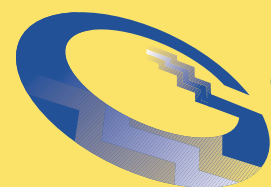


Working together



**Gracelands**  
Group of Services

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Te Awamutu  
New Zealand  
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“Gracelands  
connects with  
communities to  
facilitate  
opportunities for  
disabled people to  
achieve their  
potential”

"Gracelands connects with communities to facilitate opportunities for disabled people to achieve their potential.

## Contents

2	Introduction to Gracelands
3	Chairman's Report
4	Outcomes for the Financial year 2002 – 2003
5	CEO Report
13	Treasurer's Report 2002 – 2003
14	Consolidated Profit and Loss Statement for the year ended 30th June 2003
14	Balance Sheet As at 30th June 2003
15	Notes to the Financial Statements for the year ended 30th June 2003
16	Auditor's Report

## Introduction to Gracelands

The Gracelands Group of Services is a community trust based in Te Awamutu. It serves the whole of the Waikato, and King Country.

As a disability support service, Gracelands core business is to support disabled people to maximise their individual potential through accessing mainstream and other employment opportunities, or integration into their communities through leisure, recreational and skill development activities. Gracelands has a strong customer focus. The customer service ethic is defined through required service delivery behaviours of confidentiality, equality, reliability, 'clients come first' approach, staff being role models, and assurance. The service delivery emphasises accessibility and adopts a client-driven approach with Individual Vocational Plans being customised to reflect the specific needs of clients, and are holistic in nature focussing on the strengths and abilities of clients and not just their needs or disabilities.

Gracelands is able to provide a service to any person who has a life altering impairment, illness or injury. Services provided include: mainstream employment service, a commercial programme that provides real employment opportunities in a supported environment for the participants and a range of life skills programmes both in the community and at specialised facilities.

### Board of Trustees

There are up to ten board members, representing a cross-section of the community, including family, and the business sector.

Current members are :

Rea Wikaira	Chairperson
Leonie Mitchell	Secretary
Dr John Earwaker	Clients' Advocate
Wendy Neilson	Staff Advocate
Bill Grant	
Tom Davies	
Alan Livingston	
Nicolas Morales	Treasurer

### Vision

*Gracelands is passionate about being New Zealand's best disability organisation that provides exceptional opportunities for disabled people by being an innovative dynamic business, within a challenging and enjoyable workplace, utilising a variety of community partnerships, actively engaging in social responsibility and fostering a fully inclusive society.*

## Services Provided by Gracelands

**Service Centre** - 48 Teasdale Street, Te Awamutu

### Therapy

Meaningful day Activities:

- Kinexions - 21 Ruakura Rd, Hamilton
- New Horizons - 771 Mahoe St, Te Awamutu
- Events Programme

### Community Participation

Community focused activities and partnerships

- Aratika - Rostrevor St, Hamilton
- Youth Programme - Rostrevor St, Hamilton
- Local Linx - 48 Teasdale St, Te Awamutu
- Manaaki Wairua - Whakamarama Marae, Wharepuhunga Rd, Te Awamutu
- Farm Programme, Tarr Rd, Ohaupo

### Employment Services

Mainstream Employment - We travel to the person

- Supported Employment (throughout the Waikato and King Country, including Hamilton). Office based 59 Bank St, Te Awamutu and at 29 O'Neill St, Hamilton
- Transition from School (Waikato and King Country, excluding Hamilton). Office base 59 Bank St, Te Awamutu
- Taumarunui Service - 5 Marae St, Taumarunui

### Mental Health & Allied Services

Work and support in the community - the next steps

- Worx -Mental Health Service, 38 Market St, Te Awamutu
- K2 (RIDSAS) - Waikato and King Country

### Rehab Services

- Work Outcomes: "Return to Work " after injury. Partnership with Physio Plus, Te Kuiti (throughout the King Country and Greater Waikato)
- Training for Independent Living: programmes for people with serious injury

Main Office: 59 Bank St, Te Awamutu

Phone (07) 870 1300

### Commercial

Commercial Activities which provide paid work:

- Gracelands Green Teams - Te Awamutu & Cambridge
- Gracelands Recycling - Waikato Hospital, Hamilton
- Washing Worx Laundromat - Market Street, Te Awamutu
- Worx - mobile work crew

### Other commercial activities:

- Gracelands Recruitment Services
- G.Net Café

## Chairman's Report

**It is my pleasure to present the Annual Report for the Te Awamutu Gracelands Trust and in doing so I can report that the Trust has returned a sound years activities and returns.**

In the last twelve months the Board has considered the future direction for Gracelands Group of Services. The Strategic Plan has been extended over five years because of the size of the programme that has been developed. The Board approved in November the reviewed Vision for Gracelands, its mission statement and the key strategic objectives. The objectives reflect Gracelands' determination to actively promote employment and social inclusion for disabled people at large, within a world class organization with service delivery improvements based on research, sustained by a durable infrastructure and a sense of social responsibility, while retaining our distinctive philosophy. The revised mission supports the organisation's community connectedness, which is its key strength.

