



COMCARE CHARITABLE TRUST
FINANCIAL STATEMENTS
For the Year Ended 30 June 2021

COMCARE CHARITABLE TRUST
CONTENTS OF THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2021

	<u>Page</u>
Trustees' Responsibility Statement	2
Directory	3
Independent Auditor's Report	4 - 6
Statement of Comprehensive Revenue and Expenses	7
Statement of Changes in Net Assets	8
Statement of Financial Position	9
Cash Flow Statement	10
Notes to the Financial Statements	11 - 20

COMCARE CHARITABLE TRUST
TRUSTEES' RESPONSIBILITY STATEMENT



For the Year Ended 30 June 2021

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 2021 and its financial performance and cash flow for the year 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 Charities Act 2005.

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 year ended 30 June 2021.

The Board of Trustees of Comcare Charitable Trust authorised these financial statements for distribution on 14 September 2021.

For and on behalf of the Trust.

D Griffiths
Chairperson

As at 30 June 2021

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	334 Lincoln Road Christchurch
Registered Office	334 Lincoln Road Addington Christchurch 8024
Trustees	Mr David Griffiths - Chairperson Mr Murray Hendy - Deputy Chair Dr Richard Steane Mr Oliver Roberts Mr Peter Young Sandy Brinsdon Alex Booker Irihapeti Mahuika
Chief Executive Office	Mr Martin Cole
Auditors	Nexia Audit Christchurch 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****Report on the Financial Statements****Opinion**

We have audited the accompanying financial statements of Comcare Charitable Trust (the "Trust") on pages 7 to 20 which comprise the statement of financial position as at 30 June 2021, 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 Trust as at 30 June 2021 and its financial performance, and cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued in New Zealand by the New Zealand Accounting Standards Board.

Basis for 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 Auditor's 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 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Trustees' Responsibility 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 the Trustees 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 the Trustees 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 ISAs (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.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at: <https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>

Restriction on use of our Report

This report is made solely to the Trust's Trustees. Our audit work has been undertaken so that we might state to the Trust's Trustees, as a body those matters which we are required to state to them in our audit report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trustees, as a body, for our audit work, for this report or for the opinion we have formed.

Nexia Audit Christchurch.

Nexia Audit Christchurch

14 September 2021

Christchurch

COMCARE CHARITABLE TRUST
STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES



For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue from Exchange Transactions			
Interest Received		544	142
		<u>544</u>	<u>142</u>
Revenue from Non-exchange Transactions			
Canterbury District Health Board		6,014,550	5,865,012
Ministry of Social Development/ Ministry of Housing and Urban Development	23	2,436,912	1,342,786
Accommodation/Rental/IRRS		1,808,459	1,633,040
Rental income received from Clients		975,166	940,822
Other Operating Revenue		229,938	100,589
Housing Plus Charitable Foundation		-	125,000
Housing New Zealand Corporation	13	279,764	-
		<u>11,744,789</u>	<u>10,007,249</u>
Total Revenue		<u>11,745,333</u>	<u>10,007,391</u>
Expenses			
Audit Fees		12,500	9,091
Interest Expense		129,807	107,597
Rental Expense		1,283,755	1,057,994
Wages		5,462,963	5,371,273
Other Operating Expenses		2,016,662	2,077,608
Depreciation	9	639,819	560,052
Net Loss /(Gain) on Disposal of Fixed Assets		(1,442)	83,323
Total Expenses		<u>9,544,063</u>	<u>9,266,936</u>
Total Surplus / (Deficit) for the year		<u>2,201,270</u>	<u>740,453</u>
Other Comprehensive Revenue and Expense			
Net Increase /(Decrease) on Property Revaluation	15	-	-
Other Comprehensive Revenue and Expense for the year		<u>-</u>	<u>-</u>
Total Comprehensive Revenue and Expenses for the year		<u>2,201,270</u>	<u>740,453</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 2021

	Note	Asset Revaluation Reserve	Retained Surplus	Total Equity
	14 & 15	\$	\$	\$
Opening Balance 1 July 2020		5,802,873	20,094,604	25,897,477
Surplus/ (Deficit) for the year		-	2,201,270	2,201,270
Transfers		-	-	-
Closing Equity 30 June 2021		<u>5,802,873</u>	<u>22,295,874</u>	<u>28,098,748</u>
Opening Balance 1 July 2019		5,977,373	19,354,151	25,331,524
Surplus/ (Deficit) for the year		-	740,453	740,453
Transfers		(174,500)	-	(174,500)
Closing Equity 30 June 2020		<u>5,802,873</u>	<u>20,094,604</u>	<u>25,897,477</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 2021

