

Form 2

Annual Return and Certificate of Registered Docu

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



10058236475

Part One: Retirement Village Details

Name of village: **Abbeyfield Thurston House**

Registration number of village: **1983565** Balance date: **31 March**

Telephone number for village: **(09) 437 5695** Fax number for village: (optional)

Street address of village: **28 Mains Avenue, Whangarei**

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]. **Level One, Concordia House, 200 Hardy Street, Nelson**

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]. **Level One, Concordia House, 200 Hardy Street, Nelson**

Postal address of village: **28 Mains Avenue, Whangarei**

Email address for village: **office@abbeyfield.org.nz**

Number of units in the village: Not more than 34 units 35-84 units At least 85 units

Part Two: Operator Details

Where there is more than one operator, continue on a separate sheet if necessary and attach all pages to this Annual Return.

Number of operators: **One**

Name of operator: **Abbeyfield Housing Company**

Company or other registration number (if any): **967411**

Nature of operator: [e.g. company, natural person] **Company**

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] **Level One, Concordia House, 200 Hardy Street, Nelson**

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] **Level One, Concordia House, 200 Hardy Street, Nelson**

Postal address of operator to which communications from the Registrar may be sent: **PO Box 482, Nelson**

Email address of operator: **office@abbeyfield.org.nz**

Telephone number of operator: **(03) 546 6459** Fax number of operator: (optional) **(03) 546 6371**

**BUSINESS & REGISTRIES
BRANCH, AUCKLAND.**

30 SEP 2009

RECEIVED

Completed form to: Retirement Villages Register, Private Bag 92061, Victoria Street West, Auckland 1142

Form 2 | Annual Return and Certificate of Registered Documents [continued]

Name of village: **Abbeyfield Thurston House**Registration number of village: **1983565****Part Three: Certificate of registered documents and annual return**I, **Abbeyfield Housing Company Limited**

[insert name of operator]

certify that for:

Abbeyfield Thurston House

[insert name of the retirement village]

 the details contained in this Annual Return are correct as at: **1 / 09 / 09**

And that:

 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 3 – Change of circumstances must be completed for material changes).Signed: Dated: **14 / 09 / 09**Name of signatory: **Abbeyfield Housing Company Limited****Contact Details of Person Completing this Form:**Name:
Abbeyfield Housing Company Limited
Address:
**C/- Burke Melrose, Level 7, 52
Swanson Street, Auckland 1141**Email address:
rclements@burkemelrose.co.nz
Telephone number:
(09) 356 2622
Fax number [optional]:
(09) 356 2631

Form 2 | Annual Return and Certificate of Registered Documents

**Your checklist for completing this application**

Use this checklist to ensure you have included all of the information required which will speed up registration.
Include this completed checklist when submitting your Annual Return.

Name of village:

Registration number of village:

Have you completed?

Parts One, Two and Three and signed the form (attaching extra pages if applicable)

Have you attached?

A copy of the audited financial statements that comply with the Financial Reporting Act 1993; and

The documents supporting any information on the register that has changed

A copy of the Statutory Supervisor's certification [where applicable]

The correct fee must be paid. If you have:

- 0-34 units – the prescribed fee is \$NZ450
- 35-84 units - the prescribed fee is \$NZ1,510
- More than 85 units - the prescribed fee is \$NZ3,850

**Important information**

Note that if the information supplied in this form requires any changes to be made to the information registered on any computer register held by LINZ (Land Information New Zealand), there will be a fee for such change. The Registrar will notify you of the amount of any such fee.

Payment

Cheque Cheque number Bank
Please make cheques payable to Ministry of Economic Development

Direct Debit MED User ID Ref:

Credit Card Credit Card No. Expiry

Credit card type: Mastercard Visa Diners American Express

Name (as it appears on your card)

Signature

ABBNEYFIELD HOUSING COMPANY LIMITED

FINANCIAL STATEMENTS

AS AT 31 MARCH 2009

Tel 03 548 1549
Fax 03 546 9504
Email info@CarranMiller.co.nz

Chris Hardiman
B.C.A., C.A
NZX Dip

Ross Stevenson
F.C.A.