The optimum size of the organization is the basis for the strategic growth of Gracelands with a number of avenues being considered to "grow the business". The Board appreciates that a strong organization is dependent on a sound financial base, hence the decision to develop some commercial activities that complement the organisation's core businesses. Commercial activities to date, will over time subsidise key operating costs within the organization, namely linen service, recruitment and information technology. The creation of employment opportunities for disabled people is also a key driver.

The Board has also considered proposals to develop an Endowment Fund that will ultimately provide the basis on which to establish a Gracelands Foundation, which will undertake key research and development for Gracelands. Best Practice needs to be based on a



research and development programme, which is difficult to achieve within the "fees for service" contracts mainly from Government based funding streams. When the Board believes that it has the key personnel available to drive such a project it will initiate the Endowment Fund programme.

Overcrowding and lack of amenities has required the Board to consider the options to redevelop the Gracelands Service Centre site in Te Awamutu. This is a major undertaking and is at the early stages of consideration. Key to the redevelopment is the resolve that the organisation's support services (administration) will retain its close proximity to some of the Gracelands' programmes, as an ongoing reminder to all, of the purpose for which we are here.

During the year Nicolas Morales came onto the Board of Trustees as its treasurer. Edith Morris resigned to involve herself more in the Post-Polio Support Group and we were pleased that Alan Livingston, as Mayor of Waipa District Council was appointed to the Board. Collectively the Board has a wealth of experience on which to draw. John Earwaker has taken over the role of supporting the Friends of Gracelands programme until it is decided how this area of organizational support will progress.

My special thanks to Robyn and the Team who have steered the organisation with the passion and commitment that has now become recognized throughout New Zealand for the aforementioned achievements.

Rea Wikaira  
Chairperson

- 25% of members of the Board of Trustees experience significant disabilities.
- In the last 12 months Hamilton based services accounted for 46% of all Gracelands service delivery, with 36% being based in Te Awamutu and the remaining 18% made up from a combination of Cambridge, Te Kuiti, Matamata / Tokoroa, Morrinsville and Taumarunui.
- There was a 33% increase in clients who received a service from Gracelands Group of Services.
- Turnover for the year increased by 15.3% to \$2,865,578.
- 115 positions of mainstream work (full time and part time inclusive) were found in 2002/2003, (an increase of 41%), with 40 work trials (a decrease of 9% on previous year).
- There was an overall increase of Work Outcomes referrals to 392 (an increase of 53%). There were 101 site assessments completed (a decrease of 21%), as well as 78 initial occupational assessments (an increase of 18%).
- Clients spent 37,563 hours engaged in community based activities.
- 30 people continued to access the Manaaki Wairua marae based lifeskills programme (and this partnership with Whakamarama Marae has been secured for an additional 2 years).
- 40 people with mental health issues were employed to work on the Worx work projects/contracts (a 73% increase on the previous year).
- The Worx programme secured a contract with Mystery Creek providing over 850 hours paid work for clients in one week.
- 19 people worked in the Kauri Krew (Hospital Recycling) and the Green Team. We were successful once again in gaining the tender for The Green Team contract in Te Awamutu for an additional period and we gained a new contract to include Cambridge.
- Employee numbers increased by 27% to 92 and a new internal organizational structure has been introduced to extend the skills base of the organization.
- 27% of all staff are Maori and 4% have Pacific Island heritage. 8% of staff experience significant disabilities.
- The specialist K2 (RIDSAS) programme began, working with 8 clients with complex needs.
- Local Linx clients won the Landcare Trust Wearable Arts section at the National Fieldays competition.
- Over twelve months Gracelands has hosted 490 visitors.
- Gracelands Taumarunui Service built up a client base of 28 clients over a 10 month period.

**According to our 7th Annual Customer and Client Satisfaction and Employee Morale Survey Report (November 2002)**

- Overall, clients are very satisfied with nearly all of the key service areas Gracelands provides.
- Customers from client groups, employers, Work Outcomes, Allied Organisations, family/whanau, were very satisfied with nearly all of the key service areas provides.
- Employees are very positive about their jobs, have a high level of commitment and very positive with the quality of management and leadership within the organisation.
- Overall the results suggest that Gracelands continues to score consistently above the New Zealand average.
- The commitment of staff has doubled since the previous year to 60%.

**A year of steady progress**

During the past year the Board of Trustees confirmed the new direction for the Gracelands Group of Services, that builds on the work of previous years, strengthens opportunities for the people who use the Gracelands services and strengthens the organisation at large to provide the high quality of service that people have come to expect.

