

Annual Report 2020

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New Zealand Disability Support Network

Statement of Strategic Intent 2020 - 2021

Leading and Influencing Change that Supports Inclusive Lives

NZDSN is a membership network of organisations that provide support services to disabled people and families, mainly through contracts with Government. Associate membership also includes related organisations, individual disabled people and family members with an interest in being part of the network. NZDSN is governed by a Board elected from the wider membership and employs a full time Chief Executive with a small support team based mainly in Wellington.

Vision

An inclusive New Zealand where all disabled people are valued, their human rights are promoted and protected, and they are enabled to maximise their potential as citizens.

Purpose

To lead and influence change that supports inclusive lives:

Objectives

- To provide a strong and valued voice to government on matters of common interest.
- To support strong networks within and across the provider sector and ensure effective communication with all members.
- To keep abreast of and communicate to members and government, emerging trends and issues.
- To promote and support the continuous improvement and innovation of disability supports and services.
- To work collaboratively with disabled people, their families and allied agencies to foster an inclusive society.

Our Values

- The human rights of disabled people must be promoted and protected and that when injustices occur that we have an absolute responsibility as individuals and as disability service providers to intervene and ensure people are safe.

- All people should have the ability to realise their potential in the communities where they live and have equal chances for success in life.
- Diversity must be respected and actively nurtured in disability services.
- While NZDSN is essentially a network of service organisations it must not stand in the way of the aspirations of disabled people and their families.
- NZDSN has a dual role of challenging established consensus where it poses a barrier to the aspirations of disabled people and building a new consensus around policies and practices that move us closer to an inclusive society.
- Strong constructive relationships are the foundation of our work. We are committed to the development and maintenance of collaborative solution-focused relationships with our members, government, and the other community agencies.
- In all our dealings with others we will be transparent, accountable and conduct ourselves with integrity.

The work of NZDSN is informed by 5 core documents:

- The Treaty of Waitangi
- United Nations Convention on the Rights of Persons with Disabilities
- The Enabling Good Lives Principles
- The Disability Action Plan
- New Zealand Disability Strategy

The Strategic Environment 2020/21

The strategic landscape in front of us is delicately poised as the disability sector grapples with a series of intersecting priorities which have significant interdependencies and challenges, not the least of which is how we emerge from the COVID-19 crisis.

- The system transformation work programme is beginning to unfold, but with an uncertain timetable and growing hesitation from Government around transformative change. A lack of momentum around implementation is a risk
- The impact of the pay equity legislation, while moving us away from a minimum wage labour market, is also exacerbating long standing funding and workforce issues
- Funding concerns centre around the fact that providers have to manage in a contracting environment that is only partially funded and where organisations, not government, bear the majority of risk.
- In the emerging world of personal budgets there are concerns that these risks, while remaining for providers, will also be transferred directly to disabled people and families as they find themselves negotiating an emerging market place without real purchasing power.
- There is renewed focus on workforce development now that qualifications are linked to remuneration – and an urgent need to review the relevance and fit for

purpose of the qualifications themselves. The absence of a coherent workforce development strategy is a barrier.

- There is not yet a clear picture of how all stakeholders in a transformed system will be supported to participate with confidence, or of how transformative the changes will actually be.
- There is a level of political uncertainty, not only because of the upcoming general election, but because of the risk that delivery on longstanding disability sector specific issues will be lost in a suite of broader social policy and economic reform programmes – which of course have the added layer of also responding to the recovery from the COVID-19 pandemic.
- **The impact of the COVID-19 pandemic** has and will continue to be far reaching. However, it is important for NZDSN to re-engage with ongoing government programmes, particularly the work on the RPM and the expansion of FDS contracts along with the broader system transformation work programme. Both the MOH and MSD response to COVID-19 has involved increasing the flexibility of service specifications – something we do not wish to lose in a return to business as usual. The labour market for support workers is rapidly changing as many displaced workers seek alternative employment – this is an opportunity to recruit and then hold on to a younger and more diverse workforce. And finally, the prospect of contract price uplifts in a very different economic and political environment will need some careful thought.

INVESTING FOR INNOVATION AND BETTER LIVES FOR DISABLED PEOPLE

A funding regime that offers certainty and sustainability for providers is essential to firstly maintain acceptable levels of quality and safety in current services and secondly to spur investment in the changes and innovations that are required to embed EGL practices - and that are increasingly demanded by a younger generation of individuals and families.

We also need to acknowledge that there is a cohort of mostly aging families who are unlikely to be convinced of the need for any changes to the current models of residential care. Providers are therefore faced with the dual demands of maintaining high quality legacy services for some time into the future while at the same time moving towards supporting more personalised approaches to housing, living arrangements and wider community participation, including inclusive employment options.

In order to embark on a programme of change and innovation providers need to do so on the basis of a financial position that enables investment in the change process, its workforce and the innovation itself. The latest iteration of the RPM for example will, in most cases, provide that financial base and the confidence to move in new directions that are consistent with the Enabling Good Lives principles. More broadly, regular contract price uplifts that match cost of living increases will contribute to the ongoing

financial sustainability that is a prerequisite to achieving the changes we all want to see.

