



COMCARE CHARITABLE TRUST
FINANCIAL STATEMENTS
For the Year Ended 30 June 2017

COMCARE CHARITABLE TRUST
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For the Year Ended 30 June 2017

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As at 30 June 2017

Principal Activity	Comcare contributes to the recovery of people who experience mental illness through the provision of quality community services, social housing, and by supporting mental health sector development.
Address	249 - 251 Lichfield Street Christchurch
Registered Office	251 Lichfield Street Christchurch Central Christchurch 8011
Trustees	Assoc Prof Pauline Barnett - Chairperson Mr David Griffiths - Deputy Chair Mrs Sandy Lockhart Dr Peri Renison Mr Oliver Roberts Mr Peter Young Mr Murray Hendy
Chief Executive Office	Mrs Kay Fletcher
Auditors	Nexia Christchurch Limited Level 4 123 Victoria Street Christchurch 8013
Solicitors	Trollope & Co PO Box 20 Christchurch 8140
Bankers	Westpac Christchurch
Charities Reg Number	CC10571

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Comcare Charitable Trust

Opinion

We have audited the financial statements of Comcare Charitable Trust on pages 6 to 19 which comprise the Statement of Financial Position as at 30 June 2017, and the Statement of Comprehensive Revenue and Expenses, Statement of Changes in Net Assets and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Comcare Charitable Trust as at 30 June 2017 and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditors Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* 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, Comcare Charitable Trust.

Responsibilities of the Trustees for the financial statements

The Trustees are responsible on behalf of the Trust for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the Trust 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 financial statements

Our objectives are to obtain reasonable assurance about whether the 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 ISA's (NZ) 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, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Nexia Christchurch Limited

Nexia Christchurch Limited
12 September 2017
Christchurch

COMCARE CHARITABLE TRUST
STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES



For the Year Ended 30 June 2017

	Note	2017	2016
		\$	\$
Revenue from Exchange Transactions			
Canterbury District Health Board		5,221,441	4,774,203
Ministry of Social Development		1,100,572	756,754
Accommodation/Rental/IRRS		1,486,985	1,037,668
Interest Received		850	18,994
Other Operating Revenue		13,544	40,530
		<u>7,823,391</u>	<u>6,628,150</u>
Revenue from Non-exchange Transactions			
RATA Foundation - Conditional Capital Grant	9	1,126,927	893,172
Social Housing Unit - Conditional Capital Grant	9	1,269,163	1,747,013
		<u>2,396,090</u>	<u>2,640,185</u>
Total Revenue		<u>10,219,481</u>	<u>9,268,335</u>
Expenses			
Audit Fees		8,987	8,722
Interest Expense		67,790	70,215
Rental Expense		555,222	481,565
Wages		3,971,146	3,698,125
Other Operating Expenses		1,776,270	1,424,533
Depreciation	8	444,171	364,891
Net Loss /(Gain) on Disposal of Fixed Assets		(5,878)	(5,048)
Total Expenses		<u>6,817,709</u>	<u>6,043,003</u>
Total Surplus / (Deficit) for the Period		<u>3,401,772</u>	<u>3,225,332</u>
Other Comprehensive Revenue and Expense			
Net Increase /(Decrease) on Property Revaluation	8	(142,000)	2,522,190
Other Comprehensive Revenue and Expense for the Period		<u>(142,000)</u>	<u>2,522,190</u>
Total Comprehensive Revenue and Expenses for the Period		<u>3,259,772</u>	<u>5,747,522</u>

These financial statements should be read in conjunction with the Independent Auditor's Report and accompanying Notes



COMCARE CHARITABLE TRUST
STATEMENT OF CHANGES IN NET ASSETS



For the Year Ended 30 June 2017

	<u>Note</u>	Asset Revaluation Reserve	Retained Surplus	Total Equity
	13 & 14	\$	\$	\$
Opening Balance 1 July 2016		5,824,797	14,019,064	19,843,861
Additions /(Decreases) for the Year		(142,000)	3,401,772	3,259,772
Closing Equity 30 June 2017		<u>5,682,797</u>	<u>17,420,836</u>	<u>23,103,633</u>
Opening Balance 1 July 2015		3,302,607	10,793,732	14,096,339
Additions for the Year		2,522,190	3,225,332	5,747,522
Closing Equity 30 June 2016		<u>5,824,797</u>	<u>14,019,064</u>	<u>19,843,861</u>

