

**Circuit International  
Incorporated**

**Performance Report**

**For the year ended 31 March 2020**

# Circuit International Incorporated

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The Board of Trustees is pleased to present the approved financial statements for Circuit International Incorporated for the year ended 31 March 2020.



Graeme Taylor

Chair

14 December 2020



Brian Patchett

Accountant

14 December 2020

# Circuit International Incorporated

## Entity Information

**"Who are we?", "Why do we exist?"**

**For the year ended  
31 March 2020**

Legal Name of Entity:	Circuit International Inc.
Other Name of Entity (if any):	Circuit Int. or Circuit
Type of Entity and Legal Basis (if any):	Registered Charity and Incorporated Society
Registration Number:	CC22908 and 2639154
Entity's Purpose or Mission:	We are a faith-based international development organisation. Our mission is: Connecting People, through Business with Justice, enabling Sustainable Development.
Entity Structure:	Circuit International is a trust, governed by a Board of Trustees. The operations are carried out by a small staff and volunteers both in New Zealand and in Myanmar.
Main Sources of the Entity's Cash and Resources:	We get funding from individual private donors and about 12 family trusts. Our administration costs are kept low, because both our Executive Director and Field Programmes Leader are sponsored by individual donors to work full time at minimal cost to Circuit.
Main Methods Used by the Entity to Raise Funds:	The main way our charity raises funds is through the 4-6 monthly speaking tours the Executive Director and Field Programmes Leader go on, after the Field Programmes Leader has made one of his 4-monthly trips to Myanmar for monitoring, evaluation and mentoring our programme managers. Additional to this, we have several fundraising campaigns a year: Easter/End of Financial Year Campaign, Mid-Winter Matching Funds Campaign (where a private donor matches all donations up to \$25,000), Christmas Alternative Giving Campaign, and Movie Fundraisers.

# Circuit International Incorporated

## Entity's Reliance on Volunteers and Donated Goods or Services:

We rely on several volunteers at the NZ end of our charity, namely our fulltime accountant, and parttime Wellington network coordinator and movie fundraiser. At the Myanmar end, our implementing partner - the Love Conquers All Foundation, relies on dozens of volunteers to manage and to run the programmes.

## Contact details

Physical Address:

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Postal Address:

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[info@circuitinternational.org](mailto:info@circuitinternational.org)



[facebook.com/circuitinternational/](https://www.facebook.com/circuitinternational/)



<https://www.instagram.com/circuitinternational/>

# Circuit International Incorporated

## Statement of Service Performance

"What did we do?", When did we do it?"

For the year ended  
31 March 2020

### Description of the Entity's Outcomes

Through business and sustainable development, we seek to reduce extreme poverty within communities in north-eastern Myanmar. Through our **Grainsaver Bag programme and our Seed Bank Programme**, we seek to give subsistence farming families ways to make a living wage, so that they won't need to sell their children as child brides to China, or into prostitution in Thailand. Through our **Coffee for Opium Replacement programme**, we seek to give communities who are farming and addicted to opium, a viable alternative way to make a living.

Description and Quantification (to the extent practicable) of the Entity's	Actual	Actual
	This Year	Last Year
<b>Where Donations Went:</b>		
Field Programmes	85%	83%
Promotion & Fundraising	6%	6%
Administration	9%	11%

### New Hope Seed Banks:

A community based, very low interest, seed bank for subsistence farmers, offering protection them from loan sharks. The whole community takes the loan together so if one falls all share in the fall. Unity is the ultimate aim of the programme - it is our definition of community development. Further, interest paid accrues so that, in time, the community can start to run their own seed bank.

We have found during monitoring and evaluation that, in EVERY case, a sense of unity and community purpose has deepened through this programme. This has resulted in noticeable improvements to infrastructure, increased school attendance, improved health outcomes and better standard of living.. In the words of LCA Director, Sai Tun Sar - "Now they feel more unified and confident to solve their own problems and to stand on their own feet as a community".

This has been our most successful programme to date, and is becoming the backbone of Circuit's work in Myanmar.

### Seed Bank Programmes

Village Tracts	6	5
Acres planted	207	185
Number of individuals assisted to keep them from poverty and free of debt to	929	897
Local volunteers, including the individual programme managers, who happily volunteer their time, especially at the busiest times of planting and harvesting. Some volunteers are also used during the Monitoring and Evaluation of each Seed Banks programme.	61	55

**A note to readers/users of this report:** Some of the previous year's statistics for Seed Banks programmes have been amended in the light of more reliable and realistic information.