	Note	2021 \$	2020 \$
ASSETS			
Current Assets			
Cash & Cash Equivalents	5	1,815,910	359,051
Receivables	6	1,242,617	828,375
Prepayments	7	168,336	201,412
Assets Held For Sale (249&251 Lichfield St)	8	-	1,405,000
Total Current Assets		3,226,863	2,793,838
Non-current Assets			
Property, Plant & Equipment	9	28,783,750	29,303,635
Building Work In Progress	10	830,033	-
Total Non-current Assets		29,613,783	29,303,635
Total Assets		32,840,646	32,097,473
LIABILITIES			
Current Liabilities			
Payables	11	841,793	932,586
GST Payable		191,183	105,562
Current Portion of Long-term Borrowings	12(iv)	198,117	1,599,468
Total Current Liabilities		1,231,092	2,637,615
Non-current Liabilities			
Advance Accommodation		60,000	60,000
Term Loans	12	3,450,807	3,222,616
Suspensory Loans	13	-	279,764
Total Non-current Liabilities		3,510,807	3,562,381
Total Liabilities		4,741,899	6,199,996
Net Assets		28,098,748	25,897,478
NET ASSETS/EQUITY			
Accumulated Funds	14	22,295,874	20,094,604
Asset Revaluation Reserve	15	5,802,874	5,802,874
Total Net Assets/Equity		28,098,748	25,897,478

For and on behalf of the Board of Trustees:


 Trustee (Chairperson)


 Trustee

Date 14/9/2021

Date 14/9/2021

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 2021

	Note	2021 \$	2020 \$
Cash Flows from Operating Activities			
Receipts			
Receipts from Non-exchange Transactions		11,050,783	10,195,700
Receipts from Exchange Transactions		544	142
		<u>11,051,327</u>	<u>10,195,842</u>
Payments			
Payments to Suppliers		3,285,013	3,239,063
Payments to Employees		5,462,963	5,371,273
Interest Paid		129,807	107,597
		<u>8,877,783</u>	<u>8,717,932</u>
Net Cash Flows from Operating Activities	16	<u>2,173,545</u>	<u>1,477,911</u>
Cash Flows from Investing Activities			
Receipts			
Sale of Fixed Assets		1,412,996	71,873
Payments			
Purchase of Fixed Assets		174,963	5,141,575
Building Work In Progress		781,560	-
Net Cash Flows from Investing Activities		<u>456,473</u>	<u>(5,069,702)</u>
Cash Flows from Financing Activities			
Receipts			
New Borrowings Drawn down		-	3,623,022
Payments			
Repayments Made		1,173,161	112,825
Net Cash Flows from Financing Activities		<u>(1,173,161)</u>	<u>3,510,197</u>
Net Increase/(Decrease) in Cash and Cash Equivalents		1,456,857	(81,593)
Cash and Cash Equivalents at Beginning of Period		359,051	440,643
Cash and Cash Equivalents at End of Period		<u>1,815,909</u>	<u>359,051</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 2021

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 14 September 2021.

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 Not-For-Profit entities. For the purpose of complying with NZ GAAP, the Trust is a public benefit not for profit entity 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 Non-exchange transactions

Government contracts:

Revenue from government contracts relates to income received from Canterbury District Health Board (CDHB), Ministry of Housing and Urban Development (MHUD) and Ministry of Social Development (MSD). The entity recognises revenue to the extent that the conditions in the contract have been satisfied - Revenue is recognised in the period the services are provided.

Grants:

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.

Received from clients:

Rental income and contributions received weekly from clients are recognised as revenue.

Revenue from Exchange transactions

Interest revenue:

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

Revenue is divided into exchange contracts whereby the entity provides service or goods for approximately equal value to the revenue received. Non-exchange contracts arise where an entity receives value from another entity without giving approximately equal value in exchange.

4.4 Impairment for trade debtors

The collectability of trade debtors is reviewed on an ongoing basis. A provision for impairment of trade debtors is established when there is objective evidence that Trust will not be able to collect all amounts due according to the original terms of the trade debtors.

4.5 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 2021

4.6 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.

4.7 Financial Instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the financial instrument.

Financial assets

Financial assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

The categorisation determines subsequent measurement and whether any resulting income and expense is recognised in surplus or deficit or in other comprehensive revenue and expenses. The Trust financial assets are classified in no other category except for loan and receivables. The Trust financial assets include: cash and cash equivalents, receivables from exchange transactions, receivables from non-exchange transactions.

Loan and 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 equivalent, receivables from exchange transactions, and receivables from non-exchange transactions fall into this category of financial instruments.

