

# Monte Cecilia Housing Trust Annual Report 2018

Monte Cecilia Housing Trust  
For the year ended 30 June 2018

Prepared by My Green Bookkeeper

# Contents

3	Compilation Report
4	Entity Information
6	Approval of Financial Report
7	Statement of Service Performance
8	Statement of Financial Performance
9	Statement of Financial Position
10	Statement of Cash Flows
12	Statement of Accounting Policies
16	Notes to the Performance Report

# Compilation Report

## Monte Cecilia Housing Trust For the year ended 30 June 2018

Compilation Report to the Directors of Monte Cecilia Housing Trust.

### Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Monte Cecilia Housing Trust for the year ended 30 June 2018.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

### Responsibilities

The Trustees are solely responsible for the information contained in this financial report and have determined that the accounting policies used are appropriate to meet your needs and for the purpose that the financial statements were prepared.

### No Audit Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information provided. Our procedures do not include verification or validation procedures, although General Ledger reconciliations have been performed over key elements contained in the Performance Report. The annual audit has been performed and accordingly this Performance Report should be considered along with the attached audit report.

### Independence

We have no involvement with Monte Cecilia Housing Trust other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

### Disclaimer

We have compiled these financial statements based on information provided which has not yet been subject to audit. We do not accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on this financial report.



My Green Bookkeeper

22 Jaemont Avenue

Te Atatu South, Auckland 0610

Dated: 16 August 2018

# Entity Information

## Monte Cecilia Housing Trust For the year ended 30 June 2018

### Legal Name of Entity

Monte Cecilia Housing Trust

### Entity Type and Legal Basis

Not for Profit Charity registered with Charities Services, Internal Affairs Department New Zealand.

### Registration Number

CC11227

### Entity's Purpose or Mission

The objects of the Trust to promote human dignity, (hope, courageous integrity and justice) in New Zealand by providing services to families in a housing crisis, promoting a society in which all have access to adequate, affordable and secure housing as of right regardless of race, religion, income or social status. The Trust develops relationships with tangata whenua that enhance the dignity and honour the Treaty of Waitangi and to be proactive against social injustices in the area of housing.

### Entity Structure

Board of Trustees with a Chairperson and eight Trustees. A Chief Executive and a support team providing everyday Administration support and Housing Co-ordination

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

The main sources of Income are Grants from Central Government (70%), Rental Income (28%). Other forms of income are Interest received and Donations.

### Main Methods Used by Entity to Raise Funds

The Trust undertakes its objectives mainly by way of Rental Subsidy, Service Contracts and the awarding of Emergency Housing Contracts from the Department of Social Development. Rental Income is charged to tenants based upon a percentage of tenants income which the remainder being subsidised by the Crown.

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

There are a number of regular and ad-hoc cash donors whose fund contribution is extremely important to the operation of the Trust. We are very grateful for their on-going support. Significant donations have been made toward the reconstruction and refurbishment of the Windrush complex.

These have not yet been expended and are recorded as Revenue in Advance per Note 3. Approximately 6 people provide volunteer assistance to the Trust collectively amounting to 20 hours a week.

### Physical Address

30 Windrush Close, Mangere, Auckland 2022

### Postal Address

P O Box 43285, Mangere, Auckland 2153

Entity Information

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**Phone/Fax**

09 275 6661

**Email/Website**

housing@montececilia.org.nz

<http://montececilia.org.nz>

# Approval of Financial Report

## Monte Cecilia Housing Trust For the year ended 30 June 2018

The Trustees are pleased to present the approved financial report including the historical financial statements of Monte Cecilia Housing Trust for year ended 30 June 2018.

APPROVED



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Hope Simonsen

Board Chair

Date ..24th October 2018..



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Craig Brown

Trustee

Date ..24th October 2018..