# Circuit International Incorporated

## Grainsaver Bags:

A storage programme running in conjunction with the seed banks programme. It was an ambitious idea to introduce expensive new technology into Myanmar to enable us to store grain to improve the lives of subsistence farmers.

Our local entity, the Love Conquers All (LCA) Foundation, buys grain directly from farmers, thereby giving them a guaranteed income and passing the risk to us. Subsequent adverse conditions saw our farmers protected where others lost money. By protecting our store of grain now that conditions have improved we will be able to sell at up to 150% of previous prices thus providing extra funding for our charitable work.

Finally, this project has attracted the attention of business people. We are hoping that this will result in the sale of grain storage systems since we currently hold the rights to sell the machines and bags in-country.

This being a business project aimed at the Love Conquers All Foundation becoming self-sustaining at some point in the future there are no outcome statistics

## Additional Output Measures:

Staff and volunteer involvement

Executive Director and Field Programmes Leader -partially sponsored/supported by Kiwis so they don't need to take a full salary from the charity, and more funds can go to the field programmes	2	2
Accountant -fulltime volunteer	1	1
Part time workers -on a basic living wage by agreement so that more funds can go to the field.	2	2
The comms strategist and graphic designer work on average 4 hours a week.	2	2
Fulltime staff in Myanmar - the LCA director and accountant -paid a local wage by agreement, not a high salary like some other INGOs pay their staff, so that more funds can be used for the programmes.	2	2
Monitoring and evaluation volunteers	2	2

## The main learnings we have taken from this year have been:

1. to focus more on plant-based rather than animal-based projects as they do not carry as much risk from climatic conditions and disease
2. to focus more on community-owned projects rather than individually owned projects, as the community is able to keep the manager accountable for making progress towards self-sustainability after the initial startup investment is made.

## Additional Information:

For more information on the outcomes and outputs of our programmes go to:

- <https://www.circuitinternational.org/seed-banks/>
- <https://www.circuitinternational.org/grain-saver-bags/>
- <https://www.circuitinternational.org/cash-cows/>
- <https://www.circuitinternational.org/coffee-for-opium/>

# Circuit International Incorporated

## Statement of Financial Performance

**"How was it funded?" and "What did it cost?"**  
**For the year ended**  
**31 March 2020**

	Note	Actual This Year \$	Actual Last Year \$
<b>Revenue</b>			
Donations, fundraising and other similar revenue		342,429	361,184
Interest, dividends and other investment revenue		3,937	6,670
Other revenue		1,318	60
<b>Total Revenue</b>		<b>347,683</b>	<b>367,914</b>
<b>Expenses</b>			
Expenses related to public fundraising		5,340	4,065
Volunteer and employee related costs		141,408	137,845
Grants and donations made		120,326	340,348
Other expenses		38,145	125,577
<b>Total Expenses</b>		<b>305,219</b>	<b>607,835</b>
<b>Surplus/(Deficit) for the Year</b>		<b>42,464</b>	<b>(239,921)</b>

The accompanying notes form part of these financial statements.

# Circuit International Incorporated

## Statement of Financial Position

"What the entity owns?" and "What the entity owes?"

As at  
31 March 2020

	Note	Actual This Year \$	Actual Last Year \$
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash		214,560	149,818
Debtors and prepayments		-	9,976
Other current assets		893	1,380
<b>Total Current Assets</b>		<b>215,453</b>	<b>161,174</b>
<b>Non-Current Assets</b>			
Other non-current assets		100	100
<b>Total Non-Current Assets</b>		<b>100</b>	<b>100</b>
<b>Total Assets</b>		<b>215,553</b>	<b>161,274</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses		3,598	3,783
<b>Total Current Liabilities</b>		<b>3,598</b>	<b>3,783</b>
<b>Non-Current Liabilities</b>			
Loans		100,000	88,000
<b>Total Non-Current liabilities</b>		<b>100,000</b>	<b>88,000</b>
<b>Total Liabilities</b>		<b>103,598</b>	<b>91,783</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>111,955</b>	<b>69,491</b>
<b>Accumulated Funds</b>			
Capital contributed by owners or members		100	100
Accumulated surpluses or (deficits)		111,855	69,391
<b>Total Accumulated Funds</b>		<b>111,955</b>	<b>69,491</b>

The accompanying notes form part of these financial statements.



