

Annual Report

2020 Communications Trust
For the year ended 30 June 2022

Prepared by Southey Sayer Limited

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2020 Communications Trust For the year ended 30 June 2022

Trustees

Marg McLeod – Chair (1 Jul 2021 – 30 Jun 2022)
Laurence Millar – Deputy Chair (1 Jul 2021 – 30 Jun 2022)
David Barrow – Treasurer (1 Jul 2021 – 23 Feb 2022)
Barb Bilcich – Trustee (1 Jul 2021 – 15 Aug 2021)
Fritz Evile – Trustee (1 Jul 2021 – 30 Jun 2022)
Craig Young - Trustee (19 Oct 2021 - 30 Jun 2022)
Guy Alexander - Trustee (19 Oct 2021 - 30 Jun 2022)
Lesley Hoskin - Trustee (19 Oct 2021 - 30 Jun 2022)
Megan Tunks - Trustee (19 Oct 2021 - 30 Jun 2022)
Miriam Walker - Trustee (19 Oct 2021 - 30 Jun 2022)
Semi Asafo - Trustee (19 Oct 2021 - 30 Jun 2022)
Te Omeka Morehu - Trustee (19 Oct 2021 - 30 Jun 2022)

Management Team

Selwyn Screen - Chief Executive (Apr 2021 - Sep 2021)
Warren Williams - Chief Executive (from Sep 2021)
Shona Te Huki - Programme Manager
Romana Fetu - Programme Manager (Apr 2021 - Feb 2022)
Isabella Hormes - Programme Manager (from Feb 2022)
Anna Phipps - Accounts Executive

Registration Numbers

Charity	CC24748
IRD	066-778-274
NZBN	9429043028337

Address

Level 1
201-211 Onehunga Mall
Onehunga
AUCKLAND 1061

Nature of Business

The 20/20 Trust provides digital literacy leadership, working with local communities to deliver digital inclusion programmes that build New Zealanders' computer and online skills.

Date of Formation

Incorporated 11 September 1996
Registered charity 23 May 2008

Accountants

Southey Sayer Limited

Chartered Accountants
RE Schofield
110 Dixon Street
MASTERTON

Bankers

ASB
WELLINGTON

Auditor

Grant Thornton New Zealand Audit Limited
Level 15
Grant Thornton House
215 Lambton Quay
WELLINGTON

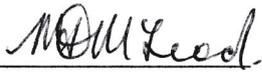
Approval of Financial Report

2020 Communications Trust For the year ended 30 June 2022

The Trustees are pleased to present the approved financial report including the historical financial statements of 2020 Communications Trust for year ended 30 June 2022.

APPROVED

For and on behalf of the Trustees.



Marg McLeod - Chair

Date 17 October 2022



Laurence Millar - Deputy Chair

Date 17 October 2022

Statement of Comprehensive Revenues and Expenses

2020 Communications Trust For the year ended 30 June 2022

	NOTES	2022	2021
Revenue			
Revenue from Non Exchange Transactions	1	3,890,674	2,798,579
Revenue from Exchange Transactions	2	34,557	17,044
Total Revenue		3,925,231	2,815,623
Expenses			
Cost of Goods & Services Delivered	3	2,423,544	2,216,322
Overhead & Administration	4	348,618	287,033
Total Expenses		2,772,163	2,503,356
Surplus / (Deficit) for the Year		1,153,068	312,267
Total Comprehensive Revenue & Expenses		1,153,068	312,267

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



Statement of Financial Position

2020 Communications Trust As at 30 June 2022

	NOTES	2022	2021
Assets			
Current Assets			
Cash & Cash Equivalents	5	385,301	290,609
Short Term Investments		2,308,085	1,700,788
Receivables from Exchange Transactions	6	16,796	3,411
Receivables from Non Exchange Transactions	6	170,932	116,829
Prepayments		16,000	-
Total Current Assets		2,897,114	2,111,637
Non-Current Assets			
Plant & Equipment	7	23,537	24,884
Intangibles	8	31	77
Total Non-Current Assets		23,568	24,960
Total Assets		2,920,682	2,136,597
Liabilities			
Current Liabilities			
Payables Under Exchange Transactions	9	248,328	217,487
GST Payable		4,098	10,605
Employee Entitlements	10	48,899	70,943
Revenue in Advance	11	473,514	844,787
Total Current Liabilities		774,839	1,143,822
Total Liabilities		774,839	1,143,822
Net Assets		2,145,843	992,775
Equity			
General Funds		2,145,843	992,775
Total Equity		2,145,843	992,775

