

Circuit International Incorporated

Performance Report

For the year ended 31 March 2021

Circuit International Incorporated

Contents

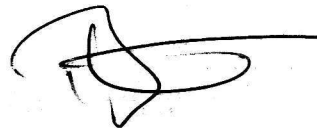
Entity Information	3
Statement of Service Performance	5
Statement of Financial Performance	8
Statement of Financial Position	9
Statement of Cash Flows	10
Statement of Accounting Policies	11
Notes to the Performance Report	12
Independent Reviewer's Report	16

The Board of Trustees is pleased to present the approved financial statements for Circuit International Incorporated for the year ended 31 March 2021.



Chair

25 September 2021



Treasurer

25 September 2021

Circuit International Incorporated

Entity Information

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

**For the year ended
31 March 2021**

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 reduced 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 parttime 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

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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 2021

Description of the Entity's Outcomes

Through business and sustainable development, we seek to reduce extreme poverty within communities in north-eastern Myanmar. Our SEED BANK program are community based loans. We fund whole communities with a repayable loan at low interest which is repaid annually. This prevents debt slavery in underdeveloped areas. With our grainsaver program we buy grain at reasonable prices from farmers and then store until the price elevates. The profits from this are then used to extend and fund additional seedbank programs.

Description and Quantification (to the extent practicable) of the Entity's Outputs:	Actual	Actual
	This Year	Last Year
Where Donations Went:		
Field Programmes	79%	85%
Promotion & Fundraising	5%	6%
Administration	16%	9%

New Hope Seed Banks:

A community based, very low interest, seed bank for subsistence farmers, offering them protection 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 has become the backbone of Circuit's work in Myanmar.

Circuit International Incorporated

Seed Bank Programmes Statistics

Village Tracts	5	6
Acres planted	280	207
Number of individuals assisted to keep them from poverty and free of debt to loan sharks	1140	929
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	78	61

Grainsaver Bags:

This is a storage programme running in conjunction with the seed banks programme. It was an ambitious idea to introduce 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 direct from farmers, thereby giving them a guaranteed income and passing the risk to Circuit. Possible subsequent adverse conditions see farmers protected where others face the possibility of losing money. By protecting our store of grain in silo bags we will, when conditions improve, be able to sell at up to 150% of the buying price thus providing extra funding for our charitable work. This project has attracted the attention of business people. We are hoping that this will result in the sales of this grain storage system for which we currently hold the selling rights in Myanmar. This business is ultimately aimed at self-sustainment for LCA. At this point we have no reportable outcome statistics.

Coffee for Opium:

The arrival of Covid-19 has meant that our Field Programmes leader has been unable to travel to Myanmar which has resulted in no further progress in the establishment of this programme.

Additional Output Measures:

Staff and volunteer involvement		
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	2	2
Accountant - part-time volunteer	1	1
Graphic designer works on contract	1	2
Fulltime staff in Myanmar - the LCA director and and one assistant -paid a local wage by agreemnet, 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	10	2

Circuit International Incorporated

The main learning we have taken from this & past years has been:

COVID has forced us to have to trust the local leadership more, since we have not been able to travel to Myanmar. Anecdotally and fiscally, it appears that this has resulted in a higher success rate in programmes, particularly our grainsaver programme. As a NZ based organisation, we have learned that our Myanmar based team is able to make decisions more agilely without our NZ board advising as closely as we have in previous years.

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/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 2021

	Note	Actual This Year \$	Actual Last Year \$
Revenue			
Donations, fundraising and other similar revenue		311,197	343,746
Interest, dividends and other investment revenue		3,938	3,937
Total Revenue		315,135	347,683
Expenses			
Expenses related to public fundraising		10,855	13,736
Volunteer and employee related costs		124,125	138,154
Grants and donations made		151,409	120,326
Other expenses		17,755	33,003
Total Expenses		304,145	305,219
Surplus/(Deficit) for the Year		10,990	42,464

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 2021

	Note	Actual This Year \$	Actual Last Year \$
Assets			
Current Assets			
Bank accounts and cash		217,965	214,560
Debtors and prepayments		9,427	893
Other current assets		-	-
Total Current Assets		227,392	215,453
Non-Current Assets			
Other non-current assets		100	100
Total Non-Current Assets		100	100
Total Assets		227,492	215,553
Liabilities			
Current Liabilities			
Accounts Payable		8,467	3,598
Grants Payable		96,080	-
Total Current Liabilities		104,547	3,598
Non-Current Liabilities			
Loans		-	100,000
Total Non-Current liabilities		-	100,000
Total Liabilities		104,547	103,598
Total Assets less Total Liabilities (Net Assets)		122,945	111,955
Accumulated Funds			
Capital contributed by owners or members		100	100
Accumulated surpluses or (deficits)		122,845	111,855
Total Accumulated Funds		122,945	111,955