These financial statements should be read in conjunction with the Independent Auditor's Report and accompanying Notes



COMCARE CHARITABLE TRUST
STATEMENT OF FINANCIAL POSITION



As at 30 June 2017

	Note	2017	2016
		\$	\$
ASSETS			
Current Assets			
Cash & Cash Equivalents	5	984,230	431,887
Receivables from Exchange Transactions	6	889,715	810,527
Prepayments	7	175,669	145,669
Total Current Assets		<u>2,049,613</u>	<u>1,388,083</u>
Non-current Assets			
Property, Plant & Equipment	8	24,662,344	19,881,073
Building Work in Progress	9	97,743	2,783,136
Total Non-current Assets		<u>24,760,087</u>	<u>22,664,209</u>
Total Assets		<u>26,809,701</u>	<u>24,052,292</u>
LIABILITIES			
Current Liabilities			
Payables	10	1,163,852	1,550,534
GST Payable		115,860	113,633
Current Portion of Long-term Borrowings	11(v)	144,578	139,249
Total Current Liabilities		<u>1,424,291</u>	<u>1,803,416</u>
Non-current Liabilities			
Advance Accommodation		21,660	-
Term Loans	11	1,980,353	2,125,251
Suspensory Loans	12	279,764	279,764
Total Non-current Liabilities		<u>2,281,777</u>	<u>2,405,016</u>
Total Liabilities		<u>3,706,067</u>	<u>4,208,431</u>
Net Assets		<u>23,103,633</u>	<u>19,843,861</u>
NET ASSETS/EQUITY			
Accumulated Funds	13	17,420,836	14,019,064
Asset Revaluation Reserve	14	5,682,797	5,824,797
Total Net Assets/Equity		<u>23,103,633</u>	<u>19,843,861</u>

For and on behalf of the Board of Trustees:

 Trustee (Chairperson)

12/9/17

 Date

 Trustee

12/9/17

 Date

These financial statements should be read in conjunction with the Independent Auditor's Report and accompanying Notes



COMCARE CHARITABLE TRUST
CASH FLOW STATEMENT



For the Year Ended 30 June 2017

	<u>Note</u>	<u>2017</u>	<u>2016</u>
		\$	\$
<u>Cash Flows from Operating Activities</u>	15		
Receipts			
Receipts from Non-exchange Transactions		2,481,090	2,555,185
Receipts from Exchange Transactions		7,659,204	6,429,961
		<u>10,140,294</u>	<u>8,985,146</u>
Payments			
Payments to Suppliers		2,733,274	1,081,969
Payments to Employees		3,971,146	3,698,125
Interest Paid		67,790	70,215
		<u>6,772,210</u>	<u>4,850,309</u>
Net Cash Flows from Operating Activities		<u>3,368,084</u>	<u>4,134,837</u>
<u>Cash Flows from Investing Activities</u>			
Receipts			
Sale of Fixed Assets		23,566	16,466
Payments			
Purchase of Fixed Assets		(373,343)	(164,328)
Building Work In Progress		(2,326,394)	(5,141,314)
Net Cash Flows from Investing Activities		<u>(2,676,172)</u>	<u>(5,289,176)</u>
<u>Cash Flows from Financing Activities</u>			
Receipts			
Loan Drawdown		1,194,081	420,000
Payments			
Loan Repayment		(1,333,650)	(523,810)
Net Cash Flows from Financing Activities		<u>(139,569)</u>	<u>(103,810)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents		552,343	(1,258,150)
Cash and Cash Equivalents at Beginning of Period		<u>431,887</u>	<u>1,690,037</u>
Cash and Cash Equivalents at End of Period		<u>984,230</u>	<u>431,887</u>

These financial statements should be read in conjunction with the Independent Auditor's Report and accompanying Notes



COMCARE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2017

1 Reporting Entity

The reporting entity is Comcare Charitable Trust (the 'Trust'). The Trust is domiciled in New Zealand and is a charitable organisation registered under the Charities Act 2005.

These financial statements and the accompanying notes summarise the financial results of activities carried out by the Trust. The Trust contributes to the recovery of people who experience mental illness through the provision of quality community services, social housing, and by supporting mental health sector development.

These financial statements have been approved and were authorised for issue by the Board of Trustees on 12 September 2017.

