

www.retirementvillages.govt.nz | 0800 268 269

Post your completed form to: Registrar of Retirement Villages, Private Bag 92061, Victoria Street West, Auckland 1142
or email it to: retirementvillages@companies.govt.nz

Annual return and certificate of registered documents

Sections 13(2) and 16, Retirement Villages Act 2003

Name of village

Atawhai Assisi Home & Retirement Village

Registration number

2750914

Part 1 — Retirement village details

1. Street address of village

158 Matangi Road
Hamilton
3283

2. Address of registered office of village

This address must be a physical address in New Zealand and must not be a post office box or private bag address.

61 Bollard Road
Tamahere
Hamilton, 3283

3. Address for service of village

This address must be a physical address in New Zealand and must not be a post office box or private bag address.

61 Bollard Road
Tamahere
Hamilton

4. Postal address of village

61 Bollard Road
RD3
Tamahere
Hamilton, 3283

5. Email address for village

6. Telephone number for village

7. Fax number for village (optional)

Name of village

Atawhai Assisi Home & Retirement Village

Registration number

2750914

Part 2 — Operator details

1. Name of operator

Where there is more than one operator continue on a separate sheet and attach all pages to this annual return.

Tamahere Eventide Home Trust

2. Company or other registration number (if any)

CC21254

3. New Zealand Business Number (if any)

9429 0429 69266

4. Nature of operator

For example — company, natural person

Charitable Trust

5. Address of registered office of operator

*This address must be a physical address in New Zealand and must not be a post office box or private bag address.*61 Bollard Road
Tamahere
Hamilton, 3283

6. Address for service of operator

*This address must be a physical address in New Zealand and must not be a post office box or private bag address.*61 Bollard Road
Tamahere
Hamilton, 3283

7. Postal address of operator to which communications from the Registrar may be sent

61 Bollard Road
RD3
Tamahere
Hamilton, 3283

8. Email address of operator

9. Telephone number of operator:

10. Fax number of operator (optional)

Name of village

Atawhai Assisi Home & Retirement Village

Registration number

2750914

Part 3 — Certificate of registered documents

I, Louis Jacobus Fick, for Tamahere Eventide Home Trust

(Insert name of operator)

certify that

for: Tamahere Eventide Home Trust

(Insert name of the retirement village)

- Each registered document is correct, current, and not likely to mislead or deceive any resident, intending resident, or the public.
- Documents to update the registered information are attached to the annual return form.
(Form RV3 — Change of circumstances must be completed for material changes).

Signed:

Name of signatory

Louis Jacobus Fick

Dated

18/09/2023

Part 4 — Checklist

To speed up registration, use this checklist to ensure you have included all of the information required.

Have you completed?

- Parts 1, 2 and 3 and have you signed the form *(attach extra pages if applicable)*

Have you attached?

- A copy of the audited financial statements that comply with section 35B of the Retirement Villages Act 2003 (the Act) or, as referred to in section 35F of the Act, the audited financial statements that comply with subpart 3 of Part 7 of the Financial Markets Conduct Act 2013 or section 55 of the Financial Reporting Act 2013; **and**
- A copy of the audited financial statements which comply with section 35C of the Retirement Villages Act 2003 *(where applicable)*; **and**
- The documents supporting any information on the register that has changed; **and**
- A copy of the statutory supervisor's certification addressed to the Registrar *(where applicable)*.

Contact details of person completing this form

Name: Louis Jacobus Fick

Address:

61 Bollard Road
RD3
Tamahere
Hamilton, 3283Fax number *(optional)*:

18 September 2023

The Registrar of Retirement Villages
c/- Companies Office
Ministry of Business, Innovation and Employment
Private Bag 92061
Victoria Street West
Auckland 114

Report of Statutory Supervisor in respect of Atawhai Assisi Home and Retirement (Village)

We confirm that we act as statutory supervisor of the Village.

The terms of our appointment as statutory supervisor are recorded in a Deed of Supervision with the operator of the Village, being Tamahere Eventide Home Trust (**Operator**), dated 29 August 2007 and the Retirement Villages Act 2003 (**Act**). A Deed of Variation – Deed of Supervision dated 29 July 2022 adding Atawhai Assisi Home and Retirement Village.

This report accompanies the Operator's 2023 annual return (**Annual Return**) and has been prepared by us in accordance with sections 13(3) (c) and 42(c) of the Act for the period the subject of the Annual Return only.

In terms of section 13(3) (c) of the Act, we certify that:

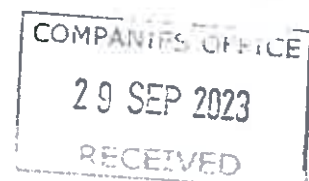
1. The Operator has supplied to us a copy of the Operator's audited financial statements for the year ended 30 June 2023. The financial statements of the Operator are the financial statements of the Village.
2. The information contained in the Annual Return is, to the best of our knowledge and belief, accurate.

In terms of section 42(c) of the Act, we report as follows:

1. We have at all times performed our duties and discharged our obligations as statutory supervisor of the Village. In particular, we have/will;
 - a. provided and maintained a stakeholder facility for all resident moneys and this facility has been subject to external audit;
 - b. monitored the financial position of the Village;
 - c. report to the residents at a scheduled annual general meeting on the performance of our duties and the exercise of our powers; and
 - d. discharged all other duties imposed on us by the Act, the regulations made under the Act and the Deed of Supervision.

Level 6, 191 Queen Street, Auckland, New Zealand
PO Box 4243, Shortland Street, Auckland 1140, New Zealand
T: +64 9 302 0638 F: +64 9 302 1037 W: www.covenant.co.nz

Enjoy the benefits of our experience



2. The Operator has complied with all covenants, in particular all financial obligations and reporting requirements, contained in the Deed of Supervision.
3. We have reviewed all scheduled reports from the Operator for the year ended 30 June 2023;
4. All occupation right agreements issued or terminated during the year ended 30 June 2023 were dealt with in accordance with the relevant provisions of the Act and Deed of Supervision.
5. We have not exercised any of the powers conferred on us as statutory supervisor of the Village pursuant to section 43 of the Act.

