

# Visionwest Community Trust

# Financial Reports

For the year ended 30 June 2024



#### **Matters relating to the electronic presentation of the audited financial reports**

This audit report relates to the financial reports of VisionWest Community Trust ("the Trust") for the year ended 30 June 2024 included on VisionWest Community Trust's website. The Trust is responsible for the maintenance and integrity of the Trust's website. We have not been engaged to report on the integrity of Trust's website. We accept no responsibility for any changes that may have occurred to the financial reports since they were initially presented on the website.

The audit report refers only to the financial reports named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial reports. If readers of this report are concerned with the inherent risks arising from electronic data communication, they should refer to the published hard copy of the audited financial reports and related audit report for the year ended 30 June 2024 to confirm the information included in the audited {consolidated} financial reports presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial reports may differ from legislation in other jurisdictions.

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**VISIONWEST COMMUNITY TRUST**

**DIRECTORY**

**AS AT 30 JUNE 2024**

The Visionwest Community Trust is a charitable trust incorporated under the Charitable Trust Act 1957 on 12 June 2008 and registered with the Charities Commission on 30 June 2008 (CC32207).

**TRUSTEES:**

Daniel Barthow	Chairperson
Stephen Parker	Deputy Chairperson
Gary Grut	Pastoral Representative /Secretary
June Lamb	Treasurer
Izak Van Niekerk	Trustee
Andrew Fraser	Trustee
Malienafau Jones	Trustee

Lisa Woolley	Chief Executive
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**INDEPENDENT AUDITOR:**

Grant Thornton New Zealand Audit Limited  
152 Fanshawe Street  
Auckland  
New Zealand

**NATURE OF BUSINESS:**

Community Services Provider - Community Housing, Home Healthcare, Money Mentors, Chaplaincy, Wellbeing Centre, Employment & Education, Ohinga Tu, Huia Mai, Whai Manaaki Kai

# Independent Auditor's Report

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## To the Trustees of Visionwest Community Trust

### Report on the Audit of the financial report

#### Opinion

We have audited the financial report of Visionwest Community Trust (the "Trust") which comprise:

- a. the financial statements set out on pages 8 to 22, which comprise the statement of financial position as at 30 June 2024, and the statement of comprehensive revenue and expense, 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; and
- b. the statement of service performance on page 5 to 7.

In our opinion, the accompanying financial report present fairly, in all material respects:

- a. the financial position of the Trust as at 30 June 2024 and its financial performance and cash flows for the year then ended; and
- b. the service performance for the year ended 30 June 2024 in accordance with the Trust's service performance criteria

in accordance with the Public Benefit Entity Standards issued by the New Zealand Accounting Standards Board.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with International Standard on Assurance Engagements (New Zealand) (ISAE (NZ)) 3000 (Revised) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* 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.

Our firm carries out other assignments for the Trust in the area of holiday pay consulting services. The firm has no other interest in the Trust.

### **Responsibilities of Trustees for the Financial report**

Trustees are responsible on behalf of the Trust for:

- (a) the preparation and fair presentation of the financial statements and statement of service performance in accordance with Public Benefit Entity Standards issued by the New Zealand Accounting Standards Board;
- (b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards; and
- (c) such internal control as those charged with governance determine is necessary to enable the preparation of the financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustees on behalf of the Trust are responsible 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 those charged with governance 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 report**

Our objectives are to obtain reasonable assurance about whether the financial report 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 economic decisions of users taken on the basis of the financial 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 financial statements and the service performance information, 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 the Trust's 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 Trust'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 those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust'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 financial statements 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 Trust's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements and the service performance information, including the disclosures, and whether the financial statements and the service performance information 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 those charged with governance 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.

**Restriction on use of our report**

This report is made solely to the Trust's Trustees, as a body. 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 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 Trust and its Trustees, as a body, for our audit work, for this report or for the opinion we have formed.

**Grant Thornton New Zealand Audit Limited****Auckland, New Zealand****31 October 2024**

## Visionwest Community Trust

# Statement of Service Performance Report

### Vision and Mission

Visionwest Waka Whakakitenga exists to address homelessness, reduce poverty, support the elderly, and ensure young people have hope for the future.

