

**TAMAHERE EVENTIDE HOME TRUST**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025**

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<b>ANNUAL REPORT CONTENTS</b>	<b>PAGE</b>
Business Directory	2
Financial Statements	
Statement of Service Performance	3
Statement of Comprehensive Revenue and Expenses	4
Statement of Financial Position	5
Statement of Changes in Net Assets/Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 21
Report of the Independent Auditor	22 - 23

## **TAMAHERE EVENTIDE HOME TRUST**

### **BUSINESS DIRECTORY As at 30 June 2025**

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<b>Nature of business</b>	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.	
<b>Charities Commission</b>	Registration Number: CC21254	
<b>Trustees</b>	Emma Falconer (Chair) Leeanne Wilson (Secretary) Jennifer Campbell (retired 27/11/2024) John Walsh Paul Bennett	Shane Vanin (Deputy Chair) Jason Jack Lesila Halauafu Peter Schaare Carole Fleming
<b>Chief Executive Officer</b>	Louis Fick	
<b>Address</b>	61 Bollard Road RD 3 Hamilton, 3283 Telephone: 07 856 5162 Facsimile: 07 856 9990 Email: <a href="mailto:admin@tamahere.co.nz">admin@tamahere.co.nz</a> Website: <a href="http://www.tamahere.co.nz">www.tamahere.co.nz</a>	
<b>Auditor</b>	<b>PKF Hamilton Audit Limited</b> Chartered Accountants PO Box 187 Waikato Mail Centre Hamilton, 3240 Telephone: 07 839 2106 Facsimile: 07 839 0509 Email: <a href="mailto:office@pkfh.co.nz">office@pkfh.co.nz</a> Website: <a href="http://www.pkfh.co.nz">www.pkfh.co.nz</a>	
<b>Bankers</b>	<b>Bank of New Zealand</b> Christchurch	
<b>Solicitors</b>	<b>Lewis Lawyers</b> P O Box 9238 Hamilton 3247 Telephone: 07 848 1222 Facsimile: 07 848 1224 Email: <a href="mailto:hamilton.reception@lewislawyers.co.nz">hamilton.reception@lewislawyers.co.nz</a>	
<b>Statutory Supervisor</b>	<b>Covenant Trustees Services Limited</b> PO Box 4243 Shortland Street Auckland, 1140 Telephone: 09 302 0638 Facsimile: 09 302 1037 Email: <a href="mailto:team@covenant.co.nz">team@covenant.co.nz</a>	

## **TAMAHERE EVENTIDE HOME TRUST**

### **STATEMENT OF SERVICE PERFORMANCE**

**As at 30 June 2025**

#### **2024/25 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*

<b>Measure</b>	<b>Actual 2024/25</b>	<b>Target 2024/25</b>	<b>Actual 2023/24</b>
Occupancy – Residential Care	95.8%	95%	95.5%
Occupancy – Retirement Village	100%	100%	100%
Day Programme Visits per annum	9,528	8,991	8,605
Repairs & Maintenance request completion rate	96%	90%	93%
Residents Care – Interrai assessment	98%	95%	96%
Residents Care – Care Plans up to date	99%	95%	98%
Residents satisfaction recommendation	89%	90%	85%
Meals delivered to retirement village	5,929	6,608	7,063
Staff turnover	2.5%	4%	3.3%
Number of staff employed	234	250	245
Staff satisfaction index	93.8%	85%	91.1%
Staff NZQA credits achieved	3,113	2,500	2,566
Staff hours worked per month	29,933	31,521	29,724
Agency Staff hours per annum	237	1050	1,405

#### *Financial Performance Targets*

<b>Measure</b>	<b>Actual 2024/25</b>	<b>Target 2024/25</b>	<b>Actual 2023/24</b>
Total Assets	\$159.2m	\$157.9m	\$155.2m
Obligations to residents	\$95.1m	\$93.9m	\$88.8m
Total surplus/(deficit)	(\$3.6m)	\$2.7m	\$6.4m
Total equity	\$58.5m	\$64.8m	\$62.1m
Management fees receivable	\$14.5m	\$14.2m	\$13.9m
Residents share of capital gain	\$19.8m	\$19.6m	\$22.2m

