



Annual Report 2021

Torona titaha

Ko te kaupapa whakahira o tēnei roopu

Ki te whakamana i ngā taiohi e

Ko te kaupapa o ēnei kai mahi ē

Ki te whakaoratia i ngā whanaunga e

Hi aue hi

Ko te pātai nui mā wai e mahi ana

Ko te pātai nui mā wai e mahi ana

Mātou e mahi ana, mātou e mahi ana

Mē pēhea rā

Ma okū pūkenga, tāonga, mātauranga

Me te whakapono ki tō tātou atua

Ko te ingoa runga ake ngā ingoa

Ko ihu karaiti hi!

The great purpose of this team

Is to empower youth

The mandate of these workers

Is to bring health and restoration to families

The burning question is,

Who will do it?

The burning question is,

Who will do it?

We will do it, we will do it!

How will we do it?

Through our skills, gifts, talents, knowledge and expertise

And our faith and our belief in our God

The name above all names

Jesus Christ

Contents

About Genesis.....	1
Vision and purpose.....	2
What we do.....	4
Who we work with.....	5
Reports.....	6
Statistics 1 July 2020 to June 2021.....	9
Report from the Chair of the Board and the Chief Executive.....	10
G-Fund.....	12
What is the Social Bond?.....	13
Genesis Clients 2020-2021.....	14
Services.....	16
Genesis Social Work Team.....	18
Genesis Mentoring Team.....	20
Genesis Counselling Team.....	22
The Genesis Whanau Programme.....	24
Social Bonds Outcomes as at 30 June 2021.....	26
Our People.....	28
Our Governance Teams.....	30
Our Investors, Sponsors and Supporters.....	31
Financials.....	32

A young person with dark, curly hair, wearing a blue t-shirt and dark pants, stands on a green grassy field. They are holding a long, light-colored wooden staff horizontally across their body. The background shows a body of water, palm trees, and a distant hill under a cloudy sky. A large, semi-transparent green graphic with swirling patterns is overlaid on the left side of the image.

About Genesis



Vision and purpose

Genesis Youth Trust exists to reduce the levels of youth offending in Auckland's most affected communities. We do this by offering a wraparound service, enabling at-risk youth to proudly transform their lives for themselves, their whānau and community. The heart behind everything we do is to offer hope and restoration for youth offenders and their families in the wider Auckland region.

This is reflected in our logo, which was gifted to us. Firstly, Ngākau Nui, Ngākau Ora - the symbol of the larger heart, representing Genesis, supporting and embracing the smaller heart in the middle - our youth. Secondly, Te Rere o Te Manu, meaning the full flight of the bird. This is symbolic of our youth in full flight, with strength and confidence to soar to their highest potential. Thirdly, Ngā Tai o te Moana-nui-a-kiwa - the waves (tides) of the Pacific.

The four strands on the right hand side represent the transformational journey our youth undergo which impacts on all four components of their hauora. Te Taha Wairua - their spiritual wellbeing, Te Taha Tinana - their physical wellbeing, Te Taha Hinengaro - their mental wellbeing, and Te Taha whānau - their social wellbeing. The four strands converge together at the apex of the heart where the young person is soaring like a bird and riding the crest of a wave.

We recognise that each youth outworks their transformation in the context of their whānau and communities, and so our goals stretch there too. Through our services, we hope to see communities become more vibrant, optimistic and safe, and transformed youth become constructive participants

in the future of these communities. We hope to see the families of these young people become healthy and thriving, with intergenerational cycles of crime broken - giving our clients' children a better start in life.







What we do

Genesis Youth Trust offers a wraparound service for young people, rangatahi, referred to us by New Zealand Police and Oranga Tamariki, the Ministry for Children. Our services include Social Work, Youth Mentoring, and Family and Counselling Services.

The services we provide to our young people and their whānau are based on our Genesis values:

Manaaki tangata (servanthood)

Serving others with humility, care, and compassion

Aroha mutunga kore (Unconditional love)

Unconditionally loving of all people

Tika me te pono (trust and integrity)

Building relationships based on trust and integrity

Wairuatanga

Doing what it takes with a sense of calling and purpose

Whakamana Rangatahi

Empowering our youth and families

Whakakotahi (teamwork)

Being a supportive, productive, and united team

Kē eke ki te taumata

Bringing a spirit of excellence to everything we do

Being a supportive, productive, and united team

Our organisational values underpin our mahi and commitment to providing best practice services for those we work with.

We deliver our services from four different sites across Tāmaki Makaurau, Auckland, - Māngere (covering Counties Manukau West), Glen Innes (covering Auckland East), Papakura and Manurewa (covering Counties Manukau South). Each of our sites has an Operations Manager who manages a multi-disciplinary team of Social Workers, Mentors, and Counsellors, and a Clinical Lead who drives clinical excellence at their site. Having our different services available at each site helps us to work collaboratively and improves our relationships with our local stakeholders. It also ensures better access to our services for our rangatahi and their whānau.

There are two main pathways to access Genesis services. Young people can be referred either on a Police Alternative Action Plan, or on an Oranga Tamariki Family Group Conference Plan.

New Zealand Police referrals

Social Bond intervention: A targeted and enhanced way of working. Rangatahi referred by Police Youth Aid onto the Social Bond Pilot receive an enhanced intervention each rangatahi referred goes through a thorough validated psychological assessment to assess their risks, protective factors and needs. This psychological assessment tool (which Genesis has pioneered the use of within Social Work in New Zealand) then generates the key priority areas that our team will work towards addressing with a targeted case management plan. Each rangatahi referred under this service is assigned a Social Worker, Mentor, and depending on their needs, a Counsellor. Through this multidisciplinary approach, our team work holistically with each rangatahi and their whānau. This intervention is also unique in that it allows rangatahi to engage with our services for up to two years.



Who we work with

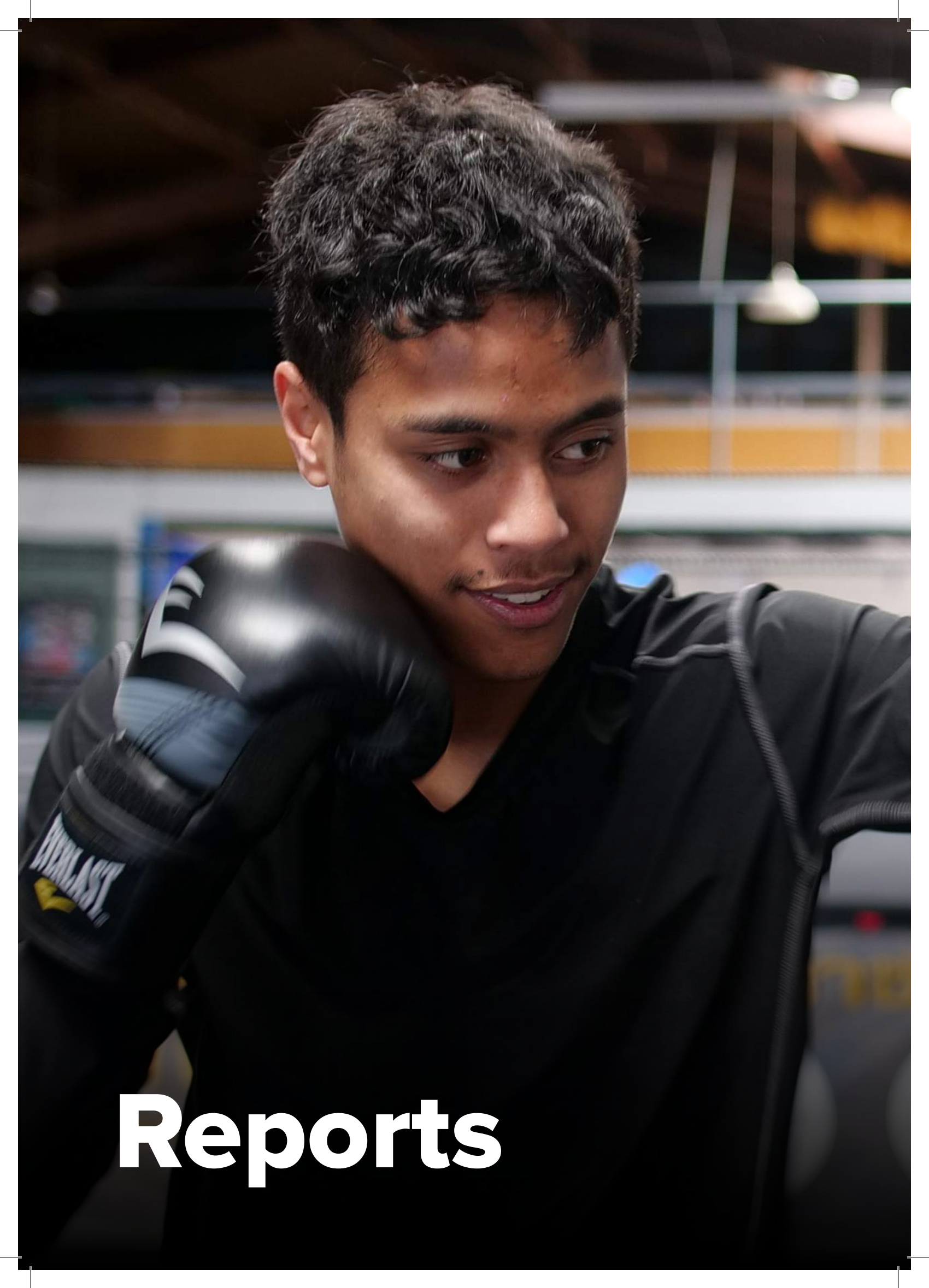
Oranga Tamariki referrals

Our young people referred to us by Oranga Tamariki Youth Justice are those who go through a restorative justice process which includes a Family Group Conference (FGC) plan, where Genesis is invited to present our different services. It is up to the young person and their family if they want to engage with us. We are often brought on to a young person's FGC plan to offer our Mentoring and Counselling services. These FGC plans can continue for up to 6-12 months. Additional components of the young person's FGC plan could include other services in the community - providing an opportunity for us to work in partnership with other agencies.