### Our Vision is

*Transformed Lives, Healthy Communities*

He Oranga Tāngata, He Oranga Hapori

### Our Mission is

building hope together | *Kia Tūmanakotia*

Our mission is outworked through a faith-led kaupapa centred on values of whanaungatanga, aroha, mana and manaakitanga. We believe that by supporting individuals as they work to answer their greatest needs and achieve their life goals, we can see entire communities transformed. We recognise that many whānau we work with arrive with a wide range of complex needs, so to achieve our vision, we journey alongside individuals and families and are active in the ongoing transformation work that enriches their lives and leads to healthier and more connected communities. An attitude of willingness to innovate and grow to meet emerging needs, together with our steadfast commitment to upholding the mana of every individual we support, is reflected in our charitable objectives, which are outlined below.

### Objectives

1. To encourage a spirit of Christian compassion within local communities, and to actively promote the message of Christianity – love, hope, mercy and kindness – through the act of providing various social care and welfare services for the under-privileged, needy and disadvantaged.
2. To provide direction and resources, whether financial or otherwise, in order to meet the social, emotional, physical, spiritual and educational needs of the people in West Auckland area generally (and beyond).
3. To establish such service centres, programmes and facilities which enable the provision of appropriate social services to local communities, including but not limited to: kindergarten and childcare facilities; healthcare services; provision of temporary and permanent accommodation and housing; educational development; counselling services; employment training services and financial mentoring and support.
4. To assist those who experience financial and emotional hardship, and those who are disadvantaged in society.
5. To alleviate the difficulties of those experiencing hardships, including financial hardship and to bring relief through whatever means are available to the Trustees.
6. To initiate, establish and administer any social services for the people of local communities (including children, the destitute and the elderly) who, for any reason, are in need of care and assistance.
7. To carry out such other charitable purposes within New Zealand as the Board shall determine after consultation with the Glen Eden Baptist Elders' Board.

These objectives guide our service design and delivery, but not all wellbeing and spiritual elements can be objectively quantified for auditable purposes. As our organisational capacity grows, we seek to improve our qualitative research and reporting that will allow a wider understanding of our ability to meet and succeed in meeting the relational wellbeing objectives outlined above. The following statement of our service provision reflects measures that meet our objectives and align with service contract requirements.

### Objective 1: Prioritising access for Māori

Visionwest prioritises building Kaupapa Māori capabilities and capacity throughout the organisation, particularly front-line services. This is reflected in our Visionwest Huia Mai approach, which is mandated to establish culturally responsive, whānau-centric care for people of many different cultural, ethnic, and religious backgrounds with a particular focus on Kaupapa Māori to:

- Ensure warm, dry, and safe accommodation for whānau who have experienced homelessness.
- Nurture and support rangatahi in educational and employment aspirations through mentoring and training.
- Provide Kaupapa Māori trauma informed family harm specialist care with a qualified team of Māori and Pasefika specialists (Mātanga Oranga).
- Provide Kaupapa Māori informed and Kaupapa Māori led youth development services (Ōhinga Tū).

The data below represents the total number of Māori clients who, in the reporting period, have received services that reflect our three focus points outlined above. As the total number of whānau accessing support for kai has declined, this is reflected in the lower numbers for Māori whānau.

Performance Indicator	Actual This Year	Actual Last Year
<b>Number of Māori whānau engaged in:</b>		
Supportive Housing	455	459
Kai/Food	1902	3368
Social Supermarket	501	-
Financial Mentoring	177	125
Other health, community and education services	1027	1260

### Objective 2: Addressing homelessness

Visionwest Waka Whakakitenga exists to end homelessness in Aotearoa New Zealand. We partner with others to ensure every New Zealander is housed in a warm, dry, safe, and affordable home. We are committed to providing community-based supportive housing throughout our communities, coupled with the provision of wraparound supports. Our focus is on continuing the Housing First programme in Auckland and other areas in need, working collectively to address homelessness. Most recently, Visionwest has established youth housing services which include My Whare and Whare Hiwa.

The numbers below reflect the total number of families housed in Visionwest Long Term, Housing First and Rapid Rehousing properties as at the end of the reporting period in Christchurch and in Auckland. The proportion of whānau having successfully sustained their Visionwest tenancy reflect those who have been housed by our team at the beginning of the year and who are still housed in a Visionwest property at the end of the reporting period.

Performance Indicator	Actual This Year	Actual Last Year
Number of whānau permanently housed	390	356
Proportion of whānau having successfully sustained their Visionwest tenancy	89.0%	91.5%

### Objective 3: Supporting independent living at home

Visionwest provides care and support for older people and those with disabilities so they can enjoy living independently in their own home. This aligns with our missional objectives to administer social services for local communities who, for any reason, need care and assistance. This work is carried out by Visionwest's team of trained Support Workers.