# Statement of Service Performance

## Monte Cecilia Housing Trust For the year ended 30 June 2018

### Description of Entity's Outcomes

As an Emergency Housing provider our aim is to provide a 12 week safe & secure housing option for families while a longer term housing solution is found. During this 12 week period, financial health, education supports are put in place along with ensuring families are on the housing register and getting their entitlements via WINZ. Monte Cecilia has 40 emergency housing and social housing options it uses to assist families but 30% go into HNZN housing.

### Description and Quantification of the Entity's Outputs

1. Monte provided information, advice and advocacy to 549 (2017:533) families which included representation of 1349 (2017:1131) children. Contracted funding 129 for Advocacy.
2. Work holistically with 22 vulnerable families assisting them with long housing options and other social service supports.

### Additional Output Measures

A 0.5 of an FTE to improve outcome for vulnerable families living in Ranui Western Park Village & improve pathways/access to other social services. This coordinator role was more about the coordination of social services and access to them. No KPI.

2017: \$45,000

2018: \$45,000

	2018 \$ FUNDING	2018 ACTUAL	2017 ACTUAL
<b>Entity's Outputs</b>			
1. Families provided with Advocacy	80,000	549	199
2. Families assisted with Housing & Social Service	80,000	350	45
3. People who live in MCHT managed properties	695,433	479	300

### Signed



Hope Simonsen

Board Chair

Date 24th October 2018



Craig Brown

Trustee

Date 24th October 2018

# Statement of Financial Performance

## Monte Cecilia Housing Trust For the year ended 30 June 2018

	NOTES	2018	JAN 2016 - JUNE 2017
<b>Revenue</b>			
Donations, fundraising and other similar revenue	1	3,380,706	2,820,046
Rental Income	1	898,269	814,594
Interest, dividends and other investment revenue	1	4,851	37,529
Other revenue	1	25,703	9,601
<b>Total Revenue</b>		<b>4,309,529</b>	<b>3,681,769</b>
<b>Expenses</b>			
Volunteer and employee related costs	2	1,022,733	1,018,307
Costs related to providing goods or service	2	1,898,472	778,105
Administration	2	140,077	141,014
Depreciation	4	178,654	208,022
<b>Total Expenses</b>		<b>3,239,936</b>	<b>2,145,449</b>
<b>Surplus/(Deficit) for the Year</b>		<b>1,069,593</b>	<b>1,536,320</b>

*The Trust gratefully acknowledges the receipt of \$114,437 net from the Lotteries Grants Board during the financial period.*



# Statement of Financial Position

## Monte Cecilia Housing Trust

As at 30 June 2018

	NOTES	30 JUN 2018	JAN 2016 - 30 JUNE 2017
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash	3	558,414	331,656
Debtors and prepayments	3	121,020	295,053
Investments	3	-	1,036,206
<b>Total Current Assets</b>		<b>679,434</b>	<b>1,662,915</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4	9,788,751	8,135,068
Capital Work in Progress	3	433,591	82,897
<b>Total Non-Current Assets</b>		<b>10,222,342</b>	<b>8,217,965</b>
<b>Total Assets</b>		<b>10,901,776</b>	<b>9,880,880</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	3	162,168	60,172
Employee costs payable	3	94,404	34,492
Unused donations and grants with conditions	3	138,001	243,079
Current Portion of Term Loans	3	118,779	143,491
<b>Total Current Liabilities</b>		<b>513,351</b>	<b>481,234</b>
<b>Non-Current Liabilities</b>			
Loans	3	2,678,700	2,759,514
<b>Total Non-Current Liabilities</b>		<b>2,678,700</b>	<b>2,759,514</b>
<b>Total Liabilities</b>		<b>3,192,051</b>	<b>3,240,748</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>7,709,725</b>	<b>6,640,132</b>
<b>Accumulated Funds</b>			
Accumulated surpluses or (deficits)	5	6,404,179	5,834,586
Reserves		1,305,546	805,546
<b>Total Accumulated Funds</b>		<b>7,709,725</b>	<b>6,640,132</b>