Our certification and report have been provided on the basis that, subject to the duties imposed on us as statutory supervisor of the Village by the Act, the regulations made under the Act and the Deed of Supervision, we have relied on the information, explanations and confirmations supplied to us by the Operator and the auditor of the Village and have not carried out an independent check of the same.

Yours faithfully

Covenant Trustee Services Limited



Malcolm Gray
Manager

TAMAHERE EVENTIDE HOME TRUST

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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TAMAHERE EVENTIDE HOME TRUST

BUSINESS DIRECTORY

As at 30 June 2023

| | |
|--------------------------------|---|
| Nature of business | The business of Tamahere Eventide Home Trust is to provide hospital care, rest home care, dementia care, respite care, day programme and independent living units to aged persons in a Christian environment. The Trust was registered as a charitable entity under the Charities Act 2005 on 19 February 2008. |
| Charities Commission | Registration Number: CC21254 |
| Trustees | Emma Falconer (Chair) Shane Vanin (Deputy Chair) Leeanne Wilson (Secretary) Jason Jack Jennifer Campbell Lesila Halauafu John Walsh Peter Schaare Paul Bennett Carole Fleming |
| Chief Executive Officer | Louis Fick |
| Address | 61 Bollard Road RD 3 Hamilton, 3283 Telephone: 07 856 5162 Facsimile: 07 856 9990 Email: admin@tamahere.co.nz Website: www.tamahere.co.nz |
| Auditor | PKF Hamilton Audit Limited Chartered Accountants PO Box 187 Waikato Mail Centre Hamilton, 3240 Telephone: 07 839 2106 Facsimile: 07 839 0509 Email: office@pkfh.co.nz Website: www.pkfh.co.nz |
| Bankers | Bank of New Zealand Christchurch |
| Solicitors | Lewis Lawyers P O Box 9238 Hamilton 3247 Telephone: 07 848 1222 Facsimile: 07 848 1224 Email: hamilton.reception@lewislawyers.co.nz |
| Statutory Supervisor | Covenant Trustees Services Limited PO Box 4243 Shortland Street Auckland, 1140 Telephone: 09 302 0638 Facsimile: 09 302 1037 Email: team@covenant.co.nz |

TAMAHERE EVENTIDE HOME TRUST

STATEMENT OF SERVICE PERFORMANCE As at 30 June 2023

2022/23 Statement of Intent Targets

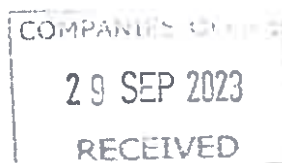
The mission of Tamahere Eventide Home Trust is "to provide a quality caring service for older people, in a Christian environment.

Non-Financial Performance Targets

| Measure | Actual 2022/23 | Target 2022/23 | Actual 2021/22 (Unaudited) |
|---|---------------------------|---------------------------|---|
| Occupancy – Residential Care | 92.9% | 95% | 95.5% |
| Occupancy – Retirement Village | 100% | 100% | 100% |
| Day Programme Visits per annum | 7,448 | 5,040 | 7,139 |
| Repairs & Maintenance request completion rate | 89% | 90% | 91% |
| Residents Care – Internal assessment | 94% | 90% | 94% |
| Residents Care – Care Plans up to date | 95% | 90% | 97% |
| Residents satisfaction recommendation | 92.3% | 90% | 91% |
| Meals delivered to retirement village | 8,765 | 6,418 | 5,930 |
| Staff turnover | 3.2% | 3.3% | 3.5% |
| Number of staff employed | 250 | 250 | 247 |
| Staff satisfaction index | 89.5% | 90% | 89% |
| Staff hours worked per month | 28,623 | 30,616 | 28,615 |
| Agency Staff hours per annum | 4,311 | 800 | 1,256 |

Financial Performance Targets

| Measure | Actual 2022/23 | Target 2022/23 | Actual 2021/22 (Unaudited) |
|---------------------------------|---------------------------|---------------------------|---|
| Total Assets | \$147.6m | \$141m | \$128.3m |
| Obligations to residents | \$82.7m | \$86.9m | \$76.5M |
| Total surplus/(deficit) | \$9.06m | \$2.17m | \$3.3m |
| Total equity | \$55.7m | \$48.4m | \$46.6m |
| Management fees receivable | \$13.20m | \$13.99m | \$11.9m |
| Residents share of capital gain | \$26.0m | \$25.2m | \$25.6m |



TAMAHERE EVENTIDE HOME TRUST**STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES**
For the year ended 30 June 2023

| | 2023 | 2022 |
|---|---------------------|---------------------|
| Notes | \$ | \$ |
| Revenue from exchange transactions | | |
| Residential care fees | 14,823,077 | 14,022,955 |
| Management fees | 2,139,557 | 3,096,532 |
| Village outgoing fees | 896,280 | 820,402 |
| Interest received | 33,417 | 7,474 |
| Café Income | 92,527 | 92,866 |
| Catering | 111,314 | 81,793 |
| Sundry Income | 195,855 | 365,502 |
| Rent | 272,952 | 281,686 |
| | <u>18,564,979</u> | <u>18,769,210</u> |
| Revenue from non-exchange transactions | | |
| Donations | 11,890 | 34,704 |
| | <u>11,890</u> | <u>34,704</u> |
| Total Revenue | <u>18,576,869</u> | <u>18,803,914</u> |
| Expenses | | |
| Employee related costs | (12,822,010) | (12,021,022) |
| Depreciation | (789,458) | (792,848) |
| Disposal of fixed assets | (314) | - |
| Audit fee | (33,520) | (32,646) |
| Operating expenses | (4,622,054) | (3,781,026) |
| Total operating expenditure | <u>(18,267,356)</u> | <u>(16,627,542)</u> |
| Operating surplus before fair value adjustment | 309,513 | 2,176,372 |
| Net movement of fair value adjustments on Investment Property and Occupation Right Agreements | 13 8,748,903 | 1,100,748 |
| Total surplus/(deficit) after fair value adjustments | <u>9,058,416</u> | <u>3,277,120</u> |
| Other comprehensive revenue and expenses | | |
| <i>Items that will not be subsequently classified through to revenue or expenses</i> | | |
| Gains/(Loss) on revaluation of property plant & equipment | 12 - | - |
| Total Other comprehensive revenue and expenses | - | - |
| Total comprehensive revenue and expenses for the year | <u>9,058,416</u> | <u>3,277,120</u> |

The above statement of comprehensive revenue and expenses should be read in conjunction with the accompanying notes.