This change will involve things like:

- Engaging with FDS contracts and the range of opportunities this opens up – both for some people already in residential services and for new referrals
- Engaging with initiatives such as IChoose and FFC
- Investing in a range of new technologies that compliment staff support activity and safeguarding
- Investing in workforce development that embeds EGL practice frameworks (as part of a matching workforce development strategy)
- Developing staffing models that shift greater authority and decision making to the front line of organisations – creating a greater range and diversity of support roles – and driving the recruitment of a younger and more diverse workforce.
- Establishing living and community participation options that are more individualised, and enable real choice for people over with whom, how and where they live (rather than the current tendency for cluster housing, larger group homes and facility based day programmes that is driven purely by cost issues)

It has not been lost on any of us that the COVID-19 crisis has propelled funders and providers to explore greater flexibility and approaches that better reflect EGL principles. There is strong momentum to continue in this way and not to return entirely to the way things were before the crisis. Maintaining this momentum will need to be supported by continued flexibility around contracting and sustainable funding to embed new innovations as everyday practice.

A sustainable funding regime enables both providers and the Ministry to realise jointly held goals for disability support services that implement the Enabling Good Lives principles in practice (a key plank of the DDS draft Disability Directorate Strategy 2020). NZDSN understands that implementing the latest iteration of the RPM along with broader contract price uplifts that match cost of living increases in one budget cycle is not possible, but what we do want is a commitment to make a start to close what is now an agreed and very transparent funding gap over time.

In the absence of this we will all get frustrated by a lack of tangible change – providers will be constrained by inflexible contracts and funding shortfalls and the Ministry will not see the outcomes it is seeking for the lives of disabled people and their families. **We must use the COVID-19 crisis as a springboard for the change we want to see, not an excuse to stand still and lose the momentum that has begun.**

There are also a couple of other challenges we need to work on together that rely on the participation of other parts of government:

- **A national affordable and accessible housing strategy** - including a scheme that enables disabled people to acquire equity to invest in housing (Canada has a scheme that is well worth a look).
- **A coherent workforce strategy** that provides consistent qualification pathways that match the future we are all seeking

NZDSN has multiple roles and opportunities to add value in this landscape:

- To keep its membership and the wider sector abreast of developments through coherent analysis, asking searching questions, pointing out unintended consequences and offering evidence based solutions
- To ensure active involvement and contribution by:
 - Participating in relevant working groups and forums
 - Advocating for sustainable funding and researching options
 - Advancing the review and development of relevant qualifications
 - Engaging the labour market to secure the workforce that is needed
 - Supporting innovation and quality among providers and that prepares organisations for system transformation
 - Facilitating understanding of system changes with providers, disabled people and families

With increasing demand for NZDSN to expand the range of services it provides the organisation will need to pay careful attention to its own sustainability and balance any growth with new revenue streams that can support any additional activity. An emphasis on a collaborative approach to project work is increasing our direct engagement with disabled people and families. More tailored communications, particularly social media and digital formats are needed to reach out to a network that is increasingly diverse and on line. Our obligations under the Treaty of Waitangi are a work in progress and there is now leadership through a Cultural Advisory Committee of the Board and Kaumatua.

In conclusion, these are the critical factors at work in the strategic environment in front of NZDSN. It is these factors that have informed our strategic goals and our business objectives for the 2020/21 financial year.

Because of the timing of our strategic leadership forum in September 2019 and the onset of the COVID-19 crisis in February 2020 the strategic goals and business objectives outlined in this document are designed to cover the period January 2020 through to June 30 2021.

NZDSN Strategic Goals for 2020/21 are:

1. Long term sustainable funding that's enables investment in innovation and better lives for disabled people.
2. Facilitate provider and workforce development with a focus on quality, innovation and networking.
3. Effective and collaborative relationships with key partners and stakeholders.
4. Securing the sustainability of NZDSN as the peak body for disability providers.

NZDSN Chairpersons Report 2020

This is my first Chair's report following Sharon Saxton stepping down from the role at the last AGM. The Chair role has provided me a unique perspective of the valuable role that NZDSN has played in 2019-20 and can continue to play over the coming years.

The Year that Was

It was pleasing to circulate a Sector Briefing ahead of the Disability Services Directorate budget bid to Treasury in November 2019. The Briefing received good media attention and succinctly highlighted longstanding issues within our sector, along with a range of short- and medium-term solutions. Cohesive, consistent advocacy of this type and at this level played an important role in securing the largest budget increase the sector has seen for some years. Countering this optimism, however, is the reality that these increases are unlikely to flow through to our members and address the significant contract price issues they face.

2020 has, predictably, been dominated by COVID-19 and NZDSN's priorities have shifted this year as a result. The Board's primary focus during this time was to ensure NZDSN was working hard to provide guidance and advocacy for our members in a very fluid situation, and make sense of the at times confusing messaging received from our funders.

It was good to see and hear NZDSN raising member concerns and working collaboratively on pragmatic solutions to uniquely challenging issues across a range of pandemic forums.

COVID-19 has highlighted the value of our networks and it was great to see NZDSN's regional Zoom sessions, led by our members, become an important and responsive conduit for the socialisation and resolution of issues. Overall, the feedback I've received from providers and funders about the constructive role NZDSN has played (and continues to play) has been very positive.

Outside of our pandemic response, 2020 also saw NZDSN receive residual capital and new members following the dissolution of Inclusive NZ. These funds have been tagged in NZDSN's work plan to honour the spirit of Inclusive NZ and support employment objectives for disabled people.

Towards the end of the 2020 financial year, the Board faced the difficult decision to escalate our growing concerns about the lack of a true partnership between NZDSN and the Ministry of Health's Disability Support Services. This culminated in a commitment to prioritising a shared work programme for the 2020-21 financial year. Alongside the uncertainty of where the Simpson Report will land, the Machinery of Government review for Systems Transformation and the roll out of NZDSN's

Development Programme, this work will be an important focus for the Board over the next year.