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

Statement of Changes in Net Assets

2020 Communications Trust For the year ended 30 June 2022

	NOTES	2022	2021
Equity			
General Funds			
Opening Balance		992,775	680,508
Surplus/(Deficit) for the Year		1,153,068	312,267
Total General Funds		2,145,843	992,775
Total Equity		2,145,843	992,775



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

Statement of Cash Flows

2020 Communications Trust For the year ended 30 June 2022

	NOTES	2022	2021
Cash Flows			
Cash Flow from Operating Activities			
Receipts from Goods and Services Provided, Non Exchange Transactions		3,981,914	3,914,482
Receipts from Goods and Services Provided, Exchange Transactions		-	-
Overpayments to be Refunded		(1,344)	(3,775)
Payments to Suppliers & Employees		(2,956,314)	(2,499,328)
Interest Received		21,171	13,633
GST Refunded/(Paid)		(313,361)	(331,366)
Net Cash from /(used in) Operating Activities		732,066	1,093,646
Cash flow from Investing Activities			
Purchase of Plant & Equipment		(30,077)	(26,043)
Purchase of Investments		(3,908,873)	(4,102,364)
Maturity of Investments		3,301,576	3,201,576
Net Cash from/(used in) Investing Activities		(637,374)	(926,831)
Net Increase/(Decrease) in Cash & Cash Equivalents		94,692	166,815
Cash & Cash Equivalents at Beginning of the Year	5	290,609	123,794
Cash & Cash Equivalents at End of the Year		385,301	290,609

These financial statements should be read in conjunction with the policies and notes to the Financial Statements.



Statement of Accounting Policies

2020 Communications Trust For the year ended 30 June 2022

Statement of Accounting Policies

These are the financial statements of 2020 Communications Trust (the "Trust"). The Trust is domiciled in New Zealand. It is a registered charity under the Charities Act 2005.

Basis of Preparation

Statement of Compliance

The financial statements have been prepared in accordance with Tier 2 Public Benefit Entity (PBE) Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards Reduced Disclosure Regime (PBE IPSAS RDR) and other applicable Financial Reporting Standards as appropriate to Not-for-profit Public Benefit Entities.

These financial statements comply with NZ GAAP. The Trust is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and annual expenditure does not exceed \$30 million. The Trust has taken advantage of all applicable RDR disclosure concessions.

The Trust is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide digital literacy leadership, working with local communities to deliver digital inclusion programmes that build New Zealanders' computer and online skills for social benefit rather than a financial return.

Measurement Base

The financial statements have been prepared on an historical cost basis, except as noted otherwise below.

The information is presented in New Zealand dollars and has been rounded to whole dollars, unless otherwise stated. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided.

The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

Changes in Accounting Policies

There have been no other changes in accounting policies.

Specific Accounting Policies

In the preparation of these financial statements, the specific accounting policies are as follows:

1. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of consideration received.

The Trust assesses its revenue arrangements against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. In an agency relationship only the portion of revenue earned on the Trust's own accord is recognised as gross revenue in the surplus or deficit.

Revenue from Non Exchange Transaction

A non-exchange transaction is where the Trust either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.



When non-exchange revenue is received with conditions attached (funds are required to be used for a specific purpose, with a requirement to return unused funds), the asset is recognised with a matching liability. As the conditions are satisfied the liability is decreased and revenue recognised.

When non-exchange revenue is received with restrictions attached (funds are required to be used for a specific purpose), but no requirement to return the asset if not deployed as specified, then revenue is recognised on receipt.

Grants and Project Revenue

Grant and donation income is recognised as revenue when received and all associated obligations have been met. Where grants have been given for a specific purpose, or with conditions attached, income is not recognised until agreed upon goods, services and conditions have been satisfied. Government grants relating to income are recognised as income over the periods necessary to match them with the related services when performed. Grants received for which the requirements and services have not been met are treated as "Revenue in Advance" under current liabilities.

To the extent that there is a condition attached that would give rise to a liability to repay the grant amount or to return the granted asset, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the Trust has satisfied these conditions.

Sale of Goods and Services

This revenue has been received from families participating in the Trust's digital literacy programmes. Families are expected to contribute towards the cost of their training and the provision of equipment (computers) and services (internet). The value they received exceeds their contributions, and as a result, this revenue is treated as non-exchange transactions.