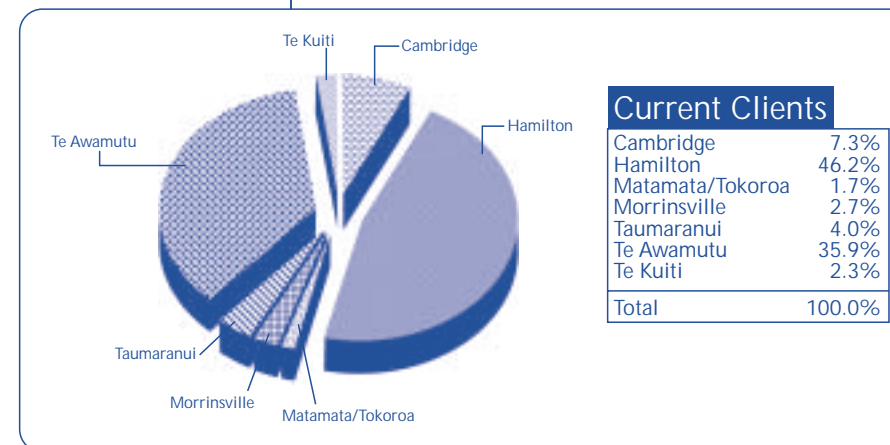
It is often debated what is an optimal size for an organisation. Determined to have an infrastructure that allows the organisation to maintain its service delivery approach of innovation and development, supported by skilled staff and sound support services, we do not believe that we have reached a size of operation that balances an acceptable level of overheads against service costs. Hence the decision to continue to engage in growth.

Having made some big decisions the previous year, we have been able to focus on key areas of improvement; namely to improve the overall skill base of the organisation, take a greater responsibility for behavioural management and build existing relationships that had waned in previous years. The year has been one of steady progress, slower than we would have liked, due to the serious NZ wide shortage of skilled and qualified workforce.

Growth was again a key feature of the year with a 33% increase in clients overall; staff increased by 27%; turnover increased by 15.3%, budgeted costs were reduced by 9% and we returned a surplus of 3.4% after expenditure.

**Client groups:**

Hamilton has continued as the main centre for service provision with 46% of all work completed from there; 36% is undertaken in Te Awamutu and the rest is distributed across the service region. There has been an increase in people travelling from Cambridge to Te Awamutu to receive a "community participation" programme.



A summary of the disability types of clientele for the past year dispels the view that Gracelands predominantly caters for people with an intellectual impairment. In fact 45% of clients have physical or medical related impairments; 35% have an intellectual impairment, 13% have mental health and behavioural issues; 4% have sensory impairments, and 3% have an acquired brain injury. This illustrates the growth in "return to work" services for accident insurance claimants. A small number of large employers are also using Gracelands for their "return to work" programmes for their employees.

Ethnically, Gracelands has maintained its 25% of Maori clients, reflecting Gracelands commitment to biculturalism, and the demographics of the region that we operate in. However there has been no growth in Maori clients despite our Kaupapa Maori being valued outside the organisation. This may result from a lack of networking with Maori providers and local iwi.

Growth patterns by service use :

	2001 - 2002	2002 - 2003
Community Participation	4%	minus 3%
Therapy services	minus 2%	3%
Employment Services	5%	45%
Mental Health & Allied Services	0%	10%
Rehabilitation Services	8%	27%
Taumarunui	0	280%

Some interesting trends have developed over the last year that indicate that the environment has become much harder to operate in. There has been a reduced number of referrals for disability services generally in the past twelve months with some reluctance by parents of young disabled adults to refer them to specialist disability support services. Mainstreaming of disabled students may have led families to believe that they can be catered for in society generally and have not confronted the realities of the employment situation. Pre-summer holidays 2002 was the only period that saw increases in referrals, mainly for community participation programmes especially in Hamilton.

The anticipated numbers of people with high and complex needs did not eventuate, and referrals were exceedingly slow, exacerbated by the NASC service's belief that the stabilisation of a client's residential situation takes priority over establishing their day service. It is Gracelands belief that a well occupied day enhances the stability of their home situation.

Again growth in the numbers of mental health consumers did not eventuate for the Gracelands Worx programme due to insufficient paid work being available and confusion within the staff as to the primary purpose of this programme.

The number of people with high support needs using Gracelands programme has remained static and anticipated referrals from the closure of Kimberley has not eventuated.

Our reintroduction to providing a work orientated service in Taumarunui has presented us with some interesting barriers from within the disability sector itself.

## Influences on Service Delivery

The Government's Ministry of Social Development "Pathways to Inclusion" strategy with its focus on employment opportunities and community participation is in its second of a five year programme. This has provided the main focus of service provision for Gracelands - facilitating opportunities for people "to become benefit givers rather than benefit receivers" regardless of who is the funder of those services. The Pathways strategy fits well with Gracelands core values and basic philosophy that has been in place since 1991.