Bede Carran
B.Com, B.A.
LLB, C.A

REPORT OF THE AUDITORS

To the Readers of the Financial Statements of Abbeyfield Housing Company Limited ("the Company").

We have audited the Financial Statements on pages 5 to 16. The Financial Statements provide information about the past financial performance of the Company and its financial position as at 31 March 2009. This information is stated in accordance with the accounting policies set out on pages 10 and 11.

Directors' Responsibilities

The Directors are responsible for the preparation of Financial Statements that comply with generally accepted accounting practice in New Zealand, and that give a true and fair view of the financial position of the Company as at 31 March 2009 and of its financial performance and cash flows for the year ended on that date.

Auditor's Responsibilities

It is our responsibility to express an independent opinion on the Financial Statements presented by the Directors and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Directors in the preparation of the financial statements; and
- whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with auditing standards issued by the New Zealand Institute of Chartered Accountants. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

Other than in our capacity as Auditors we have no relationship with or interests in the Company.

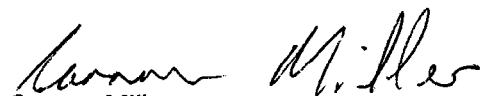
Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion:

- Proper accounting records have been kept by the Company as far as appears from our examination of those records; and
- The financial statements on pages 5 to 16:
 - comply with generally accepted accounting practice in New Zealand;
 - give a true and fair view of the financial position of the Company as at 31 March 2009 and the results of its operations and cash flows for the year ended on that date.

Our audit was completed on 09 June 2009 and our unqualified opinion is expressed as at that date.



Carran Miller
Chartered Accountants
NELSON

ABBEYFIELD HOUSING COMPANY LIMITED
COMPANY DIRECTORY
FOR THE TWELVE MONTHS ENDED 31 MARCH 2009

Principal Activity: Community Housing for Older People

Place of Business: 105 Trafalgar Street
Nelson

Incorporation Number: CH 967411

Charities Commission Registration Number: CC24849

Registered Office: 105 Trafalgar Street
Nelson

Directors: M L Burke
J B Munro
P E Smale
P K Goulden (Appointed 30 June 2008)
I H Thurston (Resigned 28 February 2008)
D M G Beasley (Resigned 26 July 2008)

Subscribed Capital: 100 ordinary shares

Sole Shareholder: Abbeyfield New Zealand Inc.

Bankers: National Bank of New Zealand
Nelson

Solicitors: Burke Melrose
Auckland

Trustee: Covenant Trustee Services Limited
Auckland

Auditors: Carran Miller
Nelson

ABBNEYFIELD HOUSING COMPANY LIMITED

**INCOME STATEMENT
FOR THE TWELVE MONTHS ENDED 31 MARCH 2009**

	Twelve Months to 31/03/09	Twelve Months to 31/03/08
INCOME		
Interest [Note 10.1]	6,214	7,423
Donations	0	0
House Management – Total Receipts [Note 2.1]	118,695	137,241
Sale of Licences [Note 10.2 (a)]	157,821	44,494
Facilities Contribution Charges [Note 10.2(b)]	7,589	5,418
	<hr/>	<hr/>
TOTAL OPERATING REVENUE	290,319	194,576
	<hr/>	<hr/>
LESS EXPENSES		
Administrative Support	3,000	5,250
Audit Fees [Note 10.1]	4,100	2,713
Bank Charges	11	35
Board Management	1,383	3,602
Company Office Fees	622	756
Depreciation	915	965
Insurance	550	709
Retirement Villages Association	717	750
Legal Fees	1,260	0
House Management – Total Payments [Note 2.1]	131,596	125,927
Payments due to residents on surrender of licences [Note 10.2(a)]	157,821	35,640
	<hr/>	<hr/>
TOTAL OPERATING EXPENSE	301,975	176,347
	<hr/>	<hr/>
OPERATING SURPLUS (DEFICIT)	(11,656)	18,229
PLUS NON-OPERATING INCOME		
Unrealised revaluation surplus [Note 1(b)]	0	121,360
Accrued share of resident's revaluation surplus	0	8,100
Residents share of revaluation loss	177,300	0
	<hr/>	<hr/>
	177,300	129,460
	<hr/>	<hr/>
LESS NON-OPERATING EXPENSES		
Unrealised revaluation loss [Note 1(b)]	242,000	0
Accrued share of resident's revaluation loss	8,370	0
Residents share of revaluation surplus	0	114,300
	<hr/>	<hr/>
	250,370	114,300
	<hr/>	<hr/>
NET SURPLUS (DEFICIT)	(84,726)	33,389

