



**COMCARE CHARITABLE TRUST**  
**FINANCIAL STATEMENTS**  
For the Year Ended 30 June 2022

**COMCARE CHARITABLE TRUST**  
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**For the Year Ended 30 June 2022**

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**For the Year Ended 30 June 2022**

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 2022 and its financial performance and cash flow for the year ended on that date.

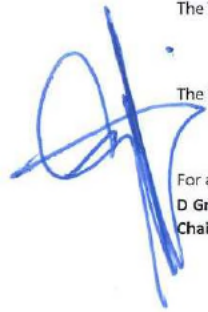
The Trustees consider that the financial statements of the Trust have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

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 2022.

The Board of Trustees of Comcare Charitable Trust authorised these financial statements for distribution on 13 September 2022.



For and on behalf of the Trust,  
**D Griffiths**  
Chairperson

<b>Principal Activity</b>	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.
<b>Address</b>	334 Lincoln Road Christchurch
<b>Registered Office</b>	334 Lincoln Road Addington Christchurch 8024
<b>Trustees</b>	David Griffiths - Chairperson Murray Hendy - Deputy Chair Richard Steane Oliver Roberts Peter Young Sandy Brinsdon Alex Booker Irihapeti Mahuika
<b>Chief Executive Office</b>	Martin Cole
<b>Auditors</b>	Nexia Audit Christchurch Level 4 123 Victoria Street Christchurch 8013
<b>Solicitors</b>	Trollope & Co PO Box 20 Christchurch 8140
<b>Bankers</b>	Westpac Christchurch
<b>Charities Reg Number</b>	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 6 to 19 which comprise the statement of financial position as at 30 June 2022, and the statement of comprehensive revenue and expenses, statement of changes in net assets and cash flow statement 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 2022 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.

#### **Emphasis of matter – new national health system**

Without modifying our opinion, we draw attention to the disclosures in note 19 outlining the move to a new national health system from 1 July 2022. As at the date of signing the financial statements for the year ended 30 June 2022, the Trust is yet to be able to determine any potential impact in relation to these changes.

#### **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/standards/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**

13 September 2022

Christchurch

**COMCARE CHARITABLE TRUST**  
**STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES**



For the Year Ended 30 June 2022

	Note	2022	2021
		\$	\$
<b>Revenue from Exchange Transactions</b>			
Interest Received		1,535	544
		<u>1,535</u>	<u>544</u>
<b>Revenue from Non-exchange Transactions</b>			
Canterbury District Health Board		6,424,799	6,014,550
Ministry of Social Development/ Ministry of Housing and Urban Development		2,332,944	2,436,912
Accommodation/Rental/IRRS		1,987,387	1,808,459
Rental income received from Clients		1,043,415	975,166
Other Operating Revenue		220,301	229,938
Housing New Zealand Corporation		-	279,764
		<u>12,008,846</u>	<u>11,744,789</u>
<b>Total Revenue</b>		<u>12,010,381</u>	<u>11,745,333</u>
<b>Expenses</b>			
Audit Fees		13,006	12,500
Interest Expense		120,567	129,807
Rental Expense		1,421,780	1,283,755
Wages		6,640,040	5,462,963
Other Operating Expenses		2,342,359	2,016,662
Depreciation	8	603,688	639,819
Net Loss /(Gain) on Disposal of Fixed Assets		37	(1,442)
		<u>11,141,478</u>	<u>9,544,063</u>
<b>Total Expenses</b>		<u>11,141,478</u>	<u>9,544,063</u>
<b>Total Surplus / (Deficit) for the year</b>		<u>868,902</u>	<u>2,201,270</u>
<b>Other Comprehensive Revenue and Expense</b>			
Net Increase /(Decrease) on Property Revaluation	13	8,747,753	-
<b>Other Comprehensive Revenue and Expense for the year</b>		<u>8,747,753</u>	<u>-</u>
<b>Total Comprehensive Revenue and Expenses for the year</b>		<u>9,616,655</u>	<u>2,201,270</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 2022

	Note	Asset Revaluation Reserve	Retained Surplus	Total Equity
	12 & 13	\$	\$	\$
Opening Balance 1 July 2021		5,802,873	22,295,874	28,098,747
Surplus/ (Deficit) for the year		8,747,753	868,902	9,616,655
Transfers		-	-	-
<b>Closing Equity 30 June 2022</b>		<u>14,550,626</u>	<u>23,164,778</u>	<u>37,715,405</u>
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		-	-	-
<b>Closing Equity 30 June 2021</b>		<u>5,802,873</u>	<u>22,295,874</u>	<u>28,098,747</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 2022