## **TAMAHERE EVENTIDE HOME TRUST**

### **STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES**

**For the year ended 30 June 2025**

		2025	2024
	Notes	\$	\$
<b>Revenue from exchange transactions</b>			
Residential care fees		17,639,069	16,724,515
Management fees		2,495,374	2,314,647
Village outgoing fees		1,338,668	1,145,055
Interest received		91,046	87,690
Café Income		155,823	115,777
Catering		99,287	108,824
Sundry Income		236,090	188,219
Rent		248,234	287,626
		<u>22,303,591</u>	<u>20,972,353</u>
<b>Revenue from non-exchange transactions</b>			
Donations		587	2,551
		<u>587</u>	<u>2,551</u>
<b>Total Revenue</b>		<u>22,304,178</u>	<u>20,974,904</u>
<b>Expenses</b>			
Employee related costs		(14,287,688)	(13,697,619)
Depreciation	12	(839,439)	(800,916)
Disposal of fixed assets		(18,411)	(1,841)
Audit fee		(32,624)	(34,286)
Operating expenses	5	<u>(5,125,845)</u>	<u>(5,185,564)</u>
<b>Total operating expenditure</b>		<u>(20,304,007)</u>	<u>(19,720,226)</u>
<b>Operating surplus before fair value adjustment</b>		<b>2,000,171</b>	<b>1,254,678</b>
Net movement of fair value adjustments on Investment Property and Occupation Right Agreements	11	(5,580,296)	4,837,336
<b>Total surplus/(deficit) after fair value adjustments</b>		<u>(3,580,125)</u>	<u>6,092,014</u>
<b>Other comprehensive revenue and expenses</b>			
<i>Items that will not be subsequently classified through to revenue or expenses</i>			
Gains/(Loss) on revaluation of property plant & equipment	12	0	318,784
<b>Total Other comprehensive revenue and expenses</b>		<b>0</b>	<b>318,784</b>
<b>Total comprehensive revenue and expenses for the year</b>		<u>(3,580,125)</u>	<u>6,410,798</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 2025

	Notes	2025	2024
		\$	\$
<b>Assets</b>			
<b>Current assets</b>			
Cash & cash equivalents	6	2,504,064	1,385,072
Investments	7	303,138	238,632
Receivables from exchange transaction	8	933,679	2,069,412
GST receivable		24,801	-
Inventory		30,455	35,703
<b>Total current assets</b>		<b>3,796,137</b>	<b>3,728,819</b>
<b>Non-current assets</b>			
Investment properties under construction	14	8,716,479	1,378,607
Investment properties	13	121,081,045	124,657,221
Property, plant & equipment	12	25,651,533	25,411,732
<b>Total non-current assets</b>		<b>155,449,057</b>	<b>151,447,560</b>
<b>Total assets</b>		<b>159,245,194</b>	<b>155,176,379</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	9	1,916,160	619,583
GST Payable		-	6,657
Employee entitlements	10	1,691,997	1,504,122
Obligation to residents	11	95,115,821	88,792,221
<b>Total current liabilities</b>		<b>98,723,978</b>	<b>90,922,583</b>
<b>Non-current liabilities</b>			
Loan	17	2,011,857	2,164,312
<b>Total non-current liabilities</b>		<b>2,011,857</b>	<b>2,164,312</b>
<b>Total liabilities</b>		<b>100,735,835</b>	<b>93,086,895</b>
<b>Net assets</b>		<b>58,509,359</b>	<b>62,089,484</b>
<b>Equity</b>			
Accumulated comprehensive revenue and expenses		48,779,690	52,359,815
Asset revaluation reserve		9,729,669	9,729,669
<b>Total net assets/equity attributable to the Trust/Beneficiaries of the Trust</b>		<b>58,509,359</b>	<b>62,089,484</b>

Signed for and on behalf of the Board of Trustees:

