



Karldon Trust

Annual Report 2017-2018

At Karldon we believe recovery is based on rekindling hope for a productive present and rewarding future and believing that this is possible



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From our Chairperson - *Mai i to tātou Hemana*

This year has been significant for the mental health sector at a national and regional level. The mental health inquiry, instituted by the Labour Government, will have its findings published later in 2018 and will provide a roadmap for provision of services into the future. We eagerly await the outcome of the inquiry and will be seeking to work closely with Lakes District Health Board and other social service providers to support our whai ora. Karldon Trust has done extremely well to provide the services it has with the funding restrictions it has endured in recent years.

The composition of the Board of Trustees for Karldon Trust has changed remarkably with the addition of new Trustees including Jo Brannigan, Michael Naera and Michele Thomas who each provide different perspectives and insights. We acknowledge long serving Trustee Diane Haronga who has changed role from that of Trustee to join the Kaumātua group providing wisdom and insight of Te Ao Māori.

We acknowledge the passing of Hariata, Aunty Binny, and we miss her dearly. Aunty Binny provided wisdom and guidance as Karldon Trust continues to develop its delivery of kaupapa Māori mental health. Hariata provided representation on behalf of Ngāti Pikiao. The Trustees thank Hariata for her support of Karldon Trust. Members of the Karldon Trust Board, management and administration attended the tangi and we remember her with great fondness.

The Trustees were extremely pleased to have the finalisation of the pay equity settlement for the employees of Karldon Trust. The previous Chair, Linda Brislen, set a goal for Karldon Trust to pay staff at least the living wage. With the pay equity settlement all staff are now paid well above the living wage.

During the year a number of staff were fare welled and others welcomed into the whānau. Those who moved on were Juliya Udhini, Gary Doidge and Anju Jacob. New staff were welcomed into the team this year and they include – Nor Leonor, Sheryl Iraia, Sally Hura, Shellah Ejusa and Anju Jacob. I, Jonathon Hagger was also welcomed onto the Board as a Trustee.

The wananga held at Te Ao Marama in Ohinemutu was a very special day for Karldon Trust. Whai Ora and their whānau, Kaumātua, Governance, management and staff gathered together to discuss the way forward for Karldon. From that wananga significant work was undertaken by Mary Smith and Vicki Greeks to create a model of care. This wananga provided the impetus for the Trustees to seriously consider how and when site development of the Malfroy Road property will begin. Getting the input of all stakeholders is crucial to a successful outcome.

I also thank our General Manager, Vicki Greeks who continues to bring a growth mindset to the Trust. Her passion for people and dedication to Karldon Trust is of immense value to her team, whai ora and their whānau.



I conclude my report by thanking all the employees and my fellow Trustees for their continued work. The road ahead is paved with opportunity and the Trustees are committed to providing exceptional services to our whai ora and clients who access them.
Jonathon Hagger, Chairperson Karldon Trust, November 2018

