Te Pūrongao ā-Tau o Workbridge Workbridge Incorporated Annual Report

For the year ended 30 June 2020



Auditors

Crowe New Zealand

Solicitors

Quigg Partners

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Ō mātou whakatakanga, whakakitenga me ngā uara **Our mission, vision and values**

Tauākī Whāinga (Mission)

He tuku i ngā āheinga mahi hei mahi tahi, hei angitu tahi.

Delivering inclusive, successful employment opportunities.

Te Whakakitenga (Vision)

He mahi tā ia tangata e hiahia ana ki te mahi, ā, ka kōwhirihia e ngā rangatira te tangata tika, kei a rātou ngā pūkenga me ngā pūmanawa e hāngai ana ki te mahi.

Everyone who wants a job has one and employers choose the right person with the skills and qualities for the job.

Whanonga Pono (Values)

Kairangi (Excellence)

He tohunga ngaio, he tohunga ki ā tātou mahi, ā, ka ū ki taumata kē noa atu.

We are professional, expert at what we do, and go the extra mile.

Te Auaha (Innovation)

Ko tā mātou he whai i te taki o te wā, he whakairo hoki i te ara rerekē. He iwi auaha, he iwi kaingākau.

We keep pace with and lead change. We're creative and passionate.

Motuhaketanga (Authenticity)

Ka kauanuanutia te kanorautanga, ā, ka whakatinanahia tā mātou i kī ai. E wātea ana 100% o te wā. E ū ana mātou ki te mana motuhake (mana āhua ake), me te whakaute i te kawenga a te whānau i ngā ahurea whānui me ngā hapori.

We embrace diversity and walk our talk. We are 100% accessible. We are committed to mana motuhake (self-determination), while respecting the role of the whanau in many cultures and communities.

Whakapono (Belief)

Ka whakapau kaha mātou ki te angitu, he iwi whakatenatena, arokoa, arotangata anō hoki mātou. Ka mahi tahi mātou ki ngā kairapu mahi ki te whakapiki i ō rātou pūkenga. Ka mahi tahi hoki mātou ki ngā rangatira o ngā wāhi mahi ki te whakapiki i ō rātou āheinga.

We're invested in success, we're encouraging, optimistic and put people first. We work with jobseekers to maximise their strengths, and with employers to maximise their opportunities.

Hiranga (Resilience)

He iwi manawatītī, manawa whakatete, manawa urutau.

We're determined, irrepressible and adaptable.

Tō mātou pūnaha mana whakahaere Our Governance Structure

Workbridge has a two-tiered governance structure consisting of a Council and Board.

Council

The Council is made up of people who represent Disabled People's Organisations (DPOs) and other key businesses. They make recommendations on the types of service and support that we should provide. They handle appointing Board members.

Council Membership stands for the interests of disabled people and others in the community who have a stake in supporting Workbridge to achieve its goals.

Council membership consists of Ordinary Members, Corporate Members, and Honorary Life Members.

Council Representatives (Resigned)			
Name	Organisation	Resigned	
Gaye Austin	Deaf Aotearoa	31-10-19	
Paula Waby	Blind Citizens NZ	16-07-19	
Kim Simmonds	NZ Council of Trade Unions	13-02-20	
Lisa Archibald	PeerZone Ltd	16-06-20	

Council Representatives

Name	Organisation	Appointed
Debbie Ward (Council President)	Disabled Persons Assembly	06-03-18
Barbara Burton	Business NZ	28-09-05
Michael Aldridge	People First NZ	01-07-18
Lance Girling- Butcher	Kapo Maori Aotearoa Inc NZ	08-12-08
Jacinta Tevaga	Vaka Tautua	04-03-19
Lisa Oakley	Human Resources NZ	03-10-19
Lachlan Keating	Deaf Aotearoa	30-10-19
Chrissy Fern	Blind Citizens NZ	23-01-20

Board

The Board is responsible for managing the overall business and setting strategic goals for the organisation. They are responsible for appointing the Chief Executive who manages the day-to-day operations.

Board Representatives

Name	Appointed
Pam MacNeill (Board Chair)	22-09-14
David Shearer	01-08-14
Heather Browning	20-10-16
Kerry Ludlam	0-10-16
Derek Gill	26-10-17
Mark Bogle	31-10-19
Sonia Thursby	31-10-19
Vivienne Holm	31-10-19

Senior Leadership Team

The Senior Leadership Team is appointed by the Chief Executive. They support the Chief Executive to manage the day-to-day operations.

Senior Leadership Team

Name	Title
Jonathan Mosen	Chief Executive
Phillip Hendry	Chief Operating Officer
Jude King	National Manager People & Culture
Alastair Hoult	National Manager Business Services
Nick Ruane	Manager Stakeholder Relations



Mai i te Perehitini o te Kaunihera From the Council President

Tēnā koutou katoa

Whāia te iti kahurangi ki te tūohu koe me he maunga teitei – Seek the treasure you value most dearly: if you bow your head, let it be to a lofty mountain.

The meaning behind this whakatauākī is about being persistent and not letting obstacles stop us from reaching our goals. Aiming high for what is truly valuable. I believe this reflects the last twelve months for Workbridge. Governance, management, and staff have navigated the way together around many obstacles, never losing sight of their goal which is to support jobseekers to find meaningful employment and work.

When I accepted the role of Council President, I felt I had 'big shoes' to fill. Gaye Austin led the Council strongly over the last three years. I want to acknowledge the work that Gaye did to strengthen the relationship between the Council and the Workbridge Board.

Before the 2019 AGM, Council led a recruitment process to appoint three new members to the Workbridge Board. We were overwhelmed with applicants from across the country who had a high calibre of governance, business, and sector experience. The process resulted in the Council appointment of Mark Bogle, Sonia Thursby, and Vivienne Holm.