  
Trustee

19/08/2025  
Date

  
Trustee

19/08/2025  
Date

## **TAMAHERE EVENTIDE HOME TRUST**

### **STATEMENT OF CHANGES IN NET ASSETS/EQUITY For the year ended 30 June 2025**

	Notes	Accumulated comprehensive revenue and expenses \$	Asset revaluation reserve \$	Total \$
Balance at 1 July 2023		46,267,801	9,410,885	55,678,686
Surplus/(deficit) for the year		6,092,014	-	6,092,014
Net gain/(loss) on revaluation of property plant & equipment		-	318,784	318,784
<b>Balance as at 30 June 2024</b>		<b>52,359,815</b>	<b>9,729,669</b>	<b>62,089,484</b>
Balance at 1 July 2024		52,359,815	9,729,669	62,089,484
Surplus/(deficit) for the year		(3,580,125)	-	(3,580,125)
Net gain/(loss) on revaluation of property plant & equipment		-	-	-
<b>Balance as at 30 June 2025</b>		<b>48,779,690</b>	<b>9,729,669</b>	<b>58,509,359</b>

*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 2025**

	Notes	2025	2024
		\$	\$
<b>Cash flows from operating activities</b>			
<i>Receipts</i>			
Receipts from management fees		1,858,974	1,627,811
Receipts from donations		587	2,551
Receipts from residents and clients		20,831,459	17,440,635
Receipts from Interest		87,693	97,774
		<u>22,778,713</u>	<u>19,168,771</u>
<i>Payments</i>			
Payments to suppliers		(3,881,712)	(5,707,728)
Payments to employees		(14,099,813)	(13,520,462)
		<u>(17,981,525)</u>	<u>(19,228,190)</u>
<b>Net cash inflow/(outflow) from operating activities</b>		<u>4,797,188</u>	<u>(59,419)</u>
<b>Cash flows from investing activities</b>			
<i>Payments</i>			
Payments for investments		(64,509)	(23,115)
Receipts from sale of property, plant & equipment		18,411	2,019
Receipts from new occupation right agreements		6,036,104	4,052,956
Payments for development of investment property		(8,418,096)	3,925,364
Payments for property, plant and equipment		(1,097,651)	(2,466,184)
<b>Net cash inflow/(outflow) from investing activities</b>		<u>(3,525,741)</u>	<u>5,491,040</u>
<b>Cash flows from financing activities</b>			
Payment of loan principal		(2,164,311)	(4,710,733)
Borrowings of loans		2,011,856	-
<b>Net cash inflow/(outflow) from financing activities</b>		<u>(152,455)</u>	<u>(4,710,733)</u>
Net increase/(decrease) in cash and cash equivalents		1,118,992	720,888
Cash and cash equivalents at 1 July		1,385,072	664,184
<b>Cash and cash equivalents at 30 June</b>	6	<u>2,504,064</u>	<u>1,385,072</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 2025**

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#### **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 2025, the Trust owns and operates retirement villages of 142 villas and 40 apartments, a day programme to 90 clients, 12 rental units, 43 dementia care beds, 71 hospital care beds and 81 rest home care beds, providing care for more than 550 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 19 August 2025 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 \$5m and \$33m).

#### **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 2025**

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#### **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:

<b>Average rollover period/Length of stay (years)</b>	<b>2025</b>	<b>2024</b>
Tamahere Eventide Village	8.29	8.23
Tamahere Eventide Apartments	5.24	5.26
Wesley Courts Village	6.72	6.72
Atawhai Assisi Village	8.50	8.45

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**

##### ***(i) Recognition and initial measurement***

All other financial assets and financial liabilities are initially recognised when the Trust becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through other comprehensive revenue and expense, transaction costs that are directly attributable to its acquisition or issue. At initial recognition, short-term receivables and payables may be measured at the original invoice amount if the effect of discounting is immaterial.