From our Manager - *Mai i to tātou Kaiwhakahaere*

Ehara taku toa i te toa takitahi, Engari, he toa takitini

Success is not the work of one, but the work of many

Tēnā koutou katoa,

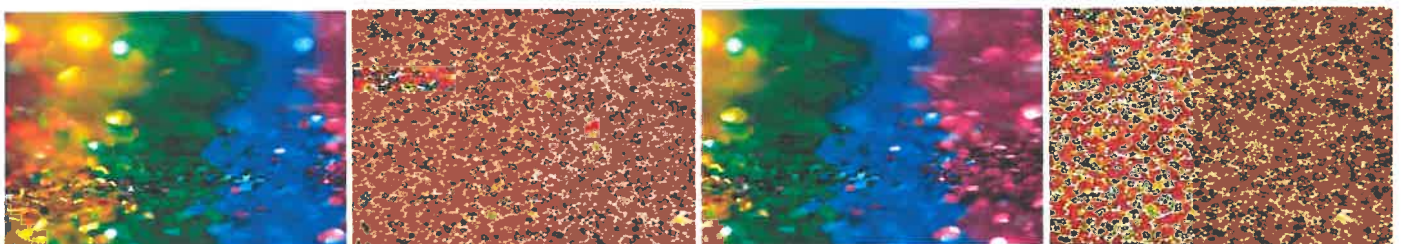
Once again, it has been a very successful, albeit challenging year for the Trust as we have navigated through major changes to our governance board, the sad loss of one of our valued Kaumātua and progressed the first stages of the 5-year strategic plan. Along with the internal challenges, we have been watching with interest the direction being taken by the new government and assessing its possible impact on the organisation and services; participated in the model of care review at Lakes DHB mental health services and we were active participants in the mental health and addiction inquiry process set up by the government. Not least of all, this year was a significant year for our workers when the Pay Equity settlement for mental health and addiction support workers finally became a reality. While there was a lot of work involved it was satisfying to be working with the ministry of health pay equity team to ensure our staff receive a fair wage in recognition of the work they do.

The Whakatauki I used to introduce my report represents the value of having everyone involved in the discussions and decision-making regarding our current services as well as considering the opportunities for the future of the Trust. A recent example is the wananga held in March this year where we had consumers, whānau, staff, Kaumātua and Trustees come together to describe our model of care and client pathway. The small working groups produced several posters of their ideas, feedback and aspirations about what they like about living or working at Karldon Trust, what areas we can improve on and some excellent suggestions regarding site development opportunities. Some of that feedback appears on the model of care chart as we believe it is a powerful endorsement of who we are and how we work at Karldon Trust. The range of ideas and possibilities to come through at the wananga was excellent and we look forward to being able to implement some of those in the not too distant future.

I wish to thank Jonathon and the rest of the Trustees, the Kaumātua and all the staff for their fantastic support throughout the past year and I look forward to working with the team over the next 12 months as we embark on the next chapter for Karldon Trust. Watch this space!

No reira, tēnā koutou, tēnā koutou tēnā koutou katoa.

Vicki Greeks, Manager Karldon Trust, November 2018



Our People - To tātou Iwi



MICHAEL NAERA TE ARAWA, NGĀTI TŪTENIU, NGĀPUHI, NGĀTI KAHUNGUNU

Michael Naera is of Te Arawa, Ngāpuhi and Kahungunu descent. He is a son, brother, father, uncle and the ultimate, a grandfather to his extended family.

Michael has worked across many fields within a professional context – health, social services, education, and justice. He has also worked in a variety of environments – non-government agencies, Indigenous spaces, not-for-profit service providers and marae. However, he is most clearly a leader in his work that he has completed, is currently completing and no doubt will continue to complete with his whānau, hapū, iwi and the wider community.

He is an elected member of his iwi, Ngāti Tūteniu, charged with the responsibility of managing post-settlement assets, cultural redress associated with loss of land, language, protocols and customs and at times managing the distribution of financial support directly to whānau, hapū and iwi. This is a task that is given to those who are able and confident in their understanding of their own connectedness to concepts such as their whakapapa, whenua, and te reo and more.

As an emerging leader, Michael is supported in this role by his kaumātua and his whānau. Support such as this is given to Michael because of his ability and willingness to serve his people selflessly.

In his whānau and community role, Michael is invited to speak on behalf of Te Arawa, Ngāti Pikiao, Ngāti Tūteniu and his whānau. This role comes with responsibilities that an emerging leader operates from. Such as; humility, confidence, resilience, and selflessness towards people. He is continually guided by tikanga – doing the right thing even when the majority is against doing the right thing, Michael's leadership to maintain the focus and course to achieve the right thing, remains. He tino rangatira tēnei – not only does Michael have the skills, attributes of being an emerging leader, he has the mana to be a great leader.

Michael is the most recent addition to the Board of Trustees having joined the Trust in May 2018.