# Statement of Cash Flows

Monte Cecilia Housing Trust  
For the year ended 30 June 2018

	2018 Actual	2017 Actual
	\$	\$
<b>Cash flows from Operating Activities</b>		
<b>Cash was received from</b>		
Government Grants and Donations	3,380,707	2,921,574
Rental Income	1,020,761	530,487
Other Revenue		9,600
Interests, dividends and other investment receipts	4,851	37,529
Goods and Services Tax (net)	(9,223)	7,121
<b>Cash was applied to</b>		
Payments to Employees	(1,135,200)	(909,225)
Payments to Suppliers	(1,875,401)	(965,214)
Interest Paid	(84,833)	(53,094)
<b>Net Cash from Operating Activities</b>	<b>1,301,662</b>	<b>1,578,778</b>
<b>Cash flows from Investing and Financing Activities</b>		
<b>Cash was received from</b>		
Receipts from sale of PPE		
Receipts from sale of Investments		
Loans Received	722,713	67,085
Capital contributed from owners or members		
<b>Cash was applied to</b>		
Purchase of PPE	(1,832,339)	(1,146,633)
Capital Work in Progress	(350,694)	(82,897)
Purchase of Investments		
Repayments of Loans	(646,054)	
Funds held on behalf of Tenants	(4,736)	
Capital repaid to owners or member		

<b>Net cash from Investing and Financing Activities</b>	<b>(2,111,110)</b>	<b>(1,162,445)</b>
<b>Net increase/(decrease) in cash</b>	<b>(809,448)</b>	<b>416,333</b>
Cash at the beginning of the year	<b>1,367,862</b>	951,529
<b>Cash at the end of the year</b>	<b>558,414</b>	<b>1,367,862</b>
<b>This is represented by:</b>		
Bank Accounts and Cash	558,414	331,656
Investments		1,036,206
<b>Closing Cash</b>	<b>558,414</b>	<b>1,367,862</b>

# Statement of Accounting Policies

## Monte Cecilia Housing Trust For the year ended 30 June 2018

### Reporting Entity and Basis of Preparation

Monte Cecilia Housing Trust ('the 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.

### Reporting Period

The financial statements have been prepared for 12 month period 1 July 2017 to 30 June 2018. The comparative figures are prepared for an 18 month period January 2016 to June 2017.

### Measurement Base

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

### Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

### Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

### (b) Specific Accounting Policies

The accounting policies used in the preparation of these financial statements are set out below.

#### ***Critical Accounting Estimates and Assumptions***

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

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

#### ***Useful lives of Property, Plant and Equipment***

The Trust reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The Trust believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 4.

### **(c) Revenue Recognition**

#### **Grant Revenue**

Grants are recorded as revenue when the Trust has the right to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

#### **Rental Revenue**

Rental revenue is recorded when their receipt is formally acknowledged by the Trust.

### **(d) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amounts of cash and cash equivalents represent fair value.

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.

### **(e) Accounts Receivable**

Accounts Receivable represents items that the Trust has issued invoices for or accrued for but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the Trust will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

### **(f) Investments**

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance.

After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the Trust may incur or sale or other disposal.

**(g) Property, Plant and Equipment**

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use. Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Statement of Comprehensive Revenue and Expenses.

Gains and losses on disposals (i.e. sold or given away) are determined by comparing the proceeds received with the carrying amounts (i.e. the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense

**Depreciation**

Property, plant and equipment are depreciated over their estimated useful lives on a straight-line basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense. Depreciation rates applied are as follows;

Land	0% SL
Property Improvements	7 - 17% SL
Buildings	2 - 3% SL
House Equipment	12 - 48% SL
Motor Vehicles	21% SL
Office Equipment	7 - 60% SL
Computer Equipment	21 - 48% SL
Playground Equipment	9 - 48% SL

**(h) Accounts Payable**

Accounts Payable represents liabilities for goods and services provided to the Trust prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

**(i) Employee Entitlements**

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

**(j) Revenue in Advance**

Revenue received in advance relates to fees received from grants where there are unfulfilled obligations for the Trust to provide services in the future. These are recorded as revenue as the obligations are fulfilled and the grant earned.