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 2021

	Actual This Year \$	Actual Last Year \$
Cash Flows from Operating Activities		
Cash was received from:		
Donations, fundraising and other similar receipts	302,663	354,209
Interest, dividends and other investment receipts	3,938	3,937
Cash was applied to:		
Payments to suppliers and employees	147,867	185,078
Donations or grants paid	55,329	120,326
Net Cash Flows from Operating Activities	103,405	52,742
Cash flows from Investing and Financing Activities		
Cash was received from:		
Proceeds from loans borrowed from other parties	-	12,000
Cash was applied to:		
Repayment of Marshall Loan	100,000	-
Net Cash Flows from Investing and Financing Activities	(100,000)	12,000
Net Increase / (Decrease) in Cash	3,405	64,742
Opening Cash	214,560	149,818
Closing Cash	217,965	214,560
This is represented by:		
Bank Accounts and Cash	217,965	214,560

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 2021

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

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

There have been no changes to accounting policies in the current year.

Circuit International Incorporated

Notes to the Performance Report

For the year ended
31 March 2021

Note 1 : Analysis of Revenue

Revenue Item	Analysis	This Year \$	Last Year \$
Donations and other similar revenue	Overseas Development Programme Donations	101,883	132,679
	Undesignated General Donations	49,796	72,811
	Myanmar Infrastructure Donations	57,327	46,166
	Personnel Support Donations	77,459	90,512
	Government Grants re Covid	23,432	
	Other Donations	1,300	1,578
Total		311,197	343,746

Revenue Item	Analysis	This Year \$	Last Year \$
Interest, dividends and other investment revenue	Bank Interest	3,938	3,937
Total		3,938	3,937

Note 2 : Analysis of Expenses

Expense Item	Analysis	This Year \$	Last Year \$
Expenses related to public fundraising	General Fundraising Expenses	8,776	9,346
	Staff Travel to Fundraising Speaking Engagements	2,079	4,391
	Total	10,855	13,736

Expense Item	Analysis	This Year \$	Last Year \$
Volunteer and employee related costs	Salaries & Wages & Contracted Employment	119,388	130,206
	Employer Superannuation Contributions	3,108	3,906
	Staff Supervision & Counselling	1,630	1,315
	Professional Development	-	2,727
Total		124,125	138,154

Circuit International Incorporated

		This Year	Last Year
Expense Item		\$	\$
iii) Grants and donations made	Overseas Development Programmes	105,449	92,845
i) Overseas Admin & Monitoring (Direct Funding)		45,960	27,481
Total		151,409	120,326
		This Year	Last Year
Expense Item		\$	\$
	Other expenses	-	11,184
	Office Rent	4,840	11,660
	Trust Board Expenses	327	386
	Bank & ther Transaction Charges	965	1,033
	Audits	1,290	500
	Legal	1,489	-
	Other Administration	8,845	8,240
Total		17,755	33,003

Note 3 : Analysis of Assets and Liabilities

		This Year	Last Year
Asset Item			\$
Bank accounts and cash	Current Accounts	49,234	19,712
	Online Savings Account	68,731	114,848
	Term Deposits	100,000	80,000
Total		217,965	214,560
		This Year	Last Year
Asset Item		\$	\$
Debtors and prepayments	Accounts Receivable	6,000	-
	GST Receivable	3,427	893
Total		9,427	893
		This Year	Last Year
Asset Item		\$	\$
Other non-current assets	Shares in Circuit International Trading Ltd	100	100
Total		100	100

Circuit International Incorporated

Liability Item	Analysis	This Year \$	Last Year \$
Creditors and accrued expenses	Accounts Payable	7,919	-
	Employer Superannuation Contributions Payable	-	327
	PAYE Payable	-	2,587
	Grants Payable	96,080	-
Total		103,999	2,914

Liability Item	Analysis	This Year \$	Last Year \$
Other current liabilities	Business Mastercards	548	684
Total		548	684

Liability Item	Analysis	This Year \$	Last Year \$
Loans	Loan for Purchase of Land	-	100,000
Total		-	100,000

Note 4: Accumulated Funds

	This Year	Capital		Total
		Contributed by Owners or Members	Accumulated Surpluses or Deficits	
Opening Balance	100	111,855	111,955	111,955
Surplus/(Deficit)			10,990	10,990
Closing Balance	100	122,845	122,945	122,945

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

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	49,068	65,103

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 2021, the statement of financial position as at 31 March 2021, 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 2021, 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
25 September 2021
Upper Hutt