**STATEMENT OF CHANGES IN EQUITY
FOR THE TWELVE MONTHS ENDED 31 MARCH 2009**

	31/03/09	31/03/08
Net Surplus for period	(84,726)	33,389
	<hr/>	<hr/>
Total recognised revenues and expenses	(84,726)	33,389
Equity at beginning of the year	323,053	289,664
	<hr/>	<hr/>
Equity at end of the year	238,327	323,053

The accompanying notes form part of the financial statements and should be read in conjunction with the financial statements and the audit report

ABBNEYFIELD HOUSING COMPANY LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2009**

SHAREHOLDERS EQUITY [Note 6]	31/03/09	31/03/08
SUBSCRIBED CAPITAL		
100 Ordinary Shares	100	100
Accumulated Operating Surplus (Deficit)	54,485	71,230
RESERVES		
Investment Property Revaluation Reserve	159,530	237,600
Whangarei Refurbishment Fund	<u>24,212</u>	<u>14,123</u>
TOTAL SHAREHOLDERS EQUITY	<u>238,327</u>	<u>323,053</u>
ASSETS [Notes 3, 4]		
National Bank Cheque Accounts - Company	3,246	7,138
National Bank – Whangarei – Scheme Account	7,394	10,972
National Bank – Whangarei – Housekeeping Account	0	0
Kiwi Bank – Whangarei – Housekeeping Account	0	2,654
National Bank – Whangarei Refurbishment Reserve	<u>4,032</u>	1,080
Accounts Receivable	40	1,608
GST Receivable	<u>42</u>	0
National Bank – Refurbishment Reserve Deposit	20,180	13,044
National Bank Deposits	2,087	30,572
National Bank – Repurchases Pool Account [Note 7]	<u>0</u>	108,630
Facilities charge revenue recognised in advance	14,633	6,095
Company share of valuation increases (decreases) recognised in advance	(270)	8,100
House Equipment	1,718	2,633
Land	399,500	460,000
Buildings	<u>1,198,500</u>	1,380,000
TOTAL ASSETS	<u>1,651,102</u>	<u>2,032,526</u>
LESS LIABILITIES [Note 5]		
Accounts Payable	16,216	17,627
GST Payable	0	349
Northland Voluntary Welfare Trust	9,563	9,008
Revenue received in advance	108,185	266,006
Northland Voluntary Welfare Trust	57,426	66,989
Residents Occupation Licence payments	869,485	820,294
Residents share of revaluation increases	<u>351,900</u>	529,200
TOTAL LIABILITIES	<u>1,412,775</u>	<u>1,709,473</u>
NET ASSETS (LIABILITIES) AT 31 MARCH 2008	<u>238,327</u>	<u>323,053</u>

The accompanying notes form part of the financial statements and should be read in conjunction with the financial statements and the audit report

ABBNEYFIELD HOUSING COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2009 (CONTINUED)