**(k) Financial Assets and Liabilities**

The Trusts financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as “loans and receivables” for accounting purposes in accordance with financial reporting standards.

The Trust’s financial liabilities comprise accounts payable and borrowings. All of these financial liabilities are categorised as “financial liabilities measured at amortised cost” for accounting purposes in accordance with financial reporting standards.

**(l) Borrowings**

Borrowings are recognised at the amount borrowed. Borrowings are classified as current liabilities unless the Trust has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

**(m) Goods and Services Tax**

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST

**Changes in Accounting Policies**

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

# Notes to the Performance Report

## Monte Cecilia Housing Trust For the year ended 30 June 2018

	2018	JAN 2016-JUN 2017
<b>1. Analysis of Revenue</b>		
<b>Donations, fundraising and other similar revenue</b>		
Grant and Subsidies	2,598,357	1,963,340
Donations	780,434	51,160
Donations Received - Windrush Close	1,916	805,546
<b>Total Donations, fundraising and other similar revenue</b>	<b>3,380,706</b>	<b>2,820,046</b>
<b>Revenue from providing goods or services</b>		
Rental Income	898,269	814,594
<b>Total Revenue from providing goods or services</b>	<b>898,269</b>	<b>814,594</b>
<b>Interest, dividends and other investment revenue</b>		
Interest	4,851	37,529
<b>Total Interest, dividends and other investment revenue</b>	<b>4,851</b>	<b>37,529</b>
<b>Other revenue</b>		
Sundry Income	25,703	9,601
<b>Total Other revenue</b>	<b>25,703</b>	<b>9,601</b>
	2018	JAN 2016-JUN 2017

## 2. Analysis of Expenses

<b>Volunteer and employee related costs</b>		
Salaries and Wages	994,851	1,001,544
Staff Development	19,408	9,422
Accident Compensation	8,474	7,341
<b>Total Volunteer and employee related costs</b>	<b>1,022,733</b>	<b>1,018,307</b>
<b>Costs related to providing goods or services</b>		
ACC	2,486	-
Advertising	9,850	2,792
Catering and Hospitality	3,923	7,901
Computer Expenses	23,786	29,337
Consultancy Fees including Legal	27,348	33,840
Electricity and Gas	41,797	39,090
Entertainment	1,101	-
Household Expenses - Cleaning and Rubbish	53,404	57,082
Office Expenses, Postage and Stationery	19,060	34,243
Programmes/Tutor	739	3,145
Rates & Water Rates	82,241	65,491
Rents Paid	1,477,438	341,447
Repairs and Maintenance	128,359	119,242
Telephones	14,885	20,587
Travelling Expenses - Domestic	5,938	14,045



Vehicle Expenses	6,116	9,863
<b>Total Costs related to providing goods or services</b>	<b>1,898,472</b>	<b>778,105</b>

**Administration Expenses**

Accountancy	7,051	50,615
Audit Fees	5,950	6,502
Bank Fees	226	124
Insurance	25,192	7,342
Interest Paid	84,833	53,094
Subscription	7,039	3,935
General Expenses	9,786	19,402
<b>Total Administration Expenses</b>	<b>140,077</b>	<b>141,014</b>

2018                      JAN 2016-JUN  
2017

**3. Analysis of Assets and Liabilities**

Asset Items	-	-
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**Bank accounts and cash**

Cash on Hand	150	220
Monte H/Trust Property Saver	350,301	300,127
Monte Housing Trust Bus Saver	4	-
Monte Housing Trust Operation	111,285	7,205
Monte Housing Trust Property	96,675	24,103
<b>Total Bank accounts and cash</b>	<b>558,414</b>	<b>331,656</b>

**Debtors and prepayments**

Sundry Debtors and Accruals	57,176	265,530
Community Housing Bonds	30,151	16,548
Prepayments	33,693	12,975
<b>Total Debtors and prepayments</b>	<b>121,020</b>	<b>295,053</b>