2 Statement of Compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Non-For-Profit entities. For the Purpose of complying with NZ GAAP, the Trust is a public benefit and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

The Board of Trustees has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and, in doing so, has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions. This decision results in the Trust not preparing a Statement of Service Performance for both reporting periods.

3 Reporting Period

The current period financial statements and the comparative figures are prepared for 12 month periods ending 30 June.

4 Summary of Accounting Policies

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

4.1 Basis of measurement

These financial statements have been prepared on the basis of historical cost except for land and buildings which are measured at fair value.

4.2 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.

4.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

Revenue from exchange transactions - Government contracts revenue:

Revenue from government contracts relates to income received from Canterbury District Health Board (CDHB) and Ministry of Social Development (MSD) and is provided as funding for services the Trust provides relating to its purposes. Revenue is recognised in the period the services are provided.

Revenue from non-exchange transactions - Grant revenue:

Grant revenue includes grants given by other charitable and philanthropic organisations. Grant revenue is recognised when the conditions attached to the grant have been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

Interest revenue:

Interest revenue is recognised as it accrues, using the effective interest method.

4.4 Volunteer Services

The value of services provided by volunteers is not recorded.

COMCARE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2017

4.5 Goods & Services Tax

The financial statements have been prepared so that all components are stated exclusive of GST with the exception of the following which are stated inclusive of GST:

Accounts Receivable and Accounts Payable

Social Housing - Accommodation receipts and expenses are exempt activities.

4.6 Loan & Receivables

Loan and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Trust's cash and cash equivalents, receivables from exchange transactions, and receivables from non-exchange transactions fall into this category of financial instruments.

4.7 Cash and Cash Equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

4.8 Advance Accommodation

An amount forecasted by MSD to cover rent and bond advance that the provider had to pay up front to secure the flat. At the end of the three years contract, it is expected that this money will be returned to MSD, or the rent subsidy will not be invoiced for the amount of advance received (weeks).

4.9 Property, Plant & Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is charged on straight line and diminishing value bases over the useful life of the asset, except for land. Land is not depreciated. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

Buildings	3 - 20% Diminishing Value and 2 - 3% Straight Line
Household Chattels	1- 50% Diminishing Value and 20% Straight Line
Office Furniture & Equipment	3 - 67% Diminishing Value and 3% Straight Line
Motor Vehicles	30% Diminishing Value

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefit or service potential embodied in the asset.

4.10 Leases

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

4.11 Income Taxation

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

4.12 Financial Instruments

Credit Risk

Financial instruments which potentially subject the Comcare Charitable Trust to credit risk principally consist of bank balances and accounts receivable.

5 Cash & Cash Equivalents

Cash and cash equivalents include the following components:

	2017	2016
	\$	\$
Westpac operating accounts	982,130	430,287
Petty cash	2,100	1,600
Total	984,230	431,887

COMCARE CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2017

6 Receivables from Exchange Transactions

	2017	2016
	\$	\$
Trade debtors	840,909	708,580
Accrued income	-	83,382
Bonds paid	48,805	18,565
Total	889,715	810,527

7 Prepayments

	2017	2016
	\$	\$
Insurance (i)	168,736	136,399
Software licenses	6,933	9,270
Total	175,669	145,669

(i) Insurance: the total of AON Insurance invoices for insurance coverage for period July 2017 to June 2018.

8 Property, Plant & Equipment

	2017	2016
	\$	\$
Land & buildings	24,203,623	19,583,194
Household chattels	6,544	7,945
Office furniture & equipment	160,404	108,387
Motor vehicles	291,773	181,546
Total	24,662,344	19,881,072

Land & Buildings

Cost	19,599,091
Accumulated depreciation	(15,897)
Carrying value at the beginning of the year	19,583,194
Additions	57,135
Movement from building work in progress	5,011,787
Net decrease in revaluation reserve (Westminster St property)	(142,000)
Depreciation	(306,492)
Carrying value at the end of the year	24,203,623
Represented by:	
Cost	24,526,013
Accumulated depreciation	(322,389)
Carrying value at the end of the year	24,203,623

Household Chattels

Cost	32,297
Accumulated depreciation	(24,352)
Carrying value at the beginning of the year	7,945
Additions	-
Depreciation	(1,401)
Carrying value at the end of the year	6,544



COMCARE CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2017

Represented by:

Cost	32,297
Accumulated depreciation	(25,753)
Carrying value at the end of the year	<u>6,544</u>