Financial liabilities

Financial liabilities include trade and other payables (excluding GST and PAYE), employee entitlements and loans and borrowings (in respect of grants whose conditions are yet to be complied with).

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method except for financial liabilities at fair value through surplus or deficit.

Gains and losses are recognised in surplus or deficit when the liabilities are derecognised as well as through the effective interest rate amortisation process. The effective interest rate amortisation is included as finance costs in the statement of financial performance.

Trade and other payables are unsecured and are usually paid within 30 days of recognition. Due to their short-term nature they are not discounted. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

4.8 Impairment of non-financial assets

The carrying amounts of the Trust's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

4.9 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.

4.10 Advance Accommodation

An amount forecasted by Ministry of Housing and Urban Development 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 Ministry of Housing and Urban Development, or the rent subsidy will not be invoiced for the amount of advance received (weeks).

COMCARE CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2021

4.11 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.

Office and Residential Properties are valued when purchased, and then revalued approximately every three years thereafter. Selected properties were revalued for insurance purposes by Ford Baker in 30 June 2019 and have been disclosed at such. The next full, market revaluation is scheduled for September 2021.

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

Depreciation is charged on straight line and diminishing value basis 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	10 - 50% Diminishing Value and 2 - 33% Straight Line
Household Chattels	10- 30% Diminishing Value
Office Furniture & Equipment	8 - 67% Diminishing Value and 25% 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.

Non-Current Assets Held For Sale

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale must be expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

4.12 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.

4.13 Income Taxation

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

4.14 Borrowing costs policy

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.15 Employee benefit policy

i. Short-term employee benefits

Short-term employee benefit liabilities are recognised when the Trust has a legal or constructive obligation to remunerate employees for services provided and that are expected to be settled wholly before 12 months after the reporting date.

ii. Long-term employee benefits

Long-term employee benefit obligations are recognised when the Trust has a legal or constructive obligation to remunerate employees for services provided up to reporting date for which settlement will be beyond 12 months of reporting date.

4.16 Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Management have made the following judgement's, these judgements have the most significant effect on the amounts recognised in the financial statements.

i. Useful Economic Life

The useful economic life and residual values of assets are assessed using the condition and nature of the asset to determine potential future use.

ii. Revaluation

In general most assets are reviewed and revalued, if necessary during the end of financial year audit process. We do however have a significant residential property portfolio that is formally revalued every three years for rental income, insurance sum insured and current market valuation, we use an independent valuer to determine these values which are used to inform any estimates for future cash flows etc.

iii. Capitalisation of Development costs

Any development costs are capitalised if the asset will generate probable future economic benefits, and will be required to complete the asset for use or sale.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

4.17 Going Concern Disclosures

An amendment to PBE IPSAS 1 in relation to going concern disclosures was adopted by the Trust. The amendment introduced more specific disclosures about going concern assessments to provide more relevant and transparent information about the matters considered when making such assessments. This amendment has not had an impact on accounting policies of the Trust. As the Trust is a going concern with significant reserves, no further disclosures around the going concern assessment are considered to be required by the Trustees.



COMCARE CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2021

5 Cash & Cash Equivalents

Cash and cash equivalents include the following components:

	2021	2020
	\$	\$
Westpac operating accounts	1,814,410	355,701
Petty cash	1,500	3,350
Total	1,815,910	359,051

6 Receivables

	2021	2020
	\$	\$
Trade debtors	1,138,000	730,336
Accrued income	31,115	26,066
Bonds paid	73,502	71,974
Total	1,242,617	828,375

7 Prepayments

	2021	2020
	\$	\$
Insurance (i)	168,336	178,558
Software licenses	-	22,854
Total	168,336	201,412

(i) Insurance: the total of AVON Insurance invoices for insurance coverage for period July 2021 to June 2022.

8 Non-Current Assets classified as Held For Sale

On 7 December 2019, the Trust entered into a Sale and Purchase Agreement with a buyer to sell properties located at 249A, 249B and 251 Lichfield Street, Christchurch. As Comcare retained full control of these properties until the sale was fully settled on 30 September 2020 the net sale proceeds of \$1,405,000 outstanding were recognised as being 'Assets Held for Sale' until final settlement and cleared by receipt of all monies due being received. The Trust did not have any non-current assets classified as held for sale in 2019 or 2021.