On behalf of the Council, I commend Jonathan Mosen on the approach that he took for reviewing Workbridge's Strategic Plan. A document that most organisations do internally between Governance and Management. Jonathan took a broader consultative approach which gave opportunity for Corporate Members, Council, Board, staff, and jobseekers to feed back on the strategic direction of Workbridge.

At the beginning of this year, remuneration of Council Members commenced. It was agreed that the remuneration, in the form of a meeting attendance fee, was optional for Council Members and only available to members who represented their organisations in a voluntary (unpaid) capacity. As the overarching governing body for Workbridge, it is only appropriate that Council Members be remunerated accordingly.

Health and Safety Legislation became a hot topic of discussion for the Council and Board. Since Workbridge has two Governance structures the question was raised, who does the onus sit with if serious harm occurred? After much debating, several legal opinions, and individual opinions there was no one clear answer. However, it was agreed, regardless of legislative responsibilities, Council does have responsibility to ensure that the wellbeing of staff and jobseekers is occurring across the organisation. Health & Safety updates are now included to Council as part of the Chief Executive's Report. A more detailed report is provided to Workbridge Board and is available on request by Council at any time.

Earlier in the year I was asked to do a presentation to the Workbridge Board on the history of Workbridge. This presentation was well received by the Board and was also presented to the Council at their June meeting. 2021 will be the 90th Anniversary of the involvement Workbridge has had in supporting disabled people into employment in Aotearoa.

As I come to the end of my report, I want to acknowledge Jonathan and his bold leadership of Workbridge. He has worked tirelessly with his Senior Leadership Team to create the changes that the organisation needed to be financially sustainable into the future and remain innovative with their thinking through these difficult times. As Covid-19 hit the country, he ensured staff had what they needed to still be able to provide support to jobseekers and employers remotely. Now more than ever, as unemployment increases, disabled people will need the support of Workbridge to find opportunities for work. This year Council welcomed Chrissy Fern (Blind Citizens NZ), Lachlan Keating (Deaf Aotearoa), Lisa Oakley (HRNZ); and farewelled Gay Austin (Deaf Aotearoa), Paula Waby (Blind Citizens NZ), Kim Simmonds (NZ Council of Trade Unions), and Lisa Archibald (PeerZone Ltd). I would also like to acknowledge the passing of Suzy Stevens (PeerZone Ltd) who sadly passed away earlier in the year.

Finally, thank you to the Council for your commitment to Workbridge, keeping its Board and Management accountable to the needs of Job Seekers. I especially want to thank you for your flexibility and availability as we have had to meet virtually for most of this year. Thank you Jonathan and your Senior Leadership Team, for attending the Council meetings and being authentic in the work you do. Thank you to Nigel, National Administrator, your support to me and the Council has been invaluable, and we wish you well in your retirement. Thank you to Pam and the Workbridge Board for your expertise and commitment to supporting Jonathan and ensuring the ongoing sustainability of Workbridge.

Finally, a big thank you to the Workbridge staff for your resilience and tenacity through what has been a changing and challenging times. Your commitment to seeing disabled people included into the workforce is greatly appreciated by Council.

He waka eke noa – A canoe which we are all in with no exception.

Debbie Ward Council President



Mai i te Heamana o te Poari **From the Board Chair**

Looking back on my first year as chair of the Workbridge Board of Management, I am encouraged by the progress the organisation has made as we build a better Workbridge for the future.

I'd like to recognize the tireless efforts of our Senior Leadership team, headed by the Chief Executive. Jonathan Mosen became CE of Workbridge just over a year ago and, since then, with the full support of the board, has driven transformational change throughout the organisation. This has led to developments which I believe have been necessary to help us better serve our stakeholders. Together, the leadership team is executing plans to streamline the organisation's operating structure, better define roles and responsibilities, fill key positions, enhance the way we serve jobseekers and employers, strengthen risk and compliance measures, and instil our mission, Vision and Values uniformly into the culture of Workbridge. Going forward, we believe maintaining a holistic view of the organisation and focusing on operational excellence will result in continued positive improvement.

I'd like to take this opportunity to recognise one staff member and one Board member, both of whom have made valuable contributions to the organisation over several years.

Nigel Jeffcoat has been a font of institutional knowledge for Workbridge over many years, providing administrative support and assistance to at least three Chief Executives during this time. We wish Nigel well for his future endeavours in warmer climes.

David Shearer's term on the board has concluded and he leaves with our sincere thanks for his work, particularly in the area of human resources.

It has been a distinct pleasure to chair the Workbridge Board of Management over the past year. The work undertaken has been ambitious, particularly given the way in which the organisation has had to adapt to meet the challenges of COVID-19. This work has benefited considerably from the guidance, advice, and influence of Board members. I am proud to work with such a dedicated Board, as we continue to oversee the work of Workbridge towards meeting key objectives. Notwithstanding the likely effects of the pandemic on employment opportunities for our jobseekers, the Board remains excited and optimistic about the future.

The previous Board Chair's report noted that the coming 12 months promised to be an extraordinarily busy and productive year. Little did we know what lay ahead for the country and the world with respect to COVID-19. This has had quite an impact on Workbridge staff and our stakeholders. I wish to conclude this report by sincerely thanking Jonathan and his team for their dedication and leadership throughout both the lockdown and recovery phases of the pandemic. A continuity plan was developed and implemented very quickly and gave all associated with Workbridge, including our funder, confidence that business could continue, if not as usual, at least as well as possible in the circumstances. A huge thank you to all involved.

I would also like to thank all Board of Management Members for their governance support throughout a tough year.

The coming year will no doubt be just as challenging in its own way and I look forward to working with Board Members and staff as we continue to implement the strategic and business plans, promote Policy That Works, progress digital capability and inclusion and critically, be of service to jobseekers and employers.

