



**COMCARE CHARITABLE TRUST**  
**FINANCIAL STATEMENTS**  
For the Nine Months Ended 30 June 2014

**COMCARE CHARITABLE TRUST**  
**CONTENTS OF THE ANNUAL REPORT**

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**For the Nine Months Ended 30 June 2014**

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## COMCARE CHARITABLE TRUST

### TRUSTEES' RESPONSIBILITY STATEMENT

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The Trustees are responsible for ensuring that the financial statements give a true and fair view of the financial position of the Trust as at 30 June 2014 and their financial performance and cash flows for the nine months ended on that date.

The Trustees consider that the financial statements of the Trust have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The Trustees consider that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Trust and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

The Trustees consider that they have taken adequate steps to safeguard the assets of the Trust and to prevent fraud and other irregularities.

The Trustees have pleasure in presenting the financial statements of Comcare Charitable Trust for the nine months ended 30 June 2014.

The Board of Trustees of Comcare Charitable Trust authorised these financial statements for issue on 2014.

For and on behalf of the Trust.

**P Barnett**  
**Chairperson**

# COMCARE CHARITABLE TRUST

## DIRECTORY

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As at 30 June 2014

<b>Principal Activity</b>	Comcare works with and for people with severe psychiatric illness in Canterbury, offering a choice of quality community services.
<b>Address</b>	249 & 251 Lichfield Street Christchurch
<b>Registered Office</b>	BDO Christchurch Ltd 30 Sir William Pickering Drive Burnside Christchurch
<b>Trustees</b>	Assoc Prof Pauline Barnett - Chairperson Prof Andrew Hornblow - Patron Mr David Griffiths Mrs Sandy Lockhart Dr Sue Nightingale Mr Robin Patterson (ceased October 2013) Mr Oliver Roberts Mr Peter Young
<b>Chief Executive Officer</b>	Mrs Kay Fletcher
<b>Auditors</b>	Hilson Fagerlund Keyse Level 1 567 Wairakei Road Russley Christchurch
<b>Solicitors</b>	Papprills 395 Brougham Street Christchurch
<b>Bankers</b>	Westpac Christchurch
<b>Charities Reg Number</b>	CC10571

**COMCARE CHARITABLE TRUST**

**STATEMENT OF COMPREHENSIVE INCOME**

**For the Nine Months Ended 30 June 2014**

		9 Months to 30 June 2014	12 Months to 30 September 2013
	Note	\$	\$
<b>Income</b>			
Canterbury District Health Board		3,330,083	4,285,500
Ministry of Social Development		181,853	251,712
Accommodation/Rental		656,390	756,544
Interest Received		21,168	41,958
Other Income		20,578	17,492
Depreciation Recovered		16,567	29,852
<b>Total Income</b>		<b>4,226,639</b>	<b>5,383,058</b>
<b>Less Operating Expenses</b>			
Audit Fees		15,592	12,072
Interest Paid		20,329	4,172
Rent		366,160	566,735
Wages		2,433,092	3,037,222
Other Expenses		972,244	1,136,664
Impairment Loss on Property		-	(49,857)
Depreciation	5	220,928	282,726
Loss on Sale of Fixed Assets		4,993	18,869
<b>Total Operating Expenses</b>		<b>4,033,338</b>	<b>5,008,603</b>
<b>Total Operating Income for the Period</b>		<b>193,301</b>	<b>374,455</b>
Revaluation Deficit - Barrington Street	10	-	(140,474)
Canterbury Community Trust - Grant	6	-	500,000
Social Housing Unit - Conditional Grant	6	730,000	920,000
Capital Gain - Insurance Proceeds-Colombo Street		-	56,483
		730,000	1,336,009
<b>Net Surplus Transferred to Accumulated Funds</b>		<b>923,301</b>	<b>1,710,464</b>

**COMCARE CHARITABLE TRUST**  
**STATEMENT OF MOVEMENTS IN EQUITY**

For the Nine Months Ended 30 June 2014

	9 Months to 30 June 2014	12 Months to 30 September 2013
	\$	\$
<b>Total Recognised Revenue &amp; Expenses</b>		
Net Surplus	923,301	1,710,464
Prior Year Adjustment	-	133
Revaluations	-	980,218
Opening Trust Equity	10,425,218	7,734,403
<b>Closing Trust Equity</b>	<b>11,348,519</b>	<b>10,425,218</b>