# Circuit International Incorporated

## Statement of Cash Flows

**"How the entity has received and used cash"**  
**For the year ended**  
**31 March 2020**

	Actual This Year \$	Actual Last Year \$
<b>Cash Flows from Operating Activities</b>		
<b>Cash was received from:</b>		
Donations, fundraising and other similar receipts	352,891	400,256
Interest, dividends and other investment receipts	3,937	6,670
Other Revenue	1,318	60
<b>Cash was applied to:</b>		
Payments to suppliers and employees	185,078	230,359
Donations or grants paid	120,326	340,348
<b>Net Cash Flows from Operating Activities</b>	<b>52,742</b>	<b>(163,721)</b>
<b>Cash flows from Investing and Financing Activities</b>		
<b>Cash was received from:</b>		
Receipts from the sale of investments	-	899
Proceeds from loans borrowed from other parties	12,000	88,000
<b>Cash was applied to:</b>		
Payments to acquire property, plant and equipment	-	72,560
<b>Net Cash Flows from Investing and Financing Activities</b>	<b>12,000</b>	<b>16,339</b>
<b>Net Increase / (Decrease) in Cash</b>	<b>64,742</b>	<b>(147,382)</b>
<b>Opening Cash</b>	<b>149,818</b>	<b>297,200</b>
<b>Closing Cash</b>	<b>214,560</b>	<b>149,818</b>
<b>This is represented by:</b>		
Bank Accounts and Cash	214,560	149,818

The accompanying notes form part of these financial statements.

# Circuit International Incorporated

## Statement of Accounting Policies

**"How did we do our accounting?"**

**For the year ended  
31 March 2020**

### **Basis of Preparation**

CIRCUIT INTERNATIONAL INCORPORATED has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

### **Goods and Services Tax (GST)**

CIRCUIT INTERNATIONAL INC is registered for GST

All amounts are recorded exclusive of GST except for Debtors and Creditors which are stated inclusive of GST

### **Income Tax**

CIRCUIT INTERNATIONAL INCORPORATED is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

### **Bank Accounts and Cash**

Bank accounts and cash comprise cash on hand, cheque and savings accounts deposits and deposits held on call with the banks.

### **Revenue**

Interest revenue is recorded as it is earned during the year

### **Debtors**

Debtors are initially recorded at the amount owed. A provision for impairment is recognised for any amount deemed unlikely to be collected. The loss is recognised as an expense.

### **Creditors and Accrued Expenses**

Creditors and accrued expenses are measured at the full amount owed.

### **Loans**

Loans are recognised at the amount borrowed from the lender.

### **Changes in Accounting Policies**

The following policies have been added: Revenue, Debtors, Creditors and Accrued Expenses, Loans and Related Parties. There have been no changes to accounting policies.

# Circuit International Incorporated

## Notes to the Performance Report

For the year ended  
31 March 2020

### Note 1 : Analysis of Revenue

Revenue Item	Analysis	This Year \$	Last Year \$
Donations and other similar revenue	Overseas Development Programme Donations	205,490	260,562
	Overseas Programme Admin & Monitoring Donations	46,166	12,290
	Salary Support Donations	90,512	88,261
	Other Donations	260	71
	<b>Total</b>	<b>342,429</b>	<b>361,184</b>

Revenue Item	Analysis	This Year \$	Last Year \$
Interest, dividends and other investment revenue	Bank Interest	3,937	6,670
	<b>Total</b>	<b>3,937</b>	<b>6,670</b>

Revenue Item	Analysis	This Year \$	Last Year \$
Other revenue	Miscellaneous Revenue	1,318	60
	<b>Total</b>	<b>1,318</b>	<b>60</b>

### Note 2 : Analysis of Expenses

Expense Item	Analysis	This Year \$	Last Year \$
Expenses related to public fundraising	General Fundraising Expenses	949	17
	Staff Travel to Fundraising Speaking Engagements	4,391	4,048
	<b>Total</b>	<b>5,340</b>	<b>4,065</b>

# Circuit International Incorporated

Expense Item	Analysis	This Year	Last Year
		\$	\$
Volunteer and employee related costs	Salaries & Wages	130,206	127,710
	Employer Superannuation Contributions	3,906	3,831
	Staff Supervision	1,315	877
	Professional Development	2,727	2,392
	Design Consultant	3,255	3,036
	<b>Total</b>	<b>141,408</b>	<b>137,845</b>

Expense Item	Analysis	This Year	Last Year
		\$	\$
Grants and donations made	Overseas Development Programmes	92,845	295,901
	Overseas Admin & Monitoring (Direct Funding)	27,481	44,447
	<b>Total</b>	<b>120,326</b>	<b>340,348</b>