CHAIR

Jonathon Hagger

TRUSTEES

Jean Batt
Jo Brannigan
Maria Oliver
Michael Naera
Michele Thomas

KAUMĀTUA

Anaru Bidois
Diane Haronga
Miriam Searancke

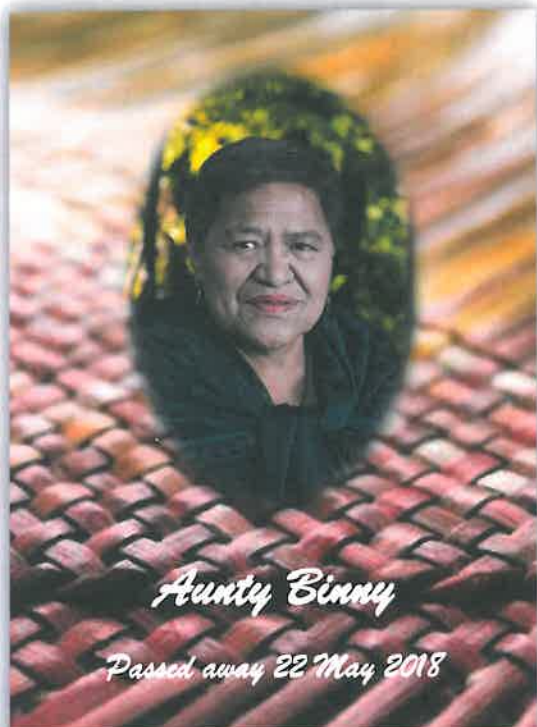
MANAGEMENT AND STAFF

Vicki Greeks – Manager
Shirley Norton – Service
Coordinator
Sheryl Iraia – Personal
Assistant

Karen Anapu
Lyn Webb
Mary Folorunso
Michelle Schiller
Nor Leonor
Raman Deep Kaur
Sally Hura (Casual)
Wendy Gray



Karldon Trust
respect | hope | resilience



He kōrero tēneki ki to tātou tongarewa
kamehameha a Hariata Kereopa.

Ko ia te mareikura o to tātou kaupapa o
Karlton. Ara, te whakaruruhau mō te
kāhui koeke me te manu taiko mō ngā
tangata whaiora.

Ka nui te aroha mōna me wōna whānau
whānui.

Kai te tangi tonu mātou, nō reirā e te
kui, e te whaea, haere, haere, hoki atu
rā

Anna's* Story

I've been here two and a half years. When I first came I was five months pregnant.

I came from the ward. I remember being angry, confused, lonely. My family didn't understand about mental health.

When I arrived at Karlton Trust I didn't know the people and I was feeling uneasy. I came in with the clothes on my back and that was it.

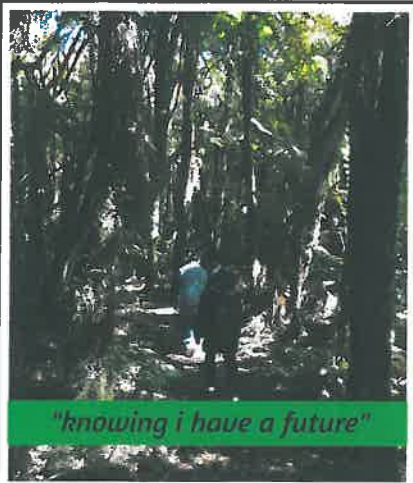
Karlton Trust has helped me become independent. I became better than I was previously. They've helped me with my medication, helped me get out in the community.

Since being here I've had a reduction in medication. I've gone off drugs and alcohol. I ended up attending a course. I learnt how to cook at the course and learnt Maori.

I feel great because I am getting out into the community, but I am happy I can come back if I need to.

I'm pretty grateful to be at Karlton because I have found myself again.