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 2014

		30 June 2014	30 September 2013
	Note	\$	\$
<b>Current Assets</b>			
Cash & Bank Balances	2	403,032	653,763
Westpac - Accommodation Development Reserve Fund Deposit		277,035	879,817
Westpac - General Funds Deposit		48,733	153,485
Accounts Receivable		465,299	658,284
Accrued Income		4,758	1,140
Bonds Paid		24,185	25,027
Prepayments		1,872	21,509
Building Work in Progress	6	1,357,332	1,269,835
<b>Total Current Assets</b>		<b>2,582,246</b>	<b>3,662,860</b>
<b>Current Liabilities</b>			
Accounts Payable		174,037	139,995
Accrued Expenses		133,204	198,559
Current Portion Term Loans	3(v)	68,026	67,580
Employee Credit Cards	4	2,293	-
GST Payable		133,980	72,838
Housing Development Fund	8	28,398	68,392
Holiday Pay Accrued		209,148	180,364
Income Received in Advance	7	8,050	104,880
Insurance Recovery - Buildings		4,383	77,050
Les Ding Support Fund		3,699	5,414
The Canterbury Community Trust - Grant	6	100,000	-
<b>Total Current Liabilities</b>		<b>865,218</b>	<b>915,071</b>
<b>Net Working Capital</b>		<b>1,717,028</b>	<b>2,747,788</b>
<b>Non-Current Assets</b>			
Property, Plant & Equipment	5	11,878,566	8,975,580
<b>Total Non-current Assets</b>		<b>11,878,566</b>	<b>8,975,580</b>
<b>Non-Current Liabilities</b>			
Canterbury Community Trust - Loan	3(ii)	114,085	128,716
HNZC - Suspensory Loans	3(i)	279,764	279,764
HNZC - Term Loans	3(i)	921,250	957,250
SF Housing Trust - Loan	3(iii)	250,000	-
Westpac - SHU Loans	3(iv)	750,000	-
Less Current Portion	3(v)	(68,026)	(67,580)
<b>Total Non-Current Liabilities</b>		<b>2,247,073</b>	<b>1,298,150</b>
<b>Net Assets</b>		<b>11,348,519</b>	<b>10,425,218</b>

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 2014

		30 June 2014	30 September 2013
	Note	\$	\$
<b>Trust Equity</b>			
Accumulated Funds	8	7,768,877	6,242,794
Accommodation Development Reserve	9	277,035	879,817
Asset Revaluation Reserve	10	3,302,607	3,302,607
<b>Total Trust Equity</b>		<b>11,348,519</b>	<b>10,425,218</b>

For and on behalf of the Board of Trustees:

Date:

\_\_\_\_\_

\_\_\_\_\_

Trustee (Chairperson)

\_\_\_\_\_

\_\_\_\_\_

Trustee



**COMCARE CHARITABLE TRUST****STATEMENT OF CASH FLOWS**

For the Nine Months Ended 30 June 2014

	<b>9 Months to 30 June 2014</b>	<b>12 Months to 30 September 2013</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows from Operating Activities</b>		
<b>Cash was Provided from:</b>		
Receipts from Activities	3,974,903	5,302,022
Grants Received	960,000	1,190,000
GST (net)	60,224	-
Interest Received	17,550	43,747
	<b>5,012,677</b>	<b>6,535,769</b>
<b>Cash was Disbursed to:</b>		
Payments for Operating Expenses	(3,847,653)	(4,666,888)
GST (net)	-	(16,288)
Interest Paid	(16,305)	(4,172)
	<b>(3,863,958)</b>	<b>(4,687,348)</b>
<b>Net Cash Flows from Operating Activities</b>	<b>1,148,719</b>	<b>1,848,421</b>
<b>Cash Flows from Investing Activities</b>		
<b>Cash was Provided from:</b>		
Sale of Fixed Assets	36,543	140,004
Reduction in Investments	707,534	678,659
	<b>744,077</b>	<b>818,663</b>
<b>Cash was Applied to:</b>		
Purchase of Fixed Assets	(3,148,884)	(1,166,532)
Building Work in Progress	(42,299)	(1,233,896)
Funds Held in Trust	(1,715)	(4,276)
	<b>(3,192,898)</b>	<b>(2,404,704)</b>
<b>Net Cash Outflows to Investing Activities</b>	<b>(2,448,821)</b>	<b>(1,586,041)</b>
<b>Cash Flows from Financing Activities</b>		
<b>Cash was Provided from:</b>		
Loan Drawdown	1,000,000	-
Grants Received in Trust	100,000	-
	<b>1,100,000</b>	<b>-</b>
<b>Cash was Applied to:</b>		
Loan Repayment	(50,630)	(67,003)
	<b>(50,630)</b>	<b>(67,003)</b>
<b>Net Cash Flows from Financing Activities</b>	<b>1,049,370</b>	<b>(67,003)</b>
<b>Net Increase (Decrease) in Cash Held</b>	<b>(250,732)</b>	<b>195,377</b>
Opening Cash Balance	653,763	458,386
<b>Closing Cash Balance</b>	<b>403,031</b>	<b>653,763</b>