TAMAHERE EVENTIDE HOME TRUST

**STATEMENT OF FINANCIAL POSITION
As at 30 June 2023**

| | Notes | 2023 | 2022 |
|---|-------|--------------------|--------------------|
| | | \$ | \$ |
| Assets | | | |
| Current assets | | | |
| Cash & cash equivalents | 6 | 664,184 | 990,120 |
| Investments | 7 | 225,601 | 251,480 |
| Receivables from exchange transaction | 8 | 939,241 | 919,384 |
| GST receivable | | 790 | 271,225 |
| Inventory | | 31,617 | 28,351 |
| Total current assets | | 1,861,433 | 2,460,560 |
| Non-current assets | | | |
| Investment properties under construction | 14 | 5,196,798 | 5,766,336 |
| Investment properties | 13 | 116,846,230 | 96,490,529 |
| Property, plant & equipment | 12 | 23,748,483 | 23,590,003 |
| Total non-current assets | | 145,791,511 | 125,846,868 |
| Total assets | | 147,652,944 | 128,307,428 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 9 | 1,108,191 | 1,657,883 |
| Fees charged in advance | | - | 28,873 |
| Employee entitlements | 10 | 1,326,965 | 1,108,153 |
| Obligation to residents | 11 | 82,664,057 | 76,528,889 |
| Total current liabilities | | 85,099,213 | 79,323,798 |
| Non-current liabilities | | | |
| Loan | 17 | 6,875,045 | 2,363,360 |
| Total non-current liabilities | | 6,875,045 | 2,363,360 |
| Total liabilities | | 91,974,258 | 81,687,158 |
| Net assets | | 55,678,686 | 46,620,270 |
| Equity | | | |
| Accumulated comprehensive revenue and expenses | | 46,267,801 | 37,209,385 |
| Asset revaluation reserve | | 9,410,885 | 9,410,885 |
| Total net assets/equity attributable to the Trust/Beneficiaries of the Trust | | 55,678,686 | 46,620,270 |

Signed for and on behalf of the Board of Trustees:


Trustee

23/08/2023
Date


Trustee

23/08/2023
Date

TAMAHERE EVENTIDE HOME TRUST

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY
For the year ended 30 June 2023**

| | Notes | Accumulated revenue and expenses \$ | Property, plant and equipment reserve \$ | Total \$ |
|---|-------|--|---|-------------------|
| Balance at 1 July 2021 | | 33,932,265 | 9,410,885 | 43,343,150 |
| Surplus/(deficit) for the year | | 3,277,120 | - | 3,277,120 |
| Net gain/(loss) on revaluation of property plant & equipment | | - | - | - |
| Balance as at 30 June 2022 | | 37,209,385 | 9,410,885 | 46,620,270 |
| Balance at 1 July 2022 | | 37,209,385 | 9,410,885 | 46,620,270 |
| Surplus/(deficit) for the year | | 9,058,416 | - | 9,058,416 |
| Net gain/(loss) on revaluation of property plant & equipment | | - | - | - |
| Balance as at 30 June 2023 | | 46,267,801 | 9,410,885 | 55,678,686 |

The above statement of changes in equity should be read in conjunction with the accompanying notes.

TAMAHERE EVENTIDE HOME TRUST

**STATEMENT OF CASH FLOWS
For the year ended 30 June 2023**

| | Notes | 2023 | 2022 |
|--|-------|---------------------|---------------------|
| | | \$ | \$ |
| Cash flows from operating activities | | | |
| <i>Receipts</i> | | | |
| Receipts from management fees | | 1,724,557 | 1,504,544 |
| Receipts from donations | | 11,890 | 34,704 |
| Receipts from residents and clients | | 16,642,583 | 15,549,948 |
| Receipts from Interest | | 19,300 | 5,940 |
| | | <u>18,398,330</u> | <u>17,095,136</u> |
| <i>Payments</i> | | | |
| Payments to suppliers | | (5,237,719) | (2,588,478) |
| Payments to employees | | (12,603,198) | (11,776,028) |
| | | <u>(17,840,917)</u> | <u>(14,364,506)</u> |
| Net cash inflow/(outflow) from operating activities | | <u>557,413</u> | <u>2,730,630</u> |
| Cash flows from investing activities | | | |
| <i>Payments</i> | | | |
| Payments for investments | | 39,996 | (2,764) |
| Receipts from sale of property, plant & equipment | | 0 | - |
| Receipts from new occupation right agreements | | (5,345,097) | 671,736 |
| Payments for development of investment property | | 858,005 | (4,237,033) |
| Payments for property, plant and equipment | | (947,938) | (1,284,272) |
| Net cash inflow/(outflow) from investing activities | | <u>(5,395,034)</u> | <u>(4,852,333)</u> |
| Cash flows from financing activities | | | |
| Payment of loan principal | | - | - |
| Borrowings of loans | | 4,511,685 | 2,363,360 |
| Net cash inflow/(outflow) from financing activities | | <u>4,511,685</u> | <u>2,363,360</u> |
| Net increase/(decrease) in cash and cash equivalents | | (325,936) | 241,657 |
| Cash and cash equivalents at 1 July | | 990,120 | 748,463 |
| Cash and cash equivalents at 30 June | 6 | <u>664,184</u> | <u>990,120</u> |

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

TAMAHERE EVENTIDE HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2023

1. Reporting entity

The reporting entity is Tamahere Eventide Home Trust (The Trust). The Trust is domiciled in New Zealand and is a charitable organisation registered under the Charities Act 2005 on 19 February 2008.