The numbers below reflect the total number of clients who have received Visionwest Home Healthcare services for both maintaining and improving independence during the reporting period.



Performance Indicator	Actual This Year	Actual Last Year
Number of Clients supported to maintain or improve independence at home	7312	8350
Waitemata	3063	3571
BOP/Lakes	2221	2443
Waikato	2028	2336

#### Objective 4: Relieving financial hardship

Visionwest is committed to the continuing development of our wraparound service approach to meet the needs of whānau and increase community wellbeing. Our focus is on services that can lead to increased financial and food security. We work with a range of community organisations and partnerships to provide assistance by:

- Distributing donated food goods to those in need – either directly through our Pātaka Kai or through other community organisations
- Providing greater freedom of choice for whānau through Manaaki Kai, Visionwest's Social Supermarket
- Providing personalised financial mentoring to those who want support with their financial challenges through our Money Mentors service

The below data represents the total number of whānau accessing these services.

Performance Indicator	Actual This Year	Actual Last Year
Number of Whānau receiving financial hardship assistance		
Kai/Food	5315	8503
Social Supermarket	1348	
Financial Mentoring	537	443

#### Objective 5: Increasing Community Wellbeing

To provide direction and resources, whether financial, emotional, practical or otherwise, to meet the social, emotional, physical, spiritual and educational needs of the people in West Auckland and beyond. Visionwest provides practical support through a range of services that complement each other and ensure a holistic approach to caring for our community. This includes:

- Youth mentoring and employment support (Ōhinga Tū).
- Community connection and navigation support services (Whānau Centre).
- Trauma informed care and reconciliation (Mātanga Oranga).
- Counselling and one-on-one therapy (Wellbeing Centre).
- Early childhood education (Eden Cottage Kindergarten).

The numbers represented below is the total number who have received the above services. The lower numbers of whānau being supported through Community Connectors reflects changing needs. In the previous financial year, Community Connectors responded to supporting whānau through the Auckland Flood and Storm Relief and through COVID-19 isolation. The self-isolation requirements ending in August 2023 and less immediate support needed for the Auckland Flood and Storm Relief reflects the lower needs for this financial year.

Performance Indicator	Actual This Year	Actual Last Year
Number of Whānau supported for other social, emotional, and educational needs		
Ōhinga Tū	451	398
Whānau Centre	544	1590
Wellbeing Centre	500	508
Mātanga Oranga	191	114
Eden Cottage	48	46

**VISIONWEST COMMUNITY TRUST****STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES****FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 \$	2023 \$
<b>Revenue from non-exchange transactions</b>			
Income from Health Care Services		72,182,985	67,601,294
Income from Education Services		1,879,374	951,637
Income from Housing Services		12,438,638	9,754,316
Income from Other Services		5,229,274	5,100,346
Rental Income		20,588,049	18,469,918
Operational Government and other grants	17	248,810	910,670
Donations-in-Kind and Services-in-Kind	17	2,445,613	2,962,687
Donations and Fundraising		177,618	78,204
		<b>115,190,361</b>	<b>105,829,072</b>
<b>Revenue from exchange transactions</b>			
Interest income		314,015	257,782
Other Income		-	5,230
		<b>314,015</b>	<b>263,012</b>
<b>Total revenue</b>		<b>115,504,376</b>	<b>106,092,084</b>
<b>Expenses</b>			
Employee related expenses		82,898,417	74,861,312
Donations-in-Kind and Services-in-Kind	17	2,445,613	2,962,687
Interest expense		832,128	482,872
Depreciation, amortisation and write-off expenses	9	686,356	529,433
Other expenses	22	31,440,013	26,020,471
<b>Total expenses</b>		<b>118,302,528</b>	<b>104,856,775</b>
<b>Total surplus for the year</b>		<b>(2,798,151)</b>	<b>1,235,309</b>
<b><u>Other comprehensive revenue and expense</u></b>			
Revaluation of Land and Buildings		(6,102,126)	4,485,000
<b>Total comprehensive revenue and expense for the year</b>		<b>(8,900,278)</b>	<b>5,720,309</b>

