

# ENRICH+ PROPERTY TRUST

PERFORMANCE REPORT  
FOR THE YEAR ENDED 30 JUNE 2023



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## ENRICH+ PROPERTY TRUST

### Entity Information

Legal Name of Entity: Enrich+ Property Trust  
Type of Entity and Legal Basis (if any): Charitable Trust  
Registration Number: CC42783

### Entity's Purpose or Mission:

The objectives and purpose of the Enrich+ Property Trust are:

- principally, the provision of a fund or assets that shall be available for the care and general betterment of disabled and/or disadvantaged residents for the time being in Te Awamutu but with predominant consideration to be given to needs and requirements of Enrich+ Property Trust.
- to make available the resources for the establishment in the Waipa region services to support disabled and/or disadvantaged people to engage in employment and contribute to society generally.
- to establish, construct, purchase, lease or provide and alter and maintain, buildings as may be necessary or convenient to allow the operation of such support services.
- to provide and maintain all plant furniture fittings apparatus devices and all such other materials and things as may be necessary to allow the operation of such support services.
- to do all such other things as are incidental or conducive to the attainment of the objects and purposes and the exercise of the powers of the Trust.

### Entity Structure:

The Trust is administered by a Board of Trustees that is appointed by the Enrich+ Property Trust. The Board members are:

- Simon Lockwood
- Scott Ratuki

### Main Sources of the Entity's Cash and Resources:

The Trust's operational costs and loan repayments are funded by rental payments from leasing out its buildings.

### Main Methods Used by the Entity to Raise Funds:

Enrich+ Property Trust has not done any fundraising to date.

### Entity's Reliance on Volunteers and Donated Goods or Services:

Enrich+ Property Trust does not currently have any volunteers or receive any donated goods.

### Contact Details

Physical Address: 48 Teasdale Street  
Te Awamutu  
3840

Postal Address: PO Box 413  
Te Awamutu  
3840

Phone/Fax: 07 871 6410  
Email/Website: [www.enrichplus.org.nz](http://www.enrichplus.org.nz)

## ENRICH+ PROPERTY TRUST

### Statement of Service Performance for the year ended 30 June 2023

#### Description of Enrich+ Property Trusts's Outcomes:

The Enrich+ Property Trust was formed in June 2020 to provide a separate vehicle to hold property in alignment with overall Enrich Group strategy which is to support those persons who by reason of physical or intellectual impairment or mental health disorder are unable to follow a vocation, or to obtain employment, or to enjoy full quality of life, by assisting them, with the participation of that community, to become full, contributing, and valued members of their community by way of providing employment, other real work opportunities, and other meaningful activities.

Measurement Output	2023	2022
Properties	6	6

The Enrich+ Property Trust currently owns properties across the Waikato and Bay of Plenty being:

- 48 Teasdale Street, Te Awamutu is currently tenanted by Enrich Group head office and Enrich+ Trust for providing administration and support to clients via supported day activities and supported employment services.
- 771 Mahoe Stree, Te Awamutu is also tenanted Enrich+ Trust for providing support to it's clients via supported day activity services primarily for higher needs clients.
- 21 Ruakura Rd, Hamilton is also tenanted by Enrich+ Trust to provide services to clients via supported day activity services primarily for higher needs clients.
- 5 Hardley St is currently tenanted by a third party tenant which income goes towards supporting property portfolio to enable Enrich+ Property Trust to grow its portolfio.
- 7 Hardley St is currently tenanted by Enrich+ Trust which provides support to its clients via specialist services, autism, supported independent living and supported employment services.
- 23 Hynds Rd, Tauranga is 4 unit property with Unit 1 being tenanted by Enrich+ Trust provides support to its clients via specialist services, autism, supported independent living and supported employment services. Units 2, 3 and 4 the property tenanted to a third party whose also provides support to clients in line with overall Enrich Group strategy .