	Note	2022	2021
		\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	5	980,624	1,815,910
Receivables	6	1,531,723	1,242,617
Prepayments	7	278,790	168,336
<b>Total Current Assets</b>		2,791,138	3,226,863
<b>Non-current Assets</b>			
Property, Plant & Equipment	8	37,191,359	28,783,750
Building Work in Progress	9	2,393,776	830,033
<b>Total Non-current Assets</b>		39,585,135	29,613,783
<b>Total Assets</b>		42,376,273	32,840,646
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	10	1,131,107	841,793
GST Payable		191,251	191,183
Current Portion of Long-term Borrowings	11(iv)	2,768,420	198,116
<b>Total Current Liabilities</b>		4,090,778	1,231,092
<b>Non-current Liabilities</b>			
Advance Accommodation		60,000	60,000
Term Loans	11	510,092	3,450,807
<b>Total Non-current Liabilities</b>		570,092	3,510,807
<b>Total Liabilities</b>		4,660,870	4,741,899
<b>Net Assets</b>		37,715,404	28,098,748
<b>NET ASSETS/EQUITY</b>			
Accumulated Funds	12	23,164,778	22,295,874
Asset Revaluation Reserve	13	14,550,626	5,802,874
<b>Total Net Assets/Equity</b>		37,715,404	28,098,748

For and on behalf of the Board of Trustees:

Trustee (Chairperson)

Trustee

*D. Griffiths*

13 Sep 22.  
 Date 13/9/2022

*M. Hardy*

13/9/22  
 Date 13/9/2022

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 2022

	<u>Note</u>	<u>2022</u>	<u>2021</u>
		\$	\$
<b>Cash Flows from Operating Activities</b>			
<b>Receipts</b>			
Receipts from Non-exchange Transactions		11,719,739	11,050,783
Receipts from Exchange Transactions		1,535	544
		<u>11,721,274</u>	<u>11,051,327</u>
<b>Payments</b>			
Payments to Suppliers		3,598,217	3,285,013
Payments to Employees		6,640,040	5,462,963
Interest Paid		120,567	129,807
		<u>10,358,824</u>	<u>8,877,782</u>
<b>Net Cash Flows from Operating Activities</b>	14	<u>1,362,450</u>	<u>2,173,546</u>
<b>Cash Flows from Investing Activities</b>			
<b>Receipts</b>			
Sale of Fixed Assets		17,978	1,412,996
<b>Payments</b>			
Purchase of Fixed Assets		259,270	174,963
Building Work In Progress		1,586,032	781,560
		<u>(1,827,324)</u>	<u>456,473</u>
<b>Net Cash Flows from Investing Activities</b>			
<b>Cash Flows from Financing Activities</b>			
<b>Receipts</b>			
New Borrowings Drawn down		-	-
<b>Payments</b>			
Repayments Made		370,411	1,173,161
		<u>(370,411)</u>	<u>(1,173,161)</u>
<b>Net Cash Flows from Financing Activities</b>			
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>		(835,285)	1,456,857
<b>Cash and Cash Equivalents at Beginning of Period</b>		1,815,909	359,051
<b>Cash and Cash Equivalents at End of Period</b>		<u>980,625</u>	<u>1,815,909</u>

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



**For the Year Ended 30 June 2022**

**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 13 September 2022.

**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.

**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.

**For the Year Ended 30 June 2022**

**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).

#### For the Year Ended 30 June 2022

##### 4.11 Property, Plant & Equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, except for land and buildings which are revalued every three years. 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.

Land and buildings are valued when purchased, and then revalued approximately every three years thereafter. Selected properties were revalued by Ford Baker in 30 June 2022 and have been disclosed as such. The next full, market revaluation is scheduled for June 2025.

Accumulated depreciation at 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 judgements, 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 2022**

**5 Cash & Cash Equivalents**

Cash and cash equivalents include the following components:

	2022	2021
	\$	\$
Westpac operating accounts	978,824	1,814,410
Petty cash	1,800	1,500
<b>Total</b>	<b>980,624</b>	<b>1,815,910</b>

**6 Receivables**

	2022	2021
	\$	\$
Trade debtors	1,407,230	1,138,000
Accrued income	32,396	31,115
Bonds paid	92,097	73,502
<b>Total</b>	<b>1,531,723</b>	<b>1,242,617</b>

**7 Prepayments**

	2022	2021
	\$	\$
Insurance (i)	193,074	168,336
ACC (ii)	60,476	-
Software licenses	25,240	-
<b>Total</b>	<b>278,790</b>	<b>168,336</b>

(i) **Insurance**: the total of AVON Insurance invoices for insurance coverage for period July 2022 to June 2023.