For and on behalf of Board

Director: *P. Smale*
Name: PETER E. SMALE.
Date: 3/06/09

Director: *J. B. Munio*
Name: J B Munio
Date: 30 May 2009

ABBNEYFIELD HOUSING COMPANY LIMITED

**SCHEDULE OF FIXED ASSETS AND INVESTMENT PROPERTIES
FOR THE TWELVE MONTHS ENDED 31 MARCH 2009**

PROPERTY	Cost Price	Book Value 01/04/08	*Additions	Depreciation			Accumulated Depreciation	Book Value 31/03/09
				Month	Rate	Amount		
*Land – 28 Mains Avenue, (note 4.2)	210,000	460,000	-60,500					399,500
*Buildings – 28 Mains Avenue, (note 4.2)	852,508	1,380,000	-181,500					1,198,500
Total Property subject to Annual Revaluation	<u>1,062,508</u>	<u>1,840,000</u>	<u>-242,000</u>					<u>1,598,000</u>
DEPRECIATING ASSETS								
House Equipment – 28 Mains Avenue, garei								
• Stove	355	63		12	24%CP	63	355	0
• Trolley	284	40		12	24%CP	40	284	0
• Washing machine	578	240		12	18%CP	104	442	136
• Freezer	378	211		12	24%CP	91	258	120
• Dishwasher	2,173	1,456		12	18%CP	391	1,108	1,065
• Cooking hob	943	622		12	24%CP	226	546	397
Total assets subject to depreciation	<u>4,711</u>	<u>2,633</u>				<u>915</u>	<u>2,993</u>	<u>1,718</u>
TOTAL ASSETS	<u>1,067,219</u>	<u>1,842,633</u>	<u>-242,000</u>			<u>915</u>	<u>2,993</u>	<u>1,599,718</u>

NOTES:

* The property at 28 Mains Avenue is revalued annually (refer notes to the accounts 4.2).

The accompanying notes form part of the financial statements and should be read in conjunction with the financial statements and the audit report

ABBEYFIELD HOUSING COMPANY LIMITED

**CASHFLOW STATEMENT
FOR THE TWELVE MONTHS ENDED 31 MARCH 2009**

CASHFLOW FROM OPERATING ACTIVITIES:

	Twelve months to 31/03/09	Twelve months to 31/03/08
Cash was provided from:		
Interest received	7,782	6,614
Net GST received	0	905
Whangarei scheme receipts	118,596	137,438
Resident contributions – Licences sold	0	310,500
	126,378	455,457
Cash was applied to:		
Interest paid	4,315	4,838
Whangarei Scheme payments	130,479	114,482
Company administration payments	10,236	13,815
Repurchase of Licences	0	301,646
GST paid - Company	861	0
	145,891	434,781
Net Cashflow from Operating Activities	(19,513)	20,676

CASHFLOW FROM INVESTING ACTIVITIES:

Cash was provided from:		
Term Deposits	129,979	0
	129,979	0
Cash was applied to:		
Buildings – Whangarei	0	641
Bank Term deposits and call accounts	0	13,806
	0	14,447
Net Cashflow from Investing Activities	129,979	(14,447)

CASHFLOW FROM FINANCING ACTIVITIES:

Cash was provided from:		
	0	0
Cash was applied to:		
Repurchase Pool payment to departing resident	108,630	
Loan repayment – Northland Voluntary Welfare Trust	9,008	
	117,638	8,484
Net Cashflow from Financing Activities	(117,638)	(8,484)
Net change in cash from operating, financing and investing activities	(7,172)	(2,255)
Add opening cash at bank 1 st April 2008	21,844	24,099
Closing bank balance at 31st March 2009	14,672	21,844

The accompanying notes form part of the financial statements and should be read in conjunction with the financial statements and the audit report

ABBNEYFIELD HOUSING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE TWELVE MONTHS ENDED 31 MARCH 2009

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

Abbeyfield Housing Company Ltd is a Company registered under the Companies Act 1993. 100% of the Company's shares are owned and held by Abbeyfield New Zealand Incorporated.

Abbeyfield Housing Company Ltd was an issuer for the purposes of the Financial Reporting Act 1993 at balance date. From 1 May 2007 Abbeyfield Housing Company Limited's offers of Occupation Rights were made under the Retirement Villages Act 2003. The financial statements of Abbeyfield Housing Company Ltd have been prepared in accordance with the Financial Reporting Act 1993.

Single industry and geographical segments: Abbeyfield Housing Company Ltd operates in the industry providing accommodation for older persons, throughout New Zealand.

Public Benefit Entity: Abbeyfield Housing Company Ltd has as its primary objective the provision of goods and services for community or social benefit rather than to secure a financial return to its equity holders.

Period of Accounting

These Financial Statements are for the twelve-month period 1 April 2008 to 31 March 2009.