Investments	-	1,036,206
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**Other non-current assets**

Windrush Redevelopment - Project Management	87,454	-
Windrush Redevelopment - Design and Consents Expenses	317,544	82,897
Windrush Redevelopment - Construction Costs	28,593	-
<b>Total Other non-current assets</b>	<b>433,591</b>	<b>82,897</b>

2018                      JAN 2016-JUN  
2017

**Analysis of Assets and Liabilities**

Liability Items	-	-
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**Creditors and accrued expenses**

Accounts Payable	98,180	18,925
Accounts Payable Sundry	36,556	-
Accrual - Audit Fees	5,950	6,400
Credit Card	594	-
Funds held - Tenants	8,129	12,865

	2018	JAN 2016-JUN 2017
GST	12,759	21,982
<b>Total Creditors and accrued expenses</b>	<b>162,168</b>	<b>60,172</b>
<b>Employee costs payable</b>		
Accruals including Salaries	94,404	34,492
<b>Total Employee costs payable</b>	<b>94,404</b>	<b>34,492</b>
<b>Unused donations and grants with conditions</b>		
Advance Income - Contracts Grants	48,021	103,079
Advance Income - Grants	89,979	-
Revenue in Advance - Windrush Redevelopment	-	140,000
<b>Total Unused donations and grants with conditions</b>	<b>138,001</b>	<b>243,079</b>
<b>Other current liabilities</b>		
Rounding	-	-
Current Portion of Long Term Loans	111,663	143,491
Residential Tenancy Bonds	7,116	-
<b>Total Other current liabilities</b>	<b>118,779</b>	<b>143,491</b>
<b>Loans</b>		
Housing NZ Mortgage-HIP 1	-	691,870
Housing NZ Mortgage-HIP 2	395,348	422,150
Housing NZ Mortgage-HIP3 UMU	835,807	886,462
Long Term ASB Loan Facility 2017	706,653	-
Mortgage-Weymouth project	740,893	759,033
<b>Total Loans</b>	<b>2,678,700</b>	<b>2,759,514</b>

**Current Portion of Long Term Loans Breakdown**

<b>Liability Item</b>	<b>2018</b>	<b>2017</b>
<b>Analysis</b>	<b>\$</b>	<b>\$</b>
Loan-Housing NZ Housing Innovation Fund1		48,838
Loan-Housing NZ Housing Innovation Fund2	26,802	26,802
Loan-Housing NZ Housing Innovation Fund3	50,655	50,655
Mortgage - Weymouth Project		17,196
Prime Housing Lending ASB - 3 Taiaapure	6,459	
Prime Housing Lending ASB - 20 Kaimoana	3,914	
Prime Housing Lending ASB - 11 Tonuitanga	3,914	
Prime Housing Lending ASB - 8 Kuparu	3,858	
Prime Housing Lending ASB - 15 Metalf, 9 & 11 Alderson	16,060	
<b>Total</b>	<b>111,663</b>	<b>143,491</b>

## 4. Property Plant and Equipment

2018	\$	\$	\$	\$	\$
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Land	3,811,886	1,304,348		-	5,116,234
Buildings	4,176,451	434,783		136,936	4,474,297
Property Improvements	12,637			3,111	9,526
House Equipment	92,701	44,808		18,661	118,848
Motor Vehicles	32,409			7,283	25,126
Office Equipment	(1,079)	6,131		(3,777)	8,829
Computer Equipment	10,063	42,269		16,441	35,891
Playground Equipment					
<b>Total</b>	<b>7,196,457</b>	<b>1,832,339</b>		<b>178,654</b>	<b>9,788,751</b>

2017	\$	\$	\$	\$	\$
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Land	3,264,379	547,507		-	3,811,886
Buildings	3,901,416	459,493		184,458	4,176,451
Property Improvements	14,037	3,832		5,232	12,637
House Equipment	8,773	90,502		6,574	92,701
Motor Vehicles	4,881	28,835		1,307	32,409
Office Equipment	(708)	724		1,095	(1,079)
Computer Equipment	3,679	15,740		9,356	10,063
Playground Equipment					
<b>Total</b>	<b>7,196,457</b>	<b>1,146,633</b>		<b>208,022</b>	<b>8,135,068</b>