* Real name withheld



"knowing i have a future"



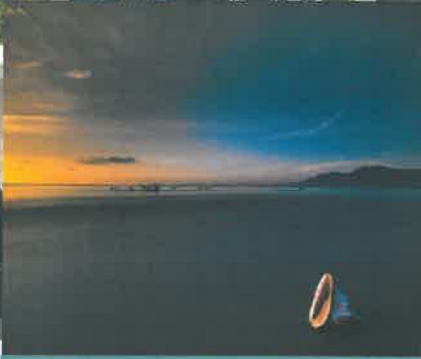
"support workers listen to me"



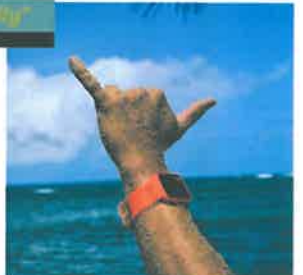
"peace and quiet"



"rituals for our whanau"






"The landscape supports my spirituality"



Our Strategy at a Glance - *To Rautaki i te Titiro*

Our Vision is to build passionate, proactive and resourceful people.

We aim to achieve our vision by remaining committed to our core Principles...

	<p>Service delivery relevant and appropriate to Māori</p>
	<p>Service Delivery underpinned by Best Practice</p>
	<p>Uphold the special relationship defined by Te Tiriti o Waitangi</p>

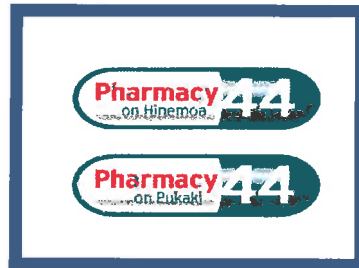
Our Partnerships - To Tātou Rangapū



TE ARATU TRUST



Linkage



True North

CHARTERED ACCOUNTANTS LTD

Post-Natal Therapy Services Ltd

BRAEMORE LODGE AND CANDID



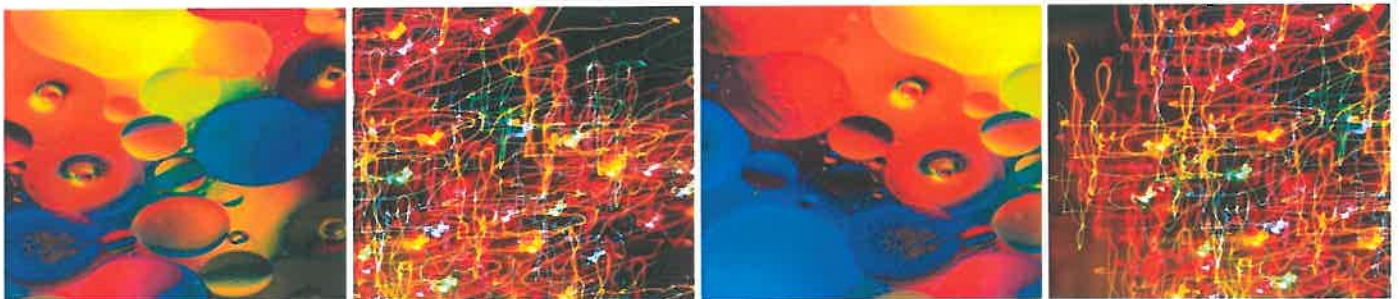
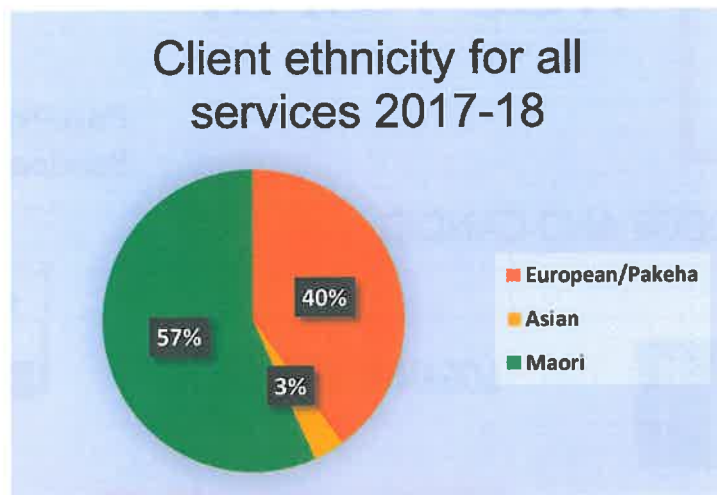
LOGAN & ROBERTS LTD