##### ***(ii) Classification and subsequent measurement***

##### **Financial assets**

On initial recognition, a financial asset is classified as measured at:

- amortised cost;

## **TAMAHERE EVENTIDE HOME TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2025**

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- fair value through surplus of deficit (FVTSD); or
- fair value through other comprehensive revenue and expense (FVTOCRE)

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTOCRE.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTOCRE:

- it is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely prepayments of principal and interest on the principal amount outstanding.

The Trust's cash and cash equivalents, advances, and receivables are classified as financial assets at amortised cost.

The Trust's investments at fair value are classified as financial assets at FVTOCRE on the basis they are managed, and their performance is evaluated on a fair value basis.

A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortised cost or at fair value through other comprehensive revenue and expense.

#### Financial assets - subsequent measurement and gains and losses

Financial assets at FVTOCRE - These assets are subsequently measured at fair value. Net gains and losses are recognised in other comprehensive revenue and expenses.

Financial assets at FVTSD - These assets are subsequently measured at fair value. Net gains and losses are recognised in Surplus or Deficit.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in other comprehensive revenue and expenses. Any gain or loss on derecognition is recognised in other comprehensive revenue and expenses.

#### Financial liabilities - classification, subsequent measurement and gains and losses

All of the Trust's financial liabilities meet the criteria to be classified as measured at amortised cost. These financial liabilities are subsequently measured at amortised cost using the effective interest method. Any gain or loss on derecognition is also recognised in other comprehensive revenue and expenses. The Trust's financial liabilities include payables and advances due to related parties.

#### ***(iii) Impairment of non-derivative financial assets***

The Trust recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

### ***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.

## **TAMAHERE EVENTIDE HOME TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2025**

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- *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.

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%       | (2024: 2% SL)      |
| • Plant and machinery  | 8 - 67%  | (2024: 3 - 40% DV) |
| • Motor vehicles       | 10 - 30% | (2024: 25% DV)     |
| • Furniture & fittings | 8 - 50%  | (2024: 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.

## **TAMAHERE EVENTIDE HOME TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2025**

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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.

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.

## **TAMAHERE EVENTIDE HOME TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2025**

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#### *3.11 Income Tax*

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

#### *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 5.24 to 8.50 years (2024 – 5.26 to 8.45 years).

#### **b. Fair value of the retirement village and property**

The fair value of Land and Buildings last valued on 30 June 2024 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 2025 for the retirement village property in accordance with its policy. (Refer to note 13)

## **TAMAHERE EVENTIDE HOME TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2025**

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.

#### **5. Operating expenses**

	<b>2025</b>	<b>2024</b>
	\$	\$
<b>Net surplus includes the following specific expenses:</b>		
<b>Operating expenses:</b>		
Village operating expenses	1,164,265	1,127,123
Housekeeping	737,767	722,163
Catering	969,510	946,643
Employment other expenses	308,217	373,645
Administration	823,404	660,820
Interest paid	42,562	366,292
Medical	604,374	575,637
Repairs & maintenance	384,809	332,018
Grounds	55,031	45,185
Therapy	35,906	36,038
<b>Total Operating Expenses</b>	<b><u>5,125,845</u></b>	<b><u>5,185,564</u></b>

#### **6. Cash & cash equivalents**

	<b>2025</b>	<b>2024</b>
	\$	\$
Cash on hand	2,475	2,762
Cash at bank	198,692	239,510
Deposits at call	2,302,897	1,142,801
<b>Total cash &amp; cash equivalents</b>	<b><u>2,504,064</u></b>	<b><u>1,385,072</u></b>

**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 2.5% and 4.85% (2024: 2.75% to 4.75%).

**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 \$24,954 (2024: \$15,807). These deposits are held on behalf of the residents.

#### **7. Investments**

	<b>2025</b>	<b>2024</b>
	\$	\$
Investment – Christian Savings Limited	303,138	238,632
	<b><u>303,138</u></b>	<b><u>238,632</u></b>

The investment with Christian Savings Limited is for a fixed period at a rate of 4.85% (2024: 6.15%).