**VISIONWEST COMMUNITY TRUST**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	<b>Asset Revaluation Reserve</b>	<b>Retained Surplus</b>	<b>Total Net Assets</b>
<b>Opening balance at 1 July 2022</b>	29,072,163	26,958,069	<b>56,030,232</b>
Surplus for the year		1,235,309	<b>1,235,309</b>
Other comprehensive revenue and expense	4,485,000	-	<b>4,485,000</b>
<b>Closing balance at 30 June 2023</b>	<b>33,557,163</b>	<b>28,193,378</b>	<b>61,750,541</b>
Surplus for the year / (loss)		(2,798,151)	<b>(2,798,151)</b>
Other comprehensive revenue and expense	(6,102,126)	-	<b>(6,102,126)</b>
Prior year adjustment		48	<b>48</b>
<b>Closing balance at 30 June 2024</b>	<b>27,455,037</b>	<b>25,395,275</b>	<b>52,850,311</b>

**VISIONWEST COMMUNITY TRUST**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024**

	Notes	2024 \$	2023 \$
<b>ASSETS</b>			
<b>Current</b>			
Cash and cash equivalents	6	6,899,523	6,393,814
Current Investments		-	4,153,292
Receivables from non-exchange transactions	7	8,839,839	7,524,641
Prepayments		400,443	610,630
<b>Total current assets</b>		<b>16,139,805</b>	<b>18,682,377</b>
<b>Non-current</b>			
Property, plant and equipment	9	76,105,915	81,702,231
<b>Total non-current assets</b>		<b>76,105,915</b>	<b>81,702,231</b>
<b>Other</b>			
Other assets	10	-	227,432
<b>TOTAL ASSETS</b>		<b>92,245,720</b>	<b>100,612,040</b>
<b>LIABILITIES</b>			
<b>Current</b>			
Trade and other creditors	8	7,162,432	5,781,911
Employee entitlements	21	10,083,449	9,412,627
Income in advance		2,960,837	4,238,940
Loans and borrowings	18	361,791	393,908
<b>Total current liabilities</b>		<b>20,568,509</b>	<b>19,827,386</b>
<b>Non-current</b>			
Loans and borrowings	18	16,798,900	17,126,080
Provisions	11	2,028,000	1,908,033
<b>Total Non-current liabilities</b>		<b>18,826,900</b>	<b>19,034,113</b>
<b>TOTAL LIABILITIES</b>		<b>39,395,409</b>	<b>38,861,499</b>
<b>NET ASSETS</b>		<b>52,850,311</b>	<b>61,750,541</b>
<b>NET ASSETS</b>			
Retained Surplus		25,395,275	28,193,378
Asset Revaluation Reserve		27,455,037	33,557,163
Accumulated comprehensive revenue and expense		52,850,311	61,750,541

Signed for and on behalf of the VisionWest Community Trust



**Daniel Barthow**  
Chairperson



**Stephen Parker**  
Deputy Chairperson

**VISIONWEST COMMUNITY TRUST**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2024**

	Notes	2024 \$	2023 \$
<b><u>Cash flows from operating activities</u></b>			
Receipts from trading activities		110,142,603	102,184,952
Interest received		314,015	257,782
Payments to suppliers and employees		<u>(111,720,610)</u>	<u>(101,589,942)</u>
<i>Net cash flows from operating activities</i>	19	(1,263,992)	852,792
<b><u>Cash flows from investing activities</u></b>			
Purchase of property, plant & equipment		<u>(1,192,166)</u>	<u>(4,784,009)</u>
<i>Net cash flows from investing activities</i>		(1,192,166)	(4,784,009)
<b><u>Cash flows from financing activities</u></b>			
Investment in term deposits		4,153,292	(153,292)
Repayment of borrowings		(359,297)	(413,485)
Interest paid		<u>(832,128)</u>	<u>(482,872)</u>
<i>Net cash flows from financing activities</i>		2,961,867	(1,049,649)
<b>Net increase / (decrease) in cash and cash equivalents</b>		505,709	(4,980,866)
Cash and cash equivalents at the beginning of the year		6,393,814	11,374,680
<b>Cash and cash equivalents at the end of the year</b>		<u><u>6,899,523</u></u>	<u><u>6,393,814</u></u>

**VISIONWEST COMMUNITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**Note 1: Reporting Entity**

Visionwest Community Trust (the "Trust") is a charitable organisation, based in West Auckland, which is incorporated under the Charitable Trusts Act 1957 and registered under the Charities Act 2005.

Visionwest Community Trust has been offering community-based services which includes Community Housing, Home Healthcare, Money Mentors, Chaplaincy, Wellbeing Centre, Employment & Education, Ohinga Tu, Huia Mai, Whai Manaaki Kai to people in West Auckland since the 1980's. The Trust was formally incorporated as the Friendship Centre Trust in 1988 in response to a growing desire of the Glen Eden Baptist Church to help those in need in the local community. The Trust started out small with a drop-in centre at the Glen Eden Railway Station as a place where friendships were formed. The Trust responded to the needs present in the community and grew to be one of the largest community based Trusts in West Auckland.