**ENRICH+ PROPERTY TRUST****Statement of Financial Performance for the year ended 30 June 2023**

	Note	2023	2022
<b>REVENUE</b>			
Rental income		434,065	428,021
Interest, dividends and other investment revenue		1,022	169
Gain on sale of assets		-	86,477
Other revenue		39,049	45,615
<b>TOTAL REVENUE</b>		<b>474,136</b>	<b>560,282</b>
<b>EXPENSES</b>			
Costs related to providing goods or services	1.1	218,963	200,990
Other expenses	1.2	421,043	294,957
<b>TOTAL EXPENSES</b>		<b>640,006</b>	<b>495,947</b>
<b>NET SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>- 165,870</b>	<b>64,335</b>

**ENRICH+ PROPERTY TRUST**  
**Statement of Financial Position as at 30 June 2023**

	Note	2023	2022
<b>ASSETS</b>			
<u>Current Assets</u>			
Cash and cash equivalents	2.1	250,129	120,230
Sundry receivables		1,749	583
Short Term Loan - Enrich+ Trust		-	100,000
Short term Loan - EGMS		10,000	-
Accounts receivable		3,373	13,425
<b>Total Current Assets</b>		<b>265,251</b>	<b>234,238</b>
<u>Non-Current Assets</u>			
Investment properties	3	7,859,033	7,952,244
<b>Total Non-Current Assets</b>		<b>7,859,033</b>	<b>7,952,244</b>
<b>TOTAL ASSETS</b>		<b>8,124,284</b>	<b>8,186,482</b>
<b>LIABILITIES</b>			
<u>Current Liabilities</u>			
Creditors and accrued expenses	2.2	74,626	35,664
Loans	2.3	1,636,000	1,500,364
<b>Total Current Liabilities</b>		<b>1,710,626</b>	<b>1,536,028</b>
<u>Non Current Liabilities</u>			
Loans	2.3	2,685,000	2,755,926
<b>Total Non-Current Liabilities</b>		<b>2,685,000</b>	<b>2,755,926</b>
<b>TOTAL LIABILITIES</b>		<b>4,395,626</b>	<b>4,291,954</b>
<b>TOTAL ASSETS LESS TOTAL LIABILITIES (NET ASSETS)</b>		<b>3,728,658</b>	<b>3,894,528</b>
<u>Accumulated Funds</u>			
Opening trust capital		3,894,528	3,830,193
Surplus/(Deficit)		165,870	64,335
<b>Total Accumulated Funds</b>	4	<b>3,728,658</b>	<b>3,894,528</b>

Signed on behalf of the Enrich+ Property Trust board



Chairperson

Simon Lockwood

10.05.2024

Date



Trustee

PAUL BENNETT

10/5/24

Date

**ENRICH+ PROPERTY TRUST****Statement of Cashflows for the year ended 30 June 2023**

	2023	2022
<b><u>Cash Flows from Operating Activities</u></b>		
<b>Cash was received from:</b>		
Receipts from providing goods or services	483,165	468,960
Interest, dividends and other investment receipts	1,022	169
Paid for GST (Net)	3,434	557
<b>Cash was applied to:</b>		
Payments made to suppliers	(231,465)	(224,911)
Payments made to employees	(47,654)	(35,020)
<b>Net Cash Flows from Operating Activities</b>	<b>208,501</b>	<b>209,755</b>
<b><u>Cash Flows from Investing Activities</u></b>		
<b>Cash was received from:</b>		
Sale of investments	-	1,028,301
<b>Cash was applied to:</b>		
Payments to purchase investments	(7,435)	(2,508,125)
<b>Net Cash Flows from Investing Activities</b>	<b>(7,435)</b>	<b>(1,479,824)</b>
<b><u>Cash Flows from Financing Activities</u></b>		
<b>Cash was received from:</b>		
Loans received	-	2,700,000
Loans to related parties	426,000	-
<b>Cash was applied to:</b>		
Interest expenses	(225,879)	(123,080)
Loans to related parties	-	(100,000)
Loan repayments	(271,289)	(1,223,457)
<b>Net Cash Flows from Financing Activities</b>	<b>(71,168)</b>	<b>1,253,463</b>
<b>Net Increase / (Decrease) in Cash</b>	<b>129,899</b>	<b>(16,606)</b>
<b>Opening Cash</b>	<b>120,230</b>	<b>136,836</b>
<b>Closing Cash</b>	<b>250,129</b>	<b>120,230</b>
<b>This is represented by:</b>		
Bank Accounts and Cash	250,129	120,230

## ENRICH+ PROPERTY TRUST

### Statement of Accounting Policies

#### Basis for Preparation

Enrich+ Property Trust has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

#### Going Concern

These financial statements have been prepared under the assumption the Trust is a going concern. As at 30 June 2023, the Trust has a working capital deficiency of \$1,445,000. Included in the Trust's current liabilities are amounts totalling \$336,000 owing to the Trust's parent entity, Enrich+ Trust and \$1,300,000 owing to its sister entity McKenzie Centre Trust. The trustees of Enrich+ Trust and McKenzie Centre Trust have given an undertaking that repayment of these amounts will be subordinated in favour of all other creditors. In addition Enrich+ Trust have also accepted the responsibility of providing and undertake to provide sufficient financial assistance to the Trust as and when it is needed to enable the Trust to continue its operations and fulfil all of its financial obligations now and in the future. The undertaking is provided for a minimum period of twelve months from the date of authorising these financial statements.