Professional Services Donated

Volunteer work is recognised as revenue as it can be measured reliably based upon the invoices received from the contracted team members who provide the service in kind.

Revenue from Exchange Transactions

Sales of Goods and Services

This revenue is received from the sale of training materials.

Interest Income

Interest is recognised as it accrues, using the effective interest method.

2. Operating Leases

An operating lease is a lease that does not transfer substantially all risks and rewards incidental to ownership of an asset. Payments made under operating leases are recognised in the surplus or deficit on a straight line basis over the term of the lease. Lease incentives received, as an integral part of the total lease expense, are recognised over the term of the lease. Associated costs, such as maintenance and insurance, are expenses as incurred.

3. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

4. Receivables

Receivables are stated at their estimated realisable value.

Bad debts are written off in the year in which they are identified. An allowance for doubtful debts is established where there is objective evidence the Trust will not be able to collect all amounts due according to the original terms of the receivable.

5. Prepayments

Prepayments are recorded when a payment is made for goods or services that are still to be received in the near future at reporting date. Prepayments are recorded at cost.



6. Goods and Services Tax (GST)

These financial statements have been prepared on a GST exclusive basis with the exception of Receivables and Payables which are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of Receivables or Payables.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department is classified as part of the operating cash flows.

7. Income Tax

The Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

8. Plant & Equipment

All plant and equipment acquired with individual values of more than \$1,000 excluding GST are stated at cost less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

All plant and equipment acquired with individual values of less than \$1,000 excluding GST are charged to the surplus or deficit when incurred.

Additions & Subsequent Costs

Subsequent costs and the cost of replacing part of an item is recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the Trust and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

All repairs and maintenance expenditure are charged to the surplus or deficit when incurred.

Disposals

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits or services potential are expected from its use or disposal.

When an item is disposed of, the gain or loss recognised in the surplus or deficit is calculated as the difference between the net sale proceeds and the carrying amount of the asset.

Depreciation

Depreciation is recognised as an expense in the surplus or deficit and measured on a diminishing value (DV) or straight line (SL) basis on all plant and equipment that represents the assets estimated useful life. The following depreciation rates have been applied to each class of plant and equipment:

Furniture & Fittings	18% DV
Office Equipment	25% - 40% DV

The residual value, useful life, and depreciation methods of plant and equipment is reassessed annually. When the current book value of an individual asset reaches \$1,000 or less it is fully depreciated in that financial year.



9. Intangible Assets

Intangible assets acquired separately are initially recognised at cost.

Intangible Assets with Finite Useful Lives

Intangible assets acquired by the Trust, which have finite useful lives, are measured at cost less accumulated amortisation and any impairment. The Trust does not hold any intangible assets with indefinite useful lives.

Amortisation is recognised on a diminishing value basis over the estimated useful life of the asset, from the date it is available for use and expensed in the surplus or deficit. Where the assets useful life has come to an end any remaining value is written off:

Website	60% DV
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The residual value, useful life, and amortisation methods of intangible assets is reassessed annually. Intangible assets with finite useful lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Disposals

Gains or losses on derecognition of intangible assets are measure as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in the surplus or deficit, within the Statement of Comprehensive Revenue and Expenses.

10. Impairment of Non-Financial Assets

At each reporting date, non-financial assets are classified into four categories: assets measured at fair value; assets currently available that the Trust intends to use to the end of their useful life; assets intended to be sold prior to the end of their useful life; and assets damaged or idle at reporting date.

Assets measured at fair value or assets the Trust intends to use to the end of their useful life are not reviewed for impairment at reporting date.

Assets intended to be sold prior to the end of their useful life or assets damaged or idle at reporting date are reviewed to determine if any indicators of impairment exist. If indicators exist the asset is tested for impairment to ensure that the carrying amount of the asset is recoverable.

If the recoverable amount of an asset is determined to be less than its carrying amount then the resulting difference is recognised as an impairment loss in the surplus or deficit.

11. Payables

Payables are amounts owed to suppliers for goods and services. They are classified as current if they are due for payment within 12 months of reporting date. They are recorded at the amount due for payment and are normally non-interest bearing. Accrued expenses are amounts payable but have not been billed at reporting date. An estimate has been made of the amount due.

12. Employee Entitlements

Employee benefits, earned from past services, that the Trust expects to be settled within 12 months of reporting date are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to reporting date and annual leave earned, but not yet taken at reporting date.