9 Property, Plant & Equipment

	2021	2020
	\$	\$
Land & buildings	28,165,559	28,566,012
Household chattels	11,476	7,558
Office furniture & equipment	408,070	522,996
Motor vehicles	198,646	207,069
Total	28,783,750	29,303,635
Land & Buildings		
Cost	29,761,736	
Accumulated depreciation	(1,195,723)	
Carrying value at the beginning of the year	28,566,012	
Additions	1,356	
Disposals	-	
Reclassification to assets held for sale	-	
Revaluation Reserve	-	
Depreciation	(401,810)	
Carrying value at the end of the year	28,165,559	
Represented by:		
Cost	29,763,092	
Accumulated depreciation	(1,597,533)	
Carrying value at the end of the year	28,165,559	



COMCARE CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2021

Household Chattels

Cost	36,421
Accumulated depreciation	(28,863)
Carrying value at the beginning of the year	7,558
Additions	5,916
Disposals	-
Depreciation	(1,998)
Carrying value at the end of the year	11,476

Represented by:

Cost	42,337
Accumulated depreciation	(30,862)
Carrying value at the end of the year	11,476

Office Furniture & Equipment

Cost	629,687
Accumulated depreciation	(106,691)
Carrying value at the beginning of the year	522,996
Additions	47,497
Disposals	(3,407)
Depreciation	(159,016)
Carrying value at the end of the year	408,070

Represented by:

Cost	673,777
Accumulated depreciation	(265,707)
Carrying value at the end of the year	408,070

Motor Vehicles

Cost	599,088
Accumulated depreciation	(392,019)
Carrying value at the beginning of the year	207,069
Additions	71,722
Disposals	(3,150)
Depreciation	(76,995)
Carrying value at the end of the year	198,646

Represented by:

Cost	667,660
Accumulated depreciation	(469,013)
Carrying value at the end of the year	198,646

Office Properties and Residential Properties as at 30 June 2019 have been disclosed at the latest valuation by an independent valuer (Ford Baker valuation report on 30 June 2019) based on their fair values.

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 THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2021

10 Building Work in Progress

	2021	2020
	\$	\$
New Administration Building - 334 Lincoln Road	-	-
Opening balance	-	11,415
Land Value	-	1,350,000
Building Value	-	2,139,809
Development Costs	-	1,111,173
Transferred to Fixed Assets	-	(4,612,397)
Fixed Assets Accrual	48,473	
Project 6 - Work in Progress - 430 Armagh St (i)	781,560	
Closing Balance	830,033	-

(i) Project 6: To build 7 1 bedroom residential units at 430 Armagh St, Linwood, Christchurch. Total projected budget is \$2.2m. Expenditure to date comprises land acquisition, site clearance costs and consultancy fees.

11 Payables

	2021	2020
	\$	\$
Trade creditors	320,623	426,361
Accrued expenses	174,269	200,810
Holiday pay accrued	322,364	280,878
Insurance recovery - buildings	15,107	15,107
D L Moore support fund	9,430	9,430
Total	841,793	932,586

COMCARE CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2021

12 Term Loans

		2021	2020
		\$	\$
Housing New Zealand Corporation Housing Innovation Fund	(i)	168,862	177,843
SF Housing Trust	(ii)	500,000	500,000
Westpac	(iii)	2,980,061	4,144,241
Total of borrowing		3,648,923	4,822,084
Less: current portion	(iv)	(198,117)	(1,599,468)
Non-current term loans		3,450,807	3,222,616

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

Facility 3

	2021	2020
	\$	\$
Term loan	300,000	300,000
Repayments to date	(131,138)	(122,157)
Balance 30 June	168,862	177,843

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. Interest commenced 10 years after the date of the last drawdown (23 March 2010) Interest rate (4.43%) Maturity date (12 February 2035).

(ii) Lender: SF Housing Trust

	2021	2020
	\$	\$
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.



COMCARE CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2021

(iii) Lender: Westpac

2021	Loan 96	Loan 95	Loan 94	Total
	\$	\$	\$	\$
Funds drawdown	987,022	2,636,000	900,000	4,523,022
Repayments to date	(987,022)	(107,783)	(448,156)	(1,542,961)
Balance 30 June	0	2,528,217	451,844	2,980,061
2020	Loan 96	Loan 95	Loan 94	Total
	\$	\$	\$	\$
Funds drawdown	987,022	2,636,000	900,000	4,523,022
Repayments to date	-	-	(378,781)	(378,781)
Balance 30 June	987,022	2,636,000	521,219	4,144,241

	Loan 96	Loan 95	Loan 94	Loan 93	Loan 92	Loan 91
Westpac loan						
Commencement	22/01/2020	31/10/2019	22/09/2014	18/06/2014	4/12/2013	4/12/2013
Interest only period	22/01/2021	31/10/2020	22/09/2015	18/06/2015	4/12/2014	4/12/2014
Maturity	22/01/2021	31/10/2022	31/10/2022	18/06/2029	4/12/2038	4/12/2038
Current available credit*	-	-	-	487,549	414,766	62,371
2020 available credit	-	-	-	542,865	433,480	65,167
Interest rate	0.00%	3.25%	3.10%	4.05%	4.05%	4.05%

Westpac loans are secured by way of mortgage over the properties at 5 Newmark Street, 65A Tankerville Road, 19A Hillier Place, 5-7 Montreal Street, 351 Hereford Street and 334 Lincoln Road.