#### Good & Services Tax (GST)

All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

#### Income Tax

The entity is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

#### Specific Accounting Policies

The specific accounting policies used in the preparation of the financial statements are as follows:

#### Rental Income

Rental income is recognised on a straight line basis over the term of the lease.

#### Interest

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

#### Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

#### Loans

The fair value of the loans is represented by the carrying value of the loans as recorded in the financial statements. The maximum exposure to credit risk is represented by the carrying value of the loans in the Statement of Financial Position.

#### Investment Properties

The fair value of the following properties has been arrived at on the basis of a valuation carried out on 30 June 2016 by SGHU Valuations, an independent valuer:

- 48 Teasdale Street, Te Awamutu
- 771 Mahoe Street, Te Awamutu

The valuation was arrived at by reference to current market rental and sales information. The fair value of 21 Ruakura Road, 5-7 Hardley St and 23 Hynds Road has been arrived at on the basis of market rates at the time of purchase.

These values are carried as the deemed cost at the date of transfer to the PBE accounting standards. All of the Trusts investment properties are subsequently measured in accordance with the cost model.

#### Depreciation

Depreciation on investment property is calculated using diminishing value (DV) rates to write the assets off over the expected useful lives. Land is not depreciated.

Buildings	2% DV
Furniture & fittings	5% DV
Leasehold improvements	10% DV

#### Changes in Accounting Policies

There have been no changes in accounting policies during the financial year (Last year - nil).



## ENRICH+ PROPERTY TRUST

Notes to the Performance Report for the year ended 30 June 2023

	2023	2022
<b>Note 1: Analysis of Expenses</b>		
<b>1.1 Costs related to providing goods or services</b>		
Rates & local body charges	39,922	25,031
Building repairs & maintenance	73,366	45,709
Management fees	77,560	77,865
Insurance	-	-510
Assurance fees	11,800	11,700
AGM & annual report	4,950	5,500
Legal & consultancy fees	11,365	35,695
	<b>218,963</b>	<b>200,990</b>
<b>1.2 Other expenses</b>		
Depreciation	100,646	102,043
Administration	970	34,744
Interest paid	266,884	123,080
Salaries	47,110	35,020
Bank charges	5,433	70
	<b>421,043</b>	<b>294,957</b>
<b>Note 2: Analysis of Assets and Liabilities</b>		
<b>Assets</b>		
<b>2.1 Cash and cash equivalents</b>		
Westpac Cheque/Current Account	28,895	22,498
Westpac Call Account	352	97,732
BNZ Cheque Account	220,882	-
	<b>250,129</b>	<b>120,230</b>
<b>Liabilities</b>		
<b>2.2 Creditors and accrued expenses</b>		
GST	7,460	4,026
Sundry Payables	67,166	31,638
	<b>74,626</b>	<b>35,664</b>
<b>2.3 Loans</b>		
Intercompany - Enrich+	336,000	-
Bank Loans - Current portion	-	200,364
Bank Loans - Non current	2,685,000	2,755,926
Loan from McKenzie Centre (interest only at 0.5% less than floating rate, repayable on demand)	1,300,000	1,300,000
	<b>4,321,000</b>	<b>4,256,290</b>

The current loan with BNZ is a Customised Average Rate Loan (CARL) facility on a 3 year term with maturity being 22 May 2026 and floating interest rate.

The Trust decided to refinance its three remaining loans with Westpac over to BNZ in one Customised Average Rate Loan (CARL) facility. The refinance was completed on 31 May 2023. This saw the refinance of the following:

- Choices 91 \$66,406
- Choices 92 \$2,280,000
- Choices 94 \$417,697

The loan is secured against all properties owned by the Trust.

