revenue and expenses, but only to the extent that impairment losses have been recorded in prior reporting periods.

#### 3.7 Property, Plant and Equipment

Property, Plant and Equipment is reflected at modified historical cost less accumulated depreciation and impairment losses. Land, Buildings and Fitouts are carried at modified historical cost having previously been revalued by an independent valuer, last valued in 2005.

The cost of an item of Property, Plant and Equipment is recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to WMK and the cost of the item can be measured reliably. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the date of acquisition.

Gains or losses on disposal of Property, Plant and Equipment (as determined by comparing proceeds of disposal with the carrying value of the asset) are recorded in the statement of comprehensive revenue and expenses. When revalued assets are sold, the amounts included in revaluation reserves in respect of those assets are transferred to retained earnings.

Depreciation is provided on all Property, Plant and Equipment with the exception of Land. Depreciation is provided on a straight line basis so as to write off the cost of an asset, less any expected residual value, over its useful life. The following straight line depreciation rates have been applied to Property, Plant and Equipment:

Buildings and Fitouts	2% to 8%
Motor Vehicles	22%
Office Equipment	3% to 19%
Computer Equipment	36%
Play Equipment	12% to 24%

The estimated useful lives and residual values of Property, Plant and Equipment, as well as depreciation rates, are reviewed at the end of each reporting period.





## Notes to the Financial Statements for the year ended 30 June 2022

### Note 3 Summary of Accounting Policies (continued)

#### 3.8 Asset Revaluation Reserve

The asset revaluation reserve was created when revaluations were last performed in 2005. It then increased with the addition of the asset revaluation reserve from the Rimutaka Kindergarten Association when the merger with Wellington Region Free Kindergarten Association occurred in 2014. On transition to PBE IPSAS, WMK elected to transition to a "deemed cost" basis of accounting for Land and Buildings. The asset revaluation reserve will be extinguished on disposal or retirement of the relevant assets and its use is not restricted. It may be used for any purposes intended by the Association.

#### 3.9 Impairment of Property, Plant and Equipment

Property, Plant and Equipment are assessed for indicators of impairment at the end of each reporting period. If there is objective evidence that these assets are impaired then any impairment losses are recognised in the statement of comprehensive revenue and expenses. In the case where impairment losses are considered to have reversed the amount of the reversal is recognised in the statement of comprehensive revenue and expenses, but only to the extent that impairment losses have been recorded in prior reporting periods.

#### 3.10 Financial Liabilities

Financial liabilities of WMK include Trade and Other Payables and Revenue in Advance.

Financial liabilities are recognised when WMK becomes a party to the contractual arrangements of the instrument. Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest rate method.

All interest related charges are recognised as finance expenses in the statement of comprehensive revenue and expenses.

#### 3.11 Employee Entitlements

Provision is made for benefits accruing to employees in respect of salaries and wages, annual leave and long service leave where it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits are recorded at nominal values. The value of provisions recognised reflect accrued entitlements at balance date calculated at the prevailing rates of pay.

#### 3.12 Income Tax

WMK is a registered Charitable Trust. Inland Revenue has determined that WMK is exempt from paying Income Tax.

#### 3.13 Goods and Service Tax (GST)

All items in the financial statements are recorded exclusive of GST, except for Receivables and Trade Payables which are recorded as inclusive of GST.



## Notes to the Financial Statements for the year ended 30 June 2022

### Note 3 Summary of Accounting Policies (continued)

#### 3.14 Changes In Accounting Policy

There have been no changes in accounting policy since the prior period.

#### **New standards, amendments and interpretations that are not yet effective and have not been early adopted**

##### *FRS 48*

FRS 48 was issued by the NZASB XRB in November 2017 and establishes requirements for Tier 1 and Tier 2 public benefit entities to select and present service performance information. Amongst other things, FRS 48 requires that this information includes:

- 1 sufficient contextual information to understand why the entity exists, what it intends to achieve in broad terms over the medium to long term and how it goes about this; and
- 2 information about what the entity has done during the reporting period in working towards its broader aims and objectives.

WMK is currently assessing the impacts of FRS 48, which it intends to adopt for the year ending 30 June 2023.



## Notes to the Financial Statements for the year ended 30 June 2022

	Year ended 30 June 2022 \$000s	Year ended 30 June 2021 \$000s
<b>Note 4 Ministry of Education Funding</b>		
Kindergarten Bulk Funding	54,093	50,970
Equity Funding	1,113	1,115
Homebased Funding	1,094	1,086
Targeted Funding For Disadvantage	298	294
Engaging Priority Families Funding	258	242
Playgroup Funding	30	51
Urgent Response Funding	0	609
	<b>56,886</b>	<b>54,367</b>
<b>Note 5 Donations</b>		
Whānau Contributions	494	556
Other Donations	104	57
	<b>598</b>	<b>613</b>
<b>Note 6 Employee Benefits</b>		
Employee Salaries	50,379	47,937
Kiwisaver and GSF Employer Contributions	1,264	1,194
Other Employee Expenses	281	287
ACC Levies	254	198
Movement in Annual and Long Service Leave Liabilities	472	114
	<b>52,650</b>	<b>49,730</b>
<b>Note 7 Head Office Operating</b>		
Information Technology	750	739
Office Administration	540	547
Other Head Office Operating	166	209
Finance and Legal	143	128
Professional Development	109	178
Strategy and Relationships	101	30
Marketing and Communication	50	105
Auditor Remuneration - Statutory Audit Only	40	40
Board Remuneration	40	38
	<b>1,939</b>	<b>2,014</b>

The auditor of He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated is Grant Thornton.



# Financial Statements for the year ended 30 June 2022

He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated



## Notes to the Financial Statements for the year ended 30 June 2022

	Note	Year ended 30 June 2022 \$000s	Year ended 30 June 2021 \$000s
<b>Note 8 Kindergarten Operating</b>			
Cleaning and Waste		1,560	1,501
Resources and Equipment		855	896
Rent and Utilities		609	688
Other Kindergarten Operating Expenses		339	553
Insurance		341	362
Kindergarten Administration		227	315
Children's Activities		152	194
Fundraising Expenses		71	85
		<b>4,154</b>	<b>4,594</b>
<b>Note 9 Homebased Operating</b>			
Payments to Educators		481	481
Homebased Administration		100	57
Transport		103	49
Educator Training		6	4
Property and Equipment		8	3
		<b>698</b>	<b>594</b>
<b>Note 10 Cash and Cash Equivalents</b>			
Bank accounts and cash on hand		5,922	2,449
		<b>5,922</b>	<b>2,449</b>
<b>Represented By</b>			
Unrestricted Cash Balances		3,562	(11)
Ringfenced Kindergarten Fund Balances	<b>22.2</b>	2,360	2,460
		<b>5,922</b>	<b>2,449</b>
<b>Note 11 Receivables</b>			
<b>Receivables from Exchange Transactions</b>			
Fee Receivables		192	224
GST Receivable		203	35
		<b>395</b>	<b>259</b>
<b>Receivables from Non-Exchange Transactions</b>			
Ministry of Education Funding Receivable		187	560
Trade and Other Receivables		155	47
		<b>342</b>	<b>607</b>

Receivables are non-interest bearing and are normally settled on 30 day terms, therefore, the carrying value of receivables approximate their fair value.



## Notes to the Financial Statements for the year ended 30 June 2022

### Note 12 Property, Plant and Equipment

	Land	Buildings and Fitouts	Motor Vehicles	Office Equipment	Computer Equipment	Play Equipment	Total
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>As at 30 June 2022</b>							
<b>At Cost or Valuation</b>							
Balance at 1 July 2021	5,544	33,673	719	1,253	1,357	2,893	45,439
Additions	0	300	46	106	315	398	1,165
Disposals	0	(8)	(5)	(8)	(225)	0	(246)
<b>Balance at 30 June 2022</b>	<b>5,544</b>	<b>33,965</b>	<b>760</b>	<b>1,351</b>	<b>1,447</b>	<b>3,291</b>	<b>46,358</b>
<b>Accumulated Depreciation</b>							
Balance at 1 July 2021		12,200	535	914	1,046	1,924	16,619
Depreciation Expense		1,282	120	114	260	416	2,193
Recovered on Disposals		(6)	(2)	(6)	(219)	0	(233)
<b>Balance at 30 June 2022</b>		<b>13,476</b>	<b>653</b>	<b>1,022</b>	<b>1,087</b>	<b>2,340</b>	<b>18,579</b>
<b>Net Book Value</b>							
Balance at 1 July 2021	5,544	21,473	184	339	311	969	28,820
<b>Balance at 30 June 2022</b>	<b>5,544</b>	<b>20,489</b>	<b>107</b>	<b>329</b>	<b>360</b>	<b>951</b>	<b>27,779</b>

	Land	Buildings and Fitouts	Motor Vehicles	Office Equipment	Computer Equipment	Play Equipment	Total
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
<b>As at 30 June 2021</b>							
<b>At Cost or Valuation</b>							
Balance at 1 July 2020	5,544	33,144	706	1,179	1,276	2,485	44,334
Acquired Through Merger	0	0	0	0	0	0	0
Additions	0	563	23	87	219	411	1,303
Disposals	0	(34)	(10)	(13)	(138)	(3)	(198)
<b>Balance at 30 June 2021</b>	<b>5,544</b>	<b>33,673</b>	<b>719</b>	<b>1,253</b>	<b>1,357</b>	<b>2,893</b>	<b>45,439</b>
<b>Accumulated Depreciation</b>							
Balance at 1 July 2020		10,894	407	814	956	1,597	14,668
Depreciation Expense		1,333	130	107	223	330	2,123
Recovered on Disposals		(27)	(2)	(7)	(133)	(3)	(172)
<b>Balance at 30 June 2021</b>		<b>12,200</b>	<b>535</b>	<b>914</b>	<b>1,046</b>	<b>1,924</b>	<b>16,619</b>
<b>Net Book Value</b>							
Balance at 1 July 2020	5,544	22,250	299	365	320	888	29,666
<b>Balance at 30 June 2021</b>	<b>5,544</b>	<b>21,473</b>	<b>184</b>	<b>339</b>	<b>311</b>	<b>969</b>	<b>28,820</b>

# Financial Statements for the year ended 30 June 2022

He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated



## Notes to the Financial Statements for the year ended 30 June 2022

	As at 30 June 2022 \$000s	As at 30 June 2021 \$000s
<b>Note 13 Trade and Other Payables</b>		
Trade Payables	194	296
Accrued Expenses	154	142
	<b>348</b>	<b>438</b>

Trade and other payables are non-interest bearing and are normally settled on 30 day terms, therefore, the carrying value of trade and other payables approximate their fair value.

### Note 14 Employee Entitlements

Annual Leave Entitlements	2,219	1,746
Accrued Employee Salary Expenses	441	235
	<b>2,660</b>	<b>1,981</b>

All employee entitlements are current and short-term in nature.

### Note 15 Contingent Liabilities and Contingent Assets

There were no contingent liabilities or contingent assets at 30 June 2022 (30 June 2021: \$Nil).

### Note 16 Finance Lease Asset - Johnsonville (Waitohi) Kindergarten

In 2017 WMK entered into an agreement with the Wellington City Council ("WCC") to sell Johnsonville Kindergarten at 6 Wanaka Street in exchange for a 25 year "rent free" lease on a new kindergarten in the Johnsonville Library complex. Settlement of the transaction occurred on commencement of the lease on 5 August 2019.

Accounting for the transaction involved the derecognition of WMK's 6 Wanaka Street property (and related asset revaluation reserve) and recognition of a "right to lease" asset in accordance with PBE IPSAS 17 Property, Plant and Equipment and PBE IPSAS 13 Leases. The Finance Lease Asset is being depreciated on a straight-line over 25 years (the lease term) and it's value in the Financial Statements is:

Right of Use Asset at Fair Value (present value of minimum lease payments)	1,322	1,322
Accumulated Amortisation	(106)	(53)
<b>Finance Lease Asset</b>	<b>1,216</b>	<b>1,269</b>





## Notes to the Financial Statements for the year ended 30 June 2022

As at 30 June 2022	As at 30 June 2021
\$000s	\$000s

### Note 17 Leases

#### 17.1 Leasing Arrangements

Most operating leases relate to office and kindergarten land and buildings with remaining lease terms of between 1 and 18 years. These lease agreements require WMK to pay contractual annual rent. Contingent rent is payable in relation to seven land leases WMK hold with the Wellington City Council. Rent for these leases are based on 1% of per annum kindergarten income. The amount of rent reflected in the Statement of Financial Performance for these leases is the contingent rent amount paid in the period.

#### 17.2 Operating Lease Rental Expenses

Operating Lease Rental Expense for the Period	350	382
	<b>350</b>	<b>382</b>

#### 17.3 Non-Cancellable Operating Lease Payments

The future aggregate minimum lease payments to be made under non-cancellable operating lease payments are as follows:

Not Longer Than 1 Year	374	331
Longer Than 1 Year and Not Longer Than 5 Years	529	605
Longer Than 5 Years	71	12
	<b>974</b>	<b>948</b>

### Note 18 Related Party Transactions

#### 18.1 Key Management Personnel

Key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures are the members of the Board and the Senior Leadership Team. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

##### Board

Total Remuneration	28	34
Number of Persons	12	12

##### Senior Leadership Team

Total Remuneration	788	1,054
Number of Persons	5	8

#### 18.2 Remuneration and Compensation Provided to Close Family Members of Key Management Personnel

During the reporting period, total remuneration and compensation of \$802,933 (2021: \$584,540) was provided by WMK to employees who are close family members of key management personnel.



## Notes to the Financial Statements for the year ended 30 June 2022

	As at 30 June 2022 \$000s	As at 30 June 2021 \$000s
<b>Note 19 Financial Instruments</b>		
<b>Loans and Receivables</b>		
Cash and Cash Equivalents	5,922	2,449
Receivables from Exchange Transactions	395	259
Receivables from Non-Exchange Transactions	342	607
<b>Financial Liabilities Measured at Amortised Cost</b>		
Trade and Other Payables	348	438

All financial instruments to which WMK is a party are recognised in the financial statements.

WMK has policies in place to manage the risks associated with financial instruments. As an organisation WMK is risk adverse and seeks to minimise its exposure to financial instrument risk. There are no changes from the previous year in how WMK manages its credit risk, interest rate risk, liquidity risk and currency risk.

### 19.1 Credit Risk Management

In the normal course of business WMK incurs credit risk from trade and other receivables and transactions with banking institutions. WMK manages its exposure to credit risk by holding cash and cash equivalents with New Zealand registered banking institutions and maintaining credit control procedures over trade and other receivables.

WMK has no significant concentrations of credit risk, other than all its operations are undertaken in the Wellington, Wairarapa, Whanganui and Central Plateau. The maximum exposure at balance date is equal to the total amount of cash and cash equivalents and trade and other receivables disclosed in the Statement of Financial Position. WMK does not require any collateral or security to support financial instruments it holds due to the low risk associated with the realisation of these instruments.

### 19.2 Interest Rate Risk Management

WMK is exposed to interest rate risk on cash and cash equivalents held at fixed interest rates. WMK is not exposed to significant fair value or cash flow risks due to the organisations minimal use of fixed interest investments. A sensitivity analysis has not been performed on cash and cash equivalent interest received. As an organisation WMK has limited reliance on interest revenue to fund its activities and therefore movement would be immaterial.

### 19.3 Currency Risk Management

WMK manages its risk to foreign exchange rates by not entering into significant foreign currency transactions in the normal course of business.

### 19.4 Liquidity Risk Management

WMK manages its exposure to liquidity risk by maintaining sufficient cash levels to meet operating and capital commitments as they fall due, as well as keeping credit lines from registered New Zealand banking institutions available. WMK uses robust cash flow forecasting techniques to identify and monitor future liquidity risk.



## Notes to the Financial Statements for the year ended 30 June 2022

### Note 19 Financial Instruments (continued)

#### 19.4 Liquidity Risk Management (continued)

WMK relies heavily on revenue provided by the Government to fund its operations. It is inherently exposed to liquidity risk through changes in Government policy that impact funds available to the Early Childhood Education Sector.

#### 19.5 Carrying Amount

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximate their fair value.

#### 19.6 Capital Management

WMK's capital is significantly affected by changes in Early Childhood Education funding rates. The Board manages WMK's exposure to changes in Government funding by maintaining adequate liquidity within the organisation, closely monitoring costs, and maintaining a focus on developing other sources of revenue. The impact of funding rate changes or strategic decisions on forecast capital are assessed monthly using cashflow and capital modelling tools.

### Note 20 Segment Reporting

The primary function of WMK is the provision of Early Childhood Education services in New Zealand. It does not operate in any other segment.

### Note 21 Global Pandemic of Coronavirus Disease 2019

On 11 March 2020 the World Health Organisation declared an ongoing global outbreak of a novel coronavirus "COVID-19" as a pandemic. In response the New Zealand Government implemented a range of public health and social measures to prevent and contain the transmission of COVID-19 and have provided financial stimulus and welfare support to mitigate the economic impacts.

COVID-19 has provided many operational challenges for WMK and the organisation continues to respond as best it can by supporting children and their families, its employees, and suppliers and their businesses. The financial statements presented, and the comparative information, reflect the impact of many WMK initiatives put in place to mitigate the impacts of COVID-19 including, but not limited to:

- waiving child fees;
- making additional wage payments to relief teachers not eligible for the Government wage subsidy;
- employing additional teachers and teacher aides to support children impacted by COVID-19;
- investing in additional cleaning services and supplies to ensure safe kindergarten environments; and
- employing consultants and purchasing resources to support wellness programmes in our kindergartens;

WMK has also invested heavily in improving its IT resources and capability, as well as developing modified teaching and learning programmes, so the organisation is prepared to operate during periods of kindergarten closure.

More recently WMK has been contracted by Pasifika Futures and the Ministry of Social Development to support families and communities facing self isolation and hardship due to the impacts of COVID-19. WMK has used our





## Notes to the Financial Statements for the year ended 30 June 2022

### Note 21 Global pandemic of Coronavirus Disease 2019 (continued)

kindergarten and wider community networks to coordinate the distribution of food parcels and other items to children and families in need.

While WMK has seen a "softening" of some revenue streams related to the wider impacts of COVID-19, the organisation has been supported to cope with the impact of lower child attendances and increasing teacher relief costs by various Ministry funding initiatives and other Government subsidies.

At the date of signing these financial statements, it is not possible to estimate the impact of the COVID-19 pandemic's long-term effects. As such, it is not practicable to provide any further quantitative or qualitative estimate of the potential impact on WMK at this time.

Year ended 30 June 2022	Year ended 30 June 2021
\$000s	\$000s

### Note 22 Additional Cash Flow Statement Information

#### 22.1 Reconciliation of Comprehensive Revenue and Expenses to Net Cash Flow From Operating Activities

<b>Total Comprehensive Revenue and Expenses</b>	<b>291</b>	<b>(247)</b>
<b>(Increase)/Decrease in Current Assets</b>		
Receivables	129	776
<b>Increase/(Decrease) in Current Liabilities</b>		
Employee Entitlements	679	268
Trade and Other Payables	(90)	(188)
Revenue in Advance	1,452	(91)
Other Liabilities	(10)	10
<b>GST on Investing Activities</b>	<b>184</b>	<b>193</b>
<b>Adjustment for Non Cash Items</b>		
Depreciation	2,193	2,123
Amortisation	53	53
<b>Net Cash Flow from Operating Activities</b>	<b>4,881</b>	<b>2,897</b>



## Notes to the Financial Statements for the year ended 30 June 2022

### Note 22 Additional Cash Flow Statement Information (continued)

#### 22.2 Restrictions on Cash and Cash Equivalents (continued)

Cash received from Grants is restricted for the purpose for which the grant was approved.

WMK maintains a record of funds ringfenced for specific kindergarten use. These funds include amounts donated and fundraised by communities for a specific kindergarten and purpose (kindergarten funds) as well as equity funding income allocated specifically for the use of an individual kindergarten. While ultimately these funds will be used for the benefit of the respective kindergarten there is no specific timeframe or obligation upon WMK to spend these funds. The following information provides details of ringfenced kindergarten funds at 30 June 2022:

	Kindergarten Funds	Targeted Funds	Grant Funds	Equity Funds	Total Funds
Kindergarten	\$	\$	\$	\$	\$
Adventure	9,149	0	410	0	9,559
Aramoho	3,241	6,266	205	12,360	22,072
Arohanui	7,528	4,699	359	1,919	14,505
Ascot Park	17,145	15,514	500	15,623	48,782
Awatea	5,418	5,735	0	12,358	23,511
Barsanti	1,236	11,715	0	1,662	14,613
Bellevue	26,590	0	142	0	26,732
Berhampore	5,757	5,969	500	0	12,226
Betty Montford	15,826	9,720	0	1,362	26,908
Birchville	36,181	0	500	0	36,681
Brian Webb	166	0	0	0	166
Brooklyn	21,627	0	2,439	0	24,066
Brown Owl	195	2,806	432	298	3,731
Campbell	26,192	0	500	0	26,692
Carterton	9,605	571	1,630	0	11,806
Central	8,508	6,426	500	37,457	52,891
Churton Park	12,716	0	141	0	12,857
Cottle	27,125	1,610	783	0	29,518
Discovery	32,295	0	0	0	32,295
Doris Nicholson	7,196	7,737	468	0	15,401
Durie Hill	5,597	834	0	0	6,431
East Harbour	6,654	0	1,073	0	7,727
Fanau Pasifika	22,266	11,583	0	60,664	94,513
Gonville	16,157	12,569	0	6,184	34,910
Greytown	9,656	1,770	3,032	0	14,458
Harriette Vine	11,828	3,463	62	0	15,353
Hataitai	68,196	0	500	0	68,696
Heretaunga	3,800	0	500	0	4,300
Irmgard Ritchie	10,704	0	395	0	11,099
Island Bay	16,812	0	500	0	17,312
<b>Carried Forward Total</b>	<b>445,366</b>	<b>108,987</b>	<b>15,571</b>	<b>149,887</b>	<b>719,811</b>

# Financial Statements for the year ended 30 June 2022

He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated



## Notes to the Financial Statements for the year ended 30 June 2022

### Note 22 Additional Cash Flow Statement Information (continued)

#### 22.2 Restrictions on Cash and Cash Equivalents (continued)

	Kindergarten Funds	Targeted Funds	Grant Funds	Equity Funds	Total Funds
Kindergarten	\$	\$	\$	\$	\$
Johnsonville West	18,314	0	0	0	18,314
Kahurangi	24,483	0	0	0	24,483
Karori	17,919	0	346	0	18,265
Katoa	5,177	7,007	0	53,190	65,374
Khandallah	58,260	0	0	0	58,260
Lansdowne	9,052	4,956	6,245	0	20,253
Lyll Bay	4,899	6,327	342	0	11,568
Manaia	5,349	6,819	1,360	0	13,528
Maraeroa	(10,968)	16,865	5,622	41	11,560
Marie McFarland	10,674	11,911	500	54,699	77,784
Martinborough	29,162	0	0	0	29,162
Masterton West	8,169	5,995	854	0	15,018
Matairangi	10,847	0	500	0	11,347
Matariki	6,574	0	404	0	6,978
Maxwell and Districts	9,536	875	92	0	10,503
Meta Riddiford	9,569	16,385	0	71,005	96,959
Miramar Central	13,307	0	500	0	13,807
Miramar North	9,861	0	325	0	10,186
Moira Gallagher	5,232	7,331	500	38,987	52,050
Newlands	17,386	5	695	0	18,086
Newtown	5,983	382	1,271	0	7,636
Ngahina	9,985	5,600	500	0	16,085
Ngaio	11,407	0	500	0	11,907
Northland	18,068	0	287	0	18,355
Nuanua	21,688	12,937	500	0	35,125
Ohakune	828	0	1,000	3,425	5,253
Onslow	14,176	0	0	0	14,176
Otaki	4,925	3,398	54	11,436	19,813
Owhiro Bay	1,467	0	500	0	1,967
Papakowhai	8,711	0	661	0	9,372
Papararangi	17,953	0	0	0	17,953
Paraparaumu	5,787	0	500	0	6,287
Paremata	9,742	0	500	0	10,242
Paremata Creche	9,709	0	101	0	9,810
Parsons Ave	37,086	4,500	0	25,147	66,733
Petone	946	209	0	0	1,155
Petone Beach	4,809	0	500	0	5,309
<b>Carried Forward Total</b>	<b>891,438</b>	<b>220,489</b>	<b>40,730</b>	<b>407,817</b>	<b>1,560,474</b>