The NZDSN Board continues to prioritise stability and robust leadership, and this is supported by a very strong working relationship between NZDSN's Chief Executive Garth Bennie and Board members. On behalf of the Board, I would like to thank Garth and his small team of four for their professionalism and dedication over a very trying year.

I also thank my colleagues for their contributions to the Board and subcommittees. This includes Tania Thomas, who leads our Tui Tuia Cultural Committee; Karen Scott, our Employment Advisory Committee; and Sharon Saxton, our Finance and Audit Committee.

Strong partnerships, both within NZDSN and across our sector, will help us lead and influence change that supports inclusive lives, which is why engagement with our membership and working in partnership with DPOs and family groups remains a key focus for the Board.

By empowering an innovative and sustainable provider network that works collaboratively with disabled people, whanau and our stakeholders, I'm confident that NZDSN can continue to play an important role in improving outcomes for disabled people and whanau, and building an inclusive New Zealand where all disabled people are valued, their human rights are promoted and protected, and they are enabled to maximise their potential.

Sean Stowers,
NZDSN Chairperson

NZDSN Chief Executive's Report

It is a pleasure to present my sixth Chief Executive's Report to the membership of NZDSN. The 2019/20 year has been something of an unexpected rollercoaster with the onset of the pandemic and all the impacts this has had on our sector. Alongside this, funding and cost pressure issues continued to run their course in the background, but still with no real progress despite a very significant funding boost for the sector in this year's budget.

The Year in Review

The pandemic meant that many of the usual working and reference groups were put on hold, but replaced with a myriad of COVID focussed sector groups which NZDSN and its membership participated in. A huge thank you to all those who contributed their time and expertise to working and reference groups on behalf of NZDSN and in a wide range of areas.

Up until the end of 2019 our work programme was largely on track. A Leadership Forum in September was used as a strategic planning session to help inform our approach leading into budget 2020 and the general election later in the year. An outcome of this forum was the decision to fast track a 2020 Sector Briefing document – “Enabling Good Lives Sooner Rather than Later” - for release in late 2019 to maximise the impact on the 2020 budget.

Our provider development programme was in full swing until late February 2019 which included: a series of workshops on inclusive community participation, a leadership focussed event on “re-thinking organisations,” and a workshop series on the “discovery process.” We also hosted our colleagues from Seattle as part of a 3day workshop focused on curriculum development for a new diploma qualification in Employment Support.

We had four National Symposiums scheduled for the March to June period and due to the pandemic these were all postponed until September – December 2020. While it is our intention to alternate these kinds of events with a national conference every two years the uncertainty created by the pandemic has meant that we have held off any firm decisions for now.

As the pandemic unfolded and we went into lockdown the whole sector embarked on a huge learning curve and providers stepped up with incredible commitment and fortitude. Frustrations were experienced around a number of issues which at times tested relationships with government however a great deal has been learnt – and we are all still learning. Funders and providers both had to respond with a lot more

flexibility and the challenge now is to see how we can all retain this flexibility going forward.

Budget 2020 in May delivered the largest increase in funding for the disability sector for many years both in relation to vote: Health and vote: MSD. However, the additional funding really only just paid down a “mortgage” that had been accumulating for some time. MSD announced 6% price uplifts for 2020 and 2021 (which still leaves at least a 40% gap between funding and actual costs) while Health is still grappling with the reality of “catch-up” funding and the dilemma of how to balance demand and cost pressures. We are not optimistic about significant contract price uplifts. This increases the likelihood of providers having to make some difficult decisions about the continuation of some programmes, staffing levels and whether to accept new referrals, particularly those who have high and complex needs.

In late June we sought a meeting with the Director General of Health to look at “resetting” our relationship with the Ministry. NZDSN was seeking a relationship based on a valued partnership. This meeting took place in July and the result is a commitment to the development of a joint work programme focused on two key priority areas: a sustainable funding pathway and a future focused workforce strategy.

Looking ahead

We are mindful of the support and preparation that providers need to participate confidently in a transformed system. While NZDSN is strongly supportive of the Enabling Good Lives Principles and the intent and aspirations of system transformation, we also have an important role to play in asking searching questions to ensure that the outcomes being sought are realised. A cabinet paper is due by the end of this year on future implementation. This could be a pivotal point as there is increasing concern that we are losing momentum.

The Health and Disability System Review (Simpson Report) had a mixed reaction from the sector and if the government does embark on the recommendations it will be important to ensure that the EGL principles are safeguarded – at governance and operational levels.

Work on a new diploma qualification for employment support continued during the COVID crisis and this is now on track for a start date in October. In late 2019 we were the beneficiaries of a grant that resulted from the windup of Inclusive NZ. These funds have been applied to the development of the employment support diploma qualification - Inclusive NZ were part of the original stakeholder group for this project. NZDSN also took over the administration of the MSD training fund. We are looking at two further projects in the workforce space to improve qualification pathways and diversify workforce supply.

Along with the rescheduled symposiums we have a busy year ahead with several workshop series and forums - along with what we hope will be a productive joint work programme with the Ministry of Health.

The NZDSN staff team

I would like to acknowledge the contribution of the NZDSN staff team: Sue Eastwood (Office Manager), Sara Georgeson (Policy Analyst), Mireille Vreeburg (Auckland Facilitator) and Callum McMenamin (digital media coordinator). All have played key roles in various aspects of the NZDSN work programme. Their support, hard work and commitment has been vital (especially during the initial COVID crisis). We are also looking to add an office assistant in Wellington to help with an increasing administration workload. I would also like to acknowledge the efforts of Grant Cleland and Gordon Boxall who as dedicated contractors have determinedly worked away at getting the Employment Support Diploma qualification out of the starting blocks.

Regional Networks

We have active regional networks operating in Auckland, Waikato/Bay of Plenty, Palmerston North (for Lower Nth Island), Hawkes Bay, Christchurch, Dunedin and Nelson. These are opportunities for more local networking, forums for topical presentations and as an avenue for NZDSN to hear about issues and concerns and to ensure it is representing the interests of all our members at a national level. NZDSN tries to ensure that there is attendance at regional meetings by NZDSN staff and is available to support events in any way it can. In Auckland we have a contracted facilitator (Mireille Vreeburg) who organises and hosts NZDSN regional meetings and actively networks with providers. There are also employment support provider networks in concert with existing network meetings where there is demand for this.

We have people in leadership roles in the regions organising provider network meetings and we are very indebted for the time and commitment they are making at a regional level on behalf of NZDSN – this last year in particular as we turned to Zoom to keep in touch. We now have regular Zoom catch ups with the regional networks to keep on top of pandemic related matters and other issues that arise. So a huge thank you to Pam Tonkin, Mike Brummitt, Steve Fisher, Karen Bailey, Warren Herring, Samantha Lee, Henrietta Trip, Tom Callahan, Sue Robson, Andrew Wordsworth, Paul Revill and Mireille Vreeburg. There is also the Auckland Small Providers Network which is an ideal networking opportunity to focus on the needs and interests of smaller providers in the area.

NZDSN Facebook Interest Groups

We have established a series of Facebook groups to facilitate connections with other NZDSN members, to share resources and information, and to discuss specific topic-related matters.

We encourage anyone who is interested in any of these groups to submit a membership request by clicking the any of the links below—your membership request will then be reviewed by an administrator.

There are 6 NZDSN Groups in total as well as the already established Auckland based small providers group which is now available to other some providers from around the country. We will soon be adding an Employment Support provider group.

Transition from School

<https://www.facebook.com/groups/NZDSNGroupTransitionFromSchool>

Administrator is Jane Rotton: jane.Rotton@aspire.org.nz

High and Complex Needs

<https://www.facebook.com/groups/NZDSNGroupHighAndComplexNeeds/>

Administrator is Sharon Brandford: srbrandford@gmail.com

Supporting Families

<https://www.facebook.com/groups/NZDSNGroupSupportingFamilies/>

Administrator is Michelle Smith: MichelleS@lifewise.org.nz

Workplace Health and Safety/Injury Prevention

<https://www.facebook.com/groups/NZDSNGroupHealthAndSafety/>

Administrator is Irene Allen: irene.Allen@spectrumcare.org.nz

Finance

<https://www.facebook.com/groups/NZDSNFinance/>

Administrator is Tracy Parr: tparr@mashttrust.org.nz

Tui Tuia

<https://www.facebook.com/groups/TuiTuia/>

Administrator is Tania Thomas: Tania.thomas@terooputaurima.org.nz

Small Providers

<https://www.facebook.com/groups/1107325052787873/>

Administrators are Michelle Smith (MichelleS@lifewise.org.nz) and Wendy Mosch (Wendy@totarafarmtrust.co.nz)

Wider Sector Relationships

NZDSN highly values its relationships with other organisations in the sector. We are clear about the role of Disabled Peoples Organisation's (DPO'S) under the UN Convention and are therefore committed to our ongoing relationship with DPA, People First and other DPO's. Our wider sector relationships are critical to the success of our work and these especially include, Platform Trust, Home and Community Health Association, Te Pou, Careerforce, Parent2Parent, Imagine Better, Complex Carers Group, SAMS and The Enabling Good Lives Leadership Group. We also value our working relationships with the Ministry of Health and the Ministry of Social Development.

Thank You to the Board

The support of the NZDSN Board is highly valued. And a huge thank you to Board members: Sean Stowers (Chair) whose support and advice I have very much appreciated, Karen Scott (Deputy Chair) Laurie Hilsen, Mike Brummitt, Pip Stewart, Tania Thomas, Arnah Trelease and Carissa Pereira. Your strategic advice and guidance is highly valued. I would particularly like to acknowledge the tenure of Sharon Saxton, our previous chair who led the Board so well and provided me with great support.

NZDSN and the Board are also led and guided by our Kaumatua, Matua Graham Warren and we are indebted to his guidance and wisdom in assisting us on our cultural development journey.

The Board has two Committees that have been established to focus on areas of critical importance:

- The Employment Advisory Committee chaired by Karen Scott from Enrich plus and whose members are Simon McCosh – CCT, Louise Dean – Job Connect, Margaret Reilly – Poly-Emp, France Aziz – Community Connections, Jonathan Mackie – CCS Disability Action, Dianne Rogers – Blind and Low Vision and Keay Bishop – Consultant.
- Tui Tuia -The Cultural Advisory Committee Chaired by Tania Thomas (Tiamana) and whose members are: Matua Graham Warren (Kaumatua) Vonny Davis, Racheal Priestly, Maui Paraki, Recenia Kaka and Max Williams.

Board members and Advisory Committee members give freely of their time and we deeply appreciate the contribution that they and their organisations make to the work of NZDSN.

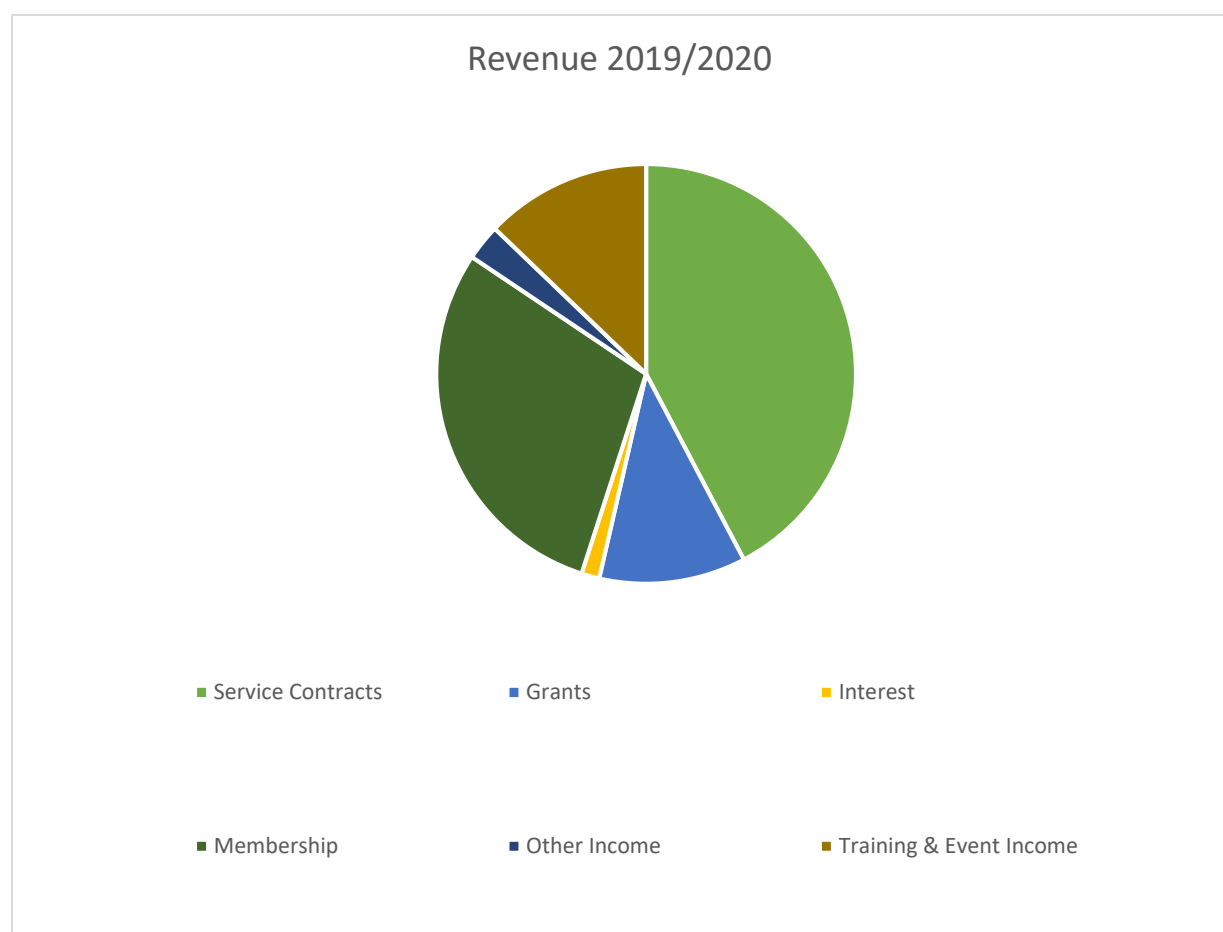
Thank You for supporting NZDSN

We recognise that there are significant financial constraints on the sector and it means a lot to NZDSN that providers continue as full financial members. This income is critical to the activities we engage in on behalf of members and we are very conscious of our responsibilities to provide value for money. Our membership base remains steady. The Board reviewed membership levies this year and decided to leave these unchanged given the financial constraints facing the sector.

Garth Bennie
Chief Executive

2019/2020 Financial Year

Sources of Revenue 2019/20:



New Zealand Disability Support Network Incorporated

Performance Report for the year ended 30 June 2020

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for the year ended 30 June 2020

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Entity Information

for the year ended 30 June 2020

Legal Name	The New Zealand Disability Support Network Incorporated ("NZDSN")
Type of Entity and Legal Basis	NZDSN is an association of disability support providers. It is registered as an incorporated society domiciled in New Zealand, and under the Charities Act 2005.
Registration Numbers	2453666 / CC46231
Vision	Leading and influencing change that supports inclusive lives.
Mission	NZDSN believes that the human rights of disabled people must be promoted and protected and that when injustices occur that we have an absolute responsibility as individuals and as disability service providers to intervene and ensure people are safe.
Organisational Structure	<p>NZDSN is a membership organisation. Its membership is open to organisations and individuals who enhance and promote the work of NZDSN, contribute to the achievement of NZDSN's objectives and who have aims and objectives that are consistent with NZDSN.</p> <p>NZDSN is governed by a Board of elected members. The Board appoints the Chief Executive Officer who is responsible for all strategic and operational requirements of the organisation. NZDSN has a small team of paid employees and volunteers reporting to the Chief Executive Officer.</p>
Main Sources of Funding	NZDSN relies on revenue received from membership subscriptions, services contracts, hosting annual conferences and symposiums, and grants.
Contact Details	
Physical Address:	Level 8, Prime Property Tower 86-90 Lambton Quay Wellington
Postal Address:	PO Box 2653 Wellington 6140
Phone:	04 473 4678
Fax:	04 473 4677
Email:	admin@nzdsn.org.nz
Web:	http://www.nzdsn.org.nz/