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

**COMCARE CHARITABLE TRUST****STATEMENT OF CASH FLOWS**

For the Nine Months Ended 30 June 2014

	<b>9 Months to 30 June 2014</b>	<b>12 Months to 30 September 2013</b>
	\$	\$
<b>Reconciliation of Net Cash Flows from Operating Activities and Net Surplus</b>		
Net Operating Surplus	193,301	374,455
Grants Received	730,000	1,420,000
	<u>923,301</u>	<u>1,794,455</u>
<b>Plus/(Less) Non Cash Items</b>		
Depreciation	204,361	282,726
Loss on Disposal of Property	4,993	18,869
Impairment Loss on Property	-	(49,857)
Gain on Sale of Assets	-	(29,852)
	<u>209,354</u>	<u>221,886</u>
<b>Cash Surplus</b>	<b>1,132,655</b>	<b>2,016,341</b>
<b>Plus/(Less) Movements in Working Capital</b>		
Accounts Receivable	198,892	(267,359)
Accrued Income	(3,618)	1,788
Prepayments	19,637	41,067
GST	61,142	(20,503)
Accounts Payable	(37,220)	103,307
Employee Credit Cards	2,293	-
Bonds Paid	842	(8,350)
Income Received in Advance	(136,824)	68,392
Holiday Pay Accrued	28,784	7,244
Insurance Recovery Buildings	(72,667)	(66,395)
	<u>61,261</u>	<u>(140,809)</u>
Work in Progress included in Accounts Payable	(45,197)	(27,111)
<b>Net Cash Flows from Operating Activities</b>	<b><u>1,148,719</u></b>	<b><u>1,848,421</u></b>

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

# COMCARE CHARITABLE TRUST

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the Nine Months Ended 30 June 2014

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### 1 Statement of Accounting Policies

#### Reporting Entity

Comcare Charitable Trust is registered under the Charities Act 2005.

#### Statement of Compliance and Basis of Preparation

The financial statements of Comcare Charitable Trust have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP).

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Financial Performance and Statement of Financial Position on an historical cost basis are followed by the Trust, except for land & buildings which are at valuation. The information is presented in New Zealand Dollars.

#### Reporting Period

The current period financial statements have been prepared for the nine months ended 30 June 2014. The comparative figures are for the year ended 30 September 2013.

#### Specific Accounting Policies

##### Revenue Recognition

Revenue is recognised on an accruals basis.

##### Volunteer Services

The value of services provided by volunteers is not recorded.

##### 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.

##### Accounts Receivable

Accounts receivable are valued at expected realisable value.

##### Investments – Term Deposits

Investments are stated at the lower of cost plus accumulated interest or net realisable value.

##### Property, Plant & Equipment

Comcare Charitable Trust has the following classes of assets:

Land & Buildings, Household Chattels, Office Furniture & Equipment, Motor Vehicles.

Land & Buildings are initially recorded at cost and subsequently revalued to fair value by a way of independent valuation. Land & buildings have historically been revalued on a three year cycle.

All other Property, Plant & Equipment are recognised at cost, less accumulated depreciation.

##### Depreciation

All Property, Plant & Equipment other than land are depreciated over their estimated useful lives using the straight line method of depreciation or the diminishing value method of depreciation.