Independent Living Choices



Statement of Service Performance (Summary) - *Tuhinga o te Whakāetanga mahi Tirohanga Whānui* *(Whakarāpotopoto)*

Performance Measure	Housing and Recovery Residential Service	Community Support Service	Planned Respite Service
Occupied bed days	2,413	4,613	61
Average length of stay (days)	13	269	2
Admissions	2	3	6



Statement of Service Performance - *Tuhinga o te Whakāetanga mahi Tirohanga Whānui*

The Karldon Trust

For the year ended 30 June 2018

Description of Entity's Outcomes

Key objectives and outcomes Karldon Trust aims to achieve, influence and deliver include:

Residential Service: the client receives intensive support services during this phase and the focus is on safety and stabilizing of mental health symptoms until the person is feeling stronger and more resilient.

Home-based Support: the client lives at home either on their own or with significant others. Staff visit 7-days a week to provide services which may include medication support, assistance with daily living tasks, tenancy support as well as advocacy and advice

Planned Respite: short time spent in one of the Residential services when additional intensive support is required.

Referrals are received via LinkPeople service coordination agency. Our service is specifically for adults between the ages of 16 and 65 years old.

<p>Adult community support service</p> <p>Number of admissions is 3</p> <p>Number of occupied bed days is 4,613</p> <p>Number of suicides to current clients is 0</p>	<p>Housing and recovery service</p> <p>Number of admissions is 2</p> <p>Number of occupied bed days is 2,413</p> <p>Number of suicides to current clients is 0</p>	<p>Planned adult respite</p> <p>Number of admissions is 6</p> <p>Number of occupied bed days is 61</p> <p>Number of suicides to current clients is 0</p>
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Statement of Financial Performance - *Tuhinga o te Whakaranga Tuatahi*

The Karldon Trust

For the year ended 30 June 2018

Statement of Financial Performance

The Karlton Trust
For the year ended 30 June 2018

Account	Notes	2018	2017
Revenue			
Revenue from providing goods or services	1	746,801	604,310
Donations, fundraising and other similar items	1	50,000	-
Interest, dividends and other investment revenue	1	121,111	113,522
Total Revenue		917,913	717,832
Expenses			
Volunteer and employee related costs	2	635,338	543,114
Costs related to providing goods or service	2	156,465	154,390
Grants and donations made	2	485	750
Other expenses	2	38,874	49,838
Total Expenses		831,162	748,092
Surplus for the Year		86,751	(30,260)

Statement of Financial Position

The Karlton Trust
As at 30 June 2018

Account	Notes	30 Jun 2018	30 Jun 2017
Assets			
Current Assets			
Cash and Bank	3	75,998	12,029
Trade and Other Receivables	3	126,659	8,394
Other Current Assets	3	29,056	43,076
Total Current Assets		231,713	63,499
Non-Current Assets			
Property, Plant and Equipment	5	1,346,719	910,250
Total Non-Current Assets		1,346,719	910,250
Total Assets		1,578,432	973,749
Liabilities			
Current Liabilities			
Bank	4	172	604
Creditors and accrued expenses	4	43,646	22,636
Employee Entitlements	4	150,250	55,613
Loans	4	31,341	30,968
Total Current Liabilities		225,409	109,821
Non-Current Liabilities			
Loans	4	209,480	239,216
Total Non-Current Liabilities		209,480	239,216
Total Liabilities		434,890	349,036
Net Assets		1,143,543	624,713
Equity			
Equity	6	1,143,543	624,713
Total Equity		1,143,543	624,713