Pam MacNeill Board Chair



Mai i te Tumu Whakarae From the Chief Executive

Tēnā koutou katoa

Making a difference

The mahi we do at Workbridge is about creating opportunity. Each successful employment relationship we facilitate makes New Zealand a fairer place, ensuring that erroneous assumptions about disability do not result in a great candidate being overlooked.

Thanks to our contract with the Ministry of Social Development, we offer this service free to jobseekers and employers. Many employers understand the importance of getting the best person for the role and minimising staff turnover, but they have many questions. We are happy to answer those questions to increase disabilityconfidence, dealing honestly with erroneous assumptions.

During the reporting period, Workbridge achieved:

- 2,733 enrolments
- 1,090 placements
- Over 500 more placements that could not be counted against our MSD placement target
- 57% of those placed into employment were still employed 12 months after first starting work, in either their first or a subsequent placement.

Optimising for the future

Following extensive consultation, the Board adopted Workbridge's new Strategic Plan in December 2019, including new mission, vision, and values statements. Service that delights our customers, organisational excellence, and a sustainable future for Workbridge are key drivers. In the new year, I consulted with staff regarding the operational framework required to deliver the Plan's goals.

The changes began in April with the implementation of a new Senior Leadership Team (SLT). They have hit the ground running and, while change can be unsettling, I think there is a sense of energy and momentum throughout the organisation.

My thanks to Phil Hendry, who holds the newlycreated Chief Operating Officer role, Jude King our National Manager People and Culture, and Alastair Hoult who joined us recently to replace Ry Stinton as our National Manager Business Services, for their leadership and dedication.

I would also like to thank Glen Alderton, Adie McLachlan, Kaey Bishop, and Selwyn Cook for their considerable contribution to the organisation.

COVID-19

I could not be prouder of the way our team responded to COVID-19. We began continuity planning early in the new year and worked with each team member to ensure they were able to connect to our systems from home. When the lockdown was announced, we made a near seamless transition to home working and continued to support our customers. We were able to continue work on job preparedness, CV preparation and even placement.

Taking it in their stride, our teams throughout the country met, socialised, and supported each other online.

This is a tribute to the dedication and tenacity of the entire Workbridge team and the competency of our IT team. During this reporting period, they seamlessly transitioned us to a cloud-based infrastructure using new tools such as Microsoft Teams which stood us in good stead for remote working.

The lessons we have learned and confidence we have gained about remote working have been a positive.

We are mindful that the high unemployment rate among the general population will make the disability employment crisis even worse than it was before COVID-19. We are determined to do all we can to mitigate that.

Mahi

After careful design and testing, we rolled out Mahi, our new customer relationship management system, in September 2019. Mahi allows us to provide a superior service to customers, making it easier to track the customer journey and ensure we deliver on our commitments.

We supported Mahi's implementation with extensive training including videos, documentation, and webinars.

It is the platform on top of which we are building MyWorkbridge, an exciting new way for customers to engage with us via the web or dedicated mobile apps. Never fear, face-to-face contact isn't going away, but it is important we provide a convenient, accessible service online through which those seeking work can be matched with available opportunities and be assisted to apply. Progress of the MyWorkbridge project was delayed a little due to COVID-19 but is back on track.

Connecting better

During this reporting period, I appointed Whitney Tangaroa to the new Manager, Brand Development position. She has transformed how and where we engage with our current and potential customers, both jobseekers and employers. You'll find us regularly engaging on Facebook, LinkedIn, and Twitter. We have some outstanding videos, available on social media and our YouTube channel, which tell customer stories to demonstrate the way our work changes lives for jobseekers and employers alike.

We have increased brand awareness through a radio advertising campaign.

Workbridge now also has a podcast called Mahi. We usually publish an episode each month, and it is available wherever you get your podcasts.

Engagement

Workbridge has continued to engage with the business sector and Government about improving the employment outcomes for disabled people. This engagement has increased substantially during and after the lockdown. I am encouraged by the substantive policy discussions we have been able to have and believe they will result in change that makes Aotearoa a more inclusive place. Thanks to Nick Ruane, who I appointed to the Manager, Stakeholder Relations position earlier this year, for often taking the lead in this korero.

It is important that New Zealand is a place where policy puts people and outcomes first, rather than policy being based on silos that may be a barrier to quality outcomes.

Conclusion

I have taken to frequently telling people, "There is never a dull day at Workbridge." We are changing to improve the outcomes and services we provide, and how we provide them. We are adapting to the current contractual environment. On top of this, we rallied around and saw each other through a global pandemic. We are nimble, determined, and passionate about the difference we make. To every member of this incredible team I have the honour of leading, I offer my heartfelt thanks.

Thanks also to David Wright, our Board Chair at the beginning of this period, and Pam MacNeill who succeeded him, for their wise counsel and support.

I am grateful also to Gaye Austin and her successor Debbie Ward for working with me in their capacity as President of our Counsel.

Finally, thanks to jobseekers and employers for the confidence they place in us. It is an honour we must always earn. It is a privilege to serve you and to make a difference.

Ngā mihi nui

MPSIZV

Jonathan Mosen Chief Executive

Ngā mahi whakaharahara o 2019-2020 Highlights of 2019-20

30 years

Number of years Workbridge Incorporated has been operating

1000+

Number of jobseekers that have been placed into employment

Disability-led

A disability-led organisation – led by people with lived experience of disability

70%

More than 70% of jobseekers placed into employment were still employed after 3 months

36%

Number of Workbridge staff who identify as disabled

1300+

Number of employers we have worked with

2700+

Number of jobseekers enrolled

60%

More than 60% of jobseekers placed into employment were still employed after 6 months

55%

More than 55% of jobseekers placed into employment were still employed after 9 months

55%

More than 55% of jobseekers placed into employment were still employed after 12 months

Tā Cameron Kōrero Cameron's Story

24-year old Cameron moved to Wellington six years ago to further develop his love of writing into a career. He attended Victoria University and graduated with a Bachelor of Communications.