The business of Tamahere Eventide Home Trust (the Trust) is to provide hospital care, rest home care, dementia care, respite care, day programme and independent living units to aged persons in a Christian environment.

Tamahere Eventide Home Trust, registered as a Retirement Village on 29 October 2007 pursuant to the Retirement Villages Act 2003. As at 30 June 2023, the Trust owns and operates retirement villages of 134 villas and 38 apartments, a day programme to 68 clients, 8 rental apartments, 43 dementia care beds, 70 hospital care beds and 80 rest home care beds, providing care for more than 500 clients.

The financial statements are for Tamahere Eventide Home Trust as a separate legal entity and include Tamahere Eventide Home, Atawhai Assisi Home, Tamahere Retirement Village, Atawhai Assisi Retirement Village and Wesley Courts Village, which operate as divisions of the Trust.

The Board of Trustees on 23 August 2023 approved and authorised these financial statements for issue. The financial statements will not be changed after the issue date.

2. Statement of compliance

The Trust's financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ('NZ GAAP'). They comply with Public Benefit Entity Standards Reduced Disclosure Regime ('PBE Standards RDR') as appropriate for Tier 2 not-for-profit public benefit entities and disclosure concessions have been applied. The Trust qualifies as a Tier 2 reporting entity as for the two most recent reporting periods it is not publicly accountable and not large (operating expenditure has been between \$2m and \$30m).

3. Summary of accounting policies

The significant accounting policies used in the preparation of the financial statements as set out below have been applied consistently to all years presented in these financial statements.

3.1. Basis of measurement

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets and liabilities as stated in specific accounting policies below.

3.2 Functional and presentation currency

The financial statements are presented in New Zealand dollars (\$) which is The Trust's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

3.3. Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and can be reliably measured. Revenue comprises the fair value for the provision of services, net of Goods and Services Tax. The following specific recognition criteria must be met before revenue is recognised.

Revenue from non-exchange transactions

Donations

Donations are recognised as revenue upon receipt and include donations from the general public.

TAMAHERE EVENTIDE HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

Revenue from exchange transactions

Management fees

Management fees are payable by residents of the Trust's retirement village units under the terms of their occupational rights agreement. The fees are payable at 4% per annum of the *resale value* for a maximum of five years. The fees are payable on settlement of the occupational rights agreement. The Trust does not buy back ORA's but assists in selling the ORA's. Under the occupation right agreement issued to date by the Trust, the resident has the right to any difference between their original price and what the incoming resident pays, less management fees and refurbishment cost. The management fee is recognised in the surplus or deficit component of the statement of comprehensive revenue and expenses over the average expected length of stay of residents, based on actual experience as below:

| Average rollover period/Length of stay (years) | 2023 | 2022 |
|---|-------------|-------------|
| Tamahere Eventide Village | 8.24 | 8.24 |
| Tamahere Eventide Apartments | 5.86 | 5.97 |
| Wesley Courts Village | 6.92 | 6.82 |
| Atawhai Assisi Village (new service 2023) | 8.59 | - |

The Trust has the right of set-off of the refundable occupation right agreement amount and the management fee receivable.

Residential care fees

Residential care fees are recognised on an accrual basis as services are provided and invoiced to residents and other agencies on a four-weekly basis. Fees for resident's accommodation within the home and for services of the home are charged to the residents and are recognised as revenue in the period in which the associated services are provided.

Rental income

Apartments are provided for rent and the rent is recognised in the accounting period in which the service is provided.

Village outgoings

Village outgoings fees are charged to residents to recover the village operating costs. The fees are recognised in the accounting period in which the associated services are provided to residents.

Interest

Interest is recognised on an accrual basis using the effective interest method.

3.4 Financial Instruments

Financial instruments are classified in accordance with the purpose for which they were acquired at initial recognition.

The Trust holds the following categories of financial instruments.

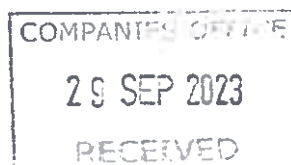
Loans and receivables consisting of cash & cash equivalents, short term investments and trade receivables.

Financial liabilities at amortised cost comprising trade and other payable and obligations to residents.

Loans and receivables

Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with financial institutions.



TAMAHERE EVENTIDE HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2023

Short term investments

Short term investments comprise term deposits which have a term greater than three months and therefore do not fall into the category of cash and cash equivalents.

Trade receivables

Trade receivables recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost, less allowance for impairment. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment is established when there is objective evidence that the Trust will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the asset's carrying amount and the estimated future cash flows. The amount of the allowance is recognised in the surplus or deficit component of the statement of revenue and expenses.

Impairment of financial assets

The Trust assesses at each statement of financial position date whether there is objective evidence that a financial asset or group of assets 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 initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of the asset that can be estimated reliably.

Financial liabilities at amortised cost

Trade and other payables

These amounts represent liabilities for goods and services provided to the Trust prior to the end of financial year which are unpaid. The amounts are unsecured and paid within 30 days of recognition.

Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the surplus or deficit component of the statement of comprehensive revenue and expenses over the period of the borrowings using the effective interest method.

Obligations to residents

Obligations to residents are recognised once an occupational right agreement becomes unconditional. The receivable is recorded at its fair value and collection terms are based on the specific terms of individual occupational right agreements. The resident owns the capital appreciation and sells the occupational right agreement for the unit in the open market with assistance from the Trust. Resident possession of a retirement village unit occurs only after settlement.

3.5. 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 at initial recognition.

Items of property, plant and equipment are subsequently measured either under the:

- *Cost model:* Cost (or fair value for items acquired through non-exchange transactions) less accumulated depreciation and impairment.
- *Revaluation model:* fair value, less accumulated depreciation and accumulated impairment losses recognised after the date of the most recent revaluation.

Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

TAMAHERE EVENTIDE HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

Gains and losses on revaluation are recognised in other comprehensive revenue and expense and presented in the *revaluation reserve* within net assets/equity. Gains or losses relating to individual items are offset against those from other items in the same class of property, plant and equipment, however gains and losses between classes of property, plant and equipment are not offset.

Any revaluation losses in excess of credit balance of the *revaluation surplus* for that class of property, plant and equipment are recognised in surplus or deficit as an impairment.

All of the Trust's items of property, plant and equipment are subsequently measured in accordance with the *cost model*, except for land and buildings, which are subsequently measured in accordance with the *revaluation model*. 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 costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Trust and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss component of the statement of comprehensive income during the financial period in which they are incurred.

iii. Depreciation

For Plant and Equipment depreciation is based on the cost of the asset less its residual value. Where significant components of individual assets 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 (DV) basis over the useful lives of each component of an item of plant and equipment. Depreciation on buildings is calculated using the straight-line method (SL). Land is not depreciated. Assets under construction are not subject to depreciation.

The depreciation rates used are:

| | | |
|------------------------|---------|--------------------|
| • Buildings | 2% | (2022: 2% SL) |
| • Plant and machinery | 3 - 40% | (2022: 3 - 40% DV) |
| • Motor vehicles | 25% | (2022: 25% DV) |
| • Furniture & fittings | 8 - 50% | (2022: 8 - 50% DV) |

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

3.6 Investment properties

Investment properties include freehold land and buildings, comprising of independent living units and apartments, provided for the residents and managed as part of the rest home under the terms of the occupation right agreement. Investment properties are held for long-term yields and are not occupied by the Trust.

The fair value of the investment properties and retirement village is determined by a qualified independent external valuer using a discounted cash flow model (as required by PBE IPSAS 16 Investment Property). The fair value is based on market values, which are estimated using the capitalisation and discounted cash flow methods. The fair value of the development land is based on the comparable sales approach.

TAMAHERE EVENTIDE HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2023

The movement in the carrying value of investment properties retirement village, net of additions to the investment properties is recognised as a fair value movement in the profit and loss component of the statement of comprehensive revenue and expenses.

3.7 Investment property under construction

Investment property under construction consists of costs for the development of retirement village units. Completed units will be transferred to investment properties, at cost, as at date of completion.

3.8 Impairment of non-financial assets

The carrying amounts of the Trust'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 is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows (for cash-generating assets) or future remaining service potential (for non-cash-generating assets) are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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.

3.9 Borrowing cost

Borrowings are initially recognised at fair value, net of transaction costs incurred. The Trust capitalises borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. If borrowing costs were not incurred for the purpose of a qualifying asset, the costs are expensed to the statement of comprehensive revenue and expenses in the period to which they were incurred.

3.10 Employee benefits

i. Short-term employee benefits

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

Liabilities for wages and salaries, annual leave, accumulating sick leave and alternative days leave and are recognised in accrued employee benefits in respect of employee's services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

ii. Long-term employee benefits

Long-term employee benefit obligations are recognised when the Trust has a legal or constructive obligation to remunerate employees for services provided beyond 12 months of the reporting date. The Trust pays contributions to KiwiSaver. The Trust has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due.

3.11 Income Tax

Due to its charitable status, the Trust is exempt from income tax.

TAMAHERE EVENTIDE HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

3.12 Goods and Services Tax

The statement of comprehensive income has been prepared so that all components are stated exclusive of GST. All items in the statement of financial position have been prepared so that all components are net of GST, with the exception of receivables and payables, which include GST invoiced.

3.13 Equity

Equity is 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 Trust's accumulated surplus or deficit since its formation, adjusted for transfers to/from reserves.

Assets revaluation reserve

This reserve is for the revaluation of those property, plant and equipment items that are measured at fair value after initial recognition.

3.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in first out (FIFO) method.

4. Significant accounting judgements, estimates and assumptions

The preparation of the Trust's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, and liabilities, and the accompanying disclosures, and the disclosures 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.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates will not always equate to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a. Revenue recognition

Occupational right fees on retirement village units are recognised as revenue on settlement of each sale. Management fees are spread over the estimated term of the occupational right agreement which is estimated to be ranging between 5.86 to 8.59 years (2022 – 5.97 to 8.24 years).

b. Fair value of the retirement village and property

The fair value of Land and Buildings last valued on 30 June 2021 has been determined by independent valuers using the Capitalisation of Income (refer note 12).

The Trust engaged an independent valuation specialist to assess fair value as at 30 June 2023 for the retirement village property in accordance with its policy. (Refer to 13)

The fair value of the villas significantly impacts the obligation to residents which includes the resident's share of capital appreciation is based on the fair value of the occupational right agreement as included in the independent valuation. Upon termination of the occupational right agreement the value of any capital gains earned on the property is paid to the resident.

TAMAHERE EVENTIDE HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2023

5. Operating expenses

| | 2023 | 2022 |
|--|-------------------------|-------------------------|
| | \$ | \$ |
| Net surplus includes the following specific expenses: | | |
| Operating expenses | | |
| Village operating expenses | 841,638 | 748,469 |
| Housekeeping | 638,979 | 551,817 |
| Catering | 901,300 | 798,053 |
| Employment other expenses | 551,974 | 338,093 |
| Administration | 554,524 | 453,467 |
| Interest paid | 102,355 | 5 |
| Medical | 564,175 | 506,181 |
| Repairs & maintenance | 348,821 | 310,743 |
| Grounds | 81,760 | 41,397 |
| Therapy | 36,528 | 32,801 |
| Total Operating Expenses | <u>4,622,054</u> | <u>3,781,026</u> |

6. Cash & cash equivalents

| | 2023 | 2022 |
|--|-----------------------|-----------------------|
| | \$ | \$ |
| Cash on hand | 2,763 | 2,761 |
| Cash at bank | 94,580 | 70,057 |
| Deposits at call | 566,841 | 917,303 |
| Total cash & cash equivalents | <u>664,184</u> | <u>990,120</u> |

- a. **Cash at bank and on hand**
These balances are non-interest bearing.
- b. **Deposits at call**
These deposits are bearing floating interest rates between 1% and 5.5% (2022: 0.05% to 1.25%).
- c. **Fair value**
The carrying amounts for cash and cash equivalents are at fair value.
- d. **Residents' deposits**
Included in cash and cash equivalents are residents' deposits amounting to \$29,945 (2022: \$43,834). These deposits are held on behalf of the residents.