In 2010 the Friendship Centre Trust became Visionwest Community Trust. The name evolved from the Trust's passion and vision of hope and transformation for families living in West Auckland. Visionwest Community Trust now provides a range of community services to more than 20,000 individuals and families every year, with a wonderful staff and volunteer base of over 1,500 people. The Trust now has a national reach responding to needs around the country, with a mission of building hope together.

The financial statements presented here are for Visionwest Community Trust.

The financial statements for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the Trustees on the 30th October 2024.

**Note 2: Statement of Compliance**

These financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP") and the Financial Reporting Act 2013. 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 purposes of complying with NZ GAAP, the Trust is a public benefit Not-For-Profit entity and is applying Tier 1 Not-For-Profit PBE IPSAS as it has expenditure of more than \$30 Million. These financial statements are in compliance with Tier 1 Not-For-Profit PBE Standards.

**Note 3: Changes in Accounting Policies**

There have been no changes in Accounting Policies.

	<u>Measurement Category</u>
	<u>PBE IPSAS 41</u>
Financial Assets	
Cash and cash equivalents	Amortised Cost
Receivables	Amortised Cost
Term investments	Amortised Cost
Financial Liabilities	
Trade and other creditors	Amortised Cost
Loans and borrowings	Amortised Cost

**(b) Impairment**

PBE IPSAS 41 requires the Trust to recognise an allowance for ECL's for all debt instruments not held at fair value through surplus and deficit. Upon the adoption of IPSAS 41 on 1 July 2022, the Trust did not recognise any additional impairment.

**(c) Hedge accounting**

At the date of initial application, the Trust have no existing hedging relationships.

**Note 4: Summary of Significant Accounting Policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements



**VISIONWEST COMMUNITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**4.1 Basis of Measurement**

The financial statements have been prepared on the basis of historical cost, except for land and buildings which have been measured at fair value.

**4.2 Functional and Presentational currency**

The financial statements are presented in New Zealand dollars, which is the Trust's functional currency. All values are rounded to the nearest dollar unless otherwise stated.

**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 Trust receives revenue as a result of both exchange and non-exchange transactions.

**Revenue from Non-Exchange Transactions**

Revenue from non-exchange transactions is recognised in the period when the Trust provides the services. The majority of the consideration for these services is received from Contract revenue from the Ministry of Health, Te Whata Ora, Ministry of Education, Ministry of Social Development, TEC, and Government and non-Government Grants for the provision of home healthcare; early childhood, youth and adult education; housing; counselling and budgeting services.

**Rental Income**

Rental income arising from residential rental premises is accounted for on a straight-line basis over the lease term.

**Donations**

Donations are recognised as revenue upon receipt and include donations from the general public and donations received for specific programmes or services. Donations-in-kind (including food) are received by our Community Banks. Donations-in-kind such as food are not reliably measurable at the time of receipt. Therefore, the entity recognises donation in kind revenue based on the actual delivery or distribution of free food during the period.

Services-in-kind are hours of work provided by volunteers throughout our Trust's services.

**Grant Revenue**

Grant revenue includes grants given by other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant has been complied with. Where there are unfulfilled conditions attached to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

**Revenue from Exchange Transactions**

These are transactions that the Trust either receives or gives value to or from another individual or gives approximately equal value in exchange to another entity.

**Interest Income**

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

**4.4 Leases**

All leases are classified as operating leases where the lessor retains substantially the risk and rewards of ownership of an asset.

Payments made under operating leases are recognised in the reported surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Associated costs, such as insurance, are expensed as incurred.



**VISIONWEST COMMUNITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**4.5 Financial Instruments**

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

The Trust derecognises a financial asset (or where applicable a part of a financial asset, or part of a group of similar financial assets) when the rights to receive cash flows from the asset have expired or are waived, or the Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the Trust has transferred substantially all the risks and rewards of the asset; or
- the Trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**i) Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, FVOCRE, or FVTSD. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Trust's business model for managing them.

Financial assets are classified using the following categories which also determines their subsequent measurement:

- Financial assets at amortised cost;
- Fair value through other comprehensive revenue and expense (FVTOCRE); or
- Fair value through surplus or deficit (FVTSD).