## **TAMAHERE EVENTIDE HOME TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS** **For the year ended 30 June 2025**

#### **8. Receivables from exchange transactions**

	<b>2025</b>	<b>2024</b>
	\$	\$
Trade receivables	933,679	2,069,414
	<u>933,679</u>	<u>2,069,414</u>

#### **Impaired receivables**

Trade receivables that are less than three months past due are not considered impaired. As of 30 June 2025, trade receivables of \$592,428 (2024: \$100,388) 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 bad debt expenses for the Trust in 2025 of \$41,682 (2024: \$40,444).

#### **9. Trade and other payables from exchange transactions**

	<b>2025</b>	<b>2024</b>
	\$	\$
Trade payables	519,484	508,975
Construction payables	1,158,266	0
IRD (PAYE)	130,484	0
Accrued expenses	106,895	103,050
Chaplain's fund	1,031	6,523
Staff social club	0	1,035
	<u>1,916,160</u>	<u>619,583</u>

#### **10. Accrued employee entitlements**

	<b>2025</b>	<b>2024</b>
	\$	\$
<b>Employee Benefits</b>		
Wages	423,695	436,485
Annual leave	946,993	776,097
Alternative holidays	176,822	169,606
Sick leave	144,487	121,934
	<u>1,691,997</u>	<u>1,504,122</u>

## **TAMAHERE EVENTIDE HOME TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2025**

#### **11. Obligation to residents**

	<b>2025</b>	<b>2024</b>
	\$	\$
Refundable occupation right agreements	89,837,000	80,444,000
Less: Management fees	(14,524,179)	(13,887,779)
Plus: Residents Share of capital gains	19,803,000	22,236,000
Closing balance	<u>95,115,821</u>	<u>88,792,221</u>
Movement in obligations to residents		
Opening balance	88,792,221	82,664,057
Plus: Increase on new occupation agreements	9,393,000	10,577,000
Residents share of capital gains	(2,433,000)	(3,762,000)
Less Increase in Management fee receivable	(636,400)	(686,836)
	<u>95,115,821</u>	<u>88,792,221</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 5.24 to 8.50 years, average of 7.19 years (2024 – 5.26 to 8.45 years, average of 7.17). 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:

	<b>2025</b>	<b>2024</b>
	\$	\$
Within 12 months	13,228,904	12,392,494
Beyond 12 months	81,886,917	76,399,727
	<u>95,115,821</u>	<u>88,792,221</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 2025

#### 12. Property, plant and equipment

	Freehold Land & Buildings	Vehicles	Plant & Equipment	Furniture & Fittings	Total
	(valuation)	(cost)	(cost)	(cost)	
	\$	\$	\$	\$	\$
<b>Balance as at 1 July 2024</b>					
Opening net book amounts	22,550,000	108,786	1,820,219	932,728	25,411,733
Additions	724,929	42,622	164,153	169,178	1,100,882
Disposals - Cost	-	(2,783)	-	(449)	(3,232)
Disposals - Accumulated Depreciation	-	(7,965)	(10,423)	(23)	(18,411)
Depreciation	(428,488)	(19,356)	(267,808)	(123,787)	(839,439)
<b>Closing carrying value 30 June 2025</b>	<b>22,846,441</b>	<b>121,304</b>	<b>1,706,141</b>	<b>977,647</b>	<b>25,651,533</b>
<b>Cost or valuation</b>	<b>23,274,929</b>	<b>372,353</b>	<b>3,912,033</b>	<b>1,852,023</b>	<b>29,411,338</b>
Less Accumulated Depreciation	(428,488)	(251,049)	(2,205,892)	(874,376)	(3,759,805)
<b>Closing carrying value 30 June 2025</b>	<b>22,846,441</b>	<b>121,304</b>	<b>1,706,141</b>	<b>977,647</b>	<b>25,651,533</b>
<b>Balance as at 1 July 2023</b>					
Opening net book amounts	21,164,440	99,250	1,688,773	796,020	23,748,483
Transfer from WIP	1,491,963	-	-	-	1,491,963
Additions	-	31,136	375,626	249,715	656,477
Disposals - Cost	-	-	(3,392)	(2,276)	(5,668)
Disposals - Accumulated Depreciation	-	-	2,352	258	2,610
Valuation adjustment	318,784	-	-	-	318,784
Depreciation	(425,187)	(21,600)	(243,140)	(110,989)	(800,916)
<b>Closing carrying value 30 June 2024</b>	<b>22,550,000</b>	<b>108,786</b>	<b>1,820,219</b>	<b>932,728</b>	<b>25,411,733</b>
<b>Cost or valuation</b>	<b>22,550,000</b>	<b>332,514</b>	<b>3,747,880</b>	<b>1,683,294</b>	<b>28,313,688</b>
Less Accumulated Depreciation	-	(223,728)	(1,927,661)	(750,566)	(2,901,955)
<b>Closing carrying value 30 June 2024</b>	<b>22,550,000</b>	<b>108,786</b>	<b>1,820,219</b>	<b>932,728</b>	<b>25,411,733</b>

#### Valuation Basis

Land & Buildings were valued on 30 June 2024 by Milton Bevan of Colliers International at a total valuation of \$22,550,000. 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 95% to 98.5% occupancy rate and capitalisation rate of 7.75% to 8.25%.

#### 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 2025**

#### **13. Investment properties (continued)**

	Retirement Village (valuation) \$	Rental Apartments (valuation) \$	Development Land (valuation) \$	Total \$
<b>Balance as at 1 July 2024</b>	122,542,221	965,000	1,150,000	124,657,221
Transfers to/(from) Work in Progress	203,896	2,230,224	(1,150,000)	1,284,120
Transfer of rental apartments	-	-	-	-
Valuation adjustment	(4,860,296)	-	-	(4,860,296)
<b>Closing carrying value 30 June 2025</b>	<b>117,885,821</b>	<b>3,195,224</b>	<b>-</b>	<b>121,081,045</b>
<b>Balance as at 1 July 2023</b>	114,624,057	1,172,173	1,050,000	116,846,230
Transfers to/(from) Work in Progress	4,184,405	-	-	4,184,405
Transfer of rental apartments	-	(182,097)	-	(182,097)
Valuation adjustment	3,733,759	(25,076)	100,000	3,808,683
<b>Closing carrying value 30 June 2024</b>	<b>122,542,221</b>	<b>965,000</b>	<b>1,150,000</b>	<b>124,657,221</b>

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

	2025 \$	2024 \$
Increase/(Decrease) in village valuation	(4,860,296)	3,733,759
Less: Increase in ORAs	(9,393,000)	(10,577,000)
Add/(Less): Increase in residents share of capital gains	2,433,000	3,762,000
Add/(Less): ORAs for new buildings	6,240,000	7,918,577
<b>Gain on revaluation of investment properties</b>	<b>(5,580,296)</b>	<b>4,837,336</b>

#### **Valuation basis**

The Retirement Village was valued on 30 June 2025 by Milton Bevan of Colliers International (2024: 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 \$22,770,000 (2024: \$27,010,000). 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 (2024: 50 years) based on an average tenure ranging between 5.24 to 8.50 years, average of 7.19 years (2024 – 5.26 to 8.45 years, average of 7.17 years). The calculation assumes a growth rate of 3.42% (2024: 3.32%) and a discount rate of 14.25% to 18% (2024: 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 2025**

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#### **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 the 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 \$0 (2024: \$86,278)

#### **14. Investment Property under construction**

	<b>2025</b>	<b>2024</b>
	\$	\$
Work in progress	8,716,479	1,378,607
	<u>8,716,479</u>	<u>1,378,607</u>

No retirement village units were completed during the year (2024 - 0 units) and 8 rental units were completed (2024 - 0 units). 1 Rental apartment was renovated and transferred to investment properties (2024 - 1 apartment). Work in progress 2025 represents district council fees, professional fees and civil & construction cost for the development of 14 retirement village units and 12 staff houses at Tamahere Eventide Home and Retirement Village and future development of 37 villas at Atawhai Assisi. Borrowing cost capitalised in Work in progress amounted to \$43,710 (2024 - \$0).