7. Investments

| | 2023 | 2022 |
|--|-----------------------|-----------------------|
| | \$ | \$ |
| Investment – Christian Savings Limited | 225,601 | 251,480 |
| | <u>225,601</u> | <u>251,480</u> |

The investment with Christian Savings Limited is for a fixed period at a rate of 5.25% (2022: 2.35%).

TAMAHERE EVENTIDE HOME TRUST

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2023**

8. Receivables from exchange transactions

| | 2023 \$ | 2022 \$ |
|-------------------|----------------|----------------|
| Trade receivables | 939,241 | 919,384 |
| | <u>939,241</u> | <u>919,384</u> |

a. Impaired receivables

Trade receivables that are less than three months past due are not considered impaired. As of 30 June 2023, trade receivables of \$271,224 (2022: \$109,043) were over three months but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

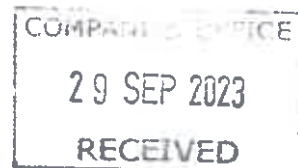
None of the receivables are deemed to be impaired. There were no bad debt expenses for the Trust in 2023 (2022: nil).

9. Trade and other payables from exchange transactions

| | 2023 \$ | 2022 \$ |
|-----------------------|------------------|------------------|
| Trade payables | 395,118 | 420,952 |
| Construction payables | 592,320 | 1,069,551 |
| Accrued expenses | 111,928 | 144,962 |
| Chaplain's fund | 7,790 | 21,383 |
| Staff social club | 1,035 | 1,035 |
| | <u>1,108,191</u> | <u>1,657,883</u> |

10. Accrued employee entitlements

| | 2023 \$ | 2022 \$ |
|--------------------------|------------------|------------------|
| Employee Benefits | | |
| Wages | 370,481 | 311,253 |
| Annual leave | 675,661 | 633,971 |
| Alternative holidays | 160,768 | 58,630 |
| Sick leave | 120,055 | 104,299 |
| | <u>1,326,965</u> | <u>1,108,153</u> |



TAMAHERE EVENTIDE HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2023

11. Obligation to residents

Reconciliation of increase in obligation to residents

| | 2023 | 2022 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Refundable occupation right agreements | 69,867,000 | 62,793,000 |
| Less: Management fees | (13,200,943) | (11,851,111) |
| Plus: Residents Share of capital gains | 25,998,000 | 25,587,000 |
| Closing balance | <u>82,664,057</u> | <u>76,528,889</u> |
| Movement in obligations to residents | | |
| Opening balance | 76,528,889 | 68,926,877 |
| Plus: Increase on new occupation agreements | 7,074,000 | 4,175,000 |
| Residents share of capital gains | 415,000 | 5,015,000 |
| Less Increase in Management fee receivable | (1,353,832) | (1,587,988) |
| | <u>82,664,057</u> | <u>76,528,889</u> |

The obligation to residents is secured by an encumbrance in favour of Covenant Trustees Limited over Lot 1, DPS South Auckland 88165 being the retirement village property.

a. Expected maturity

The resident remains liable for all payments under the occupational right agreement until the date of payment of the occupation right fee, for the unit, by a third party. Repayment shall be payable within five working days after the date that the Statutory Supervisor receives payment of the occupational right fee for the unit from a third party. In determining the fair value of the Trust's investment property Colliers International has estimated that the average tenure ranging between 5.86 to 8.59 years, average of 7.4 (2022 – 5.97 to 8.24 years). Therefore, it is not expected that the full obligation to residents will fall within one year. Based on Colliers International unit turnover calculations the expected maturity of the gross obligation to residents is as follows

| | 2023 | 2022 |
|------------------|-------------------|-------------------|
| | \$ | \$ |
| Within 12 months | 11,167,046 | 9,287,487 |
| Beyond 12 months | 71,497,011 | 67,241,402 |
| | <u>82,664,057</u> | <u>76,528,889</u> |

b. Fair value

Obligations to residents are refundable to the resident on settlement after re-sale of the retirement village unit. Therefore, the fair value is equal to the valuation of the unit less any management fees receivable by the trust.

TAMAHERE EVENTIDE HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2023

12. Property, plant and equipment

| | Freehold Land & Buildings | Vehicles | Plant & Equipment | Furniture & Fittings | Total |
|-------------------------------------|---------------------------|-----------|-------------------|----------------------|-------------|
| | (valuation) | (cost) | (cost) | (cost) | |
| | \$ | \$ | \$ | \$ | \$ |
| Balance as at 1 July 2022 | | | | | |
| Opening net book amounts | 20,900,472 | 118,538 | 1,760,982 | 810,011 | 23,590,003 |
| Additions | 669,134 | 6,252 | 178,618 | 94,639 | 948,643 |
| Disposals | - | - | (705) | - | (705) |
| Depreciation | (405,166) | (25,540) | (250,122) | (108,630) | (789,458) |
| Closing carrying value 30 June 2023 | 21,164,440 | 99,250 | 1,688,773 | 796,020 | 23,748,483 |
| Cost or valuation | 21,956,592 | 301,378 | 3,373,706 | 1,435,855 | 27,069,531 |
| Less accumulated depreciation | (792,152) | (202,128) | (1,688,933) | (639,835) | (3,321,048) |
| Closing carrying value 30 June 2023 | 21,164,440 | 99,250 | 1,688,773 | 796,020 | 23,748,483 |
| Balance as at 1 July 2021 | | | | | |
| Opening net book amounts | 20,340,000 | 151,381 | 1,803,712 | 803,486 | 23,098,579 |
| Additions | 947,458 | - | 218,730 | 118,084 | 1,284,272 |
| Depreciation | (386,986) | (32,843) | (261,460) | (111,559) | (792,848) |
| Closing carrying value 30 June 2022 | 20,900,472 | 118,538 | 1,760,982 | 810,011 | 23,590,003 |
| Cost or valuation | 21,287,458 | 295,126 | 3,197,793 | 1,341,216 | 26,121,593 |
| Less accumulated depreciation | (386,986) | (176,588) | (1,436,811) | (531,205) | (2,531,590) |
| Closing carrying value 30 June 2022 | 20,900,472 | 118,538 | 1,760,982 | 810,011 | 23,590,003 |