Towards the end of his studies, Cameron feared that he would struggle to find employment. He felt unemployable because of his desires and needs. After connecting with Workbridge, Cameron landed a role at Wellington City Council where he supports the Internal Communications team on several communications-related projects.

Cameron is in a job that he's thriving in but, most importantly, he is part of a team that supports him.

"At the moment I'm in a job that I absolutely love, I'm in a team that supports me. Working with Workbridge has helped me to be the best employee that I can be, and without them I don't think I'd be in the position I am today." – Cameron

"He works so hard, he really wants to be here and seeing him grow and develop into his role has just been so rewarding." – Cameron's Manager

Image description: Cameron is engaged in work on the computer. He is joined by his manager Chantelle.



Tā Francesca Kōrero Francesca's Story

As recruitment began to slow and many New Zealanders were finding themselves out of work due to COVID-19, 24-year old Francesca was searching local job websites, determined to find employment.

Francesca enrolled with Workbridge to get assistance transitioning into the workforce. Just as New Zealand was preparing to come out of Alert Level 4, she came across a job listing for a Central Processing Officer with the Ministry of Social Development.

After submitting her application, Francesca was offered a phone interview – something completely new to Francesca. She worked with Employment Consultant Ollie to coach her through the process.

Francesca's skills were unmistakable during the interview process and, shortly after, she was offered the role of Central Processing Officer. Francesca has been working at the Ministry of Social Development since June this year.

Francesca is an incredibly smart, caring, and determined young woman who thrives on the challenges her new role brings.

"I like the challenge. This is something that probably wouldn't come naturally to me...you're learning new things all the time and you're helping people; I like that!" – Francesca

"The skills that Francesca brings to the organisation became very apparent to us during the interview process. She appeared to be a very genuine, empathetic sort of person. She gave some very thoughtful, intelligent answers and communicated in a very clear and articulate manner." – Brian Powell, Centralised Service Manager for Ministry of Social Development.

Image description: Francesca is sitting at her computer, doing work on her computer. She is also wearing a headset.



Tā Tara Kōrero **Tara's Story**

Tara was 23-years old when her family decided to bring their life from Aitutaki, Cook Islands to Whanganui, New Zealand.

This big shift brought on many new challenges for Tara, who was adjusting to her new life in New Zealand; a new culture, new etiquettes, new social norms, and a cooler temperature – to name a few.

Among these challenges, Tara was eager to find employment. She enlisted support from Work and Income Whanganui, where she attended courses to help her upskill, and actively attended job expos. It was through a job expo that Tara first heard of Workbridge. Employment Consultant Jan was eager to help Tara find employment and eventually Tara gave in to Jan's persistence. After just two months of being enrolled with Workbridge, Tara was employed.

Since June 2019 Tara has been employed by GPSOS, a mobile emergency company, as a member of the Customer Service team who provide 24/7 care to customers – helping customers feel safe and secure knowing they are there if anything goes wrong.

Tara has been employed since the very beginning of the company.

"We grew up into one big family here. You know, family, they help each other. I bring positive energy to everyone. I put smiles on everyone's face, they kind of like me, so yeah." – Tara

"You have to be positive that somewhere out there someone will want to employ you." – Tara

"We decided right from the word go that the opportunity would be there...and we're thrilled. Absolutely thrilled." – Mark, Founder and CEO of GPSOS

Image description: Tara is smiling at the camera. She is wearing a beautiful floral Cook Island headpiece that she has made herself.



Ngā Tauākī Pūtea **Financial Statements**

The Statement of Accounting Policies and Notes to the Accounts form part of, and should be read in conjunction with, these Statements of Account.

Statement of comprehensive revenue and expenditure

For the Year Ended 30 June 2020

	2020	2019
Revenue from Exchange Transactions		
Placement Contract Management Fee	9,527,742	11,120,400
Support Funds Contract Management Fee	500,000	500,000
Regional Contract Income	19,467	13,118
Other Income	809,774	0
Total Revenue from Transactions	10,856,984	11,633,518
Total Revenue	10,856,984	11,633,518
Expenditure (Note 1)		
People	8,726,771	7,921,826
Communication	208,192	315,163
Information Management	935,902	1,027,251
Customer Service	45,148	68,723
Distribution	465,677	498,890
Asset/Lease Management	1,480,540	1,283,895
Corporate	332,426	343,467
Total Expenditure	12,194,656	11,459,216
Financing Activities		
Interest Income	23,191	72,340
Income from Investment Funds	55,571	88,428
Net Surplus/(Deficit) from Finance Activities	78,762	160,767
Operating Surplus/(Deficit)	(1,258,910)	335,070
Non-Operating Activities		
Gain/(Loss) on value of Investment Fund	6,575	91,560
Gain/(Loss) on sale of assets	0	11,957
Total Non-Operating Activities	6,575	103,517
Total Comprehensive Revenue and Expenditure	(1,252,335)	438,586

Statement of changes in net assets

For the Year Ended 30 June 2020

	2020	2019
Equity at 1 July 2019	5,577,737	5,139,151
Surplus/(Deficit) for the year	(1,252,335)	438,586
Equity at 30 June 2020	4,325,402	5,577,737