(ii) **ACC**: the total of Accident Compensation Corporation invoice for Final Leave for 2022 and Provisional Leave for 2023.

**8 Property, Plant & Equipment**

	2022	2021
	\$	\$
Land & buildings	36,586,648	28,165,552
Household chattels	12,594	11,476
Office furniture & equipment	349,006	408,077
Motor vehicles	243,112	198,646
<b>Total</b>	<b>37,191,359</b>	<b>28,783,750</b>
<b>Land &amp; Buildings</b>		
Cost	29,742,821	
Accumulated depreciation	(1,577,269)	
Carrying value at the beginning of the year	28,165,552	
Additions	71,480	
Disposals		
Revaluation Reserve	8,747,753	
Depreciation	(398,137)	
Carrying value at the end of the year	<b>36,586,648</b>	
Represented by:		
Cost	38,562,053	
Accumulated depreciation	(1,975,406)	
<b>Carrying value at the end of the year</b>	<b>36,586,648</b>	



**COMCARE CHARITABLE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**



**For the Year Ended 30 June 2022**

<b>Household Chattels</b>	
Cost	42,337
Accumulated depreciation	(30,862)
Carrying value at the beginning of the year	11,476
Additions	2,865
Disposals	-
Depreciation	(1,746)
Carrying value at the end of the year	12,594
Represented by:	
Cost	45,202
Accumulated depreciation	(32,608)
<b>Carrying value at the end of the year</b>	<b>12,594</b>
<b>Office Furniture &amp; Equipment</b>	
Cost	675,229
Accumulated depreciation	(267,152)
Carrying value at the beginning of the year	408,077
Additions	74,136
Disposals	(10,237)
Depreciation	(122,971)
Carrying value at the end of the year	349,006
Represented by:	
Cost	739,128
Accumulated depreciation	(390,123)
<b>Carrying value at the end of the year</b>	<b>349,006</b>
<b>Motor Vehicles</b>	
Cost	626,075
Accumulated depreciation	(427,428)
Carrying value at the beginning of the year	198,646
Additions	133,078
Disposals	(7,779)
Depreciation	(80,834)
Carrying value at the end of the year	243,112
Represented by:	
Cost	751,374
Accumulated depreciation	(508,262)
<b>Carrying value at the end of the year</b>	<b>243,112</b>

Residential Properties as at 30 June 2022 have been disclosed at the latest valuation by an independent valuer (Ford Baker valuation report on 30 June 2022) 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 2022**

		2022	2021
		\$	\$
<b>9 Building Work in Progress</b>			
<b>Fixed Assets Accrual</b>		26,183	48,473
<b>Project 6 - Work in Progress - 430 Armagh St</b>	(i)	1,213,340	781,560
<b>Project 7 - Work in Progress - 5 Taramea Place</b>	(ii)	1,154,253	-
<b>Closing Balance</b>		<u>2,393,776</u>	<u>830,033</u>

(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, Construction 7 Flats and consultancy fees.

(ii) **Project 7:** New project at 5 Taramea Place, Addington, Christchurch. Expenditure to date comprises land acquisition.

**10 Payables**

	2022	2021
	\$	\$
Trade creditors	476,110	320,623
Accrued expenses	207,789	174,269
Holiday pay accrued	422,671	322,364
Insurance recovery - buildings	15,107	15,107
D L Moore support fund	9,430	9,430
<b>Total</b>	<u>1,131,107</u>	<u>841,793</u>





**COMCARE CHARITABLE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**



**For the Year Ended 30 June 2022**

**11. Term Loans**

		2022	2021
		\$	\$
Housing New Zealand Corporation Housing Innovation Fund	(i)	-	168,862
SF Housing Trust	(ii)	500,000	500,000
Westpac	(iii)	2,778,512	2,980,061
Total of borrowing		3,278,512	3,648,923
Less: current portion	(iv)	(2,768,420)	(198,116)
Non-current term loans		510,092	3,450,807

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

	2022	2021
	\$	\$
<b>Facility 3</b>		
Term loan	300,000	300,000
Repayments to date	(300,000)	(131,138)
<b>Balance 30 June</b>	-	168,862

**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%) Original Maturity date (12 February 2035). During the year ended 30 June 2022 the loan has been fully repaid.