The two year Ministry of Health Intellectual Disability contract was signed with a small increase in fee levels, with an increase in weeks from 48 to 49 weeks a year from July - 2003. IHC residents now come under this contract, tidying up all outstanding MOH contract issues. With limited referrals in the past year it is foreseen that there will be very little growth in this area.

Although Hamilton is a key site for services Gracelands continues to focus on our traditional market, namely rural and provincial towns. The poor transport infrastructure in the region served continues to have a negative impact limiting people's levels of independence.

Risk management is an ever increasing issue. In the past twelve months there has been an

increased demand to provide individual support for a growing number of people. The use of inexperienced and temporary staff was an inherently unsafe practice, so a decision was to increase the workforce capacity in areas where this type of referral exists to enable skilled staff to be available. Staff safety has been critical in relation to accident insurance claimants who viewed our staff in an adversarial light when facilitating "return to work" programmes. There has been some considerable improvement especially in relation to managing people with challenging behaviour with the number of critical incidents being reduced.

Accessing mainstream jobs continues to be a significant issue, including within the public service areas, where there is a subsidised "mainstream" programme available. It seems logical that the Government's strategy could be enhanced by greater goodwill within its own employment sector.

An overwhelming influence on Gracelands ability to provide quality services is the availability of a knowledgeable and experienced workforce. This is an ongoing issue and training is only part of the solution as there is a major shortage of experienced practitioners / clinicians to provide staff with on the job training and role modeling. Growth of the organisation has meant a continuing high number of new staff coming into the organization who are not well versed in the philosophy and values or even the ultimate purpose of Gracelands.

The growth in accident insurance work has identified a number of issues, other than those relating to the availability of specialist staff. Case loads and ability to complete work within expected timeframes creates a tension, exacerbated by dissatisfaction with the nature of some of the work where staff are primarily conduits for the insurance organisation to exact claimant compliance and discharge.

In late 2002, a new internal structure for the organisation was introduced in response to a number of critical issues. With the appointment of service directors the new service delivery structure was completed by the end of the financial year giving all staff access to experienced and qualified supervising personnel. This is only the second time in the thirteen years Gracelands has operated that we have restructured the organisation.

There have been some improvements with other staffing with the development of new posts within the organisation such as the youth work position. The number of permanent staff has increased and the Activity Facilitator programme refocused. Services have now been restructured to better fit with anticipated future Government based funding split criteria.

With fourteen sites, the ability to maintain buildings and resources at an acceptable standard has been difficult due to overcrowding at some facilities, high levels of wear and tear, and the availability of routine repair and maintenance services. This is acknowledged as an area of weakness as Gracelands recognises the importance of environments on service delivery. Gracelands is now using all sites to promote the Gracelands brand, with standard colours wherever possible with high profile use of the logo.

## Main Activities

Apart from continuing to improve our services and programmes, many of the issues identified in the November 2002 customer survey have been addressed.

Over the past year staff have worked to assure behavioural management across the organisation. Internal data is now used more effectively to accurately assess and manage or avoid situations. In the client database a flagging system is in place which highlights information which is important in relation to individual situations. Relationships with external behaviour management teams have been strengthened.

Access to the organisation has been simplified with the appointment of a Client Co-ordinator whose primary responsibility is the processing of referrals at Gracelands. This has improved access to information for the large number of allied agencies with whom we collaborate with to provide services to individuals and the key referral agencies. This has been supported by the introduction of a bi-monthly stakeholder e-newsletter "The Horses Mouth". Collaboration with residential providers with whom we share clients has also been improved with regular meetings and Gracelands staff being available to be involved in individuals' residential goal setting.

The internal restructuring of service delivery also contributed to ensuring that the service delivery

# Gracelands

# Way



2003

procedures were effective. An increasing number of clients use a range of programmes so it was important that there is effective communication and information sharing across all services. Service Delivery Behaviours training has raised the importance of expected staff performances. Work is also underway to align the inhouse service audit tool to external best practices.

Service delivery risk management procedures are better assured across all services with the development of Service Directors roles, which will also assist in the management of risk. It has been identified that on going work is needed in this area to meet new legislative changes and ensure that we meet our responsibilities both as employers, and also in supporting people into both work and community sites other than our own.

The enhancements of key stakeholders relationships was a focus of the Employment services, with networking hospitality related activities carried out with a number of stakeholders, eg. with Work and Income Invalid Benefit Case Managers, Work Brokers; Case managers. Positive outcomes have been the increased referrals received from stakeholders marketed to, plus support and assistance in resolving client issues within Work & Income and improved relations reported.