Statement of financial position

As at 30 June 2020

Current Assets	2020	2019
Cash and Cash Equivalents (Note 4)	1,703,691	2,937,888
Other Financial Assets (Note 6)	2,318,664	2,356,518
Receivables (Note 5)	3,653,600	793,219
Prepayments	168,719	172,018
Total Current Assets	7,844,674	6,259,643
Non Current Assets		
Investments (Note 4)	179,809	179,809
Property, Plant and Equipment (Note 2)	196,652	149,189
Intangible Assets (Note 7)	735,417	348,632
Total Non Current Assets	1,111,878	677,630
Total Assets	8,956,552	6,937,273
Current Liabilities		
Payables (Note 8)	3,569,735	481,429
GST Payable	409,994	185,644
Employee Entitlements (Note 3)	638,112	680,118
Total Current Liabilities	4,617,841	1,347,191
Non-Current Liabilities		
Employee Entitlements (Note 3)	13,309	12,345
Total Liabilities	4,631,150	1,359,536
NET ASSETS	4,325,402	5,577,737
Represented by:		
Equity	4,325,402	5,577,737

For and on Behalf of the Board

S. DEB

Pamela MacNeill Date: 25 September 2020

Derek Gill Date: 25 September 2020

Statement of cash flows

For the Year Ended 30 June 2020

	2020	2019
Cash Flows from Operating Activities		
Cash was provided from:		
Revenue from Exchange Transactions		
Placement Contract Management Fee	9,842,067	10,397,072
Support Funds Contract Management Fee	500,000	500,000
Regional Contract Income	19,467	13,118
Other Income	809,774	0
Interest Income	23,191	72,340
Total Revenue from Transactions	11,194,499	10,982,530
Total Operating Revenue	11,194,499	10,982,530
Cash was disbursed to:		
Payments to suppliers	1,856,176	2,637,996
GST	1,254,389	688,646
Payments to employees	8,726,771	7,921,826
Total Operating Disbursements	11,837,336	11,248,468
Net Cash Flows From (To) Operating Activities	(642,837)	(265,938)
Cash Flows from Investing Activities		
Cash was provided from:		
Sale of fixed assets	0	11,957
Redemption of Fund Investment	100,000	0
Cash was applied to:		
Purchase of Property, Plant and Equipment and Intangible Asset	691,359	361,554
Deposit in Investment Fund		
Deposit in Term Investments		
Net Cash Flows From (To) Investing Activities	(591,359)	(349,597)
Net Decrease in Cash Held	(1,234,196)	(615,535)
Opening Cash Brought Forward	2,937,887	3,553,422
Ending Cash Carried Forward	1,703,691	2,937,887

Reconciliation of operating cash flows

For the Year Ended 30 June 2020

	2020	2019
Net Surplus (Deficit) for the Year	(1,252,335)	438,586
Non-Cash Items		
Depreciation	257,111	124,516
Income from Investment Fund reinvested	(55,571)	(88,428)
Unrealised (Gain)/Loss in value of Investment Fund	(6,575)	(91,560)
Gain On Sale of assets	0	(11,957)
Total Non-Cash Items	194,965	(67,429)
Net Change in Working Capital		
Debtors	(2,860,381)	(723,328)
GST	224,350	306,418
Prepayments	3,299	(93,053)
Creditors and provisions	3,088,307	(45,624)
Payroll accruals	(41,042)	(81,508)
Movement in Working Capital	414,533	(637,095)
Net Cash Flows From (To) Operating Activities	(642,837)	(265,938)

Notes to the financial statements

These Notes to the Accounts form part of, and should be read in conjunction with, the Statements of Account.

1 Reporting entity

These financial statements comprise the financial statements of Workbridge Incorporated for the year ended 30 June 2020.

The financial statements were authorised for issue by the Board of Directors on 25 September 2020.

Workbridge Incorporated is an incorporated society registered under the Incorporated Societies Act 1908. The Society has 22 branches throughout New Zealand with the Corporate office in Wellington.

2 Basis of preparation

a) 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 (NZ IPSAS with RDR) and other applicable Financial Reporting Standards as appropriate to Public Benefit Entities.

The entity 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 entity is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

b) Basis of measurement

The financial statements have been prepared on a historical costs basis, except for assets and liabilities that have been measured at fair value, as noted below.

The accrual basis of accounting has been used unless otherwise stated and the financial

statements have been prepared on a going concern basis.

c) Presentation currency

The financial statements are presented in New Zealand dollars.

d) Comparatives

The net asset position and net surplus or deficit reported in comparatives is consistent with previously authorised financial statements.

e) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

3 Summary of significant accounting policies

The accounting policies of the entity have been applied consistently to all years presented in these financial statements.

The significant accounting policies used in the preparation of these financial statements are summarised below:

a) Cash and cash equivalents

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

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

b) Receivables

Trade debtors and other receivables are measured at their cost less any impairment losses.

An allowance for impairment is established where there is objective evidence the entity will not be able to collect all amounts due according to the original terms of the receivable.

c) Creditors and other payables

Trade creditors and other payables are stated at cost.

d) Property, plant and equipment Property, plant and equipment are measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation is recognised as an expense in the reported surplus or deficit and measured on a straight value (SL) basis on all Fixed Assets over the estimated useful life of the asset at the following rates:

Furniture, fixtures and fittings	5 years	20%
Leasehold Improvements	Over term of lease	
Office equipment	5 Years	20%
Computer equipment	3 Years	33%
Motor vehicles	5 Years	20%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining life of the improvements, whichever is shorter.

The residual value, useful life, and depreciation methods of the Fixed Assets is reassessed annually.

e) Leased assets

Leases where the Entity assumes substantially all the risks and rewards incidental to ownership of the leased assets, are classified as finance leases. All other leases are classified as operating leases.

Payments made under operating leases are recognised in the surplus or deficit on a straightline basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Associated costs, such as maintenance and insurance, are expensed as incurred.

f) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity.

