

Lantern House Trust

Entity Information

"Who are we?", "Why do we exist?"

For the year ended
30 June 2017

Legal Name of Entity: Lantern House Trust

Type of Entity and Legal Basis: Charitable Trust

Registration Number: CC 43218

Purpose or Mission:

The trustees are to apply the Trust Fund exclusively for purposes relating to the advancement, education, support and housing for persons with intellectual and or physical disabilities who require a high degree of care; and to provide information and support to the persons with disabilities and their families, supporters and caregivers so that the disabled person or persons' are better supported and cared for in his or her community within the Taranaki region.

Structure:

Lantern House Trust consists of the following board structure: Chairman - Andy Hay. Trustees - Mr Andy Hay, Mrs Sheri Hay, Mr Roger Landers, Mrs Julie Landers and Mrs Bev Gibson.

Main Sources of Cash and Resources:

Lantern House Trust is reliant on grants to raise capital funds to build the house called Lantern House. The trust has had a grant from the New Plymouth district council and has partnered with Habitat for Humanity Taranaki to secure other grants, donations, building material and volunteer labour to complete the building of Lantern House. Lantern House Trust continues to pursue funding and donation opportunities where ever possible.

Main Methods Used to Raise Funds:

Lantern House Trust main funding opportunities came by the way of the partnership formed with Habitat for Humanity. The trust also has had a strong relationship with the farming community within Taranaki and have received numerous donations in the form of livestock.

Reliance on Volunteers and Donated Goods or Services:

The trusts partnership with Habitat for Humanity Taranaki provided a fantastic pool of volunteers and donated building material to complete the building of Lantern House. There were over 100 volunteers during the construction.

Additional Information:

Lantern House Trust has completed the build of Lantern House and has contract with Healthcare of New Zealand Limited to utilise the home to provide care services for for the 5 permanent residents of the house. The trust has a interest free loan agreement of \$500 per week, for three years with Habitat for Humanity. At the completion of this term Lantern House Trust will take over the responsibility of any outstanding funds owed on the property by the way raising a bank mortgage. The care provider pays a monthly rental and the trust will continue to look for funding opportuinties to clear any debt and have cash reserves for maintainence and upkeep.

Contact details

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Lantern House Trust

Statement of Service Performance

"What did we do?", When did we do it?"

**For the year ended
30 June 2017**

Outcomes:

Through out the first quarter of 2015 /2016 the Trust continued to fundraise independantly and with Habitat for Humanity Taranaki for income towards the construction of Lantern House. The house was completed in August 2015 and the first residents arrived in October 2015. We then contracted our care provider NZ Care and began our three year rent to buy agreement with habitat for Humanity Taranaki.

Additional Output Measures:

Lantern House was completed in August 2015 and first residents arrived October 2015. NZ Care began care contract in October 2015. They began paying rent at this point.

Additional Information:

Lantern House Trust has two loan agreements with Habitat for Humanity Taranaki, the value of the land at \$81,000 and an advanced payment of \$19,781 which was a grant from the New Plymouth District Coucil to Lantern House Trust. Both of the loans and the weekly \$500 rental payment will come of the final settlement price in 2018.

Lantern House Trust
Statement of Financial Performance
 "How was it funded?" and "What did it cost?"
 For the year ended
 30 June 2017

	Note	Actual This Year \$	Actual Last Year \$
Revenue			
Donations, fundraising and other similar revenue	1	5,814	25,112
Revenue from providing goods or services	1	38,868	25,914
Interest, dividends and other investment revenue	1	2,055	2,434
Total Revenue		46,737	53,460
Expenses			
Expenses related to public fundraising	2	69	206
Other expenses	2	12,921	8,576
Total Expenses		12,990	8,782
Surplus/(Deficit) for the Year		33,747	44,678

Lantern House Trust

Statement of Cash Flows

"How the entity has received and used cash"