Valuation Basis

Land & Buildings were valued on 30 June 2021 by Milton Bevan of Colliers International at a total valuation of \$20,340,000. The principal valuer is a Registered Valuer in accordance with the Valuers Act 1948 and holds an Annual Practising Certificate. The valuation basis was a Capitalisation of Income Approach.

Assumptions relating to future cash flows used in the Capitalisation of Income Approach include 94.08% occupancy rate and capitalisation rate of 9.5%.

13. Investment properties

The Retirement Village is valued annually due to the volatility of the property market and the impact of increased values on management fees which are linked to the resale value of the retirement village units.

The capital appreciation or depreciation of retirement villas whilst under an occupational rights agreement is not an entitlement of the Trust as during that period the change in fair value belongs to the resident and is recognised instead within the resident's share of capital gains.

The valuation of the retirement village is adjusted for cash flows relating to refundable occupation right agreements, residents' share of capital gains and management fees receivable which are already recognised separately on the balance sheet and also reflected in the cash flow model.

TAMAHERE EVENTIDE HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2023

13. Investment properties (continued)

| | Retirement Village (valuation) \$ | Rental Apartments (valuation) \$ | Development Land (valuation) \$ | Total \$ |
|--------------------------------------|--|---|--|-------------|
| Balance as at 1 July 2022 | 93,979,889 | 1,330,640 | 1,180,000 | 96,490,529 |
| Transfers to/(from) Work in Progress | 9,840,267 | - | - | 9,840,267 |
| Transfer of rental apartments | - | (158,467) | - | (158,467) |
| Valuation adjustment | 10,803,901 | - | (130,000) | 10,673,901 |
| Closing carrying value 30 June 2023 | 114,624,057 | 1,172,173 | 1,050,000 | 116,846,230 |
| Balance as at 1 July 2021 | 83,831,877 | 1,650,000 | 2,640,000 | 88,121,877 |
| Transfers to/(from) Work in Progress | - | - | (1,460,000) | (1,460,000) |
| Transfer of rental apartments | 319,360 | (319,360) | - | - |
| Valuation adjustment | 9,828,652 | - | - | 9,828,652 |
| Closing carrying value 30 June 2022 | 93,979,889 | 1,330,640 | 1,180,000 | 96,490,529 |

Reconciliation of increase in fair value of investment properties to statement of comprehensive revenue and expenses

| | 2023 \$ | 2022 \$ |
|--|-------------|-------------|
| Increase/(Decrease) in village valuation | 10,803,901 | 9,623,012 |
| Less: Increase in ORAs | (7,074,000) | (4,175,000) |
| Add/(Less): Increase in residents share of capital gains | (415,000) | (5,015,000) |
| Add/(Less) ORAs for new buildings | 5,434,002 | 667,736 |
| Gain on revaluation of investment properties | 8,748,903 | 1,100,748 |

Valuation basis

The Retirement Village was valued on 30 June 2023 by Milton Bevan of Colliers International (2022: Colliers International), independent Registered Valuers. Colliers International are appropriately qualified and experienced in valuing Retirement Village properties in New Zealand.

The fair value of the Tamahere Eventide Home Trust's interest in the Retirement Village in accordance with the above valuation, is \$25,610,000 (2022: \$17,455,000). The fair value is based on a Discounted Cash Flow model applied to the future cash flows generated by the Retirement Village. The valuation calculates the expected cash flows for a 50-year period (2021: 50 years) based on an average tenure ranging between 5.86 to 8.59 years, average of 7.22 (2022 – 5.97 to 8.24 years). The calculation assumes a growth rate of 3.44% (2022: 3.37%) and a discount rate of 14.25% to 18% (2022: 14.25% to 18%). A change to any of the assumptions used in the valuation could have a material change to the valuation.

Unoccupied villas are measured at the fair value of the ORA that is expected to be obtained from these villas.

TAMAHERE EVENTIDE HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2023

13. Investment properties (continued)

The valuation of apartments reflects, where appropriate the quality of customers in occupation, or responsible for meeting lease commitments or likely to be in occupation after letting vacant after letting vacant accommodation, the markets general perception of their creditworthiness, the allocation of maintenance and insurance responsibilities between the Trust and the customer, and remaining economic life of the property. When rent or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices and where appropriate counter notices have been served and within the appropriate time.

The valuation of development land is based on the Comparable Sales Approach.

Investment properties are not depreciated as they are revalued annually.

Memorandum of Encumbrance in favour of Covenant Trustees Services Limited is recognised as a first charge over Lot 1, DPS South Auckland 88165, being the retirement village property, in the event of failure of Tamahere Eventide Home Trust, as operator of the village, to observe obligations under the deed of supervision and occupation right agreements.

A security Sharing Deed and Priority was entered into between the Trust, Christian Savings Limited and Covenant Trustee Services Limited.

Borrowing cost capitalised in investment properties amounted to \$260,520 (2022: \$nil)

14. Investment Property under construction

| | 2023 \$ | 2022 \$ |
|------------------|------------------|------------------|
| Work in progress | 5,196,798 | 5,766,336 |
| | <u>5,196,798</u> | <u>5,766,336</u> |

17 retirement village units were completed during the year. 1 Rimu rental apartments was renovated and transferred to investment properties (2022: 2 apartments). Work in progress 2023 represents district council fees, professional fees and civil & construction cost for the development of 45 retirement village units, a community centre and 9 apartments at Atawhai Assisi Home & Hospital. Borrowing cost capitalised in Work in progress amounted to \$26,218 (2022 - \$15,008).