Whilst Loans 91,92 and 93 have been fully repaid the balance of each loan facility remains available to Comcare to draw upon should the need arise prior to their respective maturity dates.

(iv) Current Portion of Term Loans

	2020	2020
	\$	\$
HCNZ Facility 3	9,426	10,895
Supporting Families House Trust	(10,092)	(10,092)
Westpac loan	198,782	1,598,665
Total	198,117	1,598,468

13 Suspensory Loans

Two suspensory loans of \$141,205 (Facility 1, dated 14/12/2007) and \$138,560 (Facility 2, dated 12/05/2008) 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. During the year ended 30 June 2021 confirmation was received from HN2C that all obligations and undertakings set out in the respective suspensory loan agreements had been met and accordingly the loans were forgiven.



COMCARE CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2021

14 Accumulated Funds

	2021	2020
	\$	\$
Opening balance	20,094,604	19,354,151
Total comprehensive revenue and expense	2,201,270	740,453
Realised asset revaluation	-	-
Closing Balance	22,295,874	20,094,604

15 Asset Revaluation Reserve

	2021	2020
	\$	\$
Opening balance	5,802,873	5,977,373
Revaluation reserve increases /(decreases)	-	-
Derecognition of disposed assets	-	(174,500)
Closing balance	5,802,873	5,802,873

16 Notes to the Cash Flow Statement

(a) Cash and Cash Equivalents

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

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

	2021	2020
	\$	\$
Surplus		
Net operating surplus	2,201,270	615,453
Grants received	-	125,000
Total surplus	2,201,270	740,453
Add/(deduct) Non-cash movements		
Depreciation	639,819	560,052
Net loss/(gain) on disposal (sale) of property	(1,442)	83,323
HCNZ Suspensory Loan	(279,764)	
Add/(deduct) movements in working capital items		
Trade and other receivables	(414,241)	188,451
Prepayments	33,076	(29,656)
Trade and other payables	(90,793)	(18,651)
GST payable	85,621	(46,063)
Net Cash Flows from Operating Activities	2,173,545	1,477,909



COMCARE CHARITABLE TRUST
NOTES TO THE FINANCIAL STATEMENTS



For the Year Ended 30 June 2021

17 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.

18 Contingent Assets and Liabilities

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 (2020: Nil).

There were no contingent assets at balance date (2020: Nil).

19 Capital Commitments

At balance date the Trust has no capital commitments (2020: Nil).

20 Leases

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

	2021	2020
	\$	\$
Less than 1 year	91,596	149,744
Between 1 and 5 years	39,192	133,341
More than 5 years	-	-
Total	130,788	283,085

21 Events After the Reporting Date

On Wednesday 17 August 2021 the New Zealand Government raised the national Alert Level to 4 (full lockdown of non-essential services). This was reduced to Alert Level 3 for all areas south of Auckland on 31 August and to level 2 for all areas except Auckland on 7 September.

As a provider of essential services, Comcare has continued to operate throughout these alert level changes. There is no major impacts from additional developments of COVID-19 that should be documented as non-adjusting events. Whilst Covid-19 continues to be an evolving situation within NZ, and its health system, in the considered opinion of both the Board and Management of Comcare there are no financial impacts arising from Covid-19 that should be documented as non-adjusting events.

Property, Plants and Equipment are all currently available for their intended use and the entity intends to retain those assets for use until their useful life comes to an end. As such, the asset's value is expected to be realised from use over the asset's useful life.

22 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:

	2021		2020	
	\$	FTE	\$	FTE
Senior management personnel compensation -				
1) short term benefits for employees	936,745	8	978,825	8
2) Board of Trustees	-	8	-	7
Total	936,745	16	978,825	15

23 Ministry of Social Development/ Ministry of Housing and Urban Development

Revenue in this area includes an amount of \$420,000 relating to the establishment and ongoing operational costs of contracts associated with 'Rapid Rehousing' (\$360,000) and 'Complex Case' (\$60,000) service initiatives. These contracts commenced in March 2021 (2020: Nil) and will continue until 30/06/2022 and 30/4/2022 respectively.