13. Revenue in Advance

Revenue received for the delivery of specific services which have not been supplied at reporting date are recorded as revenue in advance.



14. Financial Instruments

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the financial instrument.

Financial Assets

Financial assets within the scope of PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through the surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting revenue and expense is recognised in the surplus or deficit or in other comprehensive revenue and expenses. The Trust's financial assets include: cash and cash equivalents and receivables.

All financial assets are subject to review for impairment at least annually. Financial assets are impaired when there is any objective evidence that a financial asset or group of financial assets is impaired.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Trust's cash and cash equivalents and receivables fall into this category of financial instruments.

Impairment to Financial Assets

The Trust assesses at reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

For financial assets carried at amortised cost, if there is objective evidence that an impairment loss on loans and receivables has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate. The carrying amount of the asset is reduced with the use of an allowance account. The amount of the loss is recognised in the surplus or deficit.

Derecognition of Financial Assets

The Trust derecognises a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party, and either;

- the Trust has transferred substantially all the risks and rewards of the asset; or
- the Trust has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the asset.

Financial Liabilities

The Trust's financial liabilities include trade and other creditors (excluding GST and PAYE), employee entitlements, and deferred revenue (in respect of grants whose conditions are yet to be complied with).

All financial liabilities are initially recognised at fair value (plus transaction costs for financial liabilities not at fair value through the surplus or deficit) and are measured subsequently at amortised cost using the effective interest method.



15. Equity

Equity is the community's interest in the Trust, measured as the difference between total assets and total liabilities. Equity is made up of the follow components:

Accumulated Comprehensive Revenue and Expense

Accumulated comprehensive revenue and expenses is the Trust's accumulated surplus or deficit since its formation, adjusted for transfers to and from specific reserves.

Restricted Reserves

This is an equity reserve created by the Trust for financing special projects, such as capital replacement of certain significant assets. The use of these funds is restricted to the specific purpose of the projects.

16. Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with PBE IPSAS RDR requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on judgements, estimates and assumptions is provided in the relevant accounting policy or provided in the note disclosure.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in future years affected.

The following are significant management judgements in applying the accounting policies of the Trust that have a significant effect on the financial statements:

Impairment

An impairment loss is recognised for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances.

Allowance for Doubtful Debts

At reporting date the receivables are reviewed for collectability and those receivables considered uncollectable are provided for accordingly.

Revenue in Advance

An estimate is made at reporting date of the extent to which services are deferred under funding arrangements with conditions attached with the amount of the unexpired revenue retained on the Statement of Financial Position as Revenue in Advance.

Notes to the Financial Statements

2020 Communications Trust For the year ended 30 June 2022

	2022	2021
1. Revenue from Non Exchange Transactions		
Grants and Project Revenue		
Foundation North	89,896	44,732
InternetNZ	100,000	100,000
Manaiakalani Education Trust	964,895	352,730
Ministry of Education	639,822	199,619
Ministry of Social Development	63,595	100,306
Tertiary Education Commission	1,843,891	1,867,307
Other Grants	45,038	15,043
Total Grants and Project Revenue	3,747,136	2,679,737
Sale of Goods and Services		
Learner Contributions	143,537	118,842
Total Sale of Goods and Services	143,537	118,842
Total Revenue from Non Exchange Transactions	3,890,674	2,798,579

Grant Revenue: For the 2021/22 financial year, the Trust received revenue from the Ministry of Education for the Refugee Connect programme, Tertiary Education Commission for the Family Connect and CiH Connect programmes, Manaiakalani Education Trust for the Kainga Connect programme, Foundation North for the Northland Connect programme and Ministry of Social Development for the Pacific Senior Connect programme. The Ministry of Education, Ministry of Social Development, Manaiakalani Education Trust and Foundation North required that the funds be used for stipulated purposes and that unused funds be returned. The grant revenue is non exchange revenue with conditions attached and as such the asset is recognised with a matching liability. As the conditions are satisfied the liability is decreased and revenue recognised.

Learner Contributions Revenue: The Trust also received revenue from families participating in the Family Connect, Kainga Connect, Northland Connect and Computers in Homes programmes. This included a training contribution of \$60 per learner. These are considered as participation fees and do not reflect the value of the services provided.

Donations and Other Grants: During the 2021/22 financial year grants were received from InternetNZ for supporting the Trust's delivery capability, Lottery Grants Board for devices for the Pacific Seniors programme and Auckland Council to support the Family Connect programme. This income is recognised as revenue when received and all associated obligations have been met.