For the Year Ended
30 June 2017

	Actual This Year \$	Actual Last Year \$
Cash Flows from Operating Activities		
Cash was received from:		
Donations, fundraising and other similar receipts	5815	51024
Interest, dividends and other investment receipts	2055	2434
Receipts from providing goods or services	38870	
Cash was applied to:		
Payments to suppliers and employees	-7692	4487
Net Cash Flows from Operating Activities	39,048	48,971
Cash flows from Investing and Financing Activities		
Cash was applied to:		
Payments to acquire property, plant and equipment	0	10468
Cash flows from other investing activities	-26000	37781
Net Cash Flows from Investing and Financing Activities	13,048	(48,249)
Net Increase / (Decrease) in Cash		722
Opening Cash	108,742	108,020
Closing Cash	121,791	108,742
This is represented by:		
Bank Accounts and Cash	121,791	108,742

Lantern House Trust
Statement of Financial Position

"What the entity owns?" and "What the entity owes?"

As at
30 June 2017

	Note	Actual This Year \$	Actual Last Year \$
Assets			
Current Assets			
Bank accounts and cash	3	121,791	108,742
Total Current Assets		121,791	108,742
Non-Current Assets			
Property, plant and equipment	4	6,427	8,739
Other non-current assets	3	138,493	116,726
Total Non-Current Assets		144,920	125,465
Total Assets		266,711	234,207
Liabilities			
Current Liabilities			
Creditors and accrued expenses	3	1,250	1,495
Total Current Liabilities		1,250	1,495
Total Liabilities		1,250	1,495
Total Assets less Total Liabilities (Net Assets)		265,461	232,712
Accumulated Funds			
Capital contributed by owners or members		100	100
Accumulated surpluses or (deficits)		266,359	232,612
Prior period error (Note 7)		(1,000)	-
Total Accumulated Funds		265,459	232,712

These financial statements were approved by the trustees on: 20/02/2018

Chairperson

Trustee

Lantern House Trust

Statement of Accounting Policies

"How did we do our accounting?"

For the year ended
30 June 2017

Basis of Preparation

Lantern House Trust has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

Lantern House Trust is not registered for GST. Therefore amounts recorded in the Performance Report are inclusive of GST (if any).

Income Tax

Lantern House Trust is wholly exempt from New Zealand Income tax having fully complied with all statutory conditions for these exemptions

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.

Revenue

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

Donations

Donations are recognised as revenue upon receipt.

Grants

Grant revenue includes grants given by other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant has been compiled with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to income as the conditions are fulfilled.

Revenue from providing goods and services

Lantern House Trust receives rent from sub-lease of premises. Revenue is recognised on the period the goods and services are provided.

Debtors

Debtors are recognised at amount owed less allowances for any uncollectible amounts. Individual debts that are known to be uncollectible are written off in the period that they are identified.

Creditors

Creditors and accrued expenses are recognised at amount owing. They represent liabilities for goods and services provided to the entity prior to the end of the financial year that are unpaid.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year. However, it should be noted that the basis of preparation has changed from adopting NZ IFRS (Diff Rep) for a not-for-profit Public Benefit Entity to Tier 3 Public Benefit Entity Simple Format Reporting – Accrual (Not-for-Profit) guidance issued by the External Reporting Board

Lantern House Trust

Notes to the Performance Report

For the year ended
30 June 2017

Note 1 : Analysis of Revenue

Revenue Item	Analysis	This Year	Last Year
Donations and other similar revenue		\$	\$
	Donations/koha from the public	2,584	14,161
	Donations - Livestock	3,230	10,951
	Total	5,814	25,112
Revenue Item	Analysis	This Year	Last Year
Revenue from providing goods or services		\$	\$
	Rent - NZ Care	38,868	25,914
	Total	38,868	25,914
Revenue Item	Analysis	This Year	Last Year
Interest, dividends and other investment revenue		\$	\$
	Interest	2,055	2,434
	Total	2,055	2,434