Office Furniture & Equipment

Cost	346,161
Accumulated depreciation	(237,774)
Carrying value at the beginning of the year	108,387
Additions	116,226
Disposals	(2,500)
Depreciation	(61,709)
Carrying value at the end of the year	<u>160,404</u>

Represented by:

Cost	459,887
Accumulated depreciation	(299,483)
Carrying value at the end of the year	<u>160,404</u>

Motor Vehicles

Cost	731,265
Accumulated depreciation	(549,719)
Carrying value at the beginning of the year	181,546
Additions	199,983
Disposals	(15,188)
Depreciation	(74,568)
Carrying value at the end of the year	<u>291,773</u>

Represented by:

Cost	916,060
Accumulated depreciation	(624,287)
Carrying value at the end of the year	<u>291,773</u>

Office Properties and Residential Properties as at 30 June 2017 have been disclosed at the latest valuation by an independent valuer (Ford Baker valuation report on 25 March 2016) based on their fair values.

Accumulated depreciation date of valuation on revalued buildings is credited to Cost or Revaluation together with the revaluation increment or decrement.



COMCARE CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2017

9 Building Work in Progress	2017	2016
	\$	\$
Project 3		
13 Milton St (Completed July 2016)	-	1,130,672
Project 4		
495 Cashel St (Completed November 2016)	-	874,409
54 Randolph St (Completed January 2017)	-	764,334
Project 5		
25 Winsor Cres	22,362	6,630
99 Barrington St	12,847	7,090
Other Projects		
Duke Street fit out	62,534	-
Total	97,743	2,783,136

Project 3: To build 12 units and one house across 3 sites. Total cost was \$3,498,241. Capital grants were received towards this project from SHU (\$1,851,493) and RATA Foundation (\$925,746).

Project 4: To build 16 units across 2 sites. Total cost was \$3,867,899. Capital grants were received towards this project from SHU (\$1,806,690), and RATA Foundation (\$1,664,352).

Project 5: To convert two Comcare owned sites from two older style dwellings into four one bedroom flats on each site.

10 Payables

	2017	2016
	\$	\$
Trade creditors	234,177	724,871
Accrued expenses	409,388	222,387
Holiday pay accrued	232,328	250,366
Insurance recovery - buildings	15,107	13,136
Income received in advance (i)	258,210	318,772
Les Ding and D L Moore support fund	14,642	21,002
Total	1,163,852	1,550,534

(i) Income Received in Advance

Ministry of Social Development - Job Connect: Funding of \$83,940 was received during the year for services provided in the 1 July 2016 - 30 June 2017 period. The total amount relates to the financial year ended 30 June 2018. (2016: \$107,640)

Ministry of Social Development - Housing Support: Funding of \$250,000 was received during the year. Of the total, \$125,000 relates to the financial year ending 30 June 2018. (2016: Nil)

Ministry of Social Development - Subsidised Housing: Funding of \$49,270 was received during the year for services provided in the 1 July 2017 - 31 December 2017 period. The total amount relates to the financial year ended 30 June 2018. (2016: 211,132)



COMCARE CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2017

11 Term Loans

		2017	2016
		\$	\$
Housing New Zealand Corporation Housing Innovation Fund	(i)	777,250	825,250
RATA Foundation	(ii)	52,162	73,425
SF Housing Trust	(iii)	500,000	500,000
Westpac	(iv)	795,519	865,825
Total of borrowing		<u>2,124,931</u>	<u>2,264,500</u>
Less: current portion	(v)	<u>(144,578)</u>	<u>(139,249)</u>
Non-current term loans		<u><u>1,980,353</u></u>	<u><u>2,125,251</u></u>

(i) Lender: Housing New Zealand Corporation Housing Innovation Fund

2017	Facility 1	Facility 2	Facility 3	Total
	\$	\$	\$	\$
Term loan	525,000	375,000	300,000	1,200,000
Repayments to date	<u>(199,500)</u>	<u>(136,250)</u>	<u>(87,000)</u>	<u>(422,750)</u>
Balance 30 June	<u><u>325,500</u></u>	<u><u>238,750</u></u>	<u><u>213,000</u></u>	<u><u>777,250</u></u>

2016	Facility 1	Facility 2	Facility 3	Total
	\$	\$	\$	\$
Term loan	525,000	375,000	300,000	1,200,000
Repayments to date	<u>(178,500)</u>	<u>(121,250)</u>	<u>(75,000)</u>	<u>(374,750)</u>
Balance 30 June	<u><u>346,500</u></u>	<u><u>253,750</u></u>	<u><u>225,000</u></u>	<u><u>825,250</u></u>

(a) Facility 1

A conditional grant of \$182,500 and a term loan of \$525,000 to assist in the construction of seven one-bedroom units for persons with mental illness (four units at Draper Street and three units at Parlane Street), secured by way of mortgage over those properties. Payment Terms for the 25 year term loan are monthly principal payments of \$1,750. Interest will commence 10 years after the date of last drawdown (14 December 2007).

(b) Facility 2

A conditional grant of \$137,675 and a term loan of \$375,000 to assist in the construction of five one-bedroom units for persons with mental illness at Taramea Place, secured by a mortgage over that property. Payment terms for the 25 year term loan are monthly principal payments of \$1,250. Interest will commence 10 years after the date of last drawdown (12 May 2008).

(c) Facility 3

A term loan of \$300,000 to assist in the construction of five one-bedroom units for persons with mental illness at Manchester Street, secured by way of mortgage over that property. Payment terms for the 25 year loan are monthly principal payments of \$1,000. Interest will commence 10 years after the date of the last drawdown (23 March 2010).

(ii) Lender: RATA Foundation

	2017	2016
	\$	\$
Funds drawdown	200,000	200,000
Repayments to date	<u>(147,838)</u>	<u>(126,575)</u>
Closing Balance	<u><u>52,162</u></u>	<u><u>73,425</u></u>



COMCARE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2017

A term loan of \$200,000 to assist in the office conversion of the 249 Lichfield Street property in 2011, secured by way of mortgage over that property. The interest rate is 3% per annum with monthly repayments of \$1,931 over the loan term of 10 years.

(iii) Lender: SF Housing Trust	2017	2016
	\$	\$
Funds drawdown to date	500,000	500,000
Repayments to date	-	-
Closing Balance	500,000	500,000

Two loan facilities each totalling \$250,000 to assist with the purchase of the properties at 21 Bordesley Street and 1032 Colombo Street, secured by way of mortgage over those properties. The interest rate is 2% per annum with interest only payments over the loan term of 20 years and full principal repayment at the end of the term.

(iv) Lender: Westpac	2017	Loan 94	Loan 92	Loan 93	Total
		\$	\$	\$	\$
Funds drawdown		900,000	711,987	482,094	2,094,081
Repayments to date		(104,481)	(711,987)	(482,094)	(1,298,562)
Balance 30 June		795,519	-	-	795,519
	2016	Loan 94	Loan 92	Loan 91	Total
		\$	\$	\$	\$
Funds drawdown		900,000	375,000	295,000	1,570,000
Repayments to date		(34,175)	(375,000)	(295,000)	(704,175)
Balance 30 June		865,825	-	-	865,825

	Loan 94	Loan 93	Loan 92	Loan 91
Westpac loan				
Commencement	22/09/2014	18/06/2014	4/12/2013	4/12/2013
Interest only period (12 months)	22/09/2015	18/06/2015	4/12/2014	4/12/2014
Maturity	22/09/2019	18/06/2029	4/12/2038	4/12/2038
Current available credit*	-	668,843	468,020	468,020
Interest rate	6.46%	5.30%	5.30%	5.30%

Westpac loans are secured by way of mortgage over the properties at 5 Newmark Street, 65A Tankerville Road, 19A Hillier Place, 11 Parker Street, 5-7 Montreal Street and 351 Hereford Street.

*Loans 91, 92, and 93, with the total value of \$1.6 million dollars are available to the Trust to be used for future building work as required.

(v) Current Portion of Term Loans	2017	2016
	\$	\$
HCNZ Facility 1	21,000	21,000
HCNZ Facility 2	15,000	15,000
HCNZ Facility 3	12,000	12,000
RATA Foundation	21,908	21,263
Westpac loan	74,670	69,986
Total	144,578	139,249



COMCARE CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2017

12 Suspensory Loans

Two suspensory loans of \$141,205 (Facility 1) and \$138,560 (Facility 2) were received from Housing New Zealand Corporation Housing Innovation Fund to assist in the construction of seven one-bedroom units for persons with mental illness. The suspensory loans are not recoverable by the lender, providing all obligations and undertakings set out in the loan agreement are met for 10 years.