Financial assets are classified to the above categories on the basis of both:

- a) The entity's management model for financial assets and
- (b) The contractual cash flow characteristics of the financial asset.

Financial asset shall be measured at amortised cost if both the following conditions are met and is not designated as FVTSD:

- The financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flow and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit. The Company's cash and cash equivalents, trade and other receivables and Mortgage receivables are classified and measured at amortised cost. These assets were previously classified as "loans and receivables".

Financial assets shall be measured at FVOCRE if both of the following conditions are met:

- The financial asset is held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at fair value. Other net gains and losses are recognised in OCRE. On derecognition, gains and losses accumulated in OCRE are reclassified to surplus or deficit.

All financial assets not classified as measured at amortised cost or FVOCRE as described above are measured at FVTSD. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in surplus or deficit.

The Trust does not have any financial assets at FVOCRE or FVTSD.

Financial assets are not reclassified subsequent to their initial recognition unless the Trust changes its management model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the management model.

Except for short-term receivables and payables, at initial recognition, an entity shall measure a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at FVTSD, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial liabilities are subsequent measured either at amortised cost or at FVTSD. A financial liability is classified as at FVTSD if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTSD are measured at fair value and net gains and losses, including any interest expense, are recognised in surplus or deficit. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

The Trust's trade and other payables and Borrowings are classified and measured at amortised cost.





**VISIONWEST COMMUNITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Impairment**

PBE IPSAS 41 requires the Trust to record expected credit losses on all of its debt instruments classified at amortised cost or FVOCRE. The Trust recognises loss allowances for expected credit losses (ECLs) on financial assets at amortised cost, the allowances for receivables measured, using the simplified approach, at an amount equal to lifetime ECLs, while all other debt instruments classified at amortised cost are measured using the general approach.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both qualitative and quantitative information and analysis, based on historical experience, informed credit assessments, and including forward looking information.

**Financial Liabilities**

The Trust's financial liabilities include trade and other creditors, employee entitlements, related party payables, loans and borrowings and deferred income (in respect to 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.

**4.6 Income Tax**

The Trust is a registered charity and therefore exempt from income tax.

**4.7 Cash and Cash Equivalents**

Cash and cash equivalents in the Statement of Financial Position are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

**4.8 Investments**

Investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents.

**4.9 Goods and Services Tax (GST)**

Revenues, expenses, assets and liabilities are recognised net of the amount of GST except when the GST incurred on a purchase of goods and services is not recoverable from the Inland Revenue Department, then the GST is recognised as a part of the cost of the expense and the payables will be stated with GST included.

The net amount of GST recoverable from, or payable to the Inland Revenue Department, is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department is classified as part of operating cash flows.

**4.10 Property, Plant and Equipment**

Plant and equipment (other than land and building) are measured at historical cost less accumulated depreciation and any accumulated impairment losses. Costs include 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.

The cost of replacing part of an asset and ongoing costs are recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the Trust and the cost of the item can be measured reliably.

All repairs and maintenance expenditure is expensed in the year in which the expense is incurred.

Land and buildings are measured at fair value based on periodic valuations by independent external valuers, less any impairment losses recognised after the date of valuation. Valuations are performed with sufficient regularity to ensure the carrying amount does not differ materially from fair value.

Fair values have been determined using generally accepted valuation principles regarding current market conditions and comparable sales within the locality. The land and buildings were valued at reporting date by a Property Institute of New Zealand registered valuer as an external independent valuer, having appropriately recognised professional qualifications and experience in the location and category of the property being valued. Current market conditions and comparable sales within the locality were considered for the comparable sales methodology. Subjective adjustments have been applied where necessary to account for location, land, improvements, time adjustment and overall quality variations. The fair value of investment property has been determined using the capitalisation of net income and discounted cash flow methods. These methods are based on market evidence and use of range of assumptions including future rental revenue, discounted cash flows, the nominal growth rate and comparable sale.

Any revaluation increasing the fair value of land and buildings is credited to asset revaluation reserve in statement of changes in net assets and any revaluation that offsets previous increases of the same asset are charged to other comprehensive revenue and expenses and debited to the asset revaluation reserve in statement of changes in net assets.

**Disposals**

When an asset is disposed of, the gain or loss recognised in the reported surplus or deficit is calculated as the difference between the net proceeds from disposal and the carrying amount of the asset.

**VISIONWEST COMMUNITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**Depreciation**

Depreciation of assets, other than freehold land, is calculated at rates determined by management's assessment of the assