

Friendship House

He Whare Tangata



Annual Report

2010 - 2011

Contents

Page 1	Director's Message
Page 2	Our Staff
Page 3	Chairperson's Message
Page 4	Trust Board
Page 5	Counselling and Social Work
Page 6	Professional Development Training
Page 7	Living Without Violence Programme for Men
Page 9	Community Centre
Page 11	Our Funders
Page 12	Financial Statements

Director's Message

Each year when I write this report it provides a wonderful opportunity to think back on the achievements of the previous 12 months. At Friendship House we are blessed by many things – a dedicated team of staff, a supportive Board, great premises, an interesting and diverse community, and plenty to keep us busy.

This year marks 35 years of Friendship House being “a place for people in the heart of Manukau”. We all potentially belong to a range of communities and a wide variety of people spend part of their lives in the City Centre – government and council workers, businesses, customers, retail staff, service workers, commuters, clients, children, young people, students. Part of our mission is to work towards a more truly human community, and to support people to reach their potential. The challenge for us is to continue to respond to the needs of the people we come into contact with in helpful and creative ways.

Although our physical location is the City Centre of Manukau our catchment extends well into the area often known as Counties Manukau. The City Centre has few permanent residents. Each of the people who accesses Friendship House services also lives in another community. Our work necessitates having excellent connections with a wide range of other services in order to link people with the best possible support they need.

Over the year some key highlights have included:

- excellent staff retention – we continue to be a place people enjoy working
- new services - development of family violence programmes for young men and also a Tongan language and culture programme
- ongoing services – maintaining a range of professional, quality support services
- mentoring – continuation of support for other local organisations in areas of governance, management and service delivery
- building maintenance – we completed a range of deferred maintenance including upgrading the bathrooms, stairwell and foyer, and replacing the carpets
- developing our new logo and branding
- community building – ongoing involvement in a range of networking and strategic contexts

In May and June I spent time in the UK looking at Social Enterprise in Edinburgh, Glasgow and London. This trip enabled me to gain a broad overview of a way of working that can be loosely summarised as “doing business and doing good”. Social Enterprise is a well developed and well regarded field in many countries overseas. While we don't use the term social enterprise a great deal in NZ, it was clear from my study that there are many organisations in NZ that already operate in this way, including Friendship House. The need for creative and sustainable ways of improving people's lives is central to social enterprise. A copy of the report from this trip is available on request.

The last year has been a busy one as we respond to the increased economic and social pressures many people have been facing. We as an organisation are not immune to these pressures and the reduction in some contract and philanthropic funding going into the coming year will bring additional challenges. Friendship House has committed itself to extending the ways we market and promote our work, and to ensuring we offer to as many people as we can the opportunity to support the work that we do in whatever ways they can. Ultimately Friendship House is about people helping people.

We choose to look forward with optimism and hope.

Vicki Sykes
Director



Our Staff

STAFF MEMBERS

Vicki Sykes, Director
Pam Rutherford, Programme Manager
Philippa Hannam, Services Manager/Counsellor
Sandra Pere, Centre Manager
Martha Heta, Centre Administrator
Natasha Waru, Accounts Administrator

Tracey Tamihere, LWVP Admin Support
Darlene Saunders, LWVP Admin Support
Tamara Whillans, Receptionist Ground Floor
Liz Pimm, Café Co-ordinator
Sue Stone, Café Assistant
Jos Povey, Café Assistant
Tenille Hori, Café Assistant (Reliever)

Alison Ross, LWVP Coordinator
Salome Mitchell, Awhinatia Whanau Social Worker
Kathy Hori, Awhinatia Whanau Social Worker, Level 1
Robyn Galvin, Counsellor
Tokilupe Mahe, Counsellor
Pam Bloxham, Counsellor
Shane Jordan, Counsellor
Bea Taripo-Prestidge, Reception Level 1
Andre Grobler, Client Interviewer for LWVP
Margaret Plummer, Client Interviewer for LWVP
Lua Maynard, Community Liason Worker



Chairperson's Message

What a year this past one has been. As if the economic difficulties caused by the recession weren't enough for people to cope with, the uncertainties originating from natural disasters have added a fresh layer of stress across the nation. Although Christchurch seems a long way away, the ripples from the devastating earthquakes are felt over the whole country, especially in the area of funding. With needs so great in the Canterbury region the "compassionate dollar" is stretched to the limit and organizations such as Friendship House have found sources of funding harder and harder to access.

But the work of Friendship House continues as strongly as ever. Each member of the staff is aware of the part they play in offering hope to those who come for help. Befriending and hospitality are the responsibility of all staff whether behind the counter in the café, on the reception desks, or as counsellors and social workers. It is fundamental to the kaupapa of Friendship House that every person be valued, a feeling that seldom accompanies those who are troubled and in despair. Experiencing this is often the key to seeking help, feeling empowered and making choices that are life changing.

"Value" and "dignity" are key components in the Living Without Violence Programme as the men are challenged to think of themselves and others in a new way. Changing entrenched patterns of behaviour and belief is a difficult and challenging task and undertaken reluctantly by some. Breaking down resistance and encouraging learning takes great skill. We are enormously grateful to the staff who undertake this difficult work. The benefits reach well beyond the individual men and their families because it makes the community safer for all. This past year has seen 658 men enrolled in our programmes.

The social workers and counsellors work hard to help those who find themselves overwhelmed and not coping with life for a vast variety of reasons. Offering them assistance, advocacy and empowerment restores dignity and hope as they take charge of their own lives, working through solutions and growing in understanding.

Vicki Sykes, the Director, is tireless in seeking ways to increase the relevancy and effectiveness of the ministry of Friendship House. She brings to the task

an approach that combines compassion with critical social analysis and business acumen. At present she is undertaking study towards a Masters in Social Practice. This adds value to her role as Director as she is able to both reflect on and apply new learning to the work of Friendship House. Some recent study leave in England and Scotland has provided in-depth understanding of the concept of Social Enterprise and how this might benefit our work now and into the future.

It is the privilege of the Friendship House Trust Board to offer guidance at the governance level to this well established and worthwhile ministry. The Friendship House Trust Board has worked over the past two years to establish The Friendship House Foundation. The Foundation has been designed to hold the responsibility for the long term care of the premises at 20 Putney Way as well as to provide general support to the work of Friendship House. The Foundation is a separate legal entity with its own Board.

There have been a number of comings and goings in the membership of the Board this year. We farewelled Gerry Walker (Salvation Army appointee and long serving member), Morris Rangiwai (Anglican) and Geoff Radcliffe (Methodist) and welcomed appointees Paula Jakeman (Anglican), Ruth Froggatt (Salvation Army) and Vai Ngahe (Methodist).

As Chair I would like to thank all the Board members for the care and insight they offer to the work and my heart felt thanks to Vicki for her energetic leadership and dedication to all that Friendship House stands for.

Diane Miller-Keeley
Chairperson



Trust Board

TRUST BOARD MEMBERS

Diane Miller-Keeley, Anglican
Paula Jakeman, Anglican
Prince Devanandan, Methodist
Vai Ngahe, Methodist
Christine Parlane, Presbyterian
Helen Pulman, Presbyterian
Josephine Waru, Roman Catholic
Denis O'Brien, Roman Catholic
Rosh Naidoo, Baptist
Vacant, Baptist
Pam Hughes, The Salvation Army
Ruth Froggatt, The Salvation Army

CO-OPTED COMMITTEE MEMBERS:

Peter O'Brien, Finance and Funding
Innes Clarke, Policy, Employment and
Governance
Doug Brown, Finance and Funding
Damian Robertson, Minute Secretary



l to r back row: Vai Ngahe, Prince Devanandau, Denis O'Brien, Pam Hughes
front row: Damian Robertson, Ruth Froggatt, Diane Miller-Keeley, Vicki Sykes, Rosh Naidoo

Counselling and Social Work

News from 2010/2011

Counselling and Social Work have shown significant increases in clients presenting with issues pertaining to:

- Violence/Safety/Abuse
- Housing
- Relationships
- Self/Personal

“Thank you so much I feel much stronger in myself and looking forward rather than staying in the past.”

The Counselling Team has been busier in the last year with a noticeable increase in the number of booked appointments as clients address the above issues as well as other issues that may bring them to Friendship House.

The expansion of the Social Work Service in 2010 has proven beneficial in being better placed to meet the demand for Social Work support for people coming to Friendship House.

I would like to acknowledge the great work the Counselling and Social Work Teams have done to support clients in addressing their issues.

Hopes for 2011/2012

To further develop our capability in working in a multi-disciplinary way within Friendship House to provide additional support to clients and their families.

To build on the networking and liaison work we have been doing with other agencies in the area so we can work more collaboratively in supporting people that come to Friendship House.

“At last someone is helping me. I have been sent from one agency to another.”



Shane Jordan, Counsellor



Kathy Hori, Social Worker



Saloome Mitchell, Social Worker



Robyn Galvin, Counsellor



Philippa Hannam, Services Manager



Lupe Mahi, Counsellor and facilitator for LWVP

Professional Development Training

News from 2010/2011

We have held four PDT courses at Friendship House over the last year. The topics have been informative and varied, and my thanks go to the facilitators and external services that have provided this training for Friendship House. The topics have included:

- Spirituality in the Workplace
- Screening and Initial Intervention with Alcohol and other Drugs
- MH101: Mental Health Learning
- Understanding Sexual Diversity and Gender Identity

Many thanks to our Ground Floor Receptionist, Tamara Whillans, for all her help in managing the administrative aspects of PDT throughout the year.

Hopes for 2011/2012

As funding for PDT has been cut for the next financial year, we are still working through the implications of this. However, we are currently planning training for Counselling, Social Work, and LWVP clinical staff at Friendship House in developing skills for working with families.

“I enjoyed the chance to learn more and reflect on how I help others”

Living Without Violence Programme for Men

News from 2010/2011

During the 2010-2011 financial year our Men's Living Without Violence Programmes (LWVP) were available at Friendship House six days a week.

We offered:

13 groups a week in our General Programme; this included one group in the Tongan language and one group held in Papakura

2 groups a week in our Samoan Programme
An average of 18 clients a week in our One to One Individual Programme.

In January 2011, as an extension of the House commitment to the value of hospitality, we began providing a sandwich for each man attending an evening group and a piece of fruit for men attending morning and afternoon groups. Feedback from the men and the facilitators has been encouraging and the men are able to focus better once they've eaten.

We also began offering Social Work services to men who enrolled in our programmes; the offer has been well received and we are pleased to report that 116 men have engaged with our Social Workers to address issues and support their progress in their Programmes.

In July, Ruth Cottingham resigned as Facilitation Coordinator to take a position with Housing NZ and Alison Ross moved to the LWVP Coordinator position. Tracey Tamihere became the LWVP Administrator and Darlene Saunders joined our team in an Admin Support role. Andre Grobler and Margaret Plummer continued in their interviewer positions.

As of 30 June 2011, we had 19 authorised contracted Facilitators and one trainee. This amazing team continues to develop and refine their abilities to work with men at getting violence out of their lives. We are grateful to our supervisors, Fay Lilian, David Neilson and Ben Taufua for their regular supervision and support of our team.

“ I was going to sit the programme out and then I started to feel connected to the other guys' stories and lives. I got involved which helped me become more aware of my own behaviours. ”

LWVP Programme Facilitators



LWVP FACILITATORS

Jim Peters
Andre Grobler
Rodger Smith
Vijendra Prasad
Tau Marsters
Tokilupe Mahe
Margaret Plummer
Darcy Millar
Andre Grobler
Alfred Uluheua
Dawn Howat
Bharati Mahimkar
Evan McPhee (Mac)
Selu Maasi
Lua Maynard
Vaelua Lamb
John Tetley
Ruth Cottingham



*Margaret Plummer,
LWVP Client Interviewer*



*Tracey Tamihere,
LWVP Administrator*



*Alison Ross,
LWVP Co-ordinator*



*Andre Grobler,
LWVP Client Interviewer*



*Pam Rutherford,
LWVP Manager*



*Darlene Saunders,
LWVP Admin Support*

LWVP SUPERVISORS/ CONSULTANTS

Fay Lillian
Ben Taufua
David Neilson
Edgar Tu'inukuafe

FACILITATORS IN TRAINING

Moana Wati

“I'm taking responsibility for my own actions
instead of blaming my partner.”

Hopes for 2011/2012

Our hopes for 2011/12 include having a Tongan cultural programme approved by the Ministry of Justice Approvals Panel and developing our ability to provide additional, after programme, services to men and their families.

Community Centre

News from 2010/2011

The Community Centre is a place for people to feel safe, in a friendly homely atmosphere, a place to meet, and a place to receive information and support. People come for various reasons such as using the Café; enjoying the Community Lounge to relax or to meet up with family or friends; to make appointments with our Social Service Teams; to rent rooms; and also to receive information and support about other agencies or organisations.

Maintenance:

- Friendship House has had the bathrooms, foyers and stairwell upgraded over the past year on all three levels which has enhanced the building, making it lighter and brighter, fresh and clean.
- Friendship House has had new carpet fitted throughout the building on all three levels.
- An Air conditioning unit has been installed into Te Awa meeting room on the first floor.
- Two Data Projector Systems are being installed, one on the first floor and the other on the second floor. This will be available for internal and external room users.
- Maintaining the building to a high standard is important for us to convey a welcoming environment.

Logo:

- A great time and effort has been put into creating a new logo for Friendship House. Many staff have been involved as well as a professional designer to capture a design based on the heart and koru from the carving in our Community Centre.
- The Logo will be on business cards, letter head, brochures, Annual Report, and eventually on indoor and outdoor signage.

Achievements:

- The staffing levels have remained the same over the past year with no changes in this department.
- The team strives to be committed, hospitable and willing to assist visitors as required.
- The Community Lounge was made available to be a part of "Smoke Free Day". Several people were involved in demonstrating weaving and also miri miri (a type of massage) in the Lounge. Outside the building were other displays to promote the "Smoke Free Day".
- "Daffodil Day" is an annual event that Friendship House supports.
- "Teal Ribbon" and "White Ribbon" violence prevention days are other annual events that Friendship House supports.

- The Café is a service used by many regulars, new visitors and staff. The baking, sandwiches, filled rolls, soup and main dish of the day are prepared on the premises daily. The prices are very reasonable and appeal to a wide range of people. New menu ideas are always being sought by the Café staff.
- Room usage again has had been very high and the room hire prices are at a reasonable rate.
- The Community Centre acts as a clearinghouse for enquiries in Manukau; a little like a CAB with social services attached. This is invaluable to people who require information for services in and around the City Centre, by phone or in person.
- The Community Lounge is frequented by many individuals and groups and we receive a lot of good feedback on the service provided. A big thank-you to the Community Centre Team for continuing to provide an excellent service.



*Liz Mahutu-Pimm,
Cafe Co-ordinator*



Sue Stone, Cafe Assistant



*Beatrice Tariipo Prestidge,
Level 1 Receptionist*



Sandra Pere, Centre Manager



*Martha Heta, Centre
Administrator*



*Tamara Whillans,
Receptionist*

“Thanks for your help. At least I know I have a place to come where someone will listen.”

Hopes for 2011/2012

- Marketing the Café to improve the quality and quantity of sales.
- Installation of EFTPOS facility on the ground floor & Level 1.
- Maintain a high standard of hospitality & support to customers/visitors who come to Friendship House

Thanks to our Funders and Supporters

Contracts, Grants and Donations:

ASB Community Trust
Auckland City Council
COGS Manukau
Crossroads Methodist Church
Four Winds Foundation
Hostel of the Holy Name
J R McKenzie
Lion Foundation
MSD - Child, Youth and Family
MSD - Family & Community Services
Mt Wellington Foundation

Nautilus Foundation
NZ Community Post
NZ Lottery Grants Board
PSIS Manukau
Pub Charity
Southern Trust
Strathlachlan Trust
Win Miskelly
Wiri Licensing Trust

Services at discounted rate or pro bono:

Tony Coxhead, Coxhead Electical
Ganzlo Brand Builders - Marketing support
Jon Williams, Solv IT - Computer support
Joe Somers - Redline Plumbing

Cyril Rosser - Handyman
Ursula Pretsch - Systems analyst
Dave Winefield, Alwin Partners Ltd - MYOB Support

A letter written from a son to his father. Both men completed a Living Without Violence Programme. The son asked for this to be read on his father's last night in the group (used with permission of both men).

Dad,

I'm sorry that I cannot be there for your final session in the group, but just wanted to share a few words and thoughts with you and your new friends.

This course is very humbling, because in order for it to work, you have to take on board that you are a big part of the problem and that you have to fix yourself first. As a proud person, that is not easy to do, however you did, as did I, and the change I see in you has been nothing short of magnificent.

Mine and my families love for you as a father/grandfather, has grown even greater as a consequence of this little journey that you and I have taken. The catalyst that brought about you becoming involved in this course is a very bitter sweet day for me. The words I spoke to you that day still cut me deeply, however every

time we finish talking now, be it face to face or over the phone, and you tell me you love me, heals those wounds that I hold from that day.

As a child you always want to try and make your parents proud, and I guess it gets a little bit lost when you become a parent yourself, but you have shown me that it can actually work in reverse also. As your child, you have made me even prouder to be your son.

It doesn't get any easier when you come out from under that umbrella of security once the course finishes, but having you to talk to about challenges I am having, helps me recreate the group environment and helps pull me back on track and I hope I can provide the same sounding board for you to.

In one of our sessions, one of the guys asked the question, what does it take to be a man? The traditional hunter gatherer protector type

core beliefs surfaced, but I would like to add a new view. After watching you progress through this course I would now like to add that being a man is being able to, admit you're wrong, admit you don't have all the answers, admit that you have faults, and then to go and learn about how can rectify those areas, find new tools and techniques, and then implement them for the betterment of yourself and those around you. This sounds simple but I truly believe that not every man can be honest enough with themselves to do the above like you have.

I have always loved you, but never used to tell you because it wasn't the manly thing to do. Now I get a great sense of satisfaction out of telling you that I love you.

Love always, your son

Financial Statements



INDEPENDENT AUDITOR REPORT TO THE TRUSTEES OF THE FRIENDSHIP HOUSE TRUST FOR THE YEAR ENDED 30 JUNE 2011

We have audited the financial statements being the financial performance, financial position & notes. The financial statements provide information about the past financial performance of the Friendship House Trust and its financial position as at 30 June 2011. This information is stated in accordance with the accounting policies and notes.

Responsibilities of the Trustees

The trustees are responsible for the preparation of financial statements, which fairly reflects the financial position of the Friendship House Trust, as at 30 June 2011 and the results of its operations for the year ended 30 June 2011.

Auditor's responsibilities

It is our responsibility to express an independent opinion on the financial statements and report our opinion to you.

Basis of an Unqualified Opinion

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

- the significant estimates and judgements made by the trustees in the preparation of the financial statements and

- whether the accounting policies are appropriate to the Friendship House Trust's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted international auditing standards, including the Auditing Standards issued by the New Zealand Institute of Chartered Accountants. 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 give reasonable assurance that the financial statements are 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 statements.

Other than in our capacity as auditors, we have no other relationship with or interests in the Friendship House Trust.

Opinion

We have obtained all the information and explanations we have required.

In our opinion, the financial statements of the Friendship House Trust, fairly reflects the financial position as at 30 June 2011, and the results of its operations for the year ended on that date.

Our audit was completed on the 15th September 2011, and our unqualified opinion is expressed as at that date.

A handwritten signature in black ink, appearing to read 'P. Conaglen'.

Peter Conaglen CA PP
Chartered Accountant
Manukau

The Friendship House Trust
Statement of Financial Performance
For the year ended 30 June 2011

Income	2011	2010
Café Sales	74,772	71,301
Client Fees	28,784	39,957
Contracts for Service	1,372,553	1,271,594
Donations & Grants	114,060	201,016
ASB Trust	50,000	25,000
COGS	10,000	10,000
NZ Lottery Grants Board	35,000	30,000
Rents & Room Hireage	60,596	94,488
Sundry Income & Reimbursements	61,153	54,096
	1,806,917	1,797,452
Less Expenditure		
Accident Compensation Levies	4,058	3,792
Administration	112,124	113,642
Advertising & Marketing	2,142	2,713
Audit Fees	2,608	2,900
Bad Debts Written Off	7,128	222
Café Expenses	41,163	35,420
Course & Programme Costs	439,773	414,099
Depreciation	25,014	40,618
Postage, Printing & Stationery	15,568	18,988
Property Costs	195,851	250,358
Salaries & Wages	927,142	865,231
Staff Costs - Other	37,593	16,669
Staff Development	36,019	27,690
Telephones	13,270	11,856
Total Expenditure	1,859,454	1,804,198
Net Operating Surplus/Deficit	(\$52,537)	(\$6,745)
<u>Non-Operating Income</u>		
Interest	18,756	15,373
Dividends	960	960
Asset Grants	6,000	0
Total Non-Operating Income	25,716	16,333
Total Surplus / Deficit	(\$26,821)	9,588

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The notes and accounting policies are integral to these financial statements.

The Friendship House Trust
Statement of Movements in equity
For the year ended 30 June 2011

	2011	2010
	\$	\$
Recognised revenues and expenses		
Net surplus/deficit for the year	(\$26,821)	9,588
Movement in specified reserves	(\$28,247)	(\$25,023)
	<u>(\$55,068)</u>	<u>(\$15,435)</u>
Total recognised revenues and expenses for the year	(\$55,068)	(\$15,435)
Building Improvement Asset transferred to FHFT @ book value	(\$189,556)	
Movement in Equity for the year	(\$244,624)	(\$15,435)
Trust Equity at beginning of the year	651,146	666,581
Trust Equity at end of the year	\$406,522	\$651,146

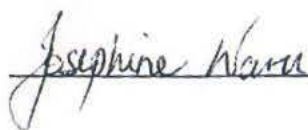
The Friendship House Trust
Statement of Financial Position
For the year ended 30 June 2011

	2011	2010
	\$	\$
Current Assets		
Cash	36,780	30,228
Short term deposits	327,399	359,050
Receivables and prepayments	194,212	242,266
	<u>558,391</u>	<u>631,544</u>
Total Current Assets	558,391	631,544
Current Liabilities		
Payables and accruals	88,612	68,202
Holiday Pay Accrual	48,108	43,178
Grants in Advance	113,363	119,132
	<u>250,084</u>	<u>230,511</u>
Total Current Liabilities	250,084	230,511
Working Capital	308,307	401,033
Non-Current Assets		
Property, plant and equipment	98,216	250,114
	<u>98,216</u>	<u>250,114</u>
Total Non-Current Assets	98,216	250,114
Total Net Assets	406,523	651,147
REPRESENTED BY:		
Accumulated Trust Funds	403,046	619,422
Specified Reserves	3,476	31,724
	<u>406,522</u>	<u>651,146</u>



Trustee

09/09/2011



Trustee

09/09/2011

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AUDITS

The notes and accounting policies are integral to these financial statements.

THE FRIENDSHIP HOUSE TRUST - Notes to Financial Statements for the year ended 30 June 2011

REPORTING ENTITY

The Friendship House Trust is a discretionary Trust under the Trustee Act 1956 established by deed of trust dated the 7 June 1984. The Trust was registered as a Charitable Trust (Number 282202) on 23 August 1988 & is registered with the Charities Commission (Number CC21243). The Trust operates solely within New Zealand and all finances are stated in NZ\$.

BASIS OF PREPARATION

The general accounting policies as recommended by the Institute of Chartered Accountants of New Zealand for the measurement and reporting of results and financial position under the historical cost method have been adopted in the preparation of these financial statements. These policies have been adopted by the Trust Board in meeting the requirements of clause 9 of the Constitution of the Trust to prepare financial statements that give a true and fair view of the financial affairs of the Trust for the immediately preceding income year and are completed in accordance with the requirements of the Financial Reporting Act.

PRINCIPAL ACTIVITY

The Trust Board's principal activity during the period was the operation of the Friendship House Property at Manukau City as a community centre & social service agency at the heart of Manukau City. This activity is carried out from the building known as Friendship House as defined in the Constitution of the Trust.

ACCOUNTING POLICIES

The following general accounting policies have been followed in the preparation of the financial statements:

- The financial statements are prepared in accordance with New Zealand Generally Accepted Accounting Practice and in accordance with applicable Financial Reporting Standards.
- The measurement base adopted is that of historical cost. Reliance is placed on the fact that the Trust is a going concern.
- The matching of revenue earned and expenses incurred is adopted using accrual accounting concepts.
- Income from and for the provision of services is recognized as services are delivered. Interest and rental income is accounted for as earned.

SPECIFIC ACCOUNTING POLICIES

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

STATEMENT OF UNCOMMITTED FUNDS

Funds Held	2011	2010
Cash	36,780	30,228
Short Term Deposits	327,339	359,050
Receivables & prepayments	<u>194,212</u>	<u>242,266</u>
	558,391	631,544
To meet the following commitments		
Payables & accruals	88,612	68,202
Holiday Pay accrual	48,108	43,178
Grants	<u>113,363</u>	<u>119,132</u>
	250,064	230,511
Leaving uncommitted funds:	308,307	401,033

The Trust is dependant on prompt collection of receivables and future funding to meet its commitments. Trustees aim to maintain uncommitted funds at a level sufficient to meet six months operations costs, currently estimated at \$700,000. The going concern basis has been adopted as trustees have reasonable expectations of continuing funding support.

Differential Reporting:

The Friendship House Trust qualifies for differential reporting because it is not publicly accountable and it is not large as defined by the Financial Reporting Framework of the Institute of Chartered Accountants of New Zealand. All available differential reporting exemptions allowed under the framework for differential reporting have been adopted.

Goods and Services Tax (GST)

The Trust Board is registered for GST. The financial statements have been stated exclusive of GST, except for the accounts payable and accounts receivable which are inclusive of GST.

Receivables

Receivables are carried at estimated realizable value after providing against debts where collection is doubtful. Bad debts are written off during the period in which they are identified.

Investments

Non-current investments are stated at cost.

Property, plant & equipment

All owned items of property, plant and equipment are initially recorded at cost, except for land, and are depreciated as outlined below. Initial cost includes the purchase consideration, or fair value in the case of donated assets, and those costs directly attributable to bringing the asset to the location and condition necessary for its intended use.

Where an item of property, plant or equipment is disposed of, the gain or loss recognised in the statements of financial performance is calculated as the difference between net sale price and the carrying amount of the asset.

Depreciation

Depreciation of property, plant and equipment is calculated on a diminishing value basis so as to expense the cost of the property, plant and equipment, or revalued amount, less any expected residual value, to the statement of financial performance over its useful economic life. Inland Revenue rates of depreciation have been adopted. Building improvement assets has been transferred to FHFT at book value, therefore there are no building improvements for the 2010-2011 financial year.

Furniture and Fittings	20% DV		
Kitchen Equipment	25% DV	Office Equipment	25% DV

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Integrity Financial
AUDITS**

Provisions - Employee entitlements

Employee entitlements to salaries and wages, annual leave, long service leave and other benefits are recognized when they accrue to employees.

Income in advance

Grants that are provided for the provision of specific services or the purchase of property, plant and equipment which have not been provided or acquired at balance date are recognized as a current liability.

Grants Received

Friendship House received Operational & Capital Grants from a number of sources. The following funders have requested that details of their grants be noted.

- Community Organisation Grants Scheme (COGS) - The grant was received on the 12 November 2010 for the amount of \$10,000.
- ASB - The grant was received on the 16 December 2010 for the amount of \$25,000, and the 2nd installment was received on the 27 June 2011 for the amount of \$25,000.
- NZ Lotteries - The grant was received on the 30 November 2010 for the amount of \$35,000

Changes in Accounting Policies

There have been no changes in accounting policies and all policies have been applied on a basis consistent with those applied in the annual financial statements for the year ended 30 June 2011.

Accumulated Trust Funds

There was no corpus on settlement and accumulated funds are retained surpluses from the years of operation since the trust was settled.

Taxation

The Trust has income tax exemption, and charitable status through registering with the Charities Commission on the 19th Feb 2008. [CC21243]

Property, Plant and equipment	2011			2010		
	Cost	Accumulated depreciation	Book Value	Cost	Accumulated depreciation	Book Value
Leasehold Improvements				487,697	298,141	189,556
Furniture & Fittings	169,951	93,370	76,581	133,808	83,353	50,455
Kitchen Equipment	25,287	21,245	4,042	23,151	20,052	3,099
Office Equipment	121,876	104,282	17,594	97,481	90,478	7,003
TOTAL FIXED ASSETS	317,114	218,897	98,217	742,137	492,024	250,113

Related Party Transactions

There have been no Related Party Transactions.

Financial instruments which potentially subject the trust to credit risk principally consist of bank balances, accounts receivable and investments. Maximum exposures to credit risk as at balance date are:

	2011	2010
Cash	36,780	30,228
Short term deposits	327,399	359,050
Receivables & prepayments	194,212	242,266
	<u>558,391</u>	<u>631,544</u>

No collateral is held on the above amounts.

The Trust is not exposed to any concentrations of risk.

The Trust has a bank overdraft facility of nil.

The Trust is exposed to interest rate risk in that future interest rate movements will affect the returns earned, cash flows, and the market value of financial instruments.

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

Commitments

There are no commitments not recognized in the financial statements. (2011 Nil)

Contingent Liabilities

There are no contingent liabilities. (2011 Nil)

Events after Balance Date

There are no events after balance date that requires adjustments to these financial statements.



A place for people in the heart of Manukau.

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