Statement of Service Performance

for the year ended 30 June 2020

Description of Outcomes

Description and Quantification of Outputs

1 Facilitate Provider Development and Networking

	Actual This Year	Budget/Target This Year	Actual Last Year
a) Provider development programme events*	16	20	18
b) Provider development programme registrations*	501	600	725
c) Satisfaction ratings for provider development programmes*	94%	85%	85%
d) Number of regional networks	8	7	7
e) Regional network meetings*	57	20	24
f) Conference / symposium registration*	0	400	361
g) Net conference / symposium surplus*	\$0	\$40,000	\$93,838
h) Website traffic*	63,391	80,000	83,574

* Under and Over performance due to Covid 19 lockdown and consequences

2 Facilitate the Development of a Qualified Disability Workforce

a) Participation in ITO activity and advice (no. of meetings)	30	15	12
b) Participation in Open Polytech advisory	3	4	2
c) Participation in Kaiawhina Taskforce (no. of meetings)	6	3	3

3 Effective Leadership for Research Practice and Policy Development

	Actual This Year	Budget/Target This Year	Actual Last Year
a) Research and policy papers	2	3	4
b) Working party and reference groups	18	16	19
c) NZDSN working party memberships	29	26	27
d) Submissions and consultations	2	4	4
e) Presentations (Conferences) to sector groups/symposiums	17	6	6

4 Effective and Collaborative Relationships with Key Partners

	Actual This Year	Budget/Target This Year	Actual Last Year
a) Ministerial / MP meetings	11	6	9
b) Meetings with DPO's and other Peak groups/bodies*	5	12	17
c) Project partnerships / collaborations	4	3	3
d) Media interactions / features	19	15	23

* Under and Over performance due to Covid 19 lockdown and consequences

Statement of Service Performance

for the year ended 30 June 2020

Description of Outcomes

Description and Quantification of Outputs

5 A Sustainable Organisation as the Peak Group for Disability Providers

	Actual This Year	Budget/Target This Year	Actual Last Year
a) Growth in NZDSN membership	173	180	167
b) Membership revenue	\$194,878	\$190,000	\$198,113
c) Service contracts	6	5	6
d) Revenue - contracts and provider development	\$280,731	\$260,000	\$229,125
e) Training and other event income*	\$85,125	\$100,000	\$106,052

* Under and Over performance due to Covid 19 lockdown and consequences

Performance Report
 for the year ended 30 June 2020

Statement of Financial Performance

for the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Revenue	2		
Service contracts	3	280,731	229,125
Grants	4	75,076	40,000
Interest		8,554	9,566
Membership fees		194,878	198,113
NZDSN conference / symposium income	5	-	199,678
Other income		18,403	19,598
Policy project income		-	45,000
Quality, research & development projects		-	17,160
Training income		85,125	106,052
		662,767	864,292
Expenses			
Accounting fees		6,540	6,580
Administration		18,811	17,962
Audit fees		6,000	5,125
Bank fees		1,222	2,710
Board expenses		120	2,946
Contractors		155,164	28,474
Employee expenses		276,365	259,832
General expenses		1,540	2,163
Legal fees - negotiation costs		4,250	-
Meeting expenses		1,190	3,792
NZDSN conference / symposium expenses	5	-	135,840
Occupancy costs		36,674	41,528
Policy project expenses		-	85,070
Project expenses		9,776	18,960
Provider development expenses		76,849	123,580
Travel & accommodation		29,727	32,825
Website & IT expenses		6,322	8,616
		630,551	776,004
Net surplus / (deficit) before depreciation		32,217	88,288
Depreciation	8	6,346	7,884
Net surplus / (deficit)		25,871	80,404

These statements should be read in conjunction with the accounting policies and notes to the financial statements

Statement of Changes in Accumulated Funds

for the year ended 30 June 2020

	Notes	2020 \$	2019 \$
General reserve			
Balance at beginning of year		198,542	73,138
Net surplus / (deficit)		25,871	80,404
Transfer from policy project reserve to general reserve		-	45,000
Balance at end of year		224,413	198,542
Restricted reserve - Policy project			
Balance at beginning of year		-	45,000
Additions / (drawdowns)		-	(45,000)
Balance at end of year		-	-
Restricted reserve - Pay equity project			
Balance at beginning of year		3,999	3,999
Additions / (drawdowns)		-	-
Balance at end of year		3,999	3,999
Restricted reserve - Operating/contingency			
Balance at beginning of year		220,000	220,000
Additions / (drawdowns)		-	-
Balance at end of year		220,000	220,000
Total accumulated funds at end of year	9	448,412	422,541

These statements should be read in conjunction with the accounting policies and notes to the financial statements