The community participation and day programmes have made significant in-roads in their development, some of this was achieved by the introduction of new staff and programme options. Larger premises and the introduction of a youth service and internal groupings such as the Maori women's group has increased options for clients. The redesign of the programmes into therapeutic and community based programmes helped re-focus the staff and programmes on the activities which drive their service delivery. The quality of community activities for participants has improved, enhancing clients' opportunities to actively engage with their local communities. Some opportunities eg. access to volunteering with "meals on wheels" or SPCA have not been as easy to gain reflecting negative social attitudes that continue to exist.

Kua Puawai Ki Te Ao; the Maori caucus have worked at improving Gracelands bicultural focus with a number of recommendations to the Executive Group in relation to the organisation's strategic focus, staff recruitment and induction; and other client

procedures and by Maori for Maori programming. The work of this group has helped to lift the confidence of all Maori staff.

Access to Gracelands computer intranet has been enhanced with all facilities now online. Staff's computer skills have also advanced with the support of the "IT Support" position. Client incident and accidents reporting has been greatly improved, and the new client data base made more user friendly. There continue to be time management issues related to data inputting - a perennial issue for support staff whose focus is service delivery.

Gracelands is adopting a "Champions" model to support our pursuit of Business Excellence. Continuous improvement projects previously undertaken by self-managed teams will now be undertaken by project groups led by "specialist champions" allowing more staff to gain knowledge in project management and facilitating improvements. This process will ensure that we are delivering a service which meets our contractual obligations and supports the organisation's vision "to be the best disability support service".

Commercial Development

A strategic focus of the organisation is to adopt smart business practices to ensure the sustainability and the continual evolution of the organisation. During this past year all our small commercial activities were closely scrutinised as to their viability and their ability to pay wages to client workers. Despite an allowance from Government that there will be a five year lead in to meet the requirement to pay wages after the removal of the Disabled Persons Employment Promotion Act, Gracelands has committed itself to only engage in fully paid work. This affects two small work teams (Green Team - Te Awamutu and Kauri Krew - Waikato Hospital Recycling) where work hours will be reconfigured to ensure that people are paid for the hours work that they do and their programmes supplemented with other activities.

The Max work programme was closed down as it is unsustainable and the Choice Worx programme has only engaged in individual contracted labour or labour pool activities, the best example of that was twenty six people with supervisors working at the Mystery Creek fielddays in partnership with Envirowaste - a total of 850 hours in seven days!

The appointment in March of an executive business leader with a strong commercial background will assist Gracelands develop a commercial focus with all activities (both service provision and commercial) with budget and financial management priority drivers for senior staff. Initial work was undertaken to improve the commercialisation of the Washing Worx Laundromat; the Recruitment Agency was advanced to absorb Gracelands recruitment needs, and still continue to develop clientele from local employers - a priority for the sustainability of this business. Gnet internet café that incorporates the organisation's Information Technology Department opened in May with the internet side of the business building gradually. The ancillary serious coffee needs further marketing and development. The Business Leader will provide a scrutiny over all commercial and business activities to ensure they are strengthening the whole organisation's sustainability.

Workforce Development

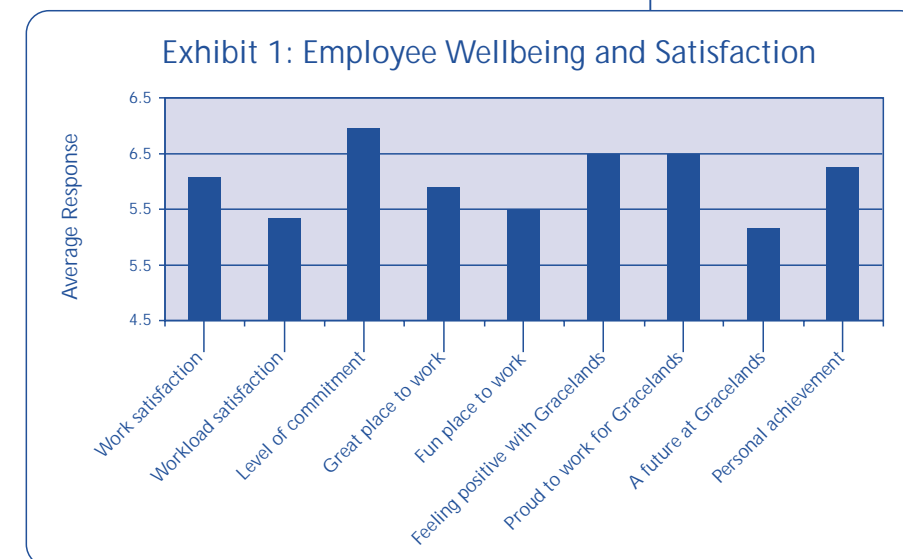
The Annual Employee Climate Survey in November 2002 indicated that staff at Gracelands are settled in their jobs, are very positive about their well being, have a high level of commitment to the job, and are very positive about the quality of management and leadership within the organisation. Since 2001, staff satisfaction has in direct comparison increased by 7%. Staff should be commended on the high satisfaction scores for clients, family/whanau and Work Outcomes (accident insurance) customers.