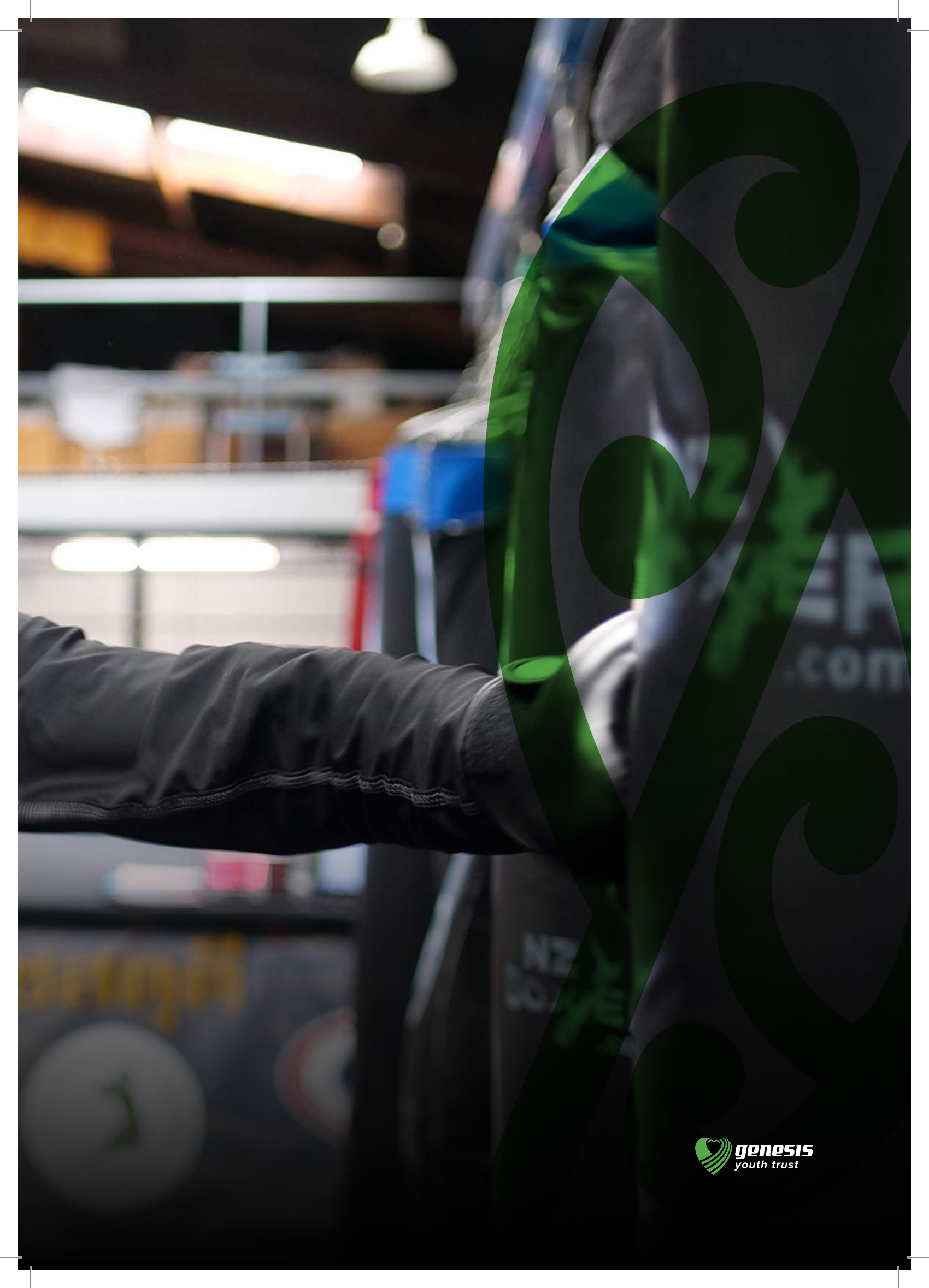
Genesis Youth Trust works with tamariki and rangatahi aged 10 to 17 years when referred and who have been apprehended by Police for offending. Offending severity can range from entry-level offences to more serious offences. Once the offence is proven, the Police Youth Aid Officers and Youth Engagement Officers from various Counties Manukau and East Auckland Police stations refer the young people through to our teams for a comprehensive assessment, followed by a focused multidisciplinary team intervention.

As well as working with the young person who is referred, Genesis is also able to work with the wider whānau. Genesis aims to offer hope, build resilience and walk alongside our rangatahi and whānau to challenge adversity and find sustained solutions to the difficulties they face.

The introduction of the Social Bond Pilot in September 2017 saw a slight shift in the young people Genesis engages with and the way in which they are referred. To be referred to the Social Bond intervention, the young person is referred under a Police Alternative Action Plan and must have a medium or high YORST score (YORST is the Youth Offending Risk Screening Tool that Police use) and be referred on a specific offence they have committed. Most young people Genesis works with have been referred under the Social Bond intervention.



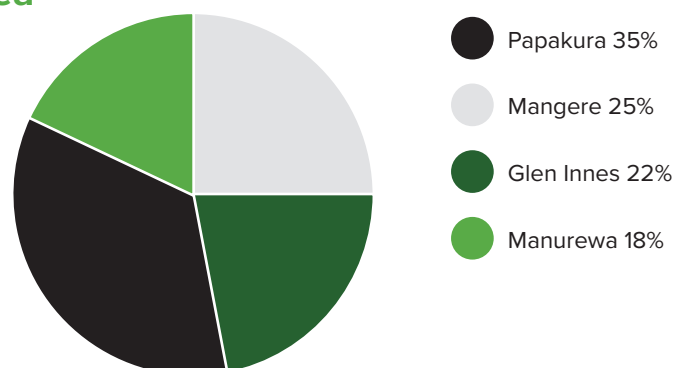
Reports



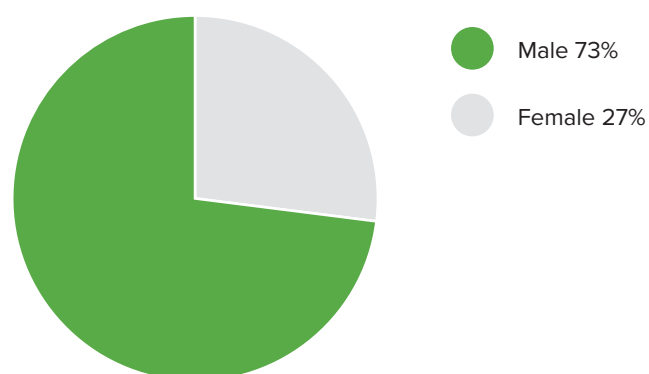


F21 statistics – 1 July 2020 to 30 June 2021

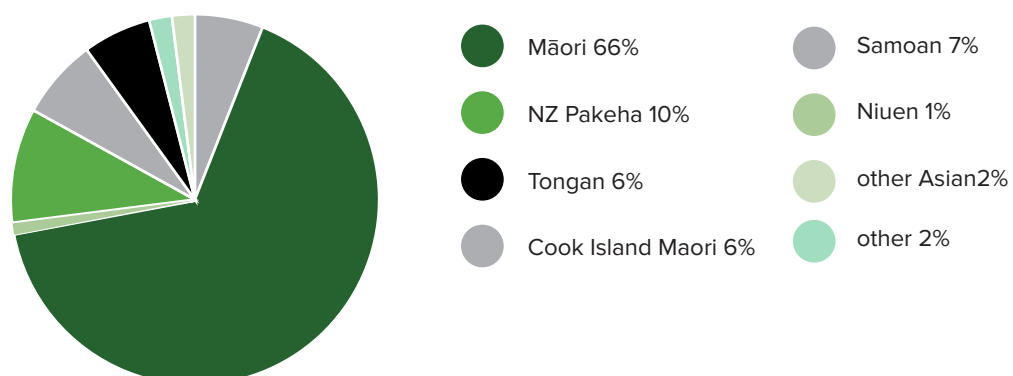
Residential area



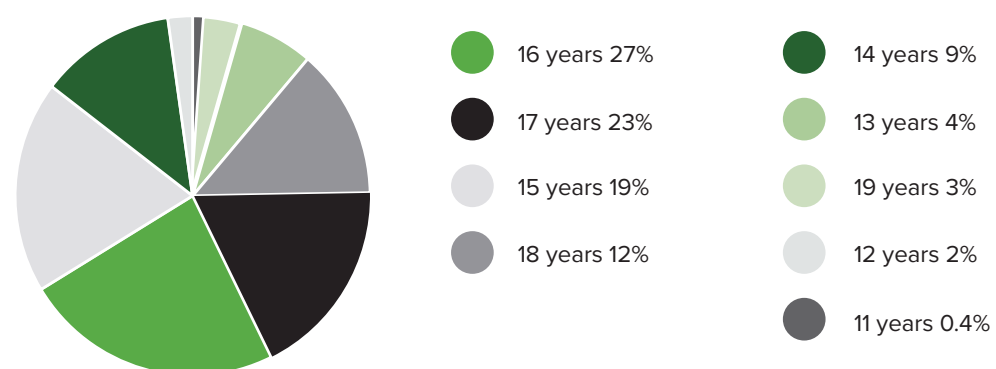
Gender



Ethnicity



Age



Report from the Chair of the Board and the Chief Executive

*Unuhia te pō, te pō whiri mārama
Tomokia te ao, te ao whatu tāngata
Tātai ki runga, tātai ki raro,
tātai aho rau
Haumi e, hui e, tāiki e!
Tihei mauri ora!
Ngā mihi nui kia koutou katoa!*

*From the confusion comes understanding,
From the understanding comes unity,
We are interwoven, we are interconnected
Together as one!
My life force is alive!*

Our rangatahi

Over the last twelve months we have continued to see amazing transformation of many of our rangatahi. The positive changes in many of the young people that our kaimahi work with is truly inspirational.

In our Annual Report, you will be able to read about some of the stories of our rangatahi.

For 55% of our rangatahi, time spent with our Social Workers, Mentors and Counsellors has been life changing; they have stopped re-offending. They have chosen a better path for themselves and are working with our Genesis kaimahi on their personal goals.

We acknowledge our rangatahi and will continue to do our best to support them on their journey.

It is also encouraging that our partners, Police and Oranga Tamariki, have also acknowledged the wonderful progress of many of our young people.

Our people

The team's strong commitment to making a positive difference for our rangatahi and whānau is impressive. Each of our team members has a gift or talent in building strong connections with their rangatahi. They work hard to gain their trust.

These relationships are crucial so our young people can navigate their journey with staunch support from their Genesis team.

We also have several team members dedicated to supporting

our front-line workers with health and safety, professional development, HR, and finance. Thank you for your hard work.

Over this period, we have had to navigate several challenges, including disruptions to our business caused by Covid-19. Through these times we would like to acknowledge the dedicated support from our managers. Your continued commitment to our people and kaupapa is appreciated.

At the end of April Genesis Youth Trust staff members and Directors came together to farewell Murray Edridge, who stepped down as Chair of our Board so he could focus on his work with the Wellington City Mission. We appreciate the significant contribution he has made to our organisation over the years. On behalf of Genesis Youth Trust, we thank you Murray and wish you the best of success for the future.

Following this news the Genesis Youth Trust Board confirmed the appointment of our new Chair, Evan Jensen.

He brings vast strategic and financial experience, a deep understanding of Te Ao Māori, and a passion for our kaupapa. We know Evan will lead well in his new role, with the full support of the Board, CE, and Genesis team.

Our partnerships

Genesis Youth Trust continue to strengthen the partnership we have with Oranga Tamariki.