	2022	2021
2. Revenue from Exchange Transactions		
Interest Received	34,557	17,044
Total Revenue from Exchange Transactions	34,557	17,044

	2022	2021
3. Cost of Goods & Services Delivered		
Computer Equipment	1,100,473	861,777
Contracted Team Members	407,290	560,215
Events & Meetings	3,628	10,869
Internet	29,778	51,012
Printing & Copying	439	2,561



Research	9,020	21,235
Salaries	793,537	612,465
Software Licences	6,845	4,988
Team Member Costs	2,656	1,636
Technical Support	3,210	5,440
Training	13,065	11,377
Training Resources & Costs	23,039	26,765
Travel & Accommodation	30,562	45,981
Total Cost of Goods & Services Delivered	2,423,544	2,216,322
	2022	2021

4. Overhead and Administration

Accounting	3,538	3,563
Audit	12,075	8,523
Bad & Doubtful Debts	12,191	1,323
Board	12,421	9,838
Communications	13,090	13,026
Depreciation & Amortisation	9,174	8,633
Honoraria	47,855	26,678
HR Costs	28,166	9,489
Marketing	7,981	4,230
Office Expenses	2,578	11,496
Rent	20,000	19,428
Salaries	174,441	157,693
Other Expenses	5,108	13,113
Total Overhead and Administration	348,618	287,033
	2022	2021

5. Cash & Cash Equivalents

Cash at Bank and in Hand	198,848	148,749
Call Deposits	186,453	141,861
Total Cash & Cash Equivalents	385,301	290,609

The carrying amount of cash and cash equivalents approximates their fair value.

2022 **2021**

6. Receivables

Receivables from Exchange Transactions

Accrued Interest Receivable	16,796	3,411
Total Receivables from Exchange Transactions	16,796	3,411



	2022	2021
Receivables from Non Exchange Transactions		
Trade Debtors	170,932	116,829
Total Receivables from Non Exchange Transactions	170,932	116,829
Total Receivables	187,728	120,239

Trade debtors and other receivables are non-interest bearing and receipt is normally on 30 day terms. Therefore, the carrying value approximates their fair value.

As at reporting date all overdue receivables have been assessed for impairment and appropriate allowances made. All receivables are subject to credit risk exposure. The maximum exposure to credit risk at reporting date is the carrying amount of trade debtors and other receivables as disclosed above. The Trust does not hold any collateral as security.

	2022	2021
7. Plant & Equipment		
Furniture & Fittings		
At Cost		
Opening Balance	12,205	2,032
Additions	-	10,173
Disposals	-	-
Total At Cost	12,205	12,205
Accumulated Depreciation		
Opening Balance	5,965	2,032
Depreciation for the Year	1,054	3,933
Total Accumulated Depreciation	7,019	5,965
Total Furniture & Fittings	5,185	6,239
Office Equipment		
At Cost		
Opening Balance	32,425	24,632
Additions	7,781	14,845
Disposals	(4,860)	(7,052)
Total At Cost	35,346	32,425
Accumulated Depreciation		
Opening Balance	13,779	16,247
Depreciation for the Year	8,075	4,585
Depreciation Written Back in Disposals	(4,860)	(7,052)
Total Accumulated Depreciation	16,994	13,779
Total Office Equipment	18,352	18,645
Total Plant & Equipment	23,537	24,884



	2022	2021
8. Intangible Assets		
Website		
At Cost		
Opening Balance	23,342	23,342
Total At Cost	23,342	23,342
Accumulated Depreciation		
Opening Balance	23,265	23,151
Amortisation for the Year	46	115
Total Accumulated Depreciation	23,311	23,265
Total Website	31	77
Total Intangible Assets	31	77
	2022	2021

9. Payables Under Exchange Transactions

Trade Creditors	208,789	180,309
Accrued Expenses	39,539	37,178
Total Payables Under Exchange Transactions	248,328	217,487

Trade creditors and other payables are non-interest bearing and receipt is normally on 30 day terms. Therefore, the carrying value approximates their fair value.

	2022	2021
10. Employee Entitlements		
Wages Accrual	-	30,854
Annual Leave Entitlements	48,899	40,089
Total Employee Entitlements	48,899	70,943

Short-term employee entitlements represent the Trust's obligation to its current and former employees that are expected to be settled within 12 months of reporting date.

