

Acting Treasurer's Report AGM 2017

This report provides the background to why there has been a change in our financial reporting and gives you guidance on how the financial reports should be read. During the 2016/17 year, Leanne Gibson acted as Treasurer on a number of occasions, and is best placed to explain these reporting changes as she attended all the briefings & training provided by the Charities Services.

New financial reporting standards for charities have been introduced to provide consistent, transparent information to the donating and taxpaying public. Previously, there were multiple ways that a charity could present its financial statements. The new standards are now based on a tier structure that reflects the size and complexity of the charity. Canine Friends Pet Therapy is defined as a Tier 4 charity (as we earn under \$125,000 per annum and use cash accounting).

Instead of submitting an annual return and a financial statement, CFPT must now complete a Performance Report which includes non-financial information in the form of a 'statement of service performance'. A performance report is a set of statements that collectively tells a charity's story over the financial year. Because all charities have to use the same reporting template, it allows organisations such as funders, sponsors, donors and the Charities Services to compare "apples with apples" when making funding decisions.

On the recommendation of the Charities Services we contracted Hema Dullabh from the Accounting for Charities Trust to assist us with developing our first Performance Report. This document is very important as it will be required to be submitted for any grants that we intend to apply for in the upcoming year. If we had chosen, not to conform to the Charities guidelines for reporting standards, we may have been less likely to be considered for funding.

Because we are deemed a Tier 4 charity – there is no requirement on CFPT from the Charities Services to have our Performance Report independently reviewed or audited. However our Constitution says the Treasurer is "*To present to the AGM a duly audited statement of income and expenditure and a balance sheet showing assets, liabilities and accumulated funds*".

Given the situation, as outlined in this report – Members of Canine Friends Pet Therapy are asked to accept the Performance Statement for the financial year ending 31 March 2017 noting that professional assistance has been received from the Accounting for Charities Trust.

One of the key initiatives under consideration for the 2017/18 year is a review of the Constitution. It may be useful to align any future financial reporting to the best practises being advocated by the Charities Services.

Finally – though the Performance report looks daunting (all 9 pages) – it is relatively straight forward. The first few pages (1 to 3) are non-financial information about CFPT's purpose and goals. The key financial information is on Page 4-5 and background information/notes are on pages 5-7. It should be noted that the BNZ account (which was noted in the 2016 AGM minutes as not being audited) has been reconciled and is now included.

Leanne Gibson