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Statement of Cash Flows

The Karldon Trust

For the year ended 30 June 2018

Account	2018	2017
Cash Flows from Operating Activities		
Interest, dividends and other investment receipts	121,279	117,413
Cash receipts from providing goods or services and donations	697,209	602,980
GST	8,728	19,540
Payments to suppliers and employees	(734,508)	(705,085)
Total Cash Flows from Operating Activities	92,708	34,848
Cash Flows from Investing and Financing Activities		
Proceeds from loans borrowed from other parties	0	19,439
Payments to acquire property, plant and equipment	(12,817)	0
Repayments of loans borrowed from other parties	(29,363)	(49,128)
Cash Flows from Other Investing and Financing Activities	0	(47,076)
Total Cash Flows from Investing and Financing Activities	(42,180)	(76,765)
Net Increase/ (Decrease) in Cash	50,528	(41,917)
Cash Balances		
Cash and cash equivalents at beginning of period	53,968	95,885
Cash and cash equivalents at end of period	104,516	53,968
Net change in cash for period	50,548	(41,917)

Notes to the Performance Report

The Karldon Trust
For the year ended 30 June 2018

Account	2018	2017
1. Analysis of Revenue		
Revenue from providing goods or services		
Lakes DHB Income	-	1,000
Bad Debt Recovered	-	230
Lakes DHB - Service Agreement Payment	619,185	601,980
MPDS Funding	18,000	1,100
Lakes DHB - One Off Funding	109,616	-
Total Revenue from providing goods or services	746,801	604,310
Donations, fundraising and other similar items		
Donations Received	50,000	-
Total donations, fundraising and other similar items	50,000	-
Interest, dividends and other investment revenue		
Interest Received	1,009	1,477
Rental Income	120,103	112,045
Total Interest, dividends and other investment revenue	121,111	113,522

Account	2018	2017
2. Analysis of Expenses		
Volunteer and employee related costs		
Staff Welfare	3,769	1,342
Temp/Relief Personnel	-	9,346
BOT Expenses	297	2,326
WFD	4,320	5,222
Trustee Fees	10,658	12,600
Wages	616,294	512,278
Total Volunteer and employee related costs	635,338	543,114
Costs related to providing goods or services		
ACC	3,473	3,207
Advertising	112	534
Client Welfare	3,638	3,246
Doctors Visits	613	399
Energy	13,771	14,244
Events Catering: Non BOT Meetings	1,205	1,063
Food & Groceries	18,460	16,466
Health & Safety: Civil Defence	14	554
Household Goods	758	782
Infection Control	4,189	4,355
Information System Control	9,732	8,688
Insurance	12,887	11,932
Medication	1,493	1,674
MPDS	6,389	11,675
Office Expenses	1,399	602
Postage	159	166
Printing and Stationery	3,097	3,622
Rental Expense	31,412	32,952
Rates	9,040	7,978
Repairs & Maintenance	3,309	8,200
Security	1,269	1,647
Subscriptions	11,102	895
Telephone	10,471	9,944
Vehicle Expenses	8,472	9,565
Total Costs related to providing goods or services	156,465	154,390
Grants and donations made		
Donations	250	250
Koha	235	500
Total Grants and donations made	485	750

Other expenses		
Accountant Fees	7,374	10,310
Audit - Health Certification	-	8,497
Audit Fees	4,400	4,444
Bank Charges	611	649
Consultant Fees	80	-
Depreciation	8,426	6,402
Interest - IRD	47	2
Interest Expense: Loans	17,082	19,429
IRD Penalties - non deductible	347	104
Lawyer Fees	506	-
Total Other expenses	38,874	49,838

Account	2018	2017
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3. Analysis of Assets

Bank accounts and cash		
Petty-Cash	300	300
Westpac Bank Accounts	75,698	11,729
Total Bank accounts and cash	75,998	12,029
Debtors and prepayments		
Accounts Receivable	119,344	1,850
Prepayments	7,315	6,544
Total Debtors and prepayments	126,659	8,394
Other current assets		
Accrued Interest	365	533
Westpac Term Deposit A/c.	28,691	42,543
Total Other current assets	29,056	43,076

The Trust has a \$20k overdraft facility with Westpac. Interest is charged at a daily rate of 10.35%p.a. on balances within the overdraft facility. No draw-down of the overdraft was made at year end.(Last year - Nil).