Statement of Financial Position

as at 30 June 2020

	Notes	2020 \$	2019 \$
Accumulated Funds			
General reserve		224,413	198,542
Restricted reserve - pay equity project		3,999	3,999
Restricted reserve - operating/contingency		220,000	220,000
		448,412	422,541
Current assets			
Bank accounts and cash	6	833,517	140,994
Accounts receivable	7	8,229	225,694
Accrued interest		3,208	3,840
Prepaid insurance		3,355	3,355
Prepayments		13,352	3,766
		861,661	377,649
Non-current assets			
Plant & equipment	8	3,690	7,694
Term deposits		288,786	279,857
		292,476	287,551
Total assets		1,154,137	665,200
Current liabilities			
Accounts payable	10	34,009	22,529
Employee costs payable	11	27,727	14,128
GST payable		62,277	13,202
Income in advance	12	319,748	190,000
MSD training fund	13	261,964	-
Unspent contributions from members		-	2,800
Total liabilities		705,725	242,659
Net assets		448,412	422,541



Sean Stowers, Chair

11/08/20

Date



Garth Bennie

10-08-2020

Date

These statements should be read in conjunction with the accounting policies and notes to the financial statements

Statement of Cash Flows

for the year ended 30 June 2020

	2020 \$	2019 \$
Cash flows from operating activities		
Cash was received from:		
Receipts from providing services	737,967	525,425
Membership fees	195,328	199,563
MSD training fund	261,964	-
Donations	65,331	40,000
Interest received	9,186	9,689
	<u>1,269,776</u>	<u>774,677</u>
Cash was applied to:		
Payments to suppliers and employees	(615,058)	(814,487)
Net GST	49,075	18,969
	<u>(565,983)</u>	<u>(795,518)</u>
Net cash inflow/(outflow) from operating activities	703,793	(20,841)
Cash flows from investing activities		
Cash was received from:		
Receipts from the sale of plant and equipment	-	-
Cash was applied to:		
Payments to acquire plant and equipment	(2,342)	(982)
Payments to purchase term deposits	(8,929)	(10,474)
	<u>(11,271)</u>	<u>(11,456)</u>
Net cash outflow from investing activities	(11,271)	(11,456)
Net increase / (decrease in cash)	692,523	(32,297)
Add opening cash brought forward	140,994	173,291
Ending cash carried forward	833,517	140,994
This is represented by:		
Bank accounts and cash	833,517	140,994

These statements should be read in conjunction with the accounting policies and notes to the financial statements



Notes to the Performance Report

for the year ended 30 June 2020

Note 1: Basis of Preparation

NZDSN financial statements for the 30 June 2020 year end have been prepared under Tier 3 Public Benefit Entity Simple Format Reporting - Accrual Not-For-Profit (PBE SFR-A NFP) on the basis that NZDSN does not have public accountability and has total annual expenses of equal to or less than \$2,000,000.

The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

This performance report is presented in New Zealand dollars.

All amounts are recorded exclusive of GST.

The entity is exempt from income tax under section CW 42(1)(a) of the Income Tax Act 2007. The entity has been granted tax exempt status and is registered as a charity under the Charities Act 2005.

Note 2: Revenue

Income from the service contracts with the Ministry of Social Development is not recognised in the Statement of Financial Performance until the costs for which the income has been provided have been incurred and the requirements under the agreement have been met.

Grants received are not recognised in the Statement of Financial Performance until the conditions associated with the transfer have been met.

All other income is considered to be recognised when the cash is receipted and controlled by the entity.

Note 3: Service contracts / Provider development income

	2020 \$	2019 \$
Ministry of Health - Provider Capability Plan Mid Central Prototype	-	79,125
Ministry of Health - EGL / Communities of Practice Support	-	35,000
Ministry of Social Development - Workforce Development Programme	222,000	115,000
Ministry of Social Development - Employment Support Dip. Development	20,000	-
Ministry of Social Development - Administration of Training Fund	12,391	-
Ministry of Social Development - DEAP Workshops	4,500	-
Ministry of Social Development - Employment Service Contract Analysis	14,000	-
Careerforce - Development of Curriculum Programme	7,840	-
	280,731	229,125

The Ministry of Social Development contracts were focused on identifying and developing workforce capability in the context of system transformation. Deliverables related to organising and facilitating training workshops and forums.

These events were focused on deliverables related to innovation and best practice in employment and community participation with the aim of developing a more capable and qualified workforce.

Note 4: Grants and Distributions

	2020 \$	2019 \$
Inclusive NZ Wind Up Distribution	65,331	-
IIDL Contributions	9,745	-
NZ Lottery Grant	-	40,000
	75,076	40,000

There was no grant application made to NZ Lottery this financial year.



Notes to the Performance Report

for the year ended 30 June 2020

Note 5: NZDSN Conference / Symposium

Due to Covid 19 NZDSN did not host a major conference / symposium this financial year.

	2020 \$	2019 \$
Revenue		
Registrations	-	154,866
Sponsors	-	28,250
Exhibitors	-	16,563
	-	199,678
Less expenses		
Conference / symposium expenses	-	135,840
Plus grant contribution		
NZ Lottery grant	-	30,000
Net surplus from conference / symposium	-	93,838

Note 6: Bank accounts and cash

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

	2020 \$	2019 \$
Petty cash	28	80
Westpac current account	494,548	96,247
Westpac savings account	44,693	44,668
Westpac MSD training fund account	294,248	-
	833,517	140,994

Note 7: Accounts receivable

Receivables, which usually have 30 to 60 day terms, are recognised at cost less impairment value.

Note 8: Plant & equipment

Items of plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Depreciation of plant and equipment is calculated on a straight-line basis over the estimated useful life of the asset.