## ENRICH+ PROPERTY TRUST

Notes to the Performance Report for the year ended 30 June 2023

### Note 3: Investment Properties

2022/23 - Asset Class	Opening Carrying Amount	Purchases	Sales/(Disposals)	Depreciation and Impairment	Closing Carrying Amount
Land	2,974,737	-	-	-	2,974,737
Furniture & Fittings	9,925	3,196	-	567	12,554
Leasehold Improvements	567	-	-	62	505
Buildings	4,967,015	4,239	-	100,017	4,871,237
<b>Total</b>	<b>7,952,244</b>	<b>7,435</b>	<b>-</b>	<b>100,646</b>	<b>7,859,033</b>

2021/22 - Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Depreciation and Impairment	Closing Carrying Amount
Land	2,078,500	1,195,737	(299,500)	-	2,974,737
Furniture & Fittings	7,774	2,667	-	516	9,925
Leasehold Improvements	-	619	-	52	567
Buildings	4,404,223	1,306,436	(642,169)	101,475	4,967,015
<b>Total</b>	<b>6,490,497</b>	<b>2,505,459</b>	<b>(941,669)</b>	<b>102,043</b>	<b>7,952,244</b>

### Note 4: Accumulated Funds

2022/23 - Description	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	3,894,528	-	3,894,528
Surplus/(Deficit)	(165,870)	-	(165,870)
<b>Closing Balance</b>	<b>3,728,658</b>	<b>-</b>	<b>3,728,658</b>

2021/22 - Description	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	3,830,193	-	3,830,193
Surplus/(Deficit)	64,335	-	64,335
<b>Closing Balance</b>	<b>3,894,528</b>	<b>-</b>	<b>3,894,528</b>

### Note 5: Commitments and Contingencies

#### Commitments

The Trust has no capital commitments at 30 June 2023 (2022: Nil)

#### Contingency

The Trust has no contingent liabilities or guarantees at 30 June 2023 (2022: Nil)

### Notes 6: Related Party Transactions

Description of Related Party Relationship	Description of the Transaction	2023 value of	2022 value of	2023 Amount Outstanding	2022 Amount Outstanding
Enrich+ Trust is the tenant of many of the properties owned by the Trust	Lease payments	334,519	337,567	-	-
EGMS provide Administration and Finance support to the Trust	Management Fees	68,560	77,865	-	9,265
Rates/Outgoings paid by Enrich+ to Property Trust	Rates & Insurance	32,946	26,580	255	678
EGMS (interest free, on demand)	Loan	10,000	-	10,000	-
Tompkins Wake Trustees Limited provide legal services	Legal Services	8,774	8,989	-	1,823
Mckenzie Centre Trust	Interest payments	59,915	14,641	41,006	-
Mckenzie Centre Trust	Loan	1,300,000	1,300,000	1,300,000	1,300,000
Enrich+ Trust (interest free, on demand)	Loan	336,000	(200,000)	336,000	(100,000)

### Note 7: Events after the balance date

There are no events occurring after the balance date as at 30 June 2023



## Independent assurance practitioner's review report

To the Trustees of Enrich+ Property Trust

### Report on the performance report

We have reviewed the accompanying performance report of Enrich+ Property Trust, (the "Trust") on pages 3 to 10 which comprise the statement of financial position as at 30 June 2023, the entity information, and statement of service performance, the statement of financial performance, and the statement of cashflows for the year ended on that date, and notes, comprising material accounting policy information and other explanatory information.

### Trustees' responsibility for the performance report

The Trustees of the Trust are responsible on behalf of the Trust for the preparation and fair presentation of the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) and for such internal control as the Trustees determine is necessary to enable the preparation and fair presentation of the performance report that are free from material misstatement, whether due to fraud or error.

### Our responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with the International Standard on Review Engagements (New Zealand) 2400 *Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity* (ISRE (NZ) 2400). ISRE (NZ) 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects, in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit). ISRE (NZ) 2400 also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE (NZ) 2400 is a limited assurance engagement. The assurance practitioners perform procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these financial statements.

We are independent of the Trust. Other than in our capacity as independent assurance practitioner we have no relationship with, or interests in, the Trust.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the performance report of the Trust, does not present fairly, in all material respects the financial position of the Trust as at 30 June 2023, the entity information, its service performance, its financial performance and its cash flows for the year ended on that date, in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).



**Who we report to**

This report is made solely to the Trust's Trustees, as a body. Our review work has been undertaken so that we might state those matters which we are required to state to them in our review 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 Trustees, as a body, for our review procedures, for this report, or for the conclusion we have formed.

For and on behalf of:

A handwritten signature in blue ink that reads 'PricewaterhouseCoopers'.

Chartered Accountants  
10 May 2024

Hamilton