(ii) Lender: SF Housing Trust

	2022	2021
	\$	\$
Funds drawdown to date	500,000	500,000
Repayments to date	-	-
<b>Closing Balance</b>	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 2022**

(iii) Lender: Westpac						
2022		Loan 95	Loan 94	Total		
		\$	\$	\$		
Funds drawdown		2,636,000	900,000	3,536,000		
Repayments to date		(253,105)	(504,382)	(757,488)		
<b>Balance 30 June</b>		<b>2,382,895</b>	<b>395,618</b>	<b>2,778,512</b>		
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)		
<b>Balance 30 June</b>	<b>-</b>	<b>2,528,217</b>	<b>451,844</b>	<b>2,980,061</b>		
Westpac loan		Loan 95	Loan 94	Loan 93	Loan 92	Loan 91
Commencement		31/10/2019	22/09/2014	18/06/2014	4/12/2013	4/12/2013
Interest only period		31/10/2020	22/09/2015	18/06/2015	4/12/2014	4/12/2014
Maturity		31/10/2022	31/10/2022	18/06/2029	4/12/2038	4/12/2038
Current available credit*		-	-	434,960	399,852	60,140
2021 available credit		-	-	487,549	414,766	62,371
Interest rate		4.65%	5.40%	5.40%	5.40%	5.40%

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	2022	2021
	\$	\$
HCNZ Facility 3	-	9,426
Supporting Families House Trust	(10,092)	(10,092)
Westpac loan	2,778,512	198,782
<b>Total</b>	<b>2,768,420</b>	<b>198,116</b>



**COMCARE CHARITABLE TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**



**For the Year Ended 30 June 2022**

**12 Accumulated Funds**

	2022	2021
	\$	\$
Opening balance	22,295,874	20,094,604
Total comprehensive revenue and expense	868,902	2,201,270
Realised asset revaluation	-	-
<b>Closing Balance</b>	<b>23,164,778</b>	<b>22,295,874</b>

**13 Asset Revaluation Reserve**

	2022	2021
	\$	\$
Opening balance	5,802,873	5,802,873
Revaluation reserve increases /(decreases)	8,747,753	-
Closing balance	14,550,626	5,802,873

**14 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**

	2022	2021
	\$	\$
<b>Surplus</b>		
Net operating surplus	868,902	2,201,270
Total surplus	868,902	2,201,270
<b>Add/(deduct) Non-cash movements</b>		
Depreciation	603,688	639,819
Net loss/(gain) on disposal (sale) of property	37	(1,442)
HCNZ Suspensory Loan	-	(279,764)
<b>Add/(deduct) movements in working capital items</b>		
Trade and other receivables	(289,107)	(414,241)
Prepayments	(110,454)	33,076
Trade and other payables	289,315	(90,793)
GST payable	68	85,621
<b>Net Cash Flows from Operating Activities</b>	<b>1,362,450</b>	<b>2,173,545</b>



**For the Year Ended 30 June 2022**

**15 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.

**16 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 (2021: Nil).

There were no contingent assets at balance date (2021: Nil).

**17 Capital Commitments**

At balance date the Trust had capital commitments of \$669,577 for the completion of Project 6: 430 Armagh Street (2021: Nil).

**18 Leases**

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

	2022	2021
	\$	\$
Less than 1 year	124,596	91,596
Between 1 and 5 years	238,347	39,192
More than 5 years	4,417	-
<b>Total</b>	<b>367,360</b>	<b>130,788</b>

**19 Events After the Reporting Date**

On the 1st of July 2022, New Zealand moved to a new national health system. At first it will look and feel the same, but having a national system means changes can be made over time to achieve better health and better health outcomes for all New Zealanders. As at the date of signing the financial statements for the year ended 30 June 2022, Comcare are yet to be able to determine any potential impact in relation to these changes. (2021:As below).

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 it's 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.

**20 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:

	2022		2021	
	\$	FTE	\$	FTE
Senior management personnel compensation - short term benefits for employees	1,021,236	8	936,745	8
2) Board of Trustees	-	8	-	8
<b>Total</b>	<b>1,021,236</b>	<b>16</b>	<b>936,745</b>	<b>16</b>

