



**Circuit International
Incorporated**

Performance Report

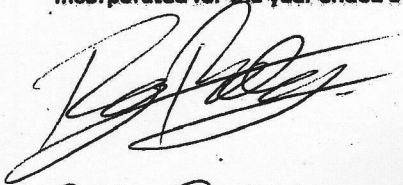
For the year ended 31 March 2022

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 2022.



Rob Pritchard
Chair Board Member

27/10/22



Brian Patchett
Treasurer

27/10/22

Circuit International Incorporated

Entity Information

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

**For the year ended
31 March 2022**

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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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 2022

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	86%	79%
Promotion & Fundraising	11%	5%
Administration	3%	16%

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	7	5
Acres planted	340	280
Number of individuals assisted to keep them from poverty and free of debt to loan sharks	1320	1140
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.	85	78

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 current political situation in Myanmar has caused major disruption to the export of coffee and we cannot see that situation improving any time soon. Funds being held for its development will therefore be used to expand other programmes

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	1	2
Accountant - part-time volunteer	1	1
Media Consultant - 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	10

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

Firstly COVID and now the political situation in Myanmar has forced us to put more trust in the local leadership, 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/>

Circuit International Incorporated

Statement of Financial Performance

"How was it funded?" and "What did it cost?"
For the year ended
31 March 2022

	Note	Actual This Year \$	Actual Last Year \$
Revenue			
Donations, fundraising and other similar revenue		218,493	287,765
Interest, dividends and other investment revenue		1,867	3,938
Other revenue		0	23,432
Total Revenue		220,360	315,135
Expenses			
Expenses related to public fundraising		17,480	10,855
Volunteer and employee related costs		63,181	124,125
Grants and donations made		51,477	151,409
Other expenses		4,992	17,755
Total Expenses		137,130	304,145
Surplus/(Deficit) for the Year		83,230	10,990

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 2022

	Note	Actual This Year \$	Actual Last Year \$
Assets			
Current Assets			
Bank accounts and cash		205,819	217,965
Debtors and prepayments		2,595	6,000
Other current assets		6,706	3,427
Total Current Assets		215,120	227,393
Non-Current Assets			
Other non-current assets		-	100
Total Non-Current Assets		-	100
Total Assets		215,120	227,492
Liabilities			
Current Liabilities			
Accounts Payable		8,945	8,467
Grants Payable		-	96,080
Total Current Liabilities		8,945	104,547
Total Liabilities		8,945	104,547
Total Assets less Total Liabilities (Net Assets)		206,175	122,945
Accumulated Funds			
Capital contributed by owners or members		100	100
Accumulated surpluses or (deficits)		206,075	122,845
Total Accumulated Funds		206,175	122,945

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 2022

	Actual This Year \$	Actual Last Year \$
Cash Flows from Operating Activities		
Cash was received from:		
Donations, fundraising and other similar receipts	218,619	279,231
Interest, dividends and other investment receipts	1,867	3,938
Other Revenue	-	23,432
Cash was applied to:		
Payments to suppliers and employees	85,175	147,867
Donations or grants paid	147,557	55,329
Net Cash Flows from Operating Activities	(12,246)	103,405
Cash flows from Investing and Financing Activities		
Cash was received from:		
Receipts from the sale of investments	100	-
Cash was applied to:		
Repayment of Marshall Loan	-	100,000
Net Cash Flows from Investing and Financing Activities	100	(100,000)
Net Increase / (Decrease) in Cash	(12,146)	3,405
Opening Cash	217,965	214,560
Closing Cash	205,819	217,965
This is represented by:		
Bank Accounts and Cash	205,819	217,965

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 2022

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.

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Notes to the Performance Report

For the year ended
31 March 2022

Note 1 : Analysis of Revenue

Revenue Item	Analysis	This Year	Last Year
		\$	\$
Donations and other similar revenue	Designated Overseas Development Programme Donations	61,366	101,883
	Undesignated General Donations	67,472	49,796
	Myanmar Infrastructure Donations	27,035	57,327
	Personnel Support Donations	62,620	77,459
	Other Donations	-	1,300
	Total	218,493	287,765
		This Year	Last Year
		\$	\$
Interest, dividends and other investment revenue	Bank Interest	1,867	3,938
	Total	1,867	3,938
		This Year	Last Year
		\$	\$
Other revenue	Miscellaneous Revenue	-	23,432
	Total	-	23,432

Note 2 : Analysis of Expenses

Expense Item	Analysis	This Year	Last Year
		\$	\$
Expenses related to public fundraising	General Fundraising Expenses	15,012	8,776
	Staff Travel to Fundraising Speaking Engagements	2,468	2,079
	Total	17,480	10,855
		This Year	Last Year
		\$	\$
Volunteer and employee related costs	Salaries & Wages & Contracted Employment	63,071	119,388
	Employer Superannuation Contributions	-	3,108
	Staff Supervision & Counselling	110	1,630
	Professional Development	-	-
	Total	63,181	124,125

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Expense Item	Analysis	This Year	Last Year
		\$	\$
Grants and donations made	Overseas Development Programmes	28,630	105,449
	Overseas Admin & Monitoring (Direct Funding)	22,848	45,960
	Total	51,477	151,409

Expense Item	Analysis	This Year	Last Year
		\$	\$
Other expenses	Office Rent	-	4,840
	Trust Board Expenses	-	327
	Bank & Other Transaction Charges	573	965
	Audits	1,478	1,290
	Legal	-	1,489
	Other Administration	2,941	8,845
	Total	4,992	17,755

Note 3 : Analysis of Assets and Liabilities

Asset Item	Analysis	This Year	Last Year
			\$
Bank accounts and cash	Current Accounts	30,282	49,234
	Online Savings Account	75,536	68,731
	Term Deposits	100,000	100,000
	Total	205,819	217,965

Asset Item	Analysis	This Year	Last Year
		\$	\$
Debtors and prepayments	Accounts Receivable	2,595	6,000
	Total	2,595	6,000

Asset Item	Analysis	This Year	Last Year
		\$	\$
Other current assets	GST	6,706	3,427
	Total	6,706	3,427

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

Liability Item	Analysis	This Year \$	Last Year \$
Creditors and accrued expenses	Accounts Payable	8,839	7,919
	Grants Payable	-	96,080
	Total	8,839	103,999

Liability Item	Analysis	This Year \$	Last Year \$
Other current liabilities	Business Mastercards	106	548
	Total	106	548

Note 4: Accumulated Funds

This Year	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Total
Opening Balance	100	122,845	122,945
Surplus/(Deficit)		83,230	83,230
Closing Balance	100	206,075	206,175

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

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

Circuit International Incorporated

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

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 financial performance and statement of cash flows for the year ended 31 March 2022, the statement of financial position as at 31 March 2022, 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 consisting of making enquiries of management and others within the entity, as appropriate, and

Circuit International Incorporated

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 2022, 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
27 October 2022
Upper Hutt