The appointment of the Workforce development position was completed in April 2002. Since then there has been a major improvement in the development and implementation of the staff training programme. The in-house nineteen training modules have now been scheduled into an annual plan, with all staff now rostered to attend these training modules. The CSSITO based "Certificate in Human Services" has been re-energised with several staff working their way through this, some in conjunction with Community Living Trust staff - who are accessing our Workforce Support. Leadership training was initiated for the newly formed leadership group, with support for individual's projects. One public seminar (Word Action Theatre) was facilitated late in 2002, utilising a British based New Zealand drama and dance teacher. The twice a year Awards system for "Role Model" and "Nothing is too Much Trouble" was resurrected with three awards made in the past year. A monthly CEO Award for exemplary performance was also introduced. Workforce Development has also provided supervision to a number of staff and initiated and facilitated a Pre-employment training programme for Mental Health Consumers.

Support Services

In the past twelve months, serious deficiencies became apparent about the organisation's support services (Administration) ability to cope with the needs of a growing service and to effectively respond to significant systematic issues. Growth had meant that there has

been a blurring of roles which has led to inefficiencies in service delivery. A review of our whole administration structure and process was undertaken by KPMG in April/May 2003 and highlighted a number of areas where improvements could be made. As a result of that review a Human Resource director has been recruited and the role definitions, and allocation of administration activities



are being reviewed with further decisions to be made in this area.

An improved marketing plan has been developed currently being facilitated. Communication has been improved with full intranet available across all our sites and emails accessed from anywhere. The management of critical data collection and analysis processes is an ongoing issue. While the core functionality of the databases are completed, some work remains to be done on the range of reports that will be available.

Even with the Information Technology Department moving into new premises, there is a chronic shortage of space for work, files and storage - a situation that the Board are committed to addressing. With a growing fleet of vehicles to cover the needs of the organisation, a vehicle 'compound' has been leased for overnight and weekends garaging.

**Social Responsibility**

Once again Gracelands has continued its generous support to the Disability Vocational sector, with the CEO as president and key project leader for the vocational sector peak body - VASS. This position has necessitated considerable time outside the organisation for the sector's and Gracelands' benefit. This has only been possible with the assistance of excellent inhouse Executive Support.



The CEO on duty in the Cote d'Azur (France) in October 2002.

Gracelands has continued its support for not only the Te Awamutu but also the Cambridge Chamber of Commerce and has taken out corporate membership with the Disabled Persons Assembly Inc.

There has been limited progress in developing the Friends of Gracelands programme and donor acquisitions are a "real" source of internal income generation. In fact we have stepped back from employing people to work in this area, with the Friends of Gracelands work taken up by a trustee of the organisation.

**Partnerships**

In the past year valued formal partnerships have been retained with Physio Plus Te Kuiti; and Whakamarama Marae. A new exciting partnership has been developed with long term Friends of Gracelands Jim and Jan Buglass to provide a farming programme for clients. Gracelands has retained its preferred contractor role with Waipa District Council and continued to maintain successful partnerships with many employers to provide employment opportunities for the many clients who use the Gracelands services.

Generally it has been a successful year with considerable progress made. All staff have worked well together to make that happen. They can be justifiably pleased with themselves.



**Robyn Klos** NZROT; Dip OT(Hons); Dip BS(Massey)  
CEO

Gracelands Group of Services has experienced a 15.3% growth in income over the last 12 months, much of this through the expansion of services provided for the Ministries of Health and Social Development. Income from ACC work did not grow to expected levels but lack of resources was an issue, and this has been addressed for the new financial year.

The year also saw the start of a process to expand our infrastructure to allow for significant future growth. This has impacted most markedly on our labour costs, but the introduction of experienced specialists in areas such as Human Resources and Commercial activities will reduce the risks associated with expansion.

KPMG was commissioned during the year to report on the effectiveness of our administration and finance areas. Their findings were generally complementary about our systems and procedures, but they recommended some improvements which will save time and resources. These changes are being introduced during the new financial year.