#### **15. Contingent liabilities**

There were no contingent liabilities as at 30 June 2025 (2024: \$nil).

#### **16. Capital commitments**

Capital commitment as at 30 June 2025 amounted to \$4,154,815 (2024: \$0) for construction contracts entered into for the development per note 14 above. The project budget amounts to \$13,240,149 (2024: \$0).

## **TAMAHERE EVENTIDE HOME TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2025**

#### **17. Borrowings**

	<b>2025</b>	<b>2025</b>
	\$	\$
Christian Savings Limited	2,011,857	2,164,312
	<u>2,011,857</u>	<u>2,164,312</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 \$30,000,000 plus interest. Loan approved of **\$10,000,000** (2024: \$10,050,000) and interest rate of 7.55% (2024: 8.5%).

#### **Repayment Terms**

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

#### **18. Categories of financial instruments**

	<b>2025</b>	<b>2024</b>
	\$	\$
<b>Financial assets at amortised cost</b>		
Cash and cash equivalents	2,504,064	1,385,072
Short term investments	303,138	238,632
Trade receivables	933,679	2,069,412
	<u>3,740,881</u>	<u>3,693,116</u>
<b>Financial liabilities at amortised cost</b>		
Trade and other payables	1,916,160	619,583
Borrowings	2,011,857	2,164,312
Obligations to residents	95,115,821	88,792,221
	<u>99,043,838</u>	<u>91,576,116</u>

#### **19. Transactions with related parties**

The Trust was formed under the direction of the Methodist Church of New Zealand on the 16<sup>th</sup> 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 \$24,801 due for GST receivable (2024: \$6,657 (payable)) and there were no amounts outstanding in respect of insurance (2024: \$0).

Insurance premiums paid to the Methodist Church insurance fund amounted to \$792,224 (2024: \$710,144) 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 2025**

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#### **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 \$9,393 (2024: \$9,588).

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

	<b>2025</b>	<b>2024</b>
	\$	\$
Total remuneration	<b>827,296</b>	<b>787,233</b>
Number of full-time equivalents	<b>5</b>	<b>5</b>

#### **21. Subsequent events**

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

New Zealand Aged Care Association (NZACA) accepted a fee increase from Te Whatu Ora of 4% for the 2025/26 financial year.



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

### Opinion

We have audited the financial report of Tamahere Eventide Home Trust (the "Trust"), which comprise the financial statements on pages 4 to 21, and the service performance information on page 3. The complete set of financial statements comprise the statement of financial position as at 30 June 2025, and the statement of comprehensive revenue and expense, statement of changes in net assets/equity, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

- the financial position of the entity as at 30 June 2025, and its financial performance, and its cash flows for the year then ended; and
- the service performance for the year ended 30 June 2025 in that the service performance information is appropriate and meaningful and prepared in accordance with the entity's measurement bases for evaluation methods

in accordance with the Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") standard 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 (NZ) and New Zealand Auditing Standards NZ AS 1 (Revised) *The Audit of Service Performance Information*. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the entity in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards (New Zealand))* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

### Responsibilities of the Board of Trustees for the Financial Report

The Board of Trustees are responsible on behalf of the entity for:

- The preparation and fair presentation of the financial report in accordance with the PBE Standards RDR;
- The selection of elements/aspects of service performance, performance measures, and/or descriptions and measurement bases or evaluation methods that present service performance information that is appropriate and meaningful in accordance with the PBE Standards RDR;

- The preparation and fair presentation of service performance information in accordance with the entity's measurement bases or evaluation methods, in accordance with the PBE Standards RDR;
- The overall presentation, structure, and content of the service performance information in accordance with the applicable financial reporting framework; and
- Such internal control as the board of trustees determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the board of trustees are responsible for assessing the entity'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 the board of trustees either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 (Revised) 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 financial report.

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

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14-1/>

### **Who we Report to**

This report is made solely to the board of 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 entity and the board of 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  
19 August 2025