**Significant Donated Assets Recorded**

Date of Valuation	Source	Description	Quantity	\$ Amount
12/02/2018	Dell Website	Dell Power Edge T420 Server	1	10,400
12/02/2018	Dell Website	Dell Optiplex 7050 PC	2	4,400
12/02/2018	Dell Website	Dell Infinity 24" Monitor	2	860
12/02/2018	Dell Website	Dell Latitude 5282 2 in 1 Laptop/TAB	1	2,300
12/02/2018	Dell Website	Samsung Galaxy TAB S3	1	950
<b>TOTAL</b>				<b>18,910</b>

**5. Accumulated Funds****2018**

Description	Capital Contributed by Owners or Members	Accumulated surplus or deficits	Reserves	Total
<b>Opening Balances</b>	3,112,015	2,722,571	805,546	6,640,132
Capital contributed by owners or members				
Capital returned to owners or members				
Surplus/Deficit		1,069,593		1,069,593
Distributions paid to owners or members				
Transfer to Reserves		(500,000)	500,000	
Transfer from Reserves				
<b>Closing Balance</b>	<b>3,112,015</b>	<b>3,292,164</b>	<b>1,305,546</b>	<b>7,709,725</b>

**2017**

Description	Capital Contributed by Owners or Members	Accumulated surplus or deficits	Reserves	Total
<b>Opening Balances</b>	3,112,015	1,991,797		5,103,812
Capital contributed by owners or members				
Capital returned to owners or members				
Surplus/Deficit		1,536,320		1,536,320
Distributions paid to owners or members				
Transfer to Reserves		(805,546)	805,546	
Transfer from Reserves				
<b>Closing Balance</b>	<b>3,112,015</b>	<b>2,722,571</b>	<b>805,546</b>	<b>6,640,132</b>

## 5. Surplus \$1,069,000 (2017 Surplus \$1,536,000)

There was a fall in the Operating Surplus in 2018 from 2017 of (\$466,000), this was significantly impacted by non-repeating activities including:

- a) Emergency Housing surplus was lower (\$598,000), as a result of increased operating costs when we temporarily re-located our Emergency Housing from 30 Windrush Close to Takanini Motel, incurring higher rental costs compared to 30 Windrush Close.
- b) Fall in Donations for Admin Grant (\$111,000) from Lotteries Commission.
- c) Approximately \$243,00 surplus increases were made in other areas offsetting the above (\$709,000) reduction including \$390,000 savings in fully funded staff costs under new Emergency Housing funding were recovered directly from compared to 2017 where these salaries were paid from Administration.

### Transfer to Reserves

#### 2018

Name	Nature & Purposes	\$
Capital Reserve	Capital reserve for donations tagged for Windrush Close Development	500,000
	<b>Total</b>	<b>500,000</b>

#### 2017

Name	Nature & Purposes	\$
Capital Reserve	Capital reserve for donations tagged for Windrush Close Development - Jaleen Investment Trust	805,546
	<b>Total</b>	<b>805,546</b>

Capital Reserves for donations tagged for Windrush Close Development

2018      JAN 2016-JUN  
2017

## 6. Commitments and Contingencies

### Commitments to lease or rent assets

1 Year	1,317,384	6,000
2-5 Years	863,768	14,500
Over 5 Years	9,000	-
<b>Total Commitments to lease or rent assets</b>	<b>2,190,152</b>	<b>20,500</b>

### Commitment to purchase property, plant and equipment

Purchase Windrush Apartments from Diocese	-	2,000,000
<b>Total Commitment to purchase property, plant and equipment</b>	<b>-</b>	<b>2,000,000</b>

### Commitment to build units on Windrush Close

Building apartments Windrush Close	8,000,000	-
<b>Total Commitment to build units on Windrush Close</b>	<b>8,000,000</b>	<b>-</b>

### Commitments to repay loans

1 Year	111,663	184,914
2-5 Years	465,522	752,747

	2018	JAN 2016-JUN 2017
Over 5 Years	2,213,178	2,552,105
<b>Total Commitments to repay loans</b>	<b>2,790,363</b>	<b>3,489,766</b>
<b>Total Commitments and Contingencies</b>	<b>12,980,515</b>	<b>5,510,266</b>

There are no other commitments as at 30 June 2018 (Last year - nil).