**Community Grants and Donations**

Te Awamutu Gracelands Trust appreciates the support and contribution from individuals, philanthropic trusts and businesses in the past year. We have received financial support from the following organisations in the way of grants and funding contributions to the programmes that we offer:

Date Received	Name	Amount	Details
September 2002	Trust Waikato	\$10,000	Sensory Garden (Kinexions)
September 2002	Tidd Foundation	\$2,000	Hoist (Kauri Krew)
February 2003	COGS	\$1,423	Annual Production
June 2003	Tokanui Psychopedic Parents Association	\$6,520	Trampoline and music equipment
June 2003	Wel Energy Trust	\$3,000	Hydraulic Lift tailgate modifications (Kauri Krew)

In the opinion of the Board of Trustees and Management of Te Awamutu Gracelands Trust, the Financial Statements for the year ending 30 June 2003, fairly reflect the financial position and operations of the Te Awamutu Gracelands Trust.



**Nicolas Morales**  
Treasurer - Board of Trustees

## Consolidated Profit And Loss Statement for the year ended 30th June 2003

2002	INCOME	2003
230,515	Sales	208,522
72,939	Donations & Grants	20,732
2,420	Gross Interest Received	13,436
1,178	Gain on Sale	4,706
2,163,134	Fees	2,618,181
<b>2,470,186</b>	<b>TOTAL INCOME</b>	<b>2,865,577</b>
	<b>EXPENSES</b>	
16,456	A.C.C. Levies	13,966
33,019	Accountancy & Legal Fees	36,273
3,500	Auditor	4,000
20,422	Administration	44,884
1,997	Bank Fees & Interest	2,175
349,377	Clients Programmes	290,528
34,992	Cost of Sales	142,744
5,895	Computers	9,629
74,519	Depreciation & Loss on Sale	81,380
31,072	Incentive Payments	16,231
27,752	Insurance	32,786
22,656	Mortgage Interest Paid	18,284
29,981	Phone & Fax	43,264
3,505	Photocopying	4,231
3,030	Postage	4,222
13,812	Power	13,791
3,899	Protective Clothing	3,172
33,273	Provisions & Cleaning	38,925
33,320	Publicity & Advertising	56,527
114,890	Rents & Rates	136,693
25,420	Repairs & Maintenance	48,415
24,915	Staff & Volunteer Training	62,367
13,796	Stationery	21,001
106,812	Vehicle Expenses & Petrol	36,584
	Vehicle Leases	108,578
1,145,388	Wages & Salaries	1,493,900
<b>2,173,698</b>	<b>TOTAL EXPENSES</b>	<b>2,764,550</b>
<b>\$296,488</b>	<b>NET OPERATING PROFIT</b>	<b>\$101,027</b>
	<b>STATEMENT OF MOVEMENTS IN EQUITY</b>	
453,826	Opening Equity	750,314
296,488	add Net Operating Profit for Year	101,027
<b>750,314</b>	<b>Closing Equity</b>	<b>851,341</b>

## Balance Sheet As at 30th June 2003

2002		2003
<b>750,314</b>	<b>EQUITY</b>	<b>851,341</b>
	<b>THIS IS REPRESENTED BY:</b>	
	<b>CURRENT ASSETS</b>	
	WestpacTrust Bank Accounts	
244,652	- Main Bank Account	142,930
4,296	- Imprest Accounts	3,065
1,575	- Prime Call Account	228,659
9,070	- WestpacTrust Savings Account	9,115
200	Petty Cash	250
214,618	Sundry Debtors	173,261
<b>474,411</b>	<b>TOTAL CURRENT ASSETS</b>	<b>557,280</b>
	<b>FIXED ASSETS (as per Schedule)</b>	
525,905	Land & Buildings	489,781
114,817	Plant & Equipment	147,486
33,288	Furniture & Fittings	137,468
30,916	Motor Vehicles	19,022
<b>704,926</b>	<b>TOTAL FIXED ASSETS</b>	<b>793,757</b>
<b>1,179,337</b>	<b>TOTAL ASSETS</b>	<b>1,351,037</b>
	<b>CURRENT LIABILITIES</b>	
44,250	Sundry Creditors	92,589
52,814	GST Creditor	49,658
48,655	Accrued Leave & Wages	66,190
26,789	Wages Clearing - PAYE	37,193
16,230	Accruals	30,997
21,544	Current Portion of Term Loan	21,708
<b>210,282</b>	<b>TOTAL CURRENT LIABILITIES</b>	<b>298,335</b>
	<b>TERM LIABILITIES</b>	
218,741	WestpacTrust Mortgage - 94	201,361
<b>429,023</b>	<b>TOTAL LIABILITIES</b>	<b>499,696</b>
<b>\$750,314</b>	<b>EXCESS ASSETS OVER LIABILITIES</b>	<b>\$851,341</b>

## Note to the Financial Statements for the year ended 30th June 2003

### 1. STATEMENT OF ACCOUNTING POLICIES

#### Reporting Entity

These financial statements are for the reporting entity Te Awamutu Gracelands Trust. The Trust is Incorporated under the Charitable Trust Act 1957. The financial statements have been prepared in accordance with generally accepted accounting practice, as defined by the standards of the Institute of Chartered Accountants.