13 Accumulated Funds

	2017	2016
	\$	\$
Opening balance	14,019,064	10,793,732
Total comprehensive revenue and expense	3,401,772	3,225,332
Closing Balance	17,420,837	14,019,064

14 Asset Revaluation Reserve

	2017	2016
	\$	\$
Opening balance	5,824,797	3,302,607
Revaluation reserve increases /(decreases) (i)	(142,000)	2,522,190
Closing balance	5,682,797	5,824,797

(i) Revaluation decrease during the financial year relates to a \$142,000 reduction in value of Westminster St property.

15 Notes to the Cash Flow Statement

(a) Cash and Cash Equivalents

Cash and cash equivalents consist of petty cash and balances with Westpac.

(b) Current and Non-Current Assets

During the period, three of the residential properties were completed and \$5,011,787 cost was transferred to fixed assets. This movement was excluded from the cash flow statement. Also \$85,000 of capital grants from SHU included in the opening balance of accounts receivables was received in July 2016 and is included in 2017 cash flow statement.

(c) Reconciliation of Net Cash Flows from Operating Activities to Surplus

	2017	2016
	\$	\$
Surplus		
Net operating surplus	1,005,682	585,147
Grants received	2,396,090	2,555,185
Total surplus	3,401,772	3,140,332
Add/(deduct) Non-cash movements		
Depreciation	444,171	364,891
Net loss/(gain) on disposal (sale) of property	(5,878)	(5,048)
Add/(deduct) movements in working capital items		
Trade and other receivables	(79,187)	(188,207)
Prepayments	(30,000)	(20,520)
Trade and other payables	(365,021)	829,263
GST payable	2,227	14,125
Net Cash Flows from Operating Activities	3,368,084	4,134,836



COMCARE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2017

16 Financial Instruments

(i) Concentration of Credit Risk

In the normal course of business, the Trust incurs credit risk from trade debtors and transactions with financial institutions. The Trust has a credit policy which is used to manage this risk. As part of this policy, limits on exposures with counterparties have been set and approved by the Board of Trustees and are monitored on a regular basis. The Trust has no significant concentrations of credit risk.

The Trust does not require any collateral or security to support financial instruments due to the quality of financial institutions and trade debtors dealt with.

(ii) Fair Values

The estimated fair values of the Trust's financial assets and liabilities do not differ from the carrying values.

(iii) Term Liabilities

The fair value of the Trust's term liabilities is estimated based on current market rates available to the Trust for debt of similar maturity.

17 Contingent Assets and Liabilities

At balance date there was a contingent liability for the repayment of the Housing Innovation Conditional Grant of \$182,500 (received 27 July 2007). If, within 10 years from draw down date, the properties cease to be used by the Trust for the agreed social housing purposes, the Trust will repay the greater of the grants or 15% of the proceeds of any sale or registered valuation (2016: \$182,500).

At balance date there was a contingent liability for the repayment of the Housing New Zealand Corporation Housing Innovation Fund Suspensory Loans of \$141,205 (received 12 May 2008) and \$138,560 (received 18 June 2008) if all obligations and undertakings set out in the loan agreement are not met over 10 years (2016: \$279,765).

As all the funded building projects were completed during the reporting financial year, the Trust has no outstanding contingent liabilities related to the building projects (2016: \$2,240,185).

There were no contingent assets at balance date (2016: Nil).

18 Capital Commitments

At balance date the Trust had no capital commitments (2016: \$2,058,033 relating to contracts associated with Building Projects).

19 Leases

As at the reporting date, the Board of Trustees has the following operating lease commitments in respect of premises and office equipment:

	2017	2016
	\$	\$
Less than 1 year	204,742	117,806
Between 1 and 5 years	238,121	73,582
More than 5 years	-	-
Total	442,863	191,387

20 Events After the Reporting Date

The Board of Trustees and management is not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the Comcare Charitable Trust. (2016: \$Nil).

COMCARE CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2017

21 Related Party Disclosure

Related party transactions comprise remuneration to the key management personnel who are considered to be the Board of Trustees, together with the members of the senior management group of the entity as below:

	2017		2016	
	\$	FTE	\$	FTE
Senior management personnel compensation - short term benefits for employees	856,960	9	802,468	8
Board of Trustees	-	7	-	8
Total	<u>856,960</u>	<u>16.00</u>	<u>802,468</u>	<u>16.00</u>