Financial instruments are comprised of trade debtors and other receivables, cash and cash equivalents, other financial investments, trade creditors and other payables and other financial liabilities.

Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition, except for those carried at fair value through surplus or deficit, which are measured at fair value.

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

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the entity transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition into one of four categories defined below and reevaluates this designation at each reporting date.

All financial assets except for those classified as fair value through profit or loss are subject to review for impairment at least at each reporting date. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

The classification of financial instruments into one of the four categories below, determines the basis for subsequent measurement and whether any resulting movements in value are recognised in the reported surplus and deficit or other comprehensive revenue and expense.

i. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The entity's cash and cash equivalents, trade debtors, investments and most other receivables fall into this category of financial instruments.

After initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

ii. Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets that are either classified as held for trading or that meet certain conditions and are designated at fair value through surplus or deficit upon initial recognition.

Assets in this category are measured at fair value with gains or losses recognised in the surplus or deficit for the year. The fair value of financial instruments in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

iii. Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables.

Investments are classified as held-to-maturity if the entity has the intention and ability to hold them until maturity.

Held-to-maturity investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in surplus or deficit.

iv. Available-for-sale financial assets

Available-for-sale financial assets are nonderivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The entity's available-for-sale financial assets include listed securities and debentures, and certain other equity investments.

Equity investments are measured at cost less any impairment charges, where the fair value cannot currently be estimated reliably.

All other available-for-sale financial assets are measured at fair value. Gains and losses are recognised in other comprehensive revenue and expenses and reported within the "available-forsale revaluation reserve" within equity, except for impairment losses which are recognised in the surplus or deficit for the year.

When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive revenue and expenses is reclassified from the equity reserve to the surplus or deficit and presented as a reclassification adjustment within other comprehensive revenue and expenses.

Interest income or dividends on available-for-sale financial assets are recognised in the surplus or deficit.

Available-for-sale financial instruments are reviewed at each reporting date for objective evidence that the investment is impaired. Objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost.

Subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through surplus or deficit, that are subsequently measured at fair value with gains or losses recognised in the surplus or deficit.

g) Provisions

A provision is recognised for a liability when the settlement amount or timing is uncertain; when there is a present legal or constructive obligation as a result of a past event; it is probable that expenditures will be required to settle the obligation; and a reliable estimate of the potential settlement can be made. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

h) Employee entitlements

Employee benefits, previously earned from past services, that the entity expect to be settled within 12 months of reporting date are measured based on accrued entitlements at current rate of pays.

These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date.

Employees of the entity become eligible for long service leave after a certain number of years of employment, depending on their contract. The liability for long service leave is recognised and measured at a percentage of Full Value, based on entitlement date.

i) Revenue

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

The entity assesses its revenue arrangements against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. In respect of the management of the Support Funds Workbridge acts in an agency relationship and only the portion of revenue earned on the entity's own account is recognised as gross revenue in the Statement of Comprehensive Revenue and Expense. The entity acts in an agency capacity on behalf of the Ministry of Social Development. Details of these activities are included at pages 32 to 34.

Revenue from non-exchange transactions

A non-exchange transaction is where the entity 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, 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, but no requirement to return the asset if not deployed as specified, then revenue is recognised on receipt.

Condition stipulation is where funds received are required to be used for a specific purpose, with a requirement to return unused funds.

Restriction stipulation is where funds received are required to be used for a specific purpose, with no requirement to return unused funds.

Grant income

Grant 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 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 is treated as "income 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 entity has satisfied these conditions.

Interest income

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

j) Income tax

Due to its charitable status, the entity is exempt from income tax.

k) Goods and Service Tax (GST)

All amounts in these financial statements are shown exclusive of GST, except for receivables and payables that are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

I) Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset

The following rates have been applied to each class of intangible asset:

Computer Software – 5 years Straight line

Residual values and useful lives are addressed at each reporting date.

4 Significant accounting judgements, estimates & assumptions

The preparation of financial statements in conformity with NZ IPSAS 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 significant judgements, estimates and assumptions is provided in the relevant accounting policy or provided in the relevant 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 entity that have a significant effect on the financial statements:

Impairment

An impairment loss is recognised for the amount by which the asset's 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. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to future events and circumstances.

Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted price in active markets, the fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Useful lives and residual values

The useful lives and residual values of property, plant and equipment and intangible assets are assessed annually based on the following indicators of impairment:

- The condition of the asset based on the
 assessment of experts employed by the entity
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset.

Notes to the accounts

These Notes to the Accounts form part of, and should be read in conjunction with, the Statements of Account.

1 Operating Statement

1.1. Operating leases

Workbridge Incorporated leases office premises on a variety of terms from 1 month to 10 years. The operating lease expense incurred can be summarised as follows:

	2020	2019
Premises	746,596	735,487
Motor Vehicles	152,038	173,558
Computers	115,453	115,453
	1,014,087	1,024,498

The lease commitments are:

	Premises	Motor	Total	Total
		Vehicles	2020	2019
Year 1	473,153	97,814	570,967	763,986
Year 2	269,016	31,025	300,041	478,165
Year 3	176,539	0	176,539	281,887
Year 4	180,513	0	180,513	188,876
Year 5	154,170	0	154,170	360,694
	1,253,391	128,839	1,382,230	2,073,608

1.2. Audit fees

Audit fees of \$23,000 have been paid to Crowe New Zealand Audit Partnership (2019 \$22,000).

1.3. Contingent liabilities

Contingent liabilities comprise bank guarantees in respect of offices leases for the Auckland office (\$125,000 to Goodman Nominees (NZ) Ltd) and \$54,809 for the Lower Hutt office (\$54,809 to DGM Business Group Ltd). These values are unchanged from those reported for 2019.