## Notes to the Financial Statements for the year ended 30 June 2022

### Note 22 Additional Cash Flow Statement Information (continued)

#### 22.2 Restrictions on Cash and Cash Equivalents (continued)

	Kindergarten Funds	Targeted Funds	Grant Funds	Equity Funds	Total Funds
Kindergarten	\$	\$	\$	\$	\$
Piko Piko	6,841	0	500	0	7,341
Plimmerton	16,697	0	500	0	17,197
Pukerua Bay	29,634	0	500	0	30,134
Putiki	4,877	1,760	500	0	7,137
Raumati Beach	23,796	0	0	0	23,796
Raumati South	5,959	0	523	0	6,482
Seatoun	40,754	0	0	0	40,754
Silverstream	7,070	0	500	0	7,570
South End	18,664	8,927	0	2,120	29,711
St Johns Hill	20,565	0	2,432	0	22,997
Strathmore Park	20,292	2,637	500	0	23,429
Sunshine	19,143	0	500	0	19,643
Tai Tamariki	37,022	0	0	0	37,022
Taihape	27,182	0	0	6,484	33,666
Tairangi	3,298	4,219	0	13,096	20,613
Taitoko	33,174	15,366	0	31,107	79,647
Tawa Central	2,112	0	684	0	2,796
Te Manawanui	4,254	4,818	417	67,010	76,499
Te Puna Ako Ki Totara Puku	19,872	1,504	5,465	0	26,841
Te Timatanga Hou	(3,300)	5,362	36	0	2,098
Titahi Bay	3,829	1,052	500	3	5,384
Toru Fetu	736	5,205	0	14,318	20,259
Totara Park	23,219	0	0	0	23,219
Trentham	10,166	19	0	0	10,185
Tui Park	5,862	3,472	673	11,323	21,330
Una Williams	20,283	13,374	1,044	113	34,814
Upper Hutt	(2,991)	3,039	1,037	0	1,085
Wadestown	21,187	0	249	0	21,436
Waikanae	27,298	0	500	0	27,798
Waiouru	1,667	0	0	5,178	6,845
Waitangirua	21,785	13,426	500	1,410	37,121
Waitohi	13,385	4,264	0	0	17,649
Wanganui East	1	3,785	0	25,758	29,544
Wellington South	4,746	4,471	462	0	9,679
York Street	7,633	8,573	1,372	0	17,578
	<b>1,388,150</b>	<b>325,762</b>	<b>60,124</b>	<b>585,737</b>	<b>2,359,773</b>



# Financial Statements for the year ended 30 June 2022

He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated



## Grant Funding

He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated wishes to acknowledge and thank those organisations that continue to give generously to our kindergartens. We rely heavily on grants from community organisations to keep our kindergartens well resourced and assist with their ongoing development and maintenance.

Your gifts are appreciated by us, our communities and most importantly those children who benefit from attending our kindergartens.

**In the year to 30 June 2022 the following organisations contributed to our kindergartens:**

Thomas George McCarthy Trust	51,000	The Vogelmorn Foundation	3,000
Pelorus Trust	42,786	Hutt Mana Charitable Trust	2,975
One Foundation	27,500	Greytown Trust lands	2,532
Trust House Foundation	24,526	Living Water Medical	2,500
Hutt Mana Charitable Trust	9,219	Warwick Anderson	2,500
Four Regions Trust	9,050	Kapiti Coast District Council	1,046
NZCT	7,881	The Lines Company	1,000
Clegg Family Trust	6,853	WPI and Ernslaw One Community	1,000
Four Winds Foundation	5,108	Educational Trust	766
The Lion Foundation	4,000	Wellington City Council	516
Greytown District Trust Lands Trust	3,175		

Aku mihi nui ki a koe

Thank you



## Independent Auditor's Report

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To the Board Members of He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of He Whānau Manaaki o Tararua Free Kindergarten Association Incorporated (the "Association") on pages 27 to 49 which comprise the statement of financial position as at 30 June 2022, and the statement of comprehensive revenue and expense, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at 30 June 2022 and its financial performance and cash flows for the year then ended in accordance with Public Benefit Entity International Public Sector Accounting Standards (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) issued by the New Zealand Auditing and Assurance Standards Board. 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 Association in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Association.

#### Other Information Other than the Financial Statements and Auditor's Report thereon

The Board are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report 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 audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit of 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 the Board.

### **Board Members' Responsibilities for the Financial Statements**

The Board Members are responsible on behalf of the Association for the preparation and fair presentation of these financial statements in accordance with Public Benefit Entity International Public Sector Accounting Standards (Not-For-Profit) issued by the New Zealand Accounting Standards Board, 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 on behalf of the entity are responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board Members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the Audit of the Financial Statements**

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

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

### **Restriction on use of our report**

This report is made solely to the Association's Board Members, as a body. Our audit work has been undertaken so that we might state to the Association's Board Members, as a body, those matters which 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 Association and the Association's Board Members for our audit work, for this report or for the opinion we have formed.

**Grant Thornton New Zealand Audit Limited**



**Wellington**

**17 August 2022**





Fanau Pasifika Kindergarten celebrates Samoa Independence Day



Grandparents Day at Nuanua Kindergarten







Graduation for Etu Ao Home Educators







He Whānau Manaaki o Tararua  
Free Kindergarten Association Incorporated