	2022	2021
11. Revenue in Advance		
Computers in Homes Refugee	66,000	241,983
Computers in Homes Special Projects	105	-
Family Connect	310,058	326,692
Kainga Connect	31,500	131,020
Northland Connect	-	89,896
Pacific Seniors Connect	65,851	55,196
Total Revenue in Advance	473,514	844,787



	2022	2021
12. Operating Leases		
Operating leases are held for a motor vehicle.	-	-
Non-cancellable operating leases payable as follows:	-	-
Less than one year	5,386	5,386
Between one and five years	449	5,835
More than five year	-	-
Total Operating Leases	5,835	11,222
	2022	2021

13. Financial Instruments

Financial Assets

Cash and Cash Equivalents	385,301	290,609
Short Term Investments	2,308,085	1,700,788
Receivables	187,728	120,239
Total Financial Assets	2,881,114	2,111,637

Financial Liabilities

Payables	208,789	180,309
Revenue in Advance	473,514	844,787
Total Financial Liabilities	682,303	1,025,096
Total Financial Instruments	2,198,811	1,086,541

14. Going Concern

The Trust continues to be financially solvent and operates as a going concern.

15. Contingent Asset and Contingent Liabilities

At reporting date there are no known, quantifiable contingent assets or contingent liabilities. 2020 Communications Trust has not granted any securities in respect of liabilities payable by any other party. (Last Year : Nil)

16. Commitments

There are no material commitments at reporting date. (Last Year : Nil)

17. Events after Balance Date

In July 2022 the Ministry of Education confirmed that the Trust would receive funding of \$394,909 for the Refugee Connect programme for the 2022/23 financial year.

In June 2022 the Tertiary Education Commission advised of indicative funding of \$2,184,085 for the Family Connect programme for the 2023 calendar year.

18. Related Party Transactions



Related party transactions arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the Trust. The Trust has a related party relationship with its Trustees and other key management personnel.

Transactions with Related Parties

Trustee	Related Party	Nature of Relationship	Nature of Transactions
Guy Alexander	Xero Limited	Manager & Shareholder	Xero Subscription

Trustee Honoraria

During the year, honoraria were paid to the Trustees as follows:

- Margaret McLeod - \$12,000
- David Barrow - \$5,178
- Laurence Millar - \$8,000
- Fritz Evile - \$4,000
- Barbara Bilcich - \$633
- Guy Alexander - \$2,811
- Semi Asafo - \$2,811
- Lesley Hoskin - \$2,811
- Te Omaka Morehu - \$2,811
- Megan Tunks - \$2,811
- Miriam Walker - \$2,600
- Craig Young - \$2,811

Key Management Personnel

The key management personnel, as defined by PBEIPSAS 20 Related Party Disclosures, are the Board of Trustees, and the members of the Management Team: Executive Director, Programme Managers and Accounts Executive. Trustee Officers, including the Chair and Treasurer, receive honoraria as disclosed above. The aggregate remuneration of key management personnel (excluding honoraria), and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	2022	2021
Key management personnel includes the following expenses		
Salaries, contract fees, and other short-term benefits in relation to management team roles (\$)	235,428	237,928
Number of FTEs recognised as key management personnel (5 persons)	3	3
Salaries, contract fees, and other short-term benefits in relation to other work for the Trust (\$)	194,703	181,342

19. Covid 19 Pandemic

Covid 19 has resulted in the 2020 Trust changing the way programmes are delivered – moving to remote delivery for some programmes when necessary.



Independent Auditor's Report

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To the Trustees of 2020 Communications Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of 2020 Communications Trust (the "Trust") on pages 6 to 21 which comprise the statement of financial position as at 30 June 2022, and the statement of comprehensive revenue and expense, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 30 June 2022 and its financial performance and cash flows for the year then ended in accordance with Public Benefit Entity International Public Sector Accounting Standards for Not-for-Profit Entities Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust 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 opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Trust.

Trustees' Responsibilities for the Financial Statements

The Trustees are responsible on behalf of the Trust for the preparation and fair presentation of these financial statements in accordance with Public Benefit Entity International Public Sector Accounting Standards for Not-for-Profit Entities Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board, and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees on behalf of the entity are responsible for assessing the Trust'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 Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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) 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 these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the External Reporting Board's website at: <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>

Restriction on use of our report

This report is made solely to the Trustee's, as a body. Our audit work has been undertaken so that we might state to the Trustee, as a body, those matters which 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 Trust and its Trustees, as a body for our audit work, for this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Limited

Grant Thornton

Wellington, New Zealand

17 October 2022