Lantern House Trust

Notes to the Performance Report

For the year ended
30 June 2017

Note 2 : Analysis of Expenses

Expense Item	Analysis	This Year	Last Year
		\$	\$
Expenses related to public fundraising	Charities Commission Levy	-	51
	Livestock freight	69	155
	Total	69	206

Expense Item	Analysis	This Year	Last Year
		\$	\$
Other expenses	Advertising	-	724
	Audit Fee - Silks	1,819	1,740
	Postage	-	160
	Building Expenses	3,561	3,319
	Security and fire	3,234	828
	Sundry Expenses	1,995	75
	Depreciation	2,312	1,730
	Total	12,921	8,576

Lantern House Trust

Notes to the Performance Report

For the year ended
30 June 2017

Note 3 : Analysis of Assets and Liabilities

Asset Item	Analysis	This Year	Last Year
		\$	\$
Bank accounts and cash	TSB - Cheque 00	3,778	3,672
	TSB - Savings 50	329	788
	TSB - Short Term Deposit 80	117,682	104,282
	Total	121,789	108,742
		This Year	Last Year
		\$	\$
Other non-current assets	Value of Section loaned to Habitat for Humanit	81,000	82,000
	Building Prepayment - Rent	37,712	14,945
	Building Prepayment - Roof	19,781	19,781
	Total	138,493	116,726
		This Year	Last Year
		\$	\$
Creditors and accrued expenses	Silks Audit accrued fee	1,250	1,495
	Total	1,250	1,495

Lantern House Trust

Notes to the Performance Report

For the year ended
30 June 2017

Note 4 : Property, Plant and Equipment

This Year

Asset Class	Opening Carrying Amount	Purchases	Sales / Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Building Improvements	1,490	-	-	149	1,341
Furniture and fixtures	7,249	-	-	2,163	5,086
Total	8,739	-	-	2,312	6,427

Last Year

Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Building Improvements	-	1,568	-	78	1,490
Furniture and fixtures	-	8,901	-	1,652	7,249
Total	-	10,469	-	1,730	8,739

Lantern House Trust
Notes to the Performance Report
For the year ended
30 June 2017

Note 5: Accumulated Funds

This Year

Description	Capital Contributed by	Accumulated	Reserves	Total
	Owners or Members	Surpluses or Deficits		
Opening Balance	100	232,612	-	232,712
Capital contributed by owners or members	-			-
Prior period adjustment (note 7) - Value of section -\$1000		(1,000)		(1,000)
Surplus/(Deficit)	-	33,747		33,747
Closing Balance	100	266,359	-	265,459

Last Year

Description	Capital Contributed by	Accumulated	Reserves	Total
	Owners or Members	Surpluses or Deficits		
Opening Balance	100	187,934	-	188,034
Surplus/(Deficit)	-	44,678		44,678
Closing Balance	100	232,612	-	232,712

Note 6 : Commitments and Contingencies

Capital Commitments

Lantern House Trust entered into a sale and purchase agreement with the Taranaki branch of Habitat for Humanity on

Description	Costs
Cost of Construction (Estimate)	\$ 421955
Cost of Section	81000
	<u>502955</u>
Less Specific Donations	(155,200)
Less Building Prepayments (Estimated)	(88,616)
Less Short term loan advanced by Lantern House Trust to the Taranaki Branch for Habitat for Humanity	<u>(81,000)</u>
Total Expected Commitment 27/10/2018	178,139

Settlement is to occur on 27th October 2018 (Three years from 7 days after the date of Occupancy Certificate Issue on the 20th of October).

Lantern House Trust will lease the dwelling for a period of three years from the Taranaki branch of Habitat for Humanity and will subject the dwelling to Healthcare of New Zealand ("NZ Care").

Lantern House Trust will finance the capital commitment balance (\$178,139) at settlement date with a mortgage obtained from the Trust's lender of choice.

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (Last Year - nil)

Note 7 : Prior period error

A prior period error was corrected. The value of the section loaned to Habitat for Humanity had been recorded at \$82,000 instead of the correct amount as per sale and purchase agreement of \$81,000