	2018	JAN 2016-JUN 2017
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### Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2018 (Last year - nil).

## 7. Other

### Assets Used as Security for Liabilities for 2018

Nature and Amount of Borrowing	Nature and Amount of Asset Used as a Security Over Land & Buildings at;
Mortgage - ASB 25 yrs 4.80% p.a for 15 yrs	15 Metcalf Road, Ranui (Housing Innovation Fund 1)
Mortgage - ASB 25 yrs 4.80% p.a for 15 yrs	9 and 11 Alderson Lane, Mangere (Housing Innovation Fund 1)
Mortgage - Housing NZ Corporation 25 yrs 0% p.a for 10 yrs	15 Jury Place Mangere (Housing Innovation Fund 2)
Mortgage - Housing NZ Corporation 25 yrs 0% p.a for 10 yrs	29 Lachlan Place Mangere (Housing Innovation Fund 2)
Mortgage - Housing NZ Corporation 25 yrs 0% p.a for 10 yrs	12C & 14B Charlenne Close, Ranui (Housing Innovation Fund 2)
Mortgage - Housing NZ Corporation 25 yrs 0% p.a for 10 yrs	5 Newfound Way, Glen Eden (Housing Innovation Fund 2)
Mortgage - Housing NZ Corporation 25 yrs 0% p.a for 10 yrs	12,14,16,23,25,27&29 Umu Place, Mangere (Housing Innovation Fund 3)
Mortgage - ASB Banking Corporation 25 yrs 5.75% p.a Fixed 5 yrs	20 Kaimoana Street, Weymouth (Weymouth Project)
Mortgage - ASB Banking Corporation 25 yrs 5.75% p.a Fixed 5 yrs	11 Tonuitanga Street, Weymouth (Weymouth Project)
Mortgage - ASB Banking Corporation 25 yrs 5.65% p.a Fixed 5 yrs	8 Kuparu Street, Weymouth (Weymouth Project)
Mortgage - ASB Banking Corporation 25 yrs 4.79% p.a Fixed 5 yrs	3 Taiapure Street, Weymouth (Weymouth Project)
Mortgage - ASB Banking Corporation 15yrs 4.80% p.a	30 Windrush Close, Mangere 4 Ipukarea Street, Weymouth

**Assets Used as Security for Liabilities for 2017**

<b>Nature and Amount of Borrowing</b>	<b>Nature and Amount of Asset Used as a Security Over Land &amp; Buildings at;</b>
Mortgage - Housing NZ Corporation 25 yrs 0% p.a for 10 yrs	15 Metcalf Road, Ranui (Housing Innovation Fund 1)
Mortgage - Housing NZ Corporation 25 yrs 0% p.a for 10 yrs	9 and 11 Alderson Lane, Mangere (Housing Innovation Fund 1)
Mortgage - Housing NZ Corporation 25 yrs 0% p.a for 10 yrs	15 Jury Place Mangere (Housing Innovation Fund 2)
Mortgage - Housing NZ Corporation 25 yrs 0% p.a for 10 yrs	29 Lachlan Place Mangere (Housing Innovation Fund 2)
Mortgage - Housing NZ Corporation 25 yrs 0% p.a for 10 yrs	12C & 14B Charlenne Close, Ranui (Housing Innovation Fund 2)
Mortgage - Housing NZ Corporation 25 yrs 0% p.a for 10 yrs	5 Newfound Way, Glen Eden (Housing Innovation Fund 2)
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Mortgage - ASB Banking Corporation 25 yrs 5.75% p.a Fixed 5yrs	20 Kaimoana Street, Weymouth (Weymouth Project)
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Mortgage - ASB Banking Corporation 25 yrs 4.79% p.a Fixed 5yrs	3 Taiapure Street, Weymouth (Weymouth Project)