Expense Item	Analysis	This Year	Last Year
		\$	\$
Other expenses	Overseas Admin & Monitoring (Indirect Funding)	11,184	19,952
	Promotional Expenses	7,128	10,232
	Office Expenses	18,414	21,157
	Trust Board Expenses	386	366
	Bank Charges	1,033	1,311
	Loss on Disposal of Asset	-	72,560
	<b>Total</b>	<b>38,145</b>	<b>125,577</b>

### Note 3 : Analysis of Assets and Liabilities

Asset Item	Analysis	This Year	Last Year
			\$
Bank accounts and cash	Current Accounts	19,712	25,886
	Online Savings Account	114,848	93,933
	Term Deposits	80,000	30,000
	<b>Total</b>	<b>214,560</b>	<b>149,818</b>

Asset Item	Analysis	This Year	Last Year
		\$	\$
Debtors and prepayments	Accounts Receivable	-	9,976
	<b>Total</b>	<b>-</b>	<b>9,976</b>

# Circuit International Incorporated

Asset Item	Analysis	This Year \$	Last Year \$
Other current assets	GST	893	1,380
	<b>Total</b>	<b>893</b>	<b>1,380</b>

Asset Item	Analysis	This Year \$	Last Year \$
Other non-current assets	Shares in Circuit International Trading Ltd	100	100
	<b>Total</b>	<b>100</b>	<b>100</b>

Liability Item	Analysis	This Year \$	Last Year \$
Creditors and accrued expenses	Accounts Payable	2,587	2,513
	Employer Superannuation Contributions Payable	327	321
	<b>Total</b>	<b>2,914</b>	<b>2,834</b>

Liability Item	Analysis	This Year \$	Last Year \$
Other current liabilities	Business Mastercards	684	282
	<b>Total</b>	<b>684</b>	<b>282</b>

Liability Item	Analysis	This Year \$	Last Year \$
Loans	Loan for Purchase of Land	100,000	88,000
	<b>Total</b>	<b>100,000</b>	<b>88,000</b>

## Note 4: Accumulated Funds

This Year	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Total
Opening Balance	100	69,391	69,491
Surplus/(Deficit)		42,464	42,464
Closing Balance	100	111,855	111,955

Last Year	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Total
Opening Balance	100	309,312	309,412
Surplus/(Deficit)		(239,921)	(239,921)
Closing Balance	100	69,391	69,491

# Circuit International Incorporated

## Note 5: Commitments and Contingencies

### Commitments

There are no commitments as at balance date

### Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date

## Note 6: Related Party Transactions

Description of Related Party Relationship	Description of the Transaction (whether in cash or amount in kind)	This Year	Last Year
		\$ Value of Transactions	\$ Value of Transactions
Trustee	Salary	65,103	63,855

## Note 7: Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report. (Last Year Nil)

# Circuit International Incorporated

## Independent Reviewer's Report

### To the Trustees of Circuit International

I have reviewed the accompanying performance report of Circuit International which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 31 March 2020, the statement of financial position as at 31 March 2020, and the statement of accounting policies and other explanatory information.

### Trustees' Responsibility for the Performance Report

The Trustees are responsible on behalf of the entity for:

- a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- b) the preparation and fair presentation of the performance report which comprises:
  - the entity information;
  - the statement of service performance; and
  - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit), and
- c) for such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

### Assurance Practitioner's Responsibility

My responsibility is to express a conclusion on the performance report. I conducted my review of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standard on Review Engagements (New Zealand) (ISRE (NZ)) 2400 (Revised), Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity, and the review of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Those standards require me to conclude whether anything has come to my attention that causes me to believe that the performance report, taken as a whole, is not prepared in all material respects in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit). Those standards also require that I comply with ethical requirements.

A review of the performance report in accordance with ISRE (NZ) 2400 (Revised) and ISAE (NZ) 3000 (Revised) is a limited assurance engagement. I will perform procedures, primarily



# Circuit International Incorporated

consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained. The procedures selected depend on my judgement, including the areas identified where a material misstatement is likely to arise and includes performing procedures to obtain evidence and evaluating whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and ISAE (NZ) 3000 (Revised). Accordingly, I do not express an audit opinion on the performance report.

Other than in my capacity as assurance practitioner I have no relationship with, or interests in, Circuit International.

## Conclusion

Based on my review, nothing has come to my attention that causes me to believe that:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are not suitable;
- b) the performance report does not present fairly, in all material respects:
  - the financial position of Circuit International as at 31 March 2020, and of its financial performance and cash flows for the year then ended; and
  - the entity information and its service performance for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).



Adele's Business Support Limited  
14 December 2020  
Upper Hutt