15. Contingent liabilities

There were no contingent liabilities as at 30 June 2023 (2022: \$nil).

16. Capital commitments

Capital commitment as at 30 June 2023 amounted to \$811,063 (2022: \$7,161,206) for construction contracts entered into for the development per note 14 above. The project budget amounts to \$4,525,160 with \$3,714,097 paid to 30 June 2023.



TAMAHERE EVENTIDE HOME TRUST

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2023

17. Borrowings

| | 2023 \$ | 2022 \$ |
|---------------------------|------------------|------------------|
| Christian Savings Limited | 6,875,045 | 2,363,360 |
| | <u>6,875,045</u> | <u>2,363,360</u> |

Security

Security granted general security agreement (all present and after acquired property) and a first registered mortgage over the Trust's land in records of title SA1231/66, SA1B/1109, SA20A/1259, SA562/256, SA69D/562 and SA69D/563.

A Security Sharing Deed and Priority was entered into between Tamahere Eventide Home Trust, Christian Savings Limited and Covenant Trustees Services Limited

Mortgage details Memorandum Number 2017/4339 Priority Amount \$15,000,000 plus interest. Loan approved of \$10,050,000 (2022: \$10,050,000) and interest rate of 7.25% (2022: 6.34%).

Repayment Terms

Repayment of the loan is through sales of completed retirement village units.

18. Categories of financial instruments

| | 2023 \$ | 2022 \$ |
|-------------------------------|------------------|------------------|
| Financial assets | | |
| Loans and receivables: | | |
| Cash and cash equivalents | 664,184 | 990,120 |
| Short term investments | 225,601 | 251,480 |
| Trade receivables | 939,241 | 919,384 |
| | <u>1,829,026</u> | <u>2,160,984</u> |

| | 2023 \$ | 2022 \$ |
|--|-------------------|-------------------|
| Financial liabilities at amortised cost | | |
| Trade and other payables | 1,108,191 | 1,657,883 |
| Borrowings | 6,875,045 | 2,363,360 |
| Obligations to residents | 82,664,057 | 76,528,889 |
| | <u>90,647,293</u> | <u>80,550,132</u> |

19. Transactions with related parties

The Trust was formed under the direction of the Methodist Church of New Zealand on the 16th December 1998. The Rest Home has been in operation since 1965.

The Conference of the Methodist Church of New Zealand has the power to appoint members to the Trust Board. In addition, they undertake the reporting and filing of GST obligations to the Inland Revenue Department for the Trust and arrange annual insurance cover on all assets held by the Trust.

The Trust forwards payments in respect of GST and Insurance to the Methodist Church of New Zealand when the amounts are due. At reporting date (\$790) (2022: (\$146,537) due for GST Payable and there were no amounts outstanding in respect of insurance (2022: \$0).

Insurance premiums paid to the Methodist Church insurance fund amounted to \$535,309 (2022: \$460,390) and is included in expenses. No related party debts have been written off or forgiven during the year.

TAMAHERE EVENTIDE HOME TRUST

**NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2023**

20. Key management personnel

The key management personnel are the members of the governing body, which is comprised of the Board of Trustees, which constitutes the governing body of the Trust and senior executive officers.

No remuneration is paid to the members of the Board of Trustees. Cost to attend board meetings are paid to attending members. Amounts paid to the Board of Trustees for attending meetings in the year amounted to \$9,971 (2022: \$10,791).

The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

| | 2023 | 2022 |
|---------------------------------|----------------|----------------|
| | \$ | \$ |
| Total remuneration | 713,212 | 649,401 |
| Number of full-time equivalents | 5 | 5 |

21. Subsequent events

There were no material subsequent events, which required recognition or additional disclosure in these financial statements.

Aged Care Providers reach an agreement with Te Whatu Ora on a fee rate adjustment for the 2023/24 financial year of 5%.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF TAMAHERE EVENTIDE HOME TRUST**

Opinion

We have audited the general purpose financial report of Tamahere Eventide Home Trust ("the Trust"), which comprise the financial statements on pages 4 to 21 and the statement of service performance on page 3. The complete set of financial statements comprises the statement of financial position as at 30 June 2023, the statement of comprehensive revenue and expenses, the statement of changes in net assets, the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying general purpose financial report presents fairly, in all material respects:

- the financial position of the Trust as at 30 June 2023, and its financial performance and its cash flows for the year then ended; and
- the service performance for the year ended 30 June 2023, in accordance with the entity's service performance criteria,

In accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 *The Audit of Service Performance Information (NZ)*. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the General Purpose Financial Report* section of our report. We are independent of the Trust in accordance with Professional and Ethical Standard 1 (Revised) *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.

Other than in our capacity as auditor we have no relationship with, or interests in, the Trust.

Other Matter

We draw attention to the Statement of Service Performance in the financial report, which stated that the comparative figures are not audited as this is the first year the Trust adopting PBE FRS 48 Statement of Service Performance.

Trustees Responsibilities for the General Purpose Financial Report

Those charged with governance are responsible on behalf of the Trust for:

- (a) the preparation and fair presentation of the financial statements and statement of service performance in accordance with PBE Standards RDR issued by the New Zealand Accounting Standards Board;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with PBE Standards RDR; and
- (c) such internal control as those charged with governance determine is necessary to enable the preparation of the financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report, those charged with governance are responsible for assessing the Trust'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 or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the General Purpose Finance Report

Our objectives are to obtain reasonable assurance about whether the statement of service performance and financial statements as a whole are 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) and NZ AS 1 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, or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14/>

Who we Report to

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



Director
PKF Hamilton Audit Limited
Hamilton
New Zealand
23 August 2023

RECEIVED OFFICE
29 SEP 2023
WED