#### Measurement Base

The general policies adopted in the preparation of these financial statements are unless otherwise stated:

The measurement base adopted is the historical cost basis.

#### Differential Reporting

The Trust qualifies for differential reporting because it is not publicly accountable, and because it has less than \$5 million in total revenue and less than \$2.5 million in total assets. The Trust has taken advantage of all differential reporting exemptions, except that GST exclusive accounting has been adopted.

#### Particular Accounting Policies

The following are the particular policies which have a material effect on the measurement of results and financial position. These policies are unchanged from the previous period.

#### Fixed Assets

Fixed Assets are initially recorded at cost, and are depreciated on a systematic basis.

#### Receivables:

Receivables are stated at estimated realisable value.

#### Taxation:

The Inland Revenue Department has granted an exemption from the paying of Income Tax and the accounts have been prepared accordingly.

#### Goods and Services Tax:

The revenue statements in these accounts have been prepared from figures exclusive of GST. Appropriate adjustments have been made to balance date accruals.

#### Employment Benefits:

Provision has been made in respect of the Trust's liability for annual leave at balance date.

#### Changes in Accounting Policies

There have been no material changes in accounting policies since the previous annual financial statements.

### 2. STATEMENT OF COMMITMENTS

As at balance date Te Awamutu Gracelands Trust was committed to current lease agreements for \$326,334 and non current for \$585,786.

### 3. FIXED ASSETS

Description	Cost	Bk Val. Last Year	Additions Disposals	Gain OnSale	Depn. ForYear	Book Value 30/06/03
Land & Buildings	578,813	504,871			15,090	489,781
Plant & Equipment	329,313	114,373	82,282		49,169	147,486
Furniture & Fittings	195,679	53,961	96,113		12,606	137,468
Motor Vehicles	75,098	31,721	(12,889)	4,706	4,516	19,022
<b>Total Assets</b>	<b>1,178,903</b>	<b>704,926</b>	<b>165,506</b>	<b>4,706</b>	<b>81,381</b>	<b>793,757</b>

Depreciation rates used areas follows:

Land has not been depreciated	
Buildings	2.0% - 3.0%
Plant & Equipment	9.5% - 60.0%
Furniture & Fittings	9.5% - 20.0%
Motor Vehicle	20.0%

Government Valuations as at 1/9/02

	CV	LV	Imp
Teasdale St	325,000	75,000	250,000
Mahoe St	180,000	57,000	123,000

### 4. TERM LIABILITIES

Description	Term Liability 30/06/03	Interest Rate & Details	Term Loan Maturity	Details Of Property Secured
Mortgage 19916-94	\$222,505	8.40% Fixed until 19/09/2004	28/02/2011	771 Mahoe Street, Te Awamutu
(current portion)	(\$21,708)			48 Teasdale Street, Te Awamutu

### 5. MAJOR SOURCES OF FEE INCOME

The major source of fee income is as follows:

Ministry of Health	1,688,021
Disability Allowances	310,509
Work Outcomes	133,254
Ministry of Social Development	441,945
ACC	35,746

### 6. RELATED PARTY TRANSACTIONS

During the year Te Awamutu Gracelands joint venture agreement with Te Kuiti Physiotherapy and Rehabilitation Service continued. There was an outstanding debtor at balance date for Work Outcomes of \$16,424.

### 7. CAPITAL COMMITMENTS

There were no capital commitments at balance date.

### 8. SIGNIFICANT EVENTS AFTER BALANCE DATE

There were no significant events after balance date.

### 9. CONTINGENT LIABILITIES

As at 30 June 2003 there is contingent liability for untaken special leave entitlements of \$81,508.

## Auditor's Report

To the readers of the Financial Report of the Te Awamutu Gracelands Trust.

We have audited the financial report attached. The financial report provides information about the past financial performance of the Te Awamutu Gracelands Trust and its financial position as at 30 June 2003. This information is stated in accordance with the accounting policies attached to the financial statements.

### Trustees Responsibilities

The trustees are responsible for the preparation of the financial report which fairly reflects the financial position of the Te Awamutu Gracelands Trust as at 30 June 2003 and the results of the operations for the year ended 30 June 2003.

### Auditors Responsibilities

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

### Basis of Opinion

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

- The significant estimates and judgements made by the Trustees in the preparation of the financial report, and
- Whether the accounting policies are appropriate to the Te Awamutu Gracelands Trust circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. 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 report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in our capacity as auditors we have no relationship with or interests in the Te Awamutu Gracelands Trust.

### Unqualified Opinion

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

In our opinion the financial report attached fairly reflects the financial position of the Te Awamutu Gracelands Trust as at 30 June 2003 and the results of its operations for the year ended on that date.

Our audit was completed on 17 September 2003 and our unqualified opinion is expressed as at that date.



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