**The following facilities were available but not drawn down at balance date**

<b>Committed Cash Facility</b>				
<b>Facility Type</b>	<b>Limit</b>	<b>Currency</b>	<b>Utilised</b>	<b>Term of Facility</b>
Committed money market	500,000	NZD	0.00	7 July 2019
Committed money market	1,000,000	NZD	0.00	7 July 2018
Committed money market	500,000	NZD	0.00	7 July 2019

## 8. Related Party Transactions

There were no transactions involving related parties during the financial year. (Last Year - See below note)

		2018	2017	2018
		\$	\$	\$
Description of Related Party Relationship	Description of the transaction(whether in cash or amount in kind)	Value of Transactions	Value of Transactions	Amount Outstanding
Jaleen Investment Trust (trustee of the trust is a Board member)	Donation for Windrush Close Development		805,546	

## 9. Events After the Balance Date

Monte Cecilia Housing Trust signed a contract to build units on their premises at Windrush Close - refer to Note 6 Capital Commitments.

To date no other significant events affecting the financial status of the Trust have been disclosed. (Last Year - see below note)

2017		
Nature of Event	Estimate of Financial Effect	Effect, if any on the entity's ability to continue operating
Monte Cecilia Housing Trust purchased a property at Windrush Close after balance date	\$2,000,000	Property was purchased from cash on hand and borrowings. Refer to note 6.

## 10. Ability to Continue Operating

The entity has adequate resources to continue operations for the foreseeable future. For this reason, the Board continues to adopt the going concern assumption in preparing the performance report for the year ended 30 June 2018. This conclusion was reached after making enquiries and having regard to circumstances which are likely to affect the entity during the period of one year from the date the Board approves the performance report, and to circumstances which will occur after that date which could affect the validity of the going concern assumption.



## Monte Cecilia Housing Trust

### Independent auditor's report to the Members

## Report on the Performance Report

### Opinions

We have audited the performance report of Monte Cecilia Housing Trust (the entity), which comprises the the statement of financial position as at 30 June 2018, the entity information, statement of service performance, statement of financial performance and statement of cash flows for the year ended 30 June 2018, and the statement of accounting policies and other explanatory information.

#### *In our opinion:*

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b) the accompanying performance report gives a true and fair view of:
  - i) the entity information for the year then ended;
  - ii) the service performance for the year then ended; and
  - iii) the financial position of Monte Cecilia Housing Trust as at 30 June 2018 and of its financial performance, and cash flows for the year then ended.

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised).

Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Performance Report section of our report. We are independent of the entity in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

#### **CHARTERED ACCOUNTANTS & ADVISORS**

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PO Box 106 090  
Auckland 1143, New Zealand  
Telephone: +64 9 366 5000  
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William Buck Audit (NZ) Limited

## **Responsibilities of the Trustees for the Performance Report**

The Trustees are responsible for:

- a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- b) the preparation of a performance report on behalf of the entity that gives a true and fair view, which comprises:
  - the entity information;
  - the statement of service performance; and
  - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and
- c) for such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible on behalf of the entity for assessing the entity'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 entity 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 performance report is 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) and ISAE (NZ) 3000 (Revised) 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 economic decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement director on the audit resulting in this independent auditor's report is Alison Anderson.

### **Restriction on Distribution and Use**

This report is made solely to the entity's members, as a body. Our audit work has been undertaken so that we might state to the entity's members those matters which we are required to state to them in an auditor's 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 entity and the entity's members, as a body, for our audit work, for this report or for the opinions we have formed.

A handwritten signature in blue ink that reads 'William Buck'.

**William Buck Audit (NZ) Limited**

Auckland  
25 October 2018