Statement of Compliance

The financial statements comply with New Zealand generally accepted accounting practice, which include New Zealand equivalents to International Financial Reporting Standards (NZ IFRS). Compliance with NZ IFRS ensures that the financial statements comply with International financial Reporting Standard (IFRS).

Changes in Accounting Policies

There have no changes in accounting policies from the previous year.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the company.

Specific Accounting Policies

The following specific accounting policies that materially effect the measurement of financial performance and financial position have been applied:

- (a) **Fixed Assets (other than Land and Buildings)**
These include capital works in progress, minor items of house equipment and office equipment. All fixed assets have initially been recorded at cost which includes all costs associated with development including capitalised funding and other direct costs incurred.
- (b) **Land and Buildings**
The building at 28 Mains Avenue, Whangarei has been converted into ten (10) suites for offer to the public on a licence to occupy basis. At 31 March 2009 seven (7) suites are occupied.

These notes form part of the financial statements and should be read in conjunction with the financial statements
and the audit report

ABBNEYFIELD HOUSING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE TWELVE MONTHS ENDED 31 MARCH 2009

The property at 28 Mains Avenue Whangarei is accounted for at fair value in accordance with NZ IAS 16: Property, Plant and Equipment.

- (c) **Depreciation**
Depreciation has been charged on House Equipment at 28 Mains Avenue, Whangarei.
Depreciation has not been charged on the buildings at 28 Mains Avenue, Whangarei. The Directors have adopted the recommendations of NZ IAS 16: Property, Plant and Equipment and annually revalue Land and Buildings.
- (d) **Revenue**
All revenue is recognised on an accruals basis.
- (e) **Accounts Receivable**
Accounts Receivable are stated at estimated net realisable value.
- (f) **Taxation**
As the Company is a registered charity the Company is not liable for income tax.
- (g) **Foreign Currency**
Transactions in foreign currencies are converted at the NZ rate of exchange ruling at the date of the transaction. There were no foreign currency transactions in the current reporting period.
- (h) **Financial Instruments**
All financial instruments the Company is party to are recorded in the Statement of Financial Position at fair value and include cash and bank balances, loans and advances, trade creditors and borrowings. All gains and losses arising from financial instruments are recognised in the Statement of Financial Performance.
- (i) **Goods and Services Tax**
The financial statements have been prepared on a GST exclusive basis, except for accounts payable and receivable which are shown as GST inclusive.

ABBEYFIELD HOUSING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE TWELVE MONTHS ENDED 31 MARCH 2009**

2. WHANGAREI SCHEME

2.1 Income and Expenses:

**SCHEME INCOME STATEMENT
FOR THE TWELVE MONTHS ENDED 31 MARCH 2009**

Abbeyfield House – 28 Mains Avenue, Whangarei

	Twelve months to 31/03/09	Twelve months to 31/03/08
INCOME		
Donations and Grants Received	0	44
Housekeepers Levies [Note 2.1.1]	0	4,766
Interest [Note 10.1]	375	307
Other Income	0	0
Resident Levies	118,320	132,124
TOTAL INCOME	<u>118,695</u>	<u>137,241</u>
LESS EXPENSES		
DIRECT HOUSE COSTS		
Management Fees paid to Abbeyfield Whangarei Inc [Note 2.1.1]	71,541	82,770
Repairs and Maintenance [Note 2.1.3]	36,335	11,313
TOTAL DIRECT HOUSE COSTS	<u>107,876</u>	<u>94,083</u>
OVERHEAD COSTS		
Audit Fees	5,950	3,717
Affiliation Fees	4,390	6,231
Bank Charges	0	4
Insurances	3,752	3,606
Interest [Note 2.1.2]	4,278	4,803
Legal Expenses	0	5,529
Administrative Support	1,000	2,000
Settlement Costs	0	614
Trustee Fees	3,350	4,052
Valuation Fees	1,000	1,288
TOTAL OVERHEAD COSTS	<u>23,720</u>	<u>31,844</u>
TOTAL COSTS	<u>131,596</u>	<u>125,927</u>
NET SCHEME OPERATING SURPLUS (DEFICIT) FOR PERIOD	(12,901)	11,314
NET SURPLUS (DEFICIT)	<u>(12,901)</u>	<u>11,314</u>

These notes form part of the financial statements and should be read in conjunction with the financial statements and the audit report

ABBNEYFIELD HOUSING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE TWELVE MONTHS ENDED 31 MARCH 2009**

2.1.1 Management Fees

From 1 April 2008 Abbeyfield Whangarei Inc took responsibility for paying all direct costs associated with Scheme management in return for an agreed monthly management fee. The Manager also undertakes to recover Housekeeper Levies and Guest fees, allowances for which are included in the monthly management fee.

2.1.2 Interest Paid by Scheme

This sum represents the total interest paid to the Northland Voluntary Welfare Trust on the loan to develop the Mains Avenue house.

2.1.3 Repairs and Maintenance

Abbeyfield Whangarei Inc undertakes any minor maintenance as part of its Management responsibility. Refurbishment of suites and significant upgrades are the Directors responsibility. The current expenditure has been incurred as follows

	Twelve Months To 31 March 2009	Twelve Months To 31 March 2008
Refurbishment of Resident suites	\$8,335	\$0
Upgrade of kitchen	\$28,000	\$0

3. CURRENT ASSETS

	31/03/09	31/03/08
National Bank Cheque Account	3,246	7,138
National Bank – Whangarei – Main House Account	7,394	10,972
National Bank – Whangarei Refurbishment Account	4,032	1,080
Kiwi Bank – Whangarei – Housekeeping Account	0	2,654
Accounts Receivable	40	1,608
GST Receivable	42	0
	<hr/>	<hr/>
	14,754	23,452

4. NON CURRENT ASSETS

4.1 Investments

	21/03/09	31/03/08
(i) Investments – Bank Term Deposits		
(a) National Bank – Reserved for Whangarei scheme development	2,087	30,572
(b) National Bank - Repurchase Pool account	0	108,630
(c) National Bank – Refurbishment reserve	20,180	13,044
(ii) Other Investments		
(a) Management fees accrued	14,633	6,095
(b) Company share of Licence appreciation accrued	(270)	8,100
	<hr/>	<hr/>
	36,630	166,441

(a) The sum reserved for Whangarei scheme development is a sum set aside by the Company to fund future developments at 28 Mains avenue, Whangarei.

(b) The National Bank Repurchase Pool Account is a separate investment of 10% of Resident occupation right agreement payments that is available to repay residents with licences purchased prior to 17 August 2007 who relinquish licences to occupy if their licence is not resold to a new resident within 3 months. The sum was paid out in July 2008 and has not yet been recovered as the licence for the suite in question has yet to be sold.

(c) The National bank Whangarei Scheme refurbishment account records the reserve being set aside for anticipated major refurbishments of the Whangarei House that will be required within the next 10 years, plus interest. The total sum available at 31 March 2009 was \$24,212 (2008 \$14,124) held in a mix of term deposit and cheque accounts.

ABBNEYFIELD HOUSING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE TWELVE MONTHS ENDED 31 MARCH 2009**

4.2 Fixed Assets subject to revaluation

	31/03/09	31/03/08
Freehold Land and Buildings - 28 Mains Avenue, Whangarei	1,598,000	1,840,000
(i) The value of the property at 28 Main Avenue, Whangarei has been adjusted to reflect the valuation at current market value conducted by Telfer Young (Northland) Ltd dated 23/02/2009.		
(ii) The property at 28 Mains Avenue, Whangarei is subject to an encumbrance in favour of the Statutory Trustee, the Covenant Trustee Company Ltd whose role is to protect the interests of residents who have purchased occupation licences in the scheme. This encumbrance is a first charge on the property.		
Whangarei House Equipment	1,718	2,633
Office Equipment		0
	<u>1,599,718</u>	<u>1,842,633</u>

5. LIABILITIES

	31/03/09	31/03/08
Northland Voluntary Welfare Trust	66,989	75,997
Sundry Creditors	16,216	17,627
GST Payable	0	349
Revenue received in advance [Notes 5.3, 1b]	108,185	266,006
Amounts owing to residents - Licence purchases [Note 5.4, 1c]	869,485	947,194
Amounts owing to residents - increases in Licence values [Note 1c]	351,900	411,154
	<u>1,412,775</u>	<u>1,718,327</u>

- 5.1** The Northland Voluntary Welfare Trust loan is secured over property at 28 Mains Road, Whangarei and the loan is being repaid through a 10-year table mortgage until 21 March 2015. Interest 6% reviewed annually. Until 21st March 2005 this advance was interest free.
- 5.2** Amounts Owing to Directors: Nil Nil
- 5.3** Revenue received in advance represents occupation right agreement payments received but not yet treated as income.
- 5.4** Amounts owing to residents represent the purchase prices paid for occupation right agreements and the residents share of unrealised property revaluation surpluses.

6. EQUITY

6.1 Retained Earnings

	31/03/09	31/03/08
Balance at beginning of year	71,230	55,821
Net Surplus	(84,726)	33,389
Transfer from (to) Revaluation Reserve	78,070	(20,800)
Transfer (to) from Whangarei Refurbishment Reserve	(10,089)	2,820
Balance at end of year	<u>54,485</u>	<u>71,230</u>

ABBNEYFIELD HOUSING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE TWELVE MONTHS ENDED 31 MARCH 2009**

6.2 Property Revaluation Reserve

	31/03/09	31/03/08
Balance at beginning of year	237,600	216,800
Revaluation during year	(69,700)	12,700
Company's accrued share of residents revaluation surplus	<u>(8,370)</u>	<u>8,100</u>
Balance at end of year	<u>159,530</u>	<u>237,600</u>

6.3 Refurbishment Reserve

	31/03/09	31/03/08
Balance at beginning of year	14,123	16,943
Transfer from (to) retained earnings	<u>10,089</u>	<u>(2,820)</u>
Balance at end of year	<u>24,212</u>	<u>14,123</u>

7. CONTINGENT LIABILITIES

In respect of occupation right agreements issued before 17 August 2007, under the Occupation Agreement Clause 13.1 (e) Termination, Abbeyfield Housing Company Ltd has an obligation to repurchase a licence after 90 days if no new licence is obtained, up to the value of the Repurchase Pool Account.

8. SIGNIFICANT EVENTS AFTER BALANCE DATE

At balance date three occupation rights had been surrendered. At 30 May 2009 these had not been resold.

9. RELATED PARTY TRANSACTIONS

- 9.1** Michelle Lynda Burke, a Director of the Company, is a partner in Burke Melrose who provides legal services to the Company as required. The total value of all transactions charged to the Company by Burke Melrose during the 12 months ended 31/03/09 was \$1,260 (2008 \$5,529) and no amounts remained unpaid at 31/03/09 (2008 Nil)
- 9.2** Michelle Lynda Burke, a Director of the Company, is a Director of Settlement Services Ltd who provides settlement services to the Company as required. The total value of all transactions charged to the Company by Settlement Services Ltd during the 12 months ended 31/03/09 was Nil (2008 \$1,434) and no amounts remained unpaid at 31/03/09 (2008 Nil).
- 9.3** Abbeyfield New Zealand Inc, the sole shareholder in the Company, provides the Company with administrative support to the scheme and prepares the Company's Financial Accounts. The total value of all transactions charged to the Company by Abbeyfield New Zealand Inc during the 12 months ended 31/03/09 was \$4,000 (2008 \$7,250) and no amounts remained unpaid at 31/03/08 (2008 Nil). Affiliation fees are payable to Abbeyfield New Zealand Inc. Total affiliation fees for the 12 months ended 31/03/09 was \$4,390 (2008 \$6,231) and \$1,220 remained unpaid at 31/03/09 (2008 \$1,356).

10. INCOME & EXPENDITURE DISCLOSURES

10.1 Income and Expenditure

	Twelve months to 31/03/09	Twelve months to 31/03/08
Interest Received		
Interest received on Bank deposits and term investments	6,214	6,890
Interest received on Scheme Bank deposits	75	307
Other interest received by Scheme	<u>300</u>	<u>533</u>
TOTAL	<u>6,589</u>	<u>7,730</u>
 Auditors Fees		
Audit fees for financial statements	5,500	5,350
Auditors fees for other services	<u>4,550</u>	<u>1,080</u>
TOTAL	<u>10,050</u>	<u>6,430</u>

ABBEYFIELD HOUSING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE TWELVE MONTHS ENDED 31 MARCH 2009**

- 10.2 (a) Receipts from residents purchasing occupation right agreements, and payments to residents surrendering licenses to occupy are shown as Operating Income or Expenditure respectively and are spread over the anticipated length of the licence period which is estimated to be five years.
(b) Accrued facility fees are included as Operating Income

11. FINANCIAL INSTRUMENTS

11.1 **Credit Risk:** To the extent that Abbeyfield Housing Company Limited has a receivable from another party, there is a credit risk in the event of non-performance by that counter party. Financial instruments that potentially subject Abbeyfield Housing Company Limited to credit risk principally consist of bank balances, bank term investments and receivables. Receivables comprise accrued interest on fixed deposits and prepaid expenses. Abbeyfield Housing Company Limited does not anticipate non-performance by the counter parties. Maximum exposures to credit risk at balance date are:

	2009	2008
Bank balances	14,672	21,844
Bank Term Deposits	22,267	152,246
Receivables	82	1,608

These exposures are net of any recognised provision for losses on these instruments. No collateral is held for these amounts.

11.2 **Concentrations of Credit Risk:** The Company does not have any significant concentrations of credit risk.

11.3 **Currency Risk:** The Company has no exposure to foreign exchange risk in its operating or investing activities.

11.4 **Interest Rate Risk:** The Company has exposure to interest rate risk to the extent that it borrows or invests for a fixed term at fixed rates. At balance date the Company has interest payable borrowings totalling \$66,989. At balance date the Company had bank deposits totalling \$22,267 earning interest.

11.5 **Credit Facilities:** The Company has no credit facilities arranged

11.6 **Fair Values:**

Bank balances, receivables, and payables: The carrying value is the fair value for each of these classes of financial instrument

Term liabilities and investments: Interest accruals [where payable or receivable] are carried in payables or receivables rather than aggregated with the investment or liability.

11.7 **Repricing analysis:** The Company has no exposure to derivative financial instruments.

12. RECONCILIATION OF OPERATING SURPLUS WITH CASHFLOWS FROM OPERATING ACTIVITIES

	Twelve months to 31/03/09	Twelve months to 31/03/08
Operating Surplus (deficit) as per Statement of Financial Performance	(11,656)	18,229
Add (deduct) non-cash items		
Depreciation	915	965
Facilities Contribution Charges accrued	(7,589)	(5,418)
Accrued Licence Sales	(157,821)	(44,494)
Accrued Licence payments	157,821	35,640
Add (deduct) movements in working capital		
Interest accrued	1,568	(809)
Add decrease in Accounts Receivable	0	653
Add increase in GST payable (receivable)	(1,340)	9,759
Deduct increase (decrease) in Accounts Payable	(1,411)	6,151
Net cash flows from operating activities	(19,513)	20,676

30 September 2009

The Registrar of Retirement Villages
c/- Companies Office
Ministry of Economic Development
PO Box 5771
Wellesley Street
Auckland 1036

Report of Statutory Supervisor in respect of Abbeyfield Thurston House (the 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 Abbeyfield Housing Company Limited (**Operator**), dated 14 August 2007 and the Retirement Villages Act 2003 (**Act**).

This report accompanies the Operator's 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 31 March 2009, being statements that we believe comply with the Financial Reporting Act 1993. 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:
 - (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) reported to the residents on the performance of our duties and the exercise of our powers; and

discharged all other duties imposed on us by the Act, the regulations made under the Act and the Deed of Supervision.
Level 37, Vero Centre, 48 Shortland Street, Auckland, New Zealand
PO Box 4243, Shortland Street, Auckland 1140, New Zealand

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BRANCH, AUCKLAND.

30 SEP 2009

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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 31 March 2009.
4. All occupation right agreements issued or terminated during the year ended 31 March 2009 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



Penny Cooper
Client Relationship Manager