1.4. Related parties

The entity has a related party relationship with its key management personnel. Key management personnel include the Board of Management and Senior Management.

	2020	2019
Board Fees	103,893	119,082
Senior Management Salaries and short-term benefits	1,213,878	970,397
Termination Benefits	170,276	0
Total Remuneration	1,488,047	1,089,479
Number of key management personnel	10	8
Number of Board Members	8	8

2 Detail of property, plant and equipment

The breakdown of property, plant and equipment as at 30 June 2020 is as follows:

Asset Classification	Additions	Depr Expense	Cost	Accum Depr	Closing Book Value
Furniture	805	23,289	24,656	24,656	0
Fixture and Fittings	0	57,078	345,111	284,806	60,305
Office Equipment	1,206	5,988	38,493	38,493	0
Computer Equipment	60,696	52,209	288,623	275,596	13,027
Motor Vehicles	138,238	14,918	610,847	487,527	123,320
Total Assets	200,945	153,482	1,307,730	1,111,078	196,652

The breakdown of property, plant and equipment as at 30 June 2019 is as follows:

Asset Classification	Additions	Depr Expense	Cost	Accum Depr	Closing Book Value
Furniture	2,043	11,670	97,315	74,831	22,484
Fixture and Fittings	11,310	56,054	345,111	227,728	117,383
Office Equipment	0	5,239	14,203	14,080	123
Sundry Equipment	676	3,293	20,205	15,546	4,659
Computer Equipment	0	4,646	227,927	223,387	4,540
Motor Vehicles	0	4,076	472,609	472,609	0
Total Assets	14,029	84,978	1,177,370	1,028,181	149,189

3 **Employee entitlements**

Payroll accruals include employee entitlements of \$651,421 (2019 \$692,463) for accrued wages, holiday pay, and superannuation.

These are reported as current liabilities of \$638,112 and non-current liabilities of \$13,309.

4 Detail of cash and cash equivalents

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

Short term deposits are made for varying periods of between one to three months depending on the immediate cash requirements of the entity, and earn interest at respective short-term deposit rates.

The Cash and Cash Equivalents available for use as at 30 June 2020 is as follows:

	2020	2019
Petty Cash	5,900	5,900
BNZ Cheque account	72,879	91,585
BNZ Call account	622,103	2,836,112
Westpac Call account	2,272	4279
Term Investments	1,000,537	0
Total Cash and Cash Equivalents	1,703,691	2,937,888

The Cash Equivalents not available for use as at 30 June 2020 are as follows:

Table Data Shown in Thousands	2020	2019
Term Investment	125,000	125,000
Term Investment	54,809	54,809
Total	179,809	179,809

A term investment of \$125,000 relates to a bank guarantee provided in respect of the Auckland office lease. The bank guarantee reduces on 1st May 2022 to \$30,000 until expiry on 30th May 2025.

A term Investment of \$54,809 relates to a bank guarantee provided in respect of the Lower Hutt office lease. The bank guarantee expires on 22nd February 2025.

The bank has a charge over these term investments.

5 Receivables from exchange transactions

	2020	2019
Trade debtors	3,653,600	793,219
Total	3,653,600	793,219

Trade debtors and other receivables are non-interest bearing and are due normally on 30 days terms. Therefore the carrying value of trade debtors and other receivables approximates its fair value.

As at 30 June 2019 and 2020 all overdue receivables have been assessed for impairment and appropriate allowances made.

All receivables are subject to credit risk exposure.

6 Other financial assets

	2020	2019
Managed Fund	2,318,664	2,356,518
Total current other financial assets	2,318,664	2,356,518

The fair value of the entity investments in Managed Funds has been determined by reference to their quoted prices at the reporting date. Gains and losses are recorded within "other gains/(losses) ", within the reported surplus or deficit.

7 Intangible assets

The breakdown of intangible assets as at 30 June 2020 is as following

Asset Classification	Additions	Depr Expense	Cost	Accum Depr	Closing Book Value
Software	490,414	103,629	919,326	183,909	735,417

The breakdown of intangible assets as at 30 June 2019 is as following

Asset Classification	Additions	Depr Expense	Cost	Accum Depr	Closing Book Value
Software	347,526	39,538	428,912	80,281	348,632

8 Payables under exchange transactions

	2020	2019
Trade creditors	150,180	206,398
Non-trade payables and accrued expenses	244,848	275,012
Income in Advance	3,174,707	0
Total	3,569,735	481,420

Trade creditors and other payables are non-interest bearing and normally settled on 30 day terms; therefore their carrying amount approximates their fair value.

9 Financial instruments

a) Carrying value of financial instruments

The carrying amount of all material financial position assets and liabilities are considered to be equivalent to fair value. Fair value is the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction.

b) Classification of financial instruments

All financial assets held by the entity that are classified as "loans and receivables" are carried at cost less accumulated impairment losses. The carrying amounts presented in the statement of financial position relate to the following categories of financial assets and liabilities.

Financial assets as at 30 June 2020

Asset Classification	Financial assets at fair value through surplus or deficit	Held-to- maturity invest- ments	Loans and receivables	Available-for- sale financial assets	Total
Cash and cash equivalents	0	0	1,703,691	0	1,703,691
Trade debtors and other receivables	0	0	3,653,600	0	3,653,600
Other financial assets	2,318,664	0	0	0	2,318,664
Investment	0		179,809		179,809
Total	2,318,664	0	5,537,100	0	7,855,764

Financial liabilities as at 30 June 2020

Liability Classification	Financial liabilities at fair value		Total
Trade creditors and other payables	0	150,180	150,180
Total	0	150,180	150,180

Financial Assets as at 30 June 2019

Asset Classification	Financial assets at fair value through surplus or deficit	Held-to- naturity invest- ments	Loans and receivables	Available-for- sale financial assets	Total
Cash and cash equivalents	0	0	2,937,888	0	2,937,888
Trade debtors and other receivables	0	0	793,219	0	793,219
Other financial assets	2,356,518	0	0	0	2,356,518
Investment	0		179,809		179,809
Total	2,356,518	0	3,910,916	0	6,267,434

Financial liabilities as at 30 June 2019

Liability Classification	Financial liabilities at fair value		Total
Trade creditors and other payables	0	206,398	206,398
Total	0	206,398	206,398

10 Prior year comparatives

Comparative figures included in the financial statements relate to the financial year ended 30 June 2019. Where necessary these figures have been reclassified on a basis consistent with current disclosure for the year ended 30 June 2020

11 COVID-19

The Board of Management are aware of the World Health Organisations' declaration of a global health emergency relating to the spread of Covid-19 on 30 January 2020. At the date of issuing the financial statements the Board of management are addressing the impact of Covid-19 through business continuity planning and communication with its funders. At this time the full financial impact of Covid-19 on the economy is not able to be determined and future economic uncertainties could arise which may negatively impact the operations of the Incorporated Society. These may include

- A reduction in future revenue
- A need to examine expenditure levels

The Board of Management consider that the Incorporated Society's net asset position and ongoing business continuity planning will be adequate to meet the operating, investment and financing cash flow requirements of the Incorporated Society for the foreseeable future

Statement of revenue and expenditure – training support

For the Year Ended 30 June 2020

	2020	2019
Income		
Service Contract	175,126	660,000
Interest	12	739
Total Income	175,138	660,739
Less Expenditure		
Funds paid - Training support	182,940	460,659
General expenditure	40	40
Total Expenditure	182,980	460,699
Net Surplus (Deficit)	(7,843)	200,040
Net Surplus (Deficit) brought forward	20,681	130,546
Funds Transferred to Job Support bank account	О	309,905
Net Surplus (Deficit) carried forward	12,838	20,681

In respect of the management of the Support Funds Workbridge acts in an agency relationship and only the portion of revenue earned on the entity's own account is recognised as gross revenue in the Statement of Comprehensive Revenue and Expense on page 19.

As at balance date the Training Support Scheme has \$12,838 in the bank. \$6,656 was committed for subsequent payment to applicants in anticipation of Support Funds funding continuity.

In respect of the information included on this page Workbridge acts in an agency capacity on behalf of the Ministry of Social Development.

Statement of revenue and expenditure - self start

For the Year Ended 30 June 2020

	2020	2019
Income		
Service Contract	0	0
Interest	0	74
Total Income	0	74
Less Expenditure		
Funds paid - Training support	0	0
General expenditure	68	40
Other Expense		
Total Expenditure	68	40
Net Surplus (Deficit)	(68)	34
Net Surplus (Deficit) brought forward	8,910	8,876
Funds Transferred to Job Support bank account	8,842	0
Net Surplus (Deficit) carried forward	0	8,910

In respect of the management of the Support Funds Workbridge acts in an agency relationship and only the portion of revenue earned on the entity's own account is recognised as gross revenue in the Statement of Comprehensive Revenue and Expense on page 19.

As at balance date the Self Start Scheme has \$0 in the bank.

In respect of the information included on this page Workbridge acts in an agency capacity on behalf of the Ministry of Social Development.

Statement of revenue and expenditure – job support

For the Year Ended 30 June 2020

	2020	2019
Income		
Service Contract	6,158,533	5,913,415
Interest	16,417	17,015
Total Income	6,174,950	5,930,430
Less Expenditure		
Funds paid - Training support	4,655,979	5,334,617
General expenditure	80	40
Total Expenditure	4,656,059	5,334,657
Net Surplus (Deficit)	1,518,891	595,773
Net Surplus (Deficit) brought forward	1,134,144	228,466
Funds Transferred from Training Support bank account	0	309,905
Funds Transferred from Self Start bank account	8,842	0
Net Surplus (Deficit) carried forward	2,661,877	1,134,144

In respect of the management of the Support Funds Workbridge acts in an agency relationship and only the portion of revenue earned on the entity's own account is recognised as gross revenue in the Statement of Comprehensive REVENUE and Expense on page 19.

As at balance date the Job Support Scheme has \$661,877 in the bank and \$2,000,000 term deposit with BNZ. \$453,760 was committed for subsequent payment to applicants in anticipation of Support Funds funding continuity.

In respect of the information included on this page Workbridge acts in an agency capacity on behalf of the Ministry of Social Development.



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INDEPENDENT AUDITOR'S REPORT

To the Board of Management of Workbridge Inc

Opinion

We have audited the financial statements of Workbridge Inc. ("the Society") on pages 19 to 37, which comprise the statement of financial position as at 30 June 2020, the statement of comprehensive revenue and expenditure, 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 Society as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards with 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)). 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 Society 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 Society.

Other Information

The Board of Management are responsible for the other information. The other information comprises the information included on pages 1 to 17, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Emphasis of Matter – COVID-19

We draw attention to Note 11 of the financial statements, which describes the effects of the World Health Organisation's declaration of a global health emergency on 31 January 2020 relating to the spread of COVID-19. Our opinion is not modified in respect of this matter.



Responsibilities of the Board of Management for the Financial Statements

The Board of Management are responsible on behalf of the Society for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards issued by the New Zealand Accounting Standards Board, and for such internal control as the Board of Management 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 Board of Management are responsible for assessing the Society'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 of Management either intend to liquidate the Society 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 decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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
 Society'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 of Management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society'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 financial statements 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 Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Management 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.

Crowe

Crowe New Zealand Audit Partnership CHARTERED ACCOUNTANTS

Dated at Auckland this 25th day of September 2020