Depreciation methods and rates used are:

Buildings	3 - 11% 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	20 - 50% Diminishing Value

## COMCARE CHARITABLE TRUST

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### For the Nine Months Ended 30 June 2014

##### Leases

The Trust leases the following assets:  
Land & Buildings

Operating lease payments, where the lessors effectively retain all the risks and benefits of ownership of the leased items, are included in the determination of the net profit in equal instalments over the lease term.

##### Taxation

No provision has been made for taxation as the Trust is specifically exempted as an approved Charitable Trust.

##### Financial Instruments

##### Credit Risk

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

##### Changes in Accounting Policies

Items in the Statement of Financial Performance for Sundry Income and General Overheads were stated inclusive of Goods & Services Tax with a GST Claimed adjustment up to 2013. From 2014 these items are stated exclusive of Goods & Services Tax.

Audit Fees and Interest Expense were recognised on a cash basis up to 2013. From 2014 Audit Fees are accrued for the year audited and Interest Expenses are accrued up to balance date.

All other policies have been applied on bases consistent with those used in previous years.

## 2 Cash

	2014	2013
Cash is comprised of the following:	\$	\$
Petty Cash - Administration	274	275
Westpac - 00 Account	275,836	502,226
Westpac - 01 Account	81,157	68,495
Westpac - 02 Account	33,838	71,505
Westpac - 05 Account	10,927	10,411
Westpac - 07 Account	1,000	851
<b>Total Cash</b>	<b>403,032</b>	<b>653,763</b>

## COMCARE CHARITABLE TRUST

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the Nine Months Ended 30 June 2014

#### 3 Term Loans

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

2014	Facility 1	Facility 2	Facility 3	Total
	\$	\$	\$	\$
Funds Drawdown	863,265	636,675	300,000	1,799,940
Conditional Grant	(182,500)	(137,675)	-	(320,175)
Suspensory Loan	(155,765)	(124,000)	-	(279,765)
Term Loan	525,000	375,000	300,000	1,200,000
Repayments to Date	(136,500)	(91,250)	(51,000)	(278,750)
<b>Balance 30 June</b>	<b>388,500</b>	<b>283,750</b>	<b>249,000</b>	<b>921,250</b>

2013	Facility 1	Facility 2	Facility 3	Total
	\$	\$	\$	\$
Funds Drawdown	863,265	636,675	300,000	1,799,940
Conditional Grant	(182,500)	(137,675)	-	(320,175)
Suspensory Loan	(155,765)	(124,000)	-	(279,765)
Term Loan	525,000	375,000	300,000	1,200,000
Repayments to Date	(120,750)	(80,000)	(42,000)	(242,750)
<b>Balance 30 September</b>	<b>404,250</b>	<b>295,000</b>	<b>258,000</b>	<b>957,250</b>

(a) **Facility 1**

A conditional grant of \$182,500, a term loan of \$525,000 and a suspensory loan of \$155,765 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). The suspensory loan is not recoverable by the lender, providing all obligations and undertakings set out in the loan agreement are met for 10 years.

(b) **Facility 2**

A conditional grant of \$137,675, a term loan of \$375,000 and a suspensory loan of \$124,000 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). The suspensory loan is not recoverable by the lender, providing all obligations and undertakings set out in the loan agreement are met for 10 years.

(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).

## COMCARE CHARITABLE TRUST

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the Nine Months Ended 30 June 2014

(ii) Lender: The Canterbury Community Trust	2014	2013
	\$	\$
Funds Drawdown	200,000	200,000
Repayments to Date	(85,915)	(71,284)
<b>Closing Balance</b>	<b>114,085</b>	<b>128,716</b>

A term loan of \$200,000 to assist in the office conversion of the 249 Lichfield Street property, 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	2014	2013
	\$	\$
Funds Drawdown	250,000	-
Repayments to Date	-	-
<b>Closing Balance</b>	<b>250,000</b>	<b>-</b>

Two loan facilities of \$250,000 each 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

2014	Loan - 91	Loan - 92	Total
	\$	\$	\$
Funds Drawdown	500,000	250,000	750,000
Repayments to Date	-	-	-
<b>Balance 30 June</b>	<b>500,000</b>	<b>250,000</b>	<b>750,000</b>

2013	Loan - 91	Loan - 92	Total
	\$	\$	\$
Funds Drawdown	-	-	-
Repayments to Date	-	-	-
<b>Balance 30 September</b>	<b>-</b>	<b>-</b>	<b>-</b>

Project	SHU 1	SHU 2
Commencement	4 December 2013	4 December 2013
Interest Only Until	4 December 2014	4 December 2014
Maturity	4 December 2038	4 December 2038
Interest Rate	5.6%	5.6%

Secured by way of mortgage over the properties at 5 Newmark Street, 65A Tankerville Road, 19A Hillier Place, 11 Parker Street and 5-7 Montreal Street.