Account	2018	2017
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4. Analysis of Liabilities

Bank		
Karidon Trust VG Mastercard	172	604
Total Bank	172	604
Creditors and accrued expenses		
Accrued Liabilities	1,004	766
Accounts Payable	9,612	6,663
GST	23,185	5,209
PAYE Payable	9,845	9,998
Total Creditors and accrued expenses	43,646	22,636
Employee costs payable		
Holiday Pay Accrual	40,308	46,015
Payroll Liabilities	109,942	9,598
Total Employee costs payable	150,250	55,613
Loans		
Westpac Loans - Non-current	209,480	239,216
Westpac Loans - Current	31,341	30,968
Total Loans	240,821	270,183

The Westpac Bank loans are registered first mortgages over the properties at 134, 132A, 132B and 132C Malfroy Road.

The loans #91, #92 and #94 have been repaid during the year.

The loan #93 matures on the 16/2/23 and has interest charged at 5.44%.

Account	2018	2017
5. Property, Plant and Equipment		
Land		
Land at Valuation	726,000	434,000
Total Land	726,000	434,000
Buildings		
Buildings (at cost)		
Opening carrying amount	21,219	21,555
Depreciation charge	(297)	(336)
Total Buildings (at cost)	20,922	21,219
Buildings (at valuation)		
Opening carrying amount	437,000	437,000
Revaluation gain	140,078	0
Total Buildings (at valuation)	577,078	437,000
Total Buildings	598,000	458,219
Furniture and Fittings		
Furniture & Fittings		
Less Accumulated Depreciation Furniture & Fittings	(23,710)	(22,454)
Total Furniture and Fittings	3,667	4,922
Leasehold Improvements		
Leasehold Improvements		
Less Accumulated Depreciation Leasehold Improvements	(4,565)	(4,364)
Total Leasehold Improvements	1,709	1,910
Motor Vehicles		
Motor Vehicles		
Less Accumulated Depreciation Motor Vehicles	(29,164)	(24,742)
Total Motor Vehicles	10,320	1,925
Office Equipment		
Office Equipment		
Less Accumulated Depreciation Office Equipment	(35,439)	(34,641)
Total Office Equipment	1,300	2,098
Plant and Equipment		
Plant and Equipment		
Less Accumulated Depreciation Plant and Equipment	(13,437)	(11,986)
Total Plant and Equipment	5,724	7,176
Total Property, Plant and Equipment	1,346,719	910,250

Land and buildings have been restated to valuation in accordance with the latest local government valuations dated 1/7/2017.

Securities

The Westpac Bank loans are registered first mortgages over the properties at 134, 132A, 132B and 132C Malfroy Road.

Account	2018	2017
6. Accumulated Funds		
Accumulated Funds		
Opening Balance	624,713	654,973
Accumulated surpluses	86,751	(30,260)
Revaluation of Land & Buildings	432,079	-
Total Accumulated Funds	1,143,543	624,713
Total Accumulated Funds	1,143,543	624,713

The opening balance of accumulated funds has changed during the current financial year by the current operating surplus.

The properties owned by the Trust have been revalued to the current rating valuations, as issued by the Rotorua City Council on the 1 July 2017. The purpose of using the Property Revaluation Reserve is to reflect a truer value of each property. The current revaluation surplus on revalued land and buildings is \$743,356.

7. Commitments

During the year the Trust received \$50,000 donation which has been tagged for either the purchase of a new property or to make a principal repayment on an existing mortgage. (Last year - nil).

8. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2018 (Last year - nil).

9. Events After the Balance Date

Subsequent to balance date a new contract has been entered into with the Ministry of Health from 1 July 2018 to 30 September 2021 (Last year - nil).

10. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