Following an update to Police on the progress of our Social Bond impact, the Genesis Youth Trust leaders have been invited to share the rangatahi stories and data insights in a Partner's Forum in Taupo, late July.

This presents a wonderful opportunity to share our successes and learnings with full support from Oranga Tamariki.

The Police Partnership continues to go from strength to strength. In October 2020, Police leaders in the Counties Manukau District, invited two of our Genesis Youth Trust leaders to be based in their Head Quarters. This has proven to be hugely beneficial for the partnership and now allows Genesis to have more face to face strategic and operational conversations to support the work we do together for our rangatahi and whānau.

We are also pleased to confirm Genesis Youth Trust has received funding from Police to commence the Family Harm Youth Aggressor Prevention (Whakamana Rangatahi) initiative. The purpose of this early intervention programme is to reduce and prevent family harm incidents of predominant youth aggressors referred to us by addressing the underlying causes while building protective factors, resilience strategies, and ultimately to enhance the mana and wellbeing of rangatahi and whānau.

Next year we look forward to sharing the success and learnings of our Whakamana Rangatahi initiative.

Looking ahead

In late June, the Genesis Youth Trust Board and management spent a day at Papatuanuku Marae having valuable kōrero around our future strategic direction.

We shared with our team the new vision for Genesis Youth Trust:

“Having a heart for tamariki and rangatahi that offers HOPE and RESTORATION for them and their whānau in Aotearoa.”

The new vision fine tunes our continued commitment to our rangatahi and their whānau. This vision also allows Genesis Youth Trust to explore growing the work we do into other parts of Aotearoa in partnership with local Iwi, Oranga Tamariki, Police and other key stakeholders.

Our strategic intent is to achieve excellent outcomes making a difference in the lives of vulnerable rangatahi in South Auckland creating a transferable operating model for use in other locations throughout NZ through partnerships while creating an organisation that is in alignment with Te Tiriti recognising the place of Māori in Aotearoa and the demographic of the rangatahi and whānau we support.

Over the next 12 months we will evolve our product/ service offerings along with our operating model to enhance rangatahi and whānau outcomes and position Genesis Youth Trust for future funding to ensure we have a sustainable business, sharing what we have developed.

We also look forward to building stronger partnerships with local iwi and Marae with a common goal to support our rangatahi and their whānau.

Our new vision and strong values set a clear focus for 2022 and beyond that supports Genesis Youth Trust to continue our significant role in the communities we serve.

Finally, we would like to extend our sincere gratitude to all our Genesis Youth Trust staff, our partners, and our Board for their continued commitment to our kaupapa.

Ngā mihi maioha.



Evan Jensen
Chair
Genesis Youth Trust Board



Tuhi Leef
Chief Executive
Genesis Youth Trust

G-Fund

It's been a successful year- with good reductions achieved in reoffending due to hard work by the G-Op team through some fairly trying circumstances.

G-Fund Limited serves as the bridge between G-Op Limited as the service provider and Oranga Tamariki and investors in relation to the social bond contract. It is a small operation, composed of two directors who receive administrative support from G-Op as required, where our role is to monitor the performance of G-Op, in respect of the social bond, providing it with the funding to continue delivering services. We also work with investors and Oranga Tamariki to discuss wider issues around the contract and its performance as well as managing funds and organising payment for the outcomes delivered.

The social bond is a particular type of contract designed to improve innovation in the delivery of social services- intended to deliver better and more cost-effective social impacts when compared with existing services. But it has now (as of 1 September) been operating for four years, creating some urgency to identify options for the period after new enrolments cease- 31 August 2022.

While It is still too early to draw final and statistically reliable conclusions on the overall effectiveness of the social bond and G-Op's delivery, results so far are encouraging:

1. Using a social outcomes lens, while less young people have been enrolled in the bond than initially expected, their reoffending has dropped by more than was expected. This improvement is quite significant, Of the 486 young people who have been enrolled, some 55% have not reoffended; this can be compared with just 26% in the counterfactual (youth with similar risk profiles in the 5 years before the bond). This translates into real gains for the rangatahi, their whānau, and the community.
2. Using a financial lens, the social bond has delivered both for the Government and investors.
3. At the organisational level, delivering services under the bond that effectively and reliably achieves reductions in offending has involved continual interpretation of the evidence on inputs and outcomes -resulting in evidence-based shifts in the actual services delivered. The bond has enabled investments in data and systems that are delivering more cost-effective service delivery that achieves greater social impact.
4. The services provided by G-Op have been continuously adapting over the last four years, utilising the richer information on client needs that is available to design better targeted help for clients. This process will

continue as evidence accumulates on what is effective and how that can best be delivered. The bond has both spurred and supported this innovation through its very clear specification of performance targets which in turn are linked tightly to financial results.

The last year has been challenging with some periods in lockdown, impacting client contact and enrolment. Further challenges remain. Enrolments have been lower than expected, reducing the potential delivery of reduced reoffending to the community.

I'd also like to note my appreciation for my fellow board member, Craig Weston, the support provided by G-Op and the support and insights offered by some of our investors. I've valued both the insights and expertise offered and the willingness to do whatever was needed.



Carl Bakker
Chairman, G-Fund

What is the Social Bond?

In September 2017, Genesis was the first New Zealand registered charity to become the recipient of a Social Bond. This followed a four-and-a-half-year selection process, which began with 50 organisations applying for social investment funding, of which Genesis was one of the successful candidates. Genesis, as a Social Bond recipient, is now in a privileged position of being resourced at a much higher level than previously and therefore able to be innovative in our approach and grow both our reach and our effectiveness.

With the Social Bond contract commencing, Genesis set up two wholly owned subsidiary companies to govern and manage the Social Bond, which is subject to high levels of scrutiny. G-Op Ltd is charged with all performance management aspects of the Social Bond, while G-Fund Ltd is a Special Purpose Vehicle (SPV) overseeing the funding aspects from the Crown and Investor perspective. This is in line with the standard method of managing bond-sourced funds.

One of the key things the Social Bond has allowed Genesis to do is to become more targeted in the way we conduct assessments and create interventions. In August 2017 Genesis introduced the YLS/CMI assessment tool (Youth Level of Service/Case Management Inventory) which measures eight different areas of a young person's criminogenic needs. The YLS/CMI is used as an initial assessment tool to measure risk factors once a young person is enrolled on the Social Bond, and then again used at regular intervals to measure the reduction in these recidivism risk factors.

In the first two years of the Bond we have achieved significant results in this area and both performance and payments were measured by the reduction in YLS/CMI scoring indicating a reduction in the level of risk of reoffending. At the two-year anniversary of the Bond (September 2019) the emphasis shifted to success in reducing both the frequency and severity of reoffending. It was encouraging to note that fewer offences have been committed by young people enrolled in the Social Bond intervention than previously modelled, an indication of the effectiveness of the intervention and of the positive impact of the work we are doing has on the community as a whole.

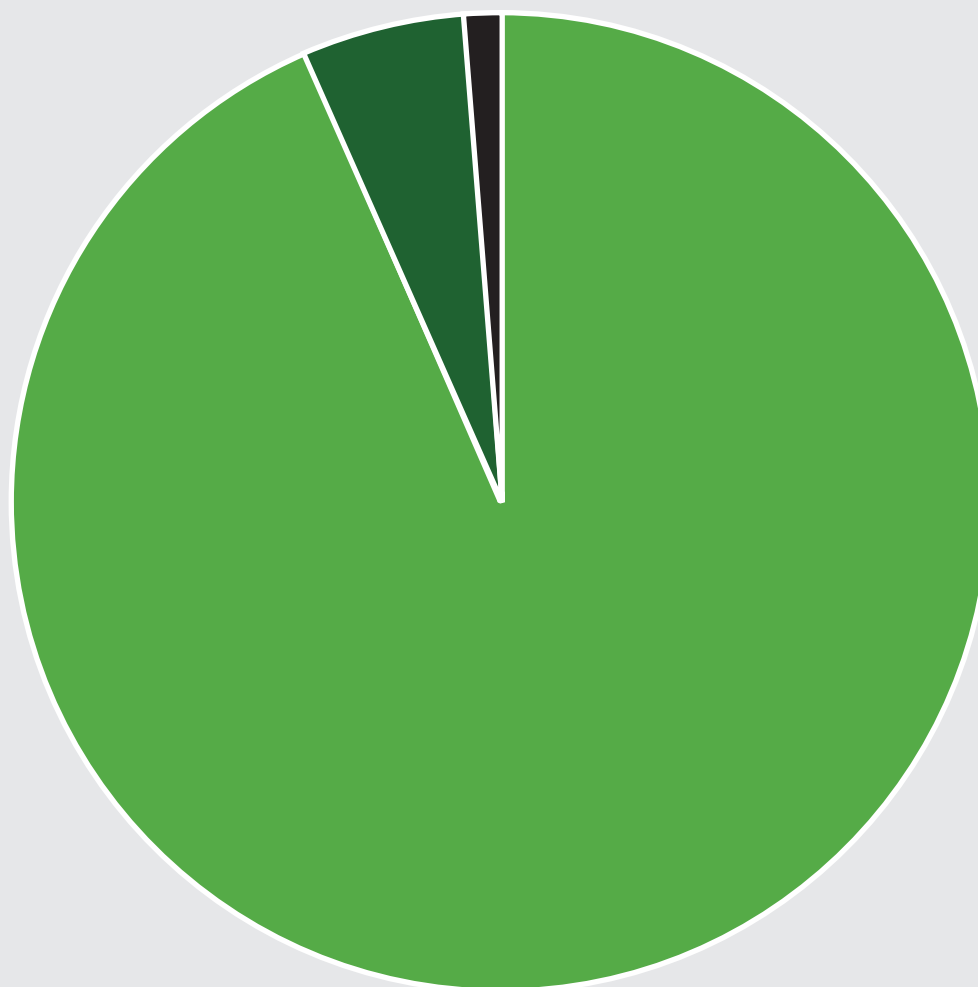
The YLS-CMI tool allows our staff to create customised, informed interventions for the young people we work

with. Having a better understanding of each young person's criminogenic needs allows us to focus our areas of intervention on the areas of greatest risk, which vary across our clients. Importantly, the Bond funding allows us to provide a holistic intervention that includes Social Work, Counselling, Mentoring, and Whānau Programmes. This wraparound service is delivered for up to two years for each young person.

Our overall number of enrolled clients remains behind target following a slow start due to several operational changes required to ensure Genesis can deliver the most effective and efficient intervention possible. COVID-19 lockdowns in 2020 and 2021 also impacted our ability to enrol and engage with rangatahi face to face.

Following close to four years of innovation and many improvements as an organisation, Genesis is now in a good place to increase referral and enrolment numbers over the remaining Assessment Periods. The pressure of performance is also an opportunity to become a high-performing organisation with measurable outputs and outcomes. The Bond has provided us with the opportunity to innovate, to partner with others in the community, to work towards achieving outcomes together, and to provide the best possible interventions for the rangatahi we work with. We hope to the results of the mahi of the past few years reflected in continued reductions in recidivism risk factors, and ultimately, in significant reductions in reoffending levels and positive outcomes for rangatahi and their whānau.

Genesis Clients 2020-2021



Social Bond
Alternative Action
30 June 21
(Med-High YORST)
486 clients



Youth Justice F21
Mentoring Services
28 clients



Youth Justice
F21 Community
Counselling Services
6 clients



The image features two young men standing on a grassy field. The man on the left is wearing a dark t-shirt and light shorts, holding a wooden paddle across his chest. The man on the right is wearing a blue t-shirt and dark pants, also holding a wooden paddle. A large, stylized green graphic, resembling a traditional Maori koru, is overlaid on the scene. The background shows a body of water and a cloudy sky. The word "Services" is written in white at the bottom left.

Services





Genesis Social Work Team

Our drivers of change

Our Social Work team is central to the delivery and coordination of our services. Genesis has four Social Work teams, based at each of our sites under the supervision of an Operations Manager. Social Workers are the first to meet with rangatahi and their whānau, building rapport and helping to introduce rangatahi to our support services. Our Social Workers play a key role in gathering the relevant information to inform initial and ongoing validated assessments and targeted intervention plans using our psychological assessment tool, the Youth Level of Service/Case Management Inventory (YLS/CMI). Genesis has used the YLS/CMI assessment tool since late 2017 to evaluate risks, needs, and strengths of our rangatahi.

Aria's story

It was Charlie, a Social Worker based with the Mangere team, who first met with *Aria.

Like many of the rangatahi referred to Genesis Youth Trust, Aria was adrift, she and her friends roamed the streets and got into trouble. They were not attending school and this, along with smoking and excessive drinking, were issues identified on Aria's referral as being of concern.

Following completion of an initial YLS/CMI assessment Charlie convened a meeting with the mentor and counsellor assigned to Aria, Dayna, and Leah, to work through how best to work with Aria. This included a focus on her education, her peer relationships, and her self-motivation.

Charlie worked with Aria on setting goals around reconnecting with education, specifically on helping her to find a course she felt passionate about. With a history of skipping school, it was important Aria found a course she was motivated to attend. Identifying that a vocational course may be the best approach for Aria, Charlie guided her through identifying her interests and strengths and helped Aria to weigh up the merits of available courses. With Charlie's guidance and support, Aria decided to work towards a qualification in hospitality. Charlie took Aria to a local training provider and supported her through the enrolment process.

Aria decided to work towards a qualification in hospitality”

When Charlie moved on from Genesis to pursue other career goals, Aria began working with Christina. It is always difficult when rapport has been built to then establish a relationship with a new staff member. Understandably Aria was cautious. Christina worked hard to gain Aria's trust by consistently making contact and checking on her wellbeing. She offered support and encouragement for Aria's course attendance, and celebrated with Aria when she proudly gained both Level 3 and Level 4 NZQA qualifications, a significant achievement, and a step towards reaching her dream career.

Meantime Youth Mentor, Dayna, worked with Aria around her peer relationships establishing a safe space for Aria to share her thoughts and feelings. Aria's time with Dayna, was spent focusing on pro-social activities to encourage Aria, test her limits and to take her out of her comfort zone. They also walked and went on drives



together, providing Dayna opportunities to allow Aria to share her thoughts and begin to articulate past hurt and her fears and concerns. Mentoring sessions provided Dayna the opportunity to work collaboratively with Aria on goal setting, feeling confident in her identity, and on her relationships with her peers.

Genesis Counsellor, Leah, worked with Aria, focusing on her self-esteem and confidence. Leah allowed Aria to express her feelings in a safe space, to understand and acknowledge her emotions and to learn strategies to regulate them. Leah supported Aria in building her social skills so that she had the confidence to identify friendships which provided her with validation and support and to move on from friendships which had a negative impact on her self-esteem and distracted her from her goals.

Many of the rangatahi referred to Genesis need encouragement and support, a chance to reset, reflect, build resilience and to build the confidence to embrace opportunities. Our team are experts at walking alongside rangatahi, guiding them to recognise their strengths and to envision future possibilities.

The mahi Charlie, Christina, Dayna, Leah, and Aria have done together has paid dividends for Aria. Aria's YLS /CMI score reduced significantly, representing a considerable reduction in risk factors and the significant effort Aria herself had undertaken to make changes in her lifestyle.

Aria has not reoffended since her referral to Genesis, and she has done well in her course work, she also gained the confidence to provide support for other students. Aria is excited about her future; she has clear goals and the determination to reach them.

The Genesis team are delighted to see Aria develop into a confident and accomplished young woman. Aria is justifiably proud of her achievements and is looking forward to a promising future in the hospitality industry.

**Name changed to protect identity*



Genesis Mentoring Team

Our relationship and youth engagement specialists

our Mentoring team are the experts in establishing and maintaining genuine relationships with our rangatahi. Each of our Mentors has a heart for reconnecting rangatahi with positive role models and pro-social activities. Our Mentors work one on one with rangatahi and run several mentoring programmes throughout the year. Interventions are based on the rangatahi's goals and key areas relating to reducing risks, addressing specific needs, and building protective factors.

Wiremu's story

*Wiremu was known and feared in his community as a fighter for his gang. Together with his siblings, Wiremu was involved in one

of the most established and notorious street gangs in Auckland. Wiremu came from a troubled background, a negative relationship with a father, who abdicated his parenting responsibilities and he was disengaged from his mother, both contributing to feelings of isolation.

Wiremu was not attending education when he was referred to Genesis.

Wiremu was not attending education when he was referred to Genesis. He had been expelled and trespassed from his school for violent behaviour. He was also not involved in any outside activities other than his gang involvement. Wiremu was referred to Genesis after his involvement in a violent Auckland high school brawl.

Youth Mentor Eti and Social Worker Dan worked through an assessment with Wiremu and planned an intervention to work alongside him to build his confidence and to challenge his current lifestyle.

Mentoring was a crucial part in Wiremu's intervention. Wiremu quickly established a rapport with Eti and, in turn, Eti set about challenging Wiremu. Mentoring sessions between Eti and Wiremu focused on pushing Wiremu out of his comfort zone to help him recognise the personal qualities which were clear to Eti, his self-motivation, resilience, and his leadership skills. Eti introduced Wiremu to a non-contact boxing program to highlight and strengthen these qualities. The boxing sessions became a platform for reinforcing discipline and focus, and honing Wiremu's leadership skills. Soon Wiremu was helping to run boxing sessions for his Genesis peers, he motivated them and encouraged them to keep pushing themselves, acting as a big brother and mentor. Eventually, Wiremu became so focused on the boxing program that he slowly distanced himself from his street gang affiliation as he



established new friendships.

During one of Eti's first conversations with Wiremu, Wiremu disclosed that he wanted to apply for a job. Eti supported Wiremu to create his CV and referred him to different job opportunities. After spending time searching, Wiremu came to the realisation that he needed qualifications and told Eti "you can always work but you need to be educated." Wiremu took the initiative to contact a local College and apply for enrolment. After meetings and conversations with the school Board of Trustees, Wiremu was eventually enrolled. He is working hard and has had an almost perfect attendance record and a pass in his recent maths test was both a source of pride and a confidence boost.

Eti also challenged Wiremu in his attitude towards the Police. Like many of our rangatahi, Wiremu was suspicious of Police. Eti encouraged him to approach his Police Youth Aid Officer and own up to an assault that had been caught on CCTV at a local train station. Wiremu was initially reluctant, he felt that if he confessed to the assault, he would be letting his fellow gang members down by "snitching". After strong encouragement from Eti, Wiremu approached his Youth Aid officer and said,

"Sir I would like to admit that that was me and I would also like to say I'm sorry."

An act of courage on Wiremu's part and an illustration of the

depth of the trust and mutual respect built between Eti and Wiremu.

Social Worker Dan supported Eti's work with Wiremu. Together, Dan and Eti formed a solid support system for Wiremu.

Wiremu is now working hard at school, and he has not re-offended. He is in contact with his father, and is slowly repairing the relationship, and he also sees his mother more often. He has disassociated himself from his street gang connections.

Wiremu's experience with Genesis resulted in a dramatic turnaround, from much feared street fighter to a determined, focussed, and confident young man with the maturity to actively work towards a clear vision for his future.

Eti and Dan provided Wiremu with strong male role models, they built his trust and displayed unfailing confidence in him, supporting him to make his own decisions for his future and to follow through with them.

Wiremu's story is an illustration of how important the role of a mentor can be to uplift our rangatahi and to gently guide them and support them to recognise and harness their strengths and abilities, to gain the confidence and to recognise and look forward to future possibilities.

** Name changed to protect identity*



Genesis Counselling Team

Our heart surgeons

The Genesis counselling team are our “heart surgeons”, focussing on getting to the root cause of our rangatahi’s behaviour and working with them to build resilience and learn strategies to deal with their emotions and experiences. Our counsellors often address complex issues with rangatahi and whānau, and building trust is integral to focusing on houora, health and wellbeing, by addressing emotional and mental wellbeing.

Paige’s story

*Paige, like many of our rangatahi, had experienced a significant breakdown in her relationship with her parents. Paige responded to the turmoil and instability in her family situation with anger and aggression, impacting her ability to trust authority figures, and negatively impacting her relationships with siblings and peers. Paige’s antisocial behaviour and her choice of peers ultimately brought her to the attention of NZ Police and resulted in a referral to Genesis Youth Trust.


Following an initial assessment and the formulation of an intervention plan, Leah was assigned as Paige’s counsellor, specifically to address her anger and attitude towards her whānau.

Paige was initially distant, guarded, and distrustful. She had been referred to several agencies in the past and was, understandably suspicious and cautious about what Genesis had to offer.

Leah began working with Paige, carefully building trust and rapport, and establishing a safe space for Paige to express her anger and hurt and to explore her family dynamics. Paige tended to use anger to express her thoughts and feelings, Leah’s focus was on identifying the triggers and roots of Paige’s anger and to separate the issues from her identity, allowing Paige to explore and discover healthier ways to cope with her emotions.

As a result of being provided with the opportunity to work through emotions and to acknowledge past hurt Paige began to exhibit an increase in motivation and a determination to change. Paige worked on strategies to curtail her anger by removing herself from situations before they could escalate. Paige’s parents responded to the changes in her attitude and behaviour and, with their positive reinforcement, the relationship between Paige and her whānau began to improve. Paige’s parents relayed to Leah their pride in the work Paige had done and they noted that her attitude and behaviour at home had improved dramatically as a result.

Paige’s education was a focus for Social Worker Christina, she worked with Paige around consistent school attendance. Paige had previously been expelled from a school due to violence and smoking. Consequently, she changed schools to one which offered a Services Academy programme. The programme focusses on educational achievement and pathways young people into the New Zealand Defence Force’s youth development unit. Through participating in this programme Paige decided she wanted to work towards a future career in the army. Christina supported her in this



goal and ensured that she stayed focused and regularly attended classes. With a clear goal in mind, Paige has been excelling in her class work. There has been a noticeable shift in her attitude and outlook and her new focus meant she has distanced herself from negative peer groups, as she built relationships with others on her course with similar goals.

Mentor Danni spent time with Paige focussing on her peer

Mentor Danni spent time with Paige focussing on her peer relationships and reinforcing Leah's work with Paige around expressing emotions.

relationships and reinforcing Leah's work with Paige around expressing emotions. Danni worked with Paige to build pro-social activities and consequently Paige discovered a passion for sport, in particular rugby league. She joined a local team and has enjoyed participating in out-of-town tournaments.

Educational success, a career path and a passion for her chosen sport boosted Paige's self-confidence as she realised her capacity to work at and achieve goals. Paige's whānau relationships have also improved, armed with strategies to recognise, and deal with triggers which may develop into conflict and with a new confidence based on success, Paige has become a happier and more settled young woman.

Paige disclosed to Leah how much she felt she learnt during her time with Genesis and remarked she felt she had been heard and validated by the Genesis team. Paige shared that counselling with Leah has opened her eyes to possibilities as she worked on strategies to deal with her emotions and the

related behaviour. Paige benefited from the opportunity to express herself freely and without judgement and is grateful for her time with Leah.

It always encouraging for our kaimahi, our staff, to see rangatahi blossom and embrace change as they develop the strategies they need to help them navigate their teen years, to recognise their strengths, and to embrace opportunities. Paige will, no doubt, face challenges in the future and her team at Genesis are confident she now has the tools she needs to help her deal with any setbacks and Paige knows she has a support network in Leah, Christina, and Danni if she needs it.

**name changed for confidentiality*



The Genesis whānau Programme

Genesis Youth Trust have partnered with The Parenting Place to run a co-designed Building Awesome whānau Programme, tailored to Maori and Pacifica whānau and to the needs of the communities we serve. This programme is designed to support whānau and provide them with the skills, confidence, and encouragement to guide and support their rangatahi who have been referred to Genesis.

Moana's story

Like many of the rangatahi referred to Genesis, *Moana came to us with a history that belied her young age. She had a troubled relationship with both her parents leading to a traumatic communication break down between Moana and her mother and a troubled relationship with an absentee father who had spent periods in prison.

Moana's whānau had experienced grief, pain, and devastating loss when her sibling committed suicide. Grief was expressed within Moana's whānau through aggression, anger, lashing out and assigning blame.

Often offending is triggered by stress, hurt, anger, and a feeling of isolation.

Often offending is triggered by stress, hurt, anger, and a feeling of isolation.

Moana came to Genesis after being referred, unsuccessfully, to several other

services and with a history of family harm, assault, and wilful damage.


Social Worker Nadya completed a YLS-CMI assessment

with Moana and the resulting score and identified areas of risk resulted in a case management plan based on a concerted effort by a Social Worker, Mentor and Counsellor to provide wrap around support for Moana. Genesis Counsellor, Richard, is not only an experienced Counsellor, but also a qualified and practiced convenor for the Building Awesome whānau programme. He knew that Moana would need the support of whānau to make any long-term change.

Richard began working with Moana as her counsellor. While he initially was met with resistance, his persistence finally earned Moana's trust. Richard recognised Moana's significant strengths, she had a determination to succeed and was extremely focused. However, a troubled home life had detrimentally impacted her self-confidence and self-esteem. Richard worked with Moana to provide her with the tools to safely explore her relationship with her parents. The relationship between Richard and Moana provided the opportunity for Richard to invite Moana's Whānau to attend the Building Awesome Whānau programme. Moana's mother was hesitant, but her grandmother *Alofa, volunteered to be her granddaughter's support person.

Alofa's involvement in the Building Awesome Whānau programme served to bridge a gap between Moana's whānau and the Genesis team. Her attendance empowered Moana, Alofa's attendance signalled she had a whānau member who believed in her and supported her.

Attendance in the programme allowed Moana to gain some understanding from her parent's viewpoint and allowed Alofa to appreciate that Moana needed a solid support



system at home. Alofa's involvement was significant for the Genesis team as they believed that the changes seen in Moana's Grandmother during the programme attendance could become a driver of change in Moana's homelife. The Building Awesome Whānau programme also allowed Alofa to connect with other attendees, to derive support from them and to support them in turn as she drew on her own experiences to encourage others in the programme.

Meanwhile Social Worker Nadya worked with Moana to set goals around her education. Moana attended and enjoyed an alternative education course. She worked with Nadya to create goals, one of which was to be awarded DUX of her course and the other to receive an award at the end of the school term. The qualities that Richard had recognised in Moana, her determination and focus, resulted in Aria achieving both her educational goals.

Mentor Arne worked with Moana on creating good relationships, building rapport, and setting goals. Moana attended regular gym sessions with Arne providing an opportunity for Arne to work on Moana's hauora, her wellbeing, strengthening her mentally, physically, and emotionally. The relationship between Arne and Moana, based on trust and open communication, allowed Moana to share her experiences around abuse and self-harm. Together with Richard, Arne worked with Moana to understand the emotions which were triggers for her and to acknowledge and manage them.

Moana's YLS-CMI score reduced dramatically during her time with Genesis, an indication of how hard the team worked to

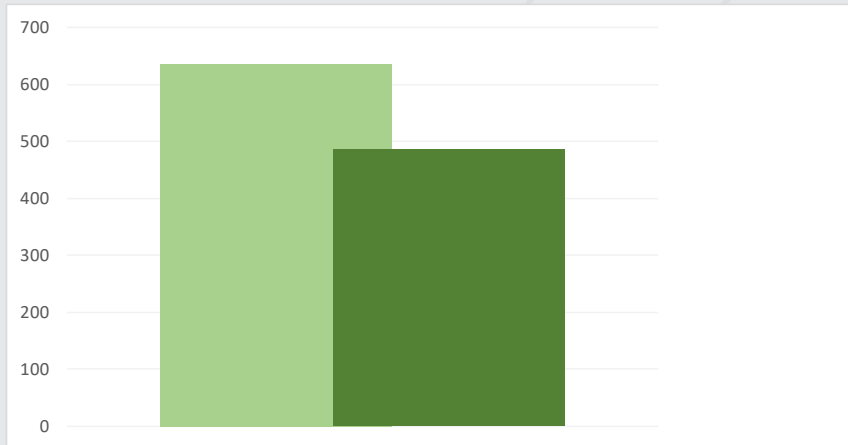
provide her with the tools she needs to become a resilient confident young woman and how hard Moana worked to achieve her goals. Moana has not reoffended, and she has continued to receive awards from her course, including confidently speaking in public to an audience at her High School.

Attending the Building Awesome Whānau programme together has brought Moana, and her grandmother closer, the strong connection between the two has helped Moana to build emotional resilience and to help manage setbacks and challenges, to be able to put them into perspective and using them as a challenge to push herself to achieve.

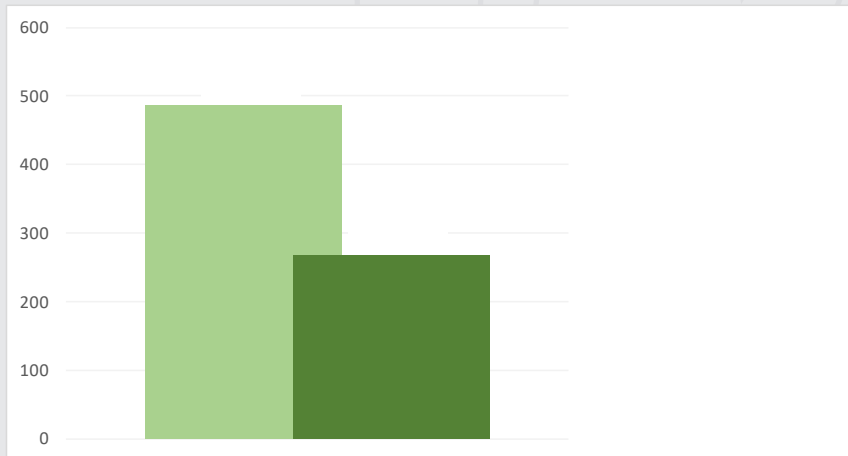
Moana is a strong and confident young woman. She attributes the personal changes she has made to the support of the Genesis team and to her grandmother, Alofa's, unfailing confidence in Moana's ability to succeed. Richard, Nadya and Arne are excited to see what the future holds for Moana.

**name changed for confidentiality*

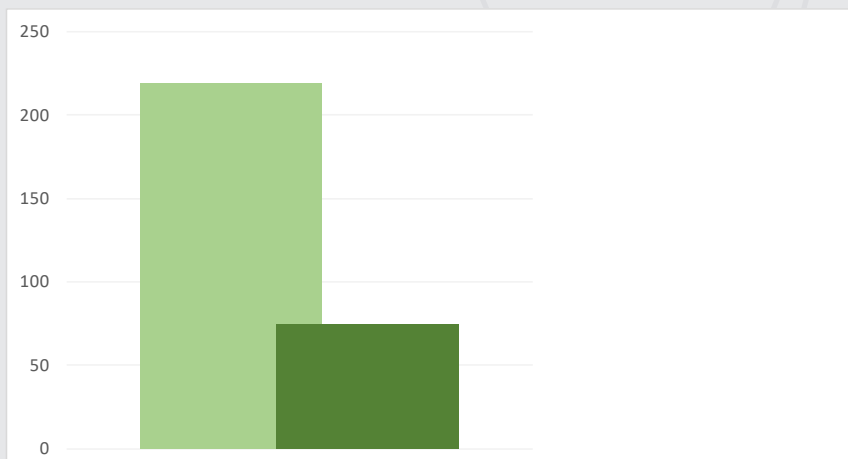
Social Bonds Outcomes as at 30 June 2021



- Total Referrals 635
- Total Enrolments 486



- Enrolled Clients 486
- Enrolled clients who have not reoffended 55%

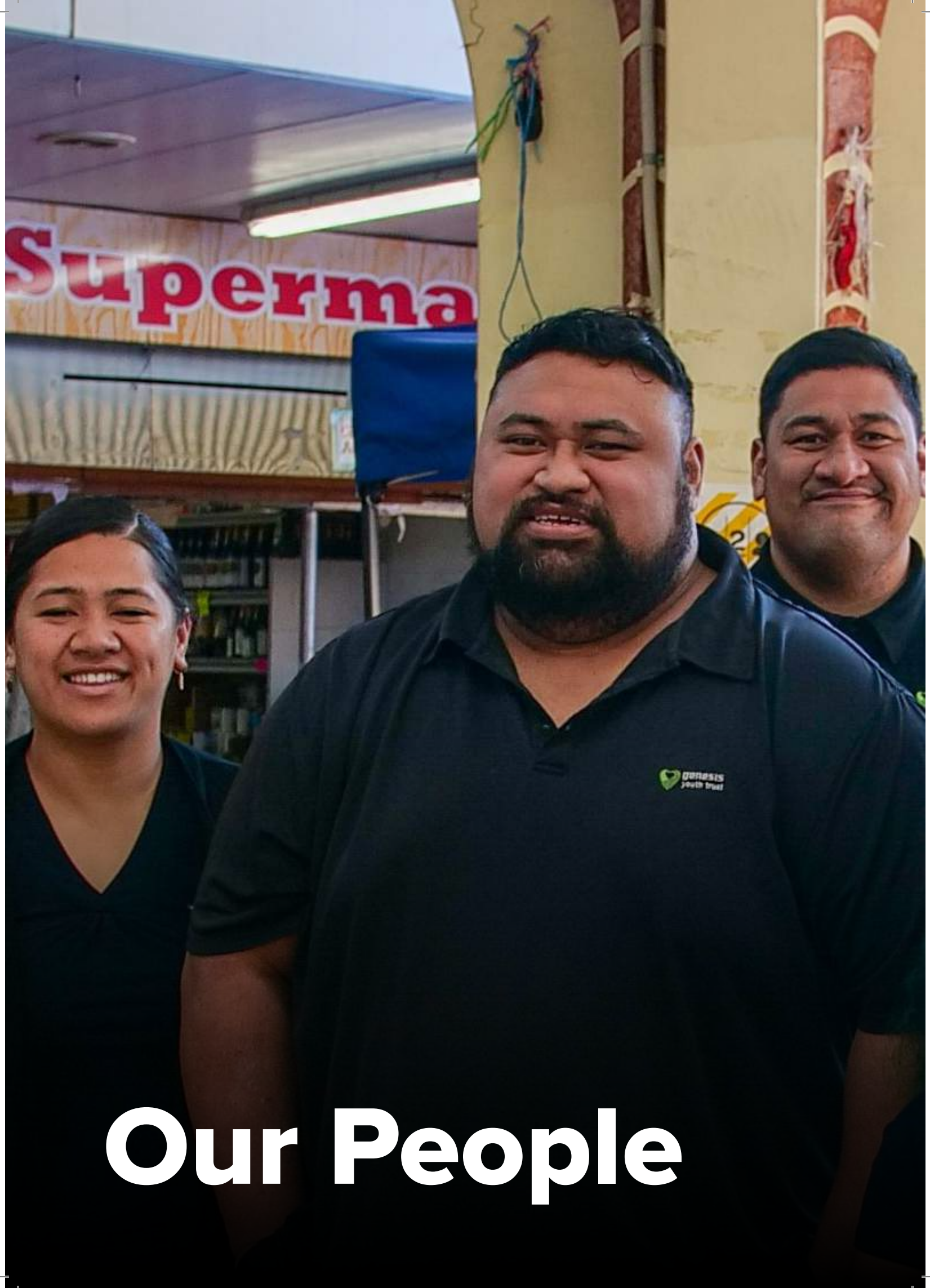


- Enrolled clients who have reoffended 219
 - Enrolled clients who reoffended at a reduced severity 34%
-

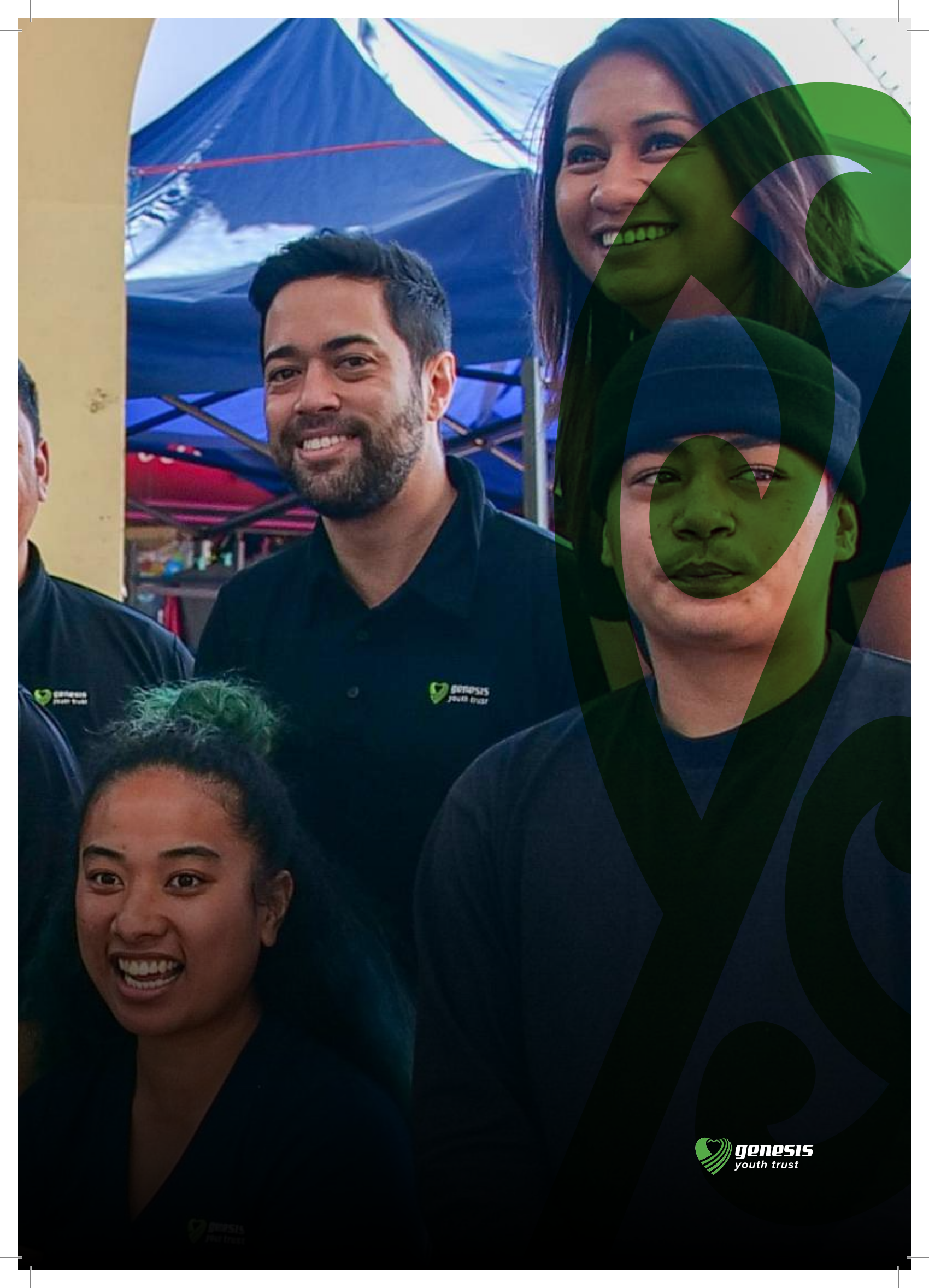


NZ
BOXER™

มวยไทย
The Royal World
19-22 ธันวาคม



Our People



Our Governance Teams

Genesis Youth Trust board and G-Op Directors



Evan Jensen
(Chair)



Louise Darroch



Martyn McKessar



Valerie Teraitua



Murray Edridge
(Chair to from October
2019 to April 2021)

G-Fund Directors



Carl Bakker
(Chair)



Craig Weston

Our Management Team



Tuhi Leef
CEO



Suzanne Teague
General Manager
Business



Rob Woodley
General Manager
Police and Community



Vivienne Kapua
Operations Manager
Mangere



Nathan Chong-Nee
Clinical Manager



Turei Marshall
Operations Manager
Papakura



Richard Takapautolo
Operations Manager
Glen Innes



Emil Huch
Operations Manager
Manurewa

Our Investors, Sponsors and Supporters

Genesis is fortunate to receive support from our key stakeholders, Oranga Tamariki – Ministry for Children and NZ Police.



A huge thank you to our key stakeholders, sponsors and investors whose generous support allows us to make positive changes in the lives of our clients and their whānau.

Investors

New Zealand Superannuation Fund

Mint Asset Management Limited

Caleb No.2 Trust (from 26.04.18)

Hosanna Charitable Trust (from 26.04.18)

Wilberforce Foundation

Sponsors



Genesis also wishes to thank the following partners for their ongoing support in delivering the Social Bond.





Independent Auditor's Report

To the trustees of Genesis Youth Trust

RSM Hayes Audit
PO Box 9588
Newmarket, Auckland 1149
Level 1, 1 Broadway
Newmarket, Auckland 1023
T +64 (9) 367 1656
www.rsmnz.co.nz

Opinion

We have audited the consolidated financial statements of Genesis Youth Trust and its subsidiaries (the group), which comprise:

- the consolidated statement of financial position as at 30 June 2021;
- the consolidated statement of comprehensive revenue and expense for the year then ended;
- consolidated statement of changes in net assets/equity for the year then ended;
- consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements on pages 5 to 17 present fairly, in all material respects, the financial position of the group as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards 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 consolidated financial statements* section of our report.

We are independent of the group 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.

Our firm has formatted the consolidated financial statements of the group to which our audit opinion relates, working from completed records of the group, which we have audited. We have had no involvement in the compilation of those records or the entries they contain. The provision of this service has not impaired our independence as auditor. Except in this regard, and other than in our capacity as auditor, we have no relationship with, or interests in, the group.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Hayes Audit is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Other information

The trustees are responsible for the other information. The other information comprises the Directory, Trustee Report and Statement of Responsibility for the Consolidated Financial statements on pages 1 to 2 (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report. Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

Responsibilities of the trustees for the consolidated financial statements

The trustees are responsible, on behalf of the company and group, for the preparation and fair presentation of the consolidated financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as the trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible, on behalf of Genesis Youth and group and group, for assessing the trust and group'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 those charged with governance either intend to liquidate the trust and group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole is 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 this consolidated financial statements. A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located at the XRB's website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-7/>

Who we report to

This report is made solely to the trustees, as a body. Our audit has been undertaken so that we might state to the trustees those matters 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 the trustees as a body, for our work, for this report, or for the opinions we have formed.

A handwritten signature in blue ink that reads 'RSM'.

Genesis Youth Trust**Consolidated Statement of Comprehensive Revenue and Expense
For the year ended 30 June 2021**

	Notes	2021 \$	2020 \$
Revenue			
Revenue from non-exchange transactions	15	8,008,540	10,624,747
Gain on disposal of fixed assets		-	552
		8,008,540	10,625,299
Expenses			
Accounting		1,365	34,964
Audit		23,004	23,004
Bank charges		1,947	2,161
Building rent		57,946	33,142
Catering		21,146	18,547
Computer support		31,416	27,347
Depreciation	10	77,002	72,344
Insurance		33,609	25,217
Loss on disposal of assets		1,013	-
Rent expense		105,759	104,605
Office supplies		29,749	45,588
Professional development & training		29,793	80,148
Programme and activities		65,775	38,277
Social bonds related cost		139,454	53,370
Staff recruitment cost		3,560	19,903
Staff related cost		2,865,771	2,512,979
Supervision costs		8,026	8,161
Telecommunications		36,159	37,770
Travel		2,651	4,214
Board remuneration		80,236	103,776
Motor Vehicle		39,200	34,120
Others		5,819	3,585
Total expenses		3,660,400	3,283,222
Finance income	16	120,229	141,441
Finance costs	16	(546,666)	(557,284)
Net finance costs		(426,437)	(415,843)
Net surplus for the year		3,921,703	6,926,234
Other comprehensive revenue and expense		-	-
Total comprehensive revenue and expense for the year		3,921,703	6,926,234

The above financial statement should be read in conjunction with the accompanying notes.

Genesis Youth Trust

**Consolidated Statement of Changes in Net Assets / Equity
For the year ended 30 June 2021**

	Accumulated comprehensive revenue and expense	Total
Opening equity 1 July 2019	183,336	183,336
Surplus for the year	6,926,234	6,926,234
Other comprehensive revenue and expense	-	-
Total comprehensive revenue and expense for the year	6,926,234	6,926,234
Closing equity 30 June 2020	7,109,570	7,109,570
Surplus for the year	3,921,703	3,921,703
Other comprehensive revenue and expense	-	-
Total comprehensive revenue and expense for the year	3,921,703	3,921,703
Closing equity 30 June 2021	11,031,273	11,031,273

The financial statement should be read in conjunction with the accompanying notes.

Genesis Youth Trust

**Consolidated Statement of Financial Position
As at 30 June 2021**

	Notes	2021	2020
Assets			
Current assets			
Cash and cash equivalents	6	3,739,737	1,923,041
Short term investments	7	9,427,924	7,027,924
Receivables from exchange transactions	8	82,600	114,499
Receivables from non-exchange transactions	8	<u>2,899,466</u>	<u>4,335,813</u>
Total current assets		16,149,727	13,401,277
Non-current assets			
Property, plant and equipment	10	202,931	201,215
Investments	7b	1,000,000	-
Total assets		<u>17,352,658</u>	<u>13,602,492</u>
Liabilities			
Current liabilities			
Payables from exchange transactions	12	397,650	355,394
Payables from non-exchange transactions	12	141,176	78,751
Employee benefits	13	230,880	201,107
Income in advance		359,063	-
Interest-bearing borrowings	14	<u>600,000</u>	<u>600,000</u>
Total current liabilities		1,728,769	1,235,252
Non-current liabilities			
Interest-bearing borrowings	14	4,592,616	5,257,670
Total liabilities		<u>6,321,385</u>	<u>6,492,922</u>
Total net assets		<u>11,031,273</u>	<u>7,109,570</u>
Equity			
Accumulated comprehensive revenue and expense		<u>11,031,273</u>	<u>7,109,570</u>

For and on behalf of the Board:


Chairperson- Evan Jensen

09/12/2021
Date


Trustee

11 December 2021
Date

The financial statement should be read in conjunction with the accompanying notes.

Genesis Youth Trust

**Consolidated Statement of Cash Flows
For the year ended 30 June 2021**

	Notes	2021	2020
Cash flows from operating activities			
Receipts from grants and donations		9,815,803	7,937,740
Social bond recoveries		20,046	50,193
Interest received		120,229	141,441
Payments to suppliers and employees		(3,558,528)	(3,905,712)
Interest paid		<u>(502,136)</u>	<u>(557,284)</u>
Net cash inflow from operating activities		5,895,414	3,666,378
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		2,318	4,696
Purchase of property, plant and equipment		(81,036)	(109,089)
Purchase of investments		<u>(3,400,000)</u>	<u>(2,767,924)</u>
Net cash outflow from investing activities		(3,478,718)	(2,872,318)
Cash flows from financing activities			
Repayment of bonds principal		<u>(600,000)</u>	<u>(323,832)</u>
Net cash outflow from financing activities		(600,000)	(323,832)
Net increase in cash and cash equivalents		1,816,696	470,228
Cash and cash equivalents at 1 July		<u>1,923,041</u>	<u>1,452,812</u>
Cash and cash equivalents at 30 June	6	<u>3,739,737</u>	<u>1,923,041</u>

The financial statements should be read in conjunction with the accompanying notes.

Genesis Youth Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2021

1. Reporting entity

Genesis Youth Trust is incorporated under the Charitable Trusts Act 1957 and is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act 2013.

The consolidated financial statements for the year ended 30 June 2021 comprise the controlling entity and its controlled entities (together referred to as the 'Group') and individually as 'Group entities'.

The consolidated financial statements for the year ended 30 June 2021 were authorised for issue by the Trustees on the date indicated on page 7.

2. Basis of preparation

a) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Charities Act 2005 which requires compliance with generally accepted accounting practice in New Zealand ("NZ GAAP").

As the primary objective of the Group is to provide goods or services for community and social benefit, rather than for making a financial return, the Group is a public benefit entity for the purpose of complying with NZ GAAP.

The consolidated financial statements comply with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities. The Group qualifies as a Tier 2 reporting entity as it does not have public accountability and it is not defined as large. All reduced disclosure regime exemptions have been adopted.

b) Measurement basis

The consolidated financial statements have been prepared on the historical cost basis.

c) Functional and presentation currency

The consolidated financial statements are presented in New Zealand Dollars (\$), which is the functional and presentation currency, rounded to the nearest dollar.

There has been no change in the functional currency of the Group during the year.

3. Significant judgments and estimates

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements:

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

- Revenue recognition – non-exchange revenue (conditions vs. restrictions)
- Classification of non-financial assets as cash generating or non-cash generating assets for the purposes of assessing impairment indicators and impairment testing.
- Classification of the social bonds as interest-bearing financial liabilities

The majority of property, plant and equipment held by the Group is classified as non-cash generating assets.

b) Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated and separate financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset;
- 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

Changes in accounting estimates

There have been no changes in the accounting estimates for the current reporting period.

Genesis Youth Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2021

4. Significant accounting policies

a) Basis of consolidation

Controlled entities are all these entities over which the Trust (the controlling entity) has the power to govern the financial and operating policies so as to obtain benefits from their activities. The financial statements of the Group's controlled entities are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The consolidated financial statements of the controlled entities are prepared for the same reporting period as the Trust, using consistent accounting policies.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted associates and jointly-controlled-entities are eliminated against the investment to the extent of the Group's interest in the investee.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

On the loss of control, the Group derecognises the assets and liabilities of the controlled entity, any minority interest, and the other components of net assets/equity related to the controlled entity. Any surplus or deficit arising on the loss of control is recognised in surplus or deficit.

If the Group retains any interest in the previously controlled entity, then such interest is measured at fair value at the date that control is lost. Subsequently, the retained interest is either accounted for as an equity-accounted associated or an available-for-sale financial asset depending on the level of influence retained.

b) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Revenue from exchange transactions

Interest revenue

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate. Effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Interest income is included in finance income in the statement of comprehensive revenue and expense.

ii) Revenue from non-exchange transactions

Non-exchange transactions are those where the Group receives an inflow of resources (i.e. cash and other tangible or intangible items) but provides no (or nominal) direct consideration in return.

With the exception of services-in-kind, inflows of resources from non-exchange transactions are only recognised as assets where:

- It is probable that the associated future economic benefit or service potential will flow to the entity, and
- Fair value is reliably measurable.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow.

Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and will be required to settle the obligation, and
- The amount of the obligation can be reliably estimated.

Genesis Youth Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2021

4. Significant accounting policies (cont'd)

b) Revenue (cont'd)

ii) Revenue from non-exchange transactions (cont'd)

The following specific recognition criteria in relation to the Group's non-exchange transaction revenue streams must also be met before revenue is recognised.

Grants and donations

The recognition of non-exchange revenue from grants and donations depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue.

Stipulations that are 'conditions' specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the 'conditions' are satisfied.

Stipulations that are 'restrictions' do not specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

Outcome Payments

Recognition of non-exchange revenue from outcome payment revenue is depended on when the 'conditions' stipulated are satisfied. Where the 'conditions' have not been met, this will result in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the 'condition's are satisfied.

Notional grant revenue

This is a non-cash grant provided by the New Zealand Police towards operating expenses. The amount is based on the market value of goods and services provided.

c) Employee benefits

i) Short term employee benefits

Short-term employee benefit liabilities are recognised when the Group has a legal or constructive obligation to remunerate employees for services provided with 12 months of reporting date, and is measured on an undiscounted basis and expensed in the period in which employment services are provided.

d) Financial instruments

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

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

The Group also derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies financial assets as loans and receivables.

The Group classifies financial liabilities as at amortised cost.

Financial instruments are initially measured at fair value, plus for those financial instruments not subsequently measured at fair value through surplus or deficit, directly attributable transaction costs.

Subsequent measurement is dependent on the classification of the financial instrument, and is specifically detailed in the accounting policies below.

i) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market.

Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Comprising cash and cash equivalents and receivables from exchange and non-exchange transactions.

Genesis Youth Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2021

4. Significant accounting policies (cont'd)

d) Financial instruments (cont'd)

i) Loans and receivables (continued)

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

ii) Amortised cost financial liabilities

Financial liabilities classified as at amortised cost are non-derivative financial liabilities that are not classified as fair value through surplus or deficit financial liabilities.

Financial liabilities classified as at amortised cost are subsequently measured at amortised cost using the effective interest method.

Financial liabilities classified as at amortised cost comprise payables and interest-bearing borrowings.

Interest-bearing borrowings comprise bonds which are initially recognised at fair value, net of transaction costs incurred. They are subsequently stated at amortised cost using the effective interest rate method, where appropriate. Interest-bearing borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for more than 12 months after the reporting date. Interest expense is recognised using the effective interest rate method.

e) Impairment of non-derivative financial assets

A financial asset not subsequently measured at fair value through surplus or deficit is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a counterparty, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a counterparty or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security.

i) Financial assets classified as loans and receivables

The Group considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level.

All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in surplus or deficit and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised.

When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through surplus or deficit.

f) Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

Items of property, plant and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance is expensed as incurred.

Genesis Youth Trust

Notes to the Consolidated Financial Statements For the year ended 30 June 2021

4. Significant accounting policies (cont'd)

f) Property, plant and equipment (continued)

iii) Depreciation

For property, plant and equipment, depreciation is based on the cost of an asset less its residual value and for buildings is based on the revalued amount less its residual value.

Significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately.

Depreciation is recognised in surplus or deficit on a diminishing value basis over the estimated useful lives of each component of an item of property, plant and equipment.

The estimated useful lives are:

Buildings & Structures	13.5%
Office Equipment	16% - 67%
Motor Vehicles	30%
Furniture & Fittings	16%

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

g) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or Cash Generating Unit (CGU) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the future remaining service potential (for non-cash-generating assets) is discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

Impairment losses are recognised in surplus or deficit. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

h) Equity

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

Accumulated comprehensive revenue and expense

Accumulated comprehensive revenue and expense is the Group's accumulated surplus or deficit since the formation of the Group adjusted for transfers to/from specific reserves.

i) Goods and services tax

All amounts are shown exclusive of goods and services tax (GST), except for receivables and payables that are stated inclusive of GST.

j) Leases

i) Classification and treatment

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases

Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Operating leases

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Group operating lease payments are recognised as an operating expense in surplus or deficit on a straight-line basis over the lease term.

Genesis Youth Trust

**Notes to the Consolidated Financial Statements
For the year ended 30 June 2021**

5. Group information

The consolidated financial statements of the Group include the following controlled entities of the Trust:

Name of subsidiary	Principal activities	Country of incorporation	Carrying value of investment (at cost)	
			2021	2020
G-FUND LIMITED	Service Provider of the Social Bonds Pilot project	New Zealand	-	-
G-OP LIMITED	Subcontractor of the Social Bonds Pilot project	New Zealand	-	-

The reporting date of the Trust and all subsidiaries is 30 June. Both controlled entities are wholly owned.

6. Cash and cash equivalents

	2021	2020
	\$	\$
Cash and cash equivalents include the following components:		
Savings plus	658,478	656,911
Cheque	98,703	99,300
On call account	933,241	290,081
Eftpos account	670	2,974
Cash reserve account	752,625	116,349
Working capital account	328,419	217,620
ASB term deposit 10	-	300,000
ASB term deposit 12	700,000	-
Operational account	267,601	239,806
	<u>3,739,737</u>	<u>1,923,041</u>

The payments made from the Cash Reserve Account are restricted to specific purposes listed in schedule 3 of the Deed Poll relating to Social Bonds and only to the extent of available moneys in the Cash Reserve Account.

7. Short term investments

Current	Maturity date	Interest rate		
Investment #72	16/01/22	2.50%	27,924	27,924
ANZ term deposit 01	18/08/20	2.21%	-	600,000
ANZ term deposit 02	17/09/21	0.45%	400,000	300,000
ANZ term deposit 03	17/11/21	0.80%	300,000	1,700,000
ANZ term deposit 04	6/04/21	2.17%	-	1,200,000
ANZ term deposit 05	19/10/21	1.22%	1,500,000	-
ANZ term deposit 10	17/05/22	1.00%	7,200,000	-
ANZ term deposit 11	19/04/21	1.47%	-	1,300,000
ANZ term deposit 12	18/12/20	1.49%	-	1,900,000
			<u>9,427,924</u>	<u>7,027,924</u>

7b. Non-current

ANZ term deposit 01	19/10/22	1.15%	1,000,000	-
---------------------	----------	-------	-----------	---

Term deposit Investment #72 is held as security for the leased premises.

8. Receivables

Receivables from exchange transactions

Prepayments	45,704	42,384
Interest accrual	33,994	69,213
Resident withholding tax	2,902	2,902
	<u>82,600</u>	<u>114,499</u>

Receivables from non-exchange transactions

Accounts receivable	2,822,963	4,263,892
GST receivables	76,503	71,921
	<u>2,899,466</u>	<u>4,335,813</u>

9. Related parties

Related party transactions

Remuneration paid to key management personnel:

Number of FTE's	3	2.54
Senior Management Remuneration	\$ 348,920	\$ 231,040

Total remuneration of \$82,772 was paid to the trustees and directors of the Trust and controlled entities respectively. (2020: \$88,584).

There are no balances outstanding regarding transactions with related parties (2020: Nil).

The following transactions were carried out with the controlled entities:

Party Name	Relationship	Nature of Transaction	2021	2020
			\$	\$
The Learning Wave Limited	Directors in common	Training and development services	7,565	-

Genesis Youth Trust

**Notes to the Consolidated Financial Statements
For the year ended 30 June 2021**

10. Property, plant and equipment

	30-Jun-21			30-Jun-20		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings and Structures	30,578	2,533	28,045	-	-	-
Motor Vehicles	323,491	186,686	136,805	308,735	144,895	163,840
Furniture and Fittings	20,426	17,064	3,362	20,426	16,408	4,018
Office Equipment	169,419	106,655	62,764	128,703	95,346	33,357
	<u>513,336</u>	<u>310,405</u>	<u>202,931</u>	<u>457,864</u>	<u>256,649</u>	<u>201,215</u>

Reconciliation of property, plant and equipment - June 2021

	Opening	Additions	Disposals	Depreciation	Closing balance
Buildings and Structures	-	30,578	-	2,533	28,045
Motor Vehicles	163,840	31,243	1,188	57,090	136,805
Furniture and Fittings	4,018	-	-	656	3,362
Office Equipment	33,357	49,793	1,130	19,256	62,764
	<u>201,215</u>	<u>81,036</u>	<u>2,318</u>	<u>77,002</u>	<u>202,931</u>

Net book value

As at 30 June 2021	202,931
As at 30 June 2020	201,215

11. Financial instruments

The table below shows the carrying amounts of the Group's and Parent's financial assets and financial liabilities.

i. Classification and fair values of financial instruments

	Financial assets Loans and receivables	Financial liabilities Amortised cost
2021		
Cash and cash equivalents	3,739,737	-
Short term investments	10,427,924	-
Receivables	2,856,957	-
Payables	-	129,039
Interest accrual	-	109,584
Other accruals	-	159,027
Interest-bearing borrowings	-	5,192,616
	<u>17,024,618</u>	<u>5,590,266</u>
2020		
Cash and cash equivalents	1,923,041	-
Short term investments	7,027,924	-
Receivables	4,333,106	-
Payables	-	76,965
Interest accrual	-	117,108
Other accruals	-	161,320
Interest-bearing borrowings	-	5,857,670
	<u>13,284,071</u>	<u>6,213,063</u>

12. Payables

	2021 \$	2020 \$
Payables from exchange transactions		
Accounts payables	129,039	76,965
Interest accrual	109,584	117,108
Other accruals	159,027	161,320
	<u>397,650</u>	<u>355,393</u>
Payables from non-exchange transactions		
GST payables	141,176	78,751
	<u>141,176</u>	<u>78,751</u>

13. Employee benefits

	2021	2020
Annual leave	153,496	124,631
Wages accrual	77,384	76,476
	<u>230,880</u>	<u>201,107</u>

Genesis Youth Trust

**Notes to the Consolidated Financial Statements
For the year ended 30 June 2021**

14. Interest-bearing borrowings

	2021 \$	2020 \$
Interest-bearing borrowings at amortised cost		
Current portion	600,000	600,000
Non-current portion	4,592,616	5,257,670
Total	5,192,616	5,857,670
Holders	Class	Initial Principal
NZ Super Fund	Class A	3,700,000
Mint Asset Management Limited	Class A	500,000
Wilberforce Foundation	Class A	50,000
Hosanna Trust	Class A	500,000
Caleb No. 2 Trust	Class A	50,000
NZ Super Fund	Class B	1,200,000
Subtotal		6,000,000
Minus: Transaction cost		(120,000)
Initial fair value		5,880,000

On 1 September 2017, G-Fund Limited issued \$4,800,000 Class A bonds with an annual yield of 6.0% (increased to 9.6% from 1 September 2019) and \$1,200,000 Class B bonds with an annual yield of 10.0% (increased to 16.8% from 1 September 2019). These bonds were issued to finance the improvement of outcomes relative to specific social issues. Both classes of bonds have a final maturity date of 31 August 2023. Class A bonds are senior to Class B bonds as to principal and interest. Both classes are secured by a first-ranking security over all present and after-acquired property of G-Fund Limited granted in favour of a security Trustee for the benefit of the bondholders.

G-Fund Limited started repaying the principal, from April 2020. Repayments will be made every six months until October 2023. The pattern of repayments are as follows:

Date	Class A	Class B	Total
26/04/20	300,000	-	300,000
26/10/20	300,000	-	300,000
26/04/21	300,000	-	300,000
26/10/21	300,000	-	300,000
26/04/22	300,000	-	300,000
26/10/22	1,000,000	-	1,000,000
26/04/23	2,300,000	400,000	2,700,000
26/10/23	-	800,000	800,000
			<u>6,000,000</u>

15. Revenue

	2021 \$	2020 \$
Revenue from non-exchange transactions		
Ministry of Social Development	221,229	254,193
Other grants and donations	50	1,049
Notional grant revenue	522,225	522,146
Social Bonds Outcome revenue	7,265,036	9,847,359
	<u>8,008,540</u>	<u>10,624,747</u>

16. Finance income and costs

Finance income		
- interest income on bank deposit	120,229	141,441
Finance cost		
- interest expense on social bonds	546,666	557,284

Genesis Youth Trust

**Notes to the Consolidated Financial Statements
For the year ended 30 June 2021**

17. Commitments

The lease payments are related to a photocopier lease.

	2021	2020
	\$	\$
Lease payments within one year	8,696	798
Lease payments between one year and five years	19,566	-
Lease payments more than five years	-	-
	<u>28,262</u>	<u>798</u>

18. Contingent assets and liabilities

G-Fund entered into an outcome agreement with Oranga Tamariki - Ministry for Children (previously known as The Ministry for Vulnerable Children, Oranga Tamariki). This agreement is a pilot for the social bonds project ("the project"). Oranga Tamariki - Ministry for Children provides incentive payments when G-Fund meets certain outcome thresholds.

The outcome agreement states that any surplus from the project at the end of the term (six years) will need to be repaid to the Oranga Tamariki - Ministry for Children. As this project will extend over six years, it is currently unknown if a surplus will be achieved from this project. Accordingly, no provision for any liability has been made in the consolidated financial statements.

There are no contingent assets or other contingent liabilities at the reporting date. (2020: Same as above).

19. Events after the reporting date

There are no significant post balance date events (2020: Nil).

20. Going concern

The Group has achieved a surplus of \$3,921,703 (2020: surplus of \$6,926,234) for the year ended 30 June 2021 and as of that date has net assets of \$11,031,273 (2020: net assets of \$7,109,570). Subsequent to balance date, the recurrence of COVID-19 cases in the community resulted in the New Zealand government announcing a number of measures to contain the spread of the virus. This includes closing of non-essential businesses from 18 August 2021. The effects of this pandemic may have had a material impact on the businesses within the Genesis Youth Trust group, however the full extent of this impact can only be ascertained at the end of the next financial year. The trustees are confident that the Group will continue as a going concern. The financial statements have therefore been prepared on a going concern basis