## COMCARE CHARITABLE TRUST

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the Nine Months Ended 30 June 2014

(v) Current Portion of Term Loans	<b>2014</b>	<b>2013</b>
	\$	\$
HCNZ Facility 1	21,000	21,000
HCNZ Facility 2	15,000	15,000
HCNZ Facility 3	12,000	12,000
The Canterbury Community Trust	20,026	19,580
<b>Total</b>	<b>68,026</b>	<b>67,580</b>

#### 4 Employee Credit Cards

	<b>2014</b>	<b>2013</b>
	\$	\$
KP Fletcher	660	-
AF Sutherland	396	-
DJ Callis	1,237	-
<b>Total</b>	<b>2,293</b>	<b>-</b>

#### 5 Property, Plant & Equipment

<b>2014</b>	Cost or Revaluation	Depreciation Charged	Accumulated Depreciation	Closing Book Value
	\$	\$	\$	\$
Land & Buildings	11,885,044	103,627	446,934	11,438,110
Household Chattels	116,085	7,950	63,518	52,567
Office Furniture & Equipment	360,105	47,771	196,181	163,924
Motor Vehicles	786,105	61,580	562,140	223,965
<b>Total</b>	<b>13,147,339</b>	<b>220,928</b>	<b>1,268,773</b>	<b>11,878,566</b>

<b>2013</b>	Cost or Revaluation	Depreciation Charged	Accumulated Depreciation	Closing Book Value
	\$	\$	\$	\$
Land & Buildings	8,859,980	119,176	347,460	8,512,520
Household Chattels	116,085	14,643	55,409	60,676
Office Furniture & Equipment	321,998	60,837	167,181	154,818
Motor Vehicles	794,625	88,070	547,058	247,566
<b>Total</b>	<b>10,092,688</b>	<b>282,726</b>	<b>1,117,108</b>	<b>8,975,580</b>

Office Properties have been disclosed at the latest valuation by Ford Baker. (Valuation 1 November 2010.)  
Residential Properties have been disclosed at the latest valuation by Knight Frank (Valuation 17 May 2013).

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

## COMCARE CHARITABLE TRUST

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the Nine Months Ended 30 June 2014

#### 6 Building Work in Progress

	2014	2013
	\$	\$
<b>Project 1</b>		
1032 Colombo St (Completed March 2014)	-	694,181
5-7 Montreal St (Completed May 2014)	-	421,583
351 Hereford St (Completed May 2014)	-	84,854
21 Bordesley St	507,636	57,397
<b>Project 2</b>		
580 Gloucester St	311,640	-
17 Bordesley St	508,338	-
<b>Project 3</b>		
512 Tuam St	29,718	-
Unallocated	-	11,820
<b>Total</b>	<u>1,357,332</u>	<u>1,269,835</u>

The Trust has four projects approved with the Social Housing Unit (SHU) capital grant scheme.

**Project 1:** To build 20 units across 4 sites. Projected budget is \$3,700,000. Funding is by an SHU capital grant of \$1,380,000, a Canterbury Community Trust grant of \$500,000, a low interest SF Housing Trust loan of \$500,000, a Westpac loan of \$500,000 and Trust reserves of \$820,000.

**Project 2:** To build 12 Units across 2 sites. Projected budget is \$2,340,000. Funding is by an SHU capital grant of \$900,000, a Canterbury Community Trust grant of \$500,000, a Westpac loan of \$500,000 and Trust reserves of \$440,000.

**Project 3:** To build 12 units and one house. Projected budget is \$3,702,986. Funding is by an SHU capital grant of \$1,851,493, a Canterbury Community Trust grant of \$925,746, a Westpac loan of \$750,000 and Trust reserves of \$175,747.