The estimated useful lives for the current and comparative periods are as follows:

Furniture & fittings	4 years
Computer equipment	3 years
Plant & equipment	2 - 4.7 years
Website	4 years



Notes to the Performance Report

for the year ended 30 June 2020

2020

Asset Class	Cost	Opening Carrying Amount	Purchases	Sales/ Disposals	Current Year Dep'n and Impairment	Closing Carrying Amount
Furniture & fittings	6,633	22	-	-	22	-
Computer equipment	9,985	1,641	2,342	-	1,824	2,159
Plant & equipment	12,472	3,668	-	-	2,175	1,493
Website	12,158	2,363	-	-	2,327	36
Total	41,248	7,694	2,342	-	6,348	3,689

2019

Asset Class	Cost	Opening Carrying Amount	Purchases	Sales/ Disposals	Current Year Dep'n and Impairment	Closing Carrying Amount
Furniture & fittings	6,633	1,254	-	-	1,232	22
Computer equipment	10,498	2,924	-	-	1,283	1,641
Plant & equipment	12,472	5,015	982	-	2,329	3,668
Website	12,158	5,403	-	-	3,040	2,363
Total	41,761	14,596	982	-	7,884	7,694

Note 9: Accumulated funds

Accumulated funds is measured as the difference between total assets and total liabilities. Accumulated funds is disaggregated and classified into the following components:

- General reserve
- Restricted reserves

Restricted reserves

Restricted reserves are a component of accumulated funds representing a particular use to which various parts of accumulated funds have been assigned in accordance with the NZDSN reserves policy. The following reserves have been set by NZDSN and may be altered without reference to a third party - transfers to and from these reserves are at the discretion of NZDSN:

Operating contingency reserve - to maintain a reserve at all times to cover an unexpected winding up event or other unexpected short term reduction in operational income.

Pay equity reserve - the unspent contributions from members towards the financial costs of legal advice in relation to the equal pay negotiations. There is no obligation to pay this money back to the members but there is an expectation that it is spent on pay equity legal matters.

Note 10: Accounts payable

Accounts payable are stated at cost.

Note 11: Employee costs payable

Employee costs payable are stated at cost.



Notes to the Performance Report

for the year ended 30 June 2020

Note 12: Income in advance

	2020 \$	2019 \$
Income in advance - received	319,748	-
Income in advance - receivable	-	190,000
	319,748	190,000

Note 13: MSD training fund

During the year Inclusive NZ was wound up and the Society's Surplus Net Assets of \$65,331 was distributed to NZDSN (refer Note 4). Inclusive NZ were also responsible for the management of the MSD Training Fund. The unspent funds associated with this fund were also transferred to NZDSN to administer in the future. NZDSN received an administration fee to administer the fund on behalf of the MSD for the year and this amounted to \$12,391. (Note 3)

	2020 \$	2019 \$
MSD held on behalf	261,964	-
	261,964	-

Note 14: Reconciliation of net surplus with net cash outflow

	2020 \$	2019 \$
Reported net surplus / (net loss)	25,871	80,404
Add non-cash items:		
Depreciation	6,346	7,884
Movements in working capital		
(Increase) / decrease in accounts receivable	217,465	(154,766)
Increase in accrued interest and prepayments	(8,954)	(2,630)
Increase / (decrease) in accounts payable	11,479	(24,286)
Increase / (decrease) in current liabilities	451,586	72,552
	671,576	(109,130)
Net cash inflow/(outflow) from operating activities	703,793	(20,841)

Note 15: Commitments

There were no capital commitments as at 30 June 2020 (2019: nil).

Operating lease commitments

Photocopier lease commitment - Up to 1 year \$1,539 and Over 1 year \$256 (2019: \$1,539 and \$1,795)

Rental commitment - \$35,640 pa up to 30 August 2024 (2019: \$35,640).

Note 16: Contingent liabilities

There were no contingent liabilities as at 30 June 2020 (2019: nil).



Notes to the Performance Report

for the year ended 30 June 2020

Note 17: Related parties

The chief executive sits on the board of Career Force (a member of NZDSN) and NZDSN receive director fees.

Note 18: Subsequent events

There were no events subsequent to balance date.

INDEPENDENT AUDITOR'S REPORT

To the Members of New Zealand Disability Support Network Incorporated

Report on the Performance Report

Opinion

We have audited the performance report of New Zealand Disability Support Network Incorporated on pages 2 to 13, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 30 June 2020, the statement of financial position as at 30 June 2020, the statement of accounting policies and other explanatory information.

In our opinion:

- (a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable; and
- (b) the performance report on pages 2 to 13 presents fairly, in all material respects,:
 - the financial position of New Zealand Disability Support Network Incorporated as at 30 June 2020 and of its financial performance and cash flows;
 - the entity information; and
 - the service performance for the year then ended

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

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of New Zealand Disability Support Network Incorporated 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 audit opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, New Zealand Disability Support Network Incorporated.

Restriction on responsibility

This report is made solely to the members, as a body, in accordance with section 42F of the Charities Act 2005. Our audit work has been undertaken so that we might state to the members those matters 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Board's Responsibility for the Performance Report

The Board is responsible for determining that the Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) framework is acceptable in the entity's circumstances and, for:

- (a) identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) the preparation and fair presentation of the performance report which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report
 in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board, and
- (c) for such internal control as the Board determines is necessary to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Board is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

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

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

- ☐ Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ☐ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- ☐ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- ☐ Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- ☐ Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- ☐ Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CKS Audit

CKS Audit
PALMERSTON NORTH

11 August 2020