A grant of \$100,000 was received from The Canterbury Community Trust on 27 March 2014 which was set aside to assist with the land purchase at 512 Tuam Street. This grant is recognised at balance date as a liability as the land purchase hasn't occurred yet.

**Project 4:** To build 16 units. Projected budget is \$4,321,550. Funding is by an SHU capital grant of \$1,806,690, a Canterbury Community Trust grant of \$1,664,352, a Westpac loan of \$830,508 and Trust reserves of \$20,000.

#### 7 Income Received in Advance

##### Canterbury District Health Board – Home Rescue Service

Funding of \$13,800 was received during the year for services provided in the 1 February 2014 – 31 January 2015 period. Of the total, \$8,050 relates to the financial year ended 30 June 2015.

#### 8 Housing Development Fund

Funding of \$100,000 was received on 30 April 2013 from the Canterbury District Health Board to assist with specific expenses in relation to providing subsidised housing. The funds have been initially recognised as a liability and they have been subsequently recognised as income as the related expenses occurred.



## COMCARE CHARITABLE TRUST

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the Nine Months Ended 30 June 2014

#### 9 Accumulated Funds

	2014	2013
	\$	\$
Opening Balance	6,242,794	4,623,695
Net Operating Income	193,301	374,455
Prior Year Adjustment	-	133
Canterbury Community Trust - Grant	-	500,000
Social Housing Unit - Grant	730,000	920,000
Capital Gain – Insurance Proceeds Colombo Street	-	56,483
Revaluation Decrement	-	(140,474)
Transfer from (to) Accommodation Development Reserve	602,782	(91,498)
<b>Closing Balance</b>	<b>7,768,877</b>	<b>6,242,794</b>

#### 10 Accommodation Development Reserve

	2014	2013
	\$	\$
Opening Balance	879,817	788,319
Transfer from (to) Accumulated Funds	(602,782)	91,498
<b>Closing Balance</b>	<b>277,035</b>	<b>879,817</b>

This relates to funds which have been set aside by the Trustees to meet the cost of additional/replacement properties, repayment of mortgage debt, replacement of chattels and maintenance.

#### 11 Asset Revaluation Reserve

	2014	2013
	\$	\$
Opening Balance	3,302,607	2,322,389
Colombo Street	-	55,000
Manchester Street	-	340,339
Montreal Street	-	5,000
Hereford Street	-	39,843
Draper Street	-	59,108
Parlane Street	-	94,161
Tankerville Street	-	23,076
Windsor Street	-	63,981
Newmark Street	-	24,584
Hillier Place	-	44,903
Parker Street	-	40,651
Taramea Place	-	152,193
Armagh Street	-	27,008
Westminster Street	-	10,371
<b>Closing Balance</b>	<b>3,302,607</b>	<b>3,302,607</b>

## COMCARE CHARITABLE TRUST

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### For the Nine Months Ended 30 June 2014

The property at Barrington Street was revalued down in 2013, in accordance with FRS-3 this amount was included in the Statement of Financial Performance as expenditure.

## 12 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.

## 13 Contingent Assets and Liabilities

At balance date there was a contingent liability for the repayment of the Housing Innovation Conditional Grants of \$182,500 (received 27 July 2007) and \$137,675 (received 21 January 2005). 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. (2013: \$320,175).

At balance date there was a contingent liability for the repayment of the Housing New Zealand Corporation Housing Innovation Fund Suspensory Loans of \$155,765 (received 12 May 2008) and \$124,000 (received 18 June 2008) if all obligations and undertakings set out in the loan agreement are not met over 10 years. (2013: \$279,765)

There were no contingent assets at balance date (2013 Nil).

## 14 Commitments

### Capital Commitments

At balance date the Trust has capital commitments of \$2,340,000 to complete the building of 12 housing units under SHU Project 2. (2013: \$2,508,672).

### Operating Lease Commitments

	2014	2013
	\$	\$
Less than 1 year	40,231	108,970
Between 1 and 5 Years	15,600	26,000
More than 5 Years	-	-
<b>Total</b>	<b>55,831</b>	<b>134,970</b>

The Trust leases residential properties from Community Housing Ltd and is required to give three weeks' notice prior to vacating. Community Housing Ltd is required to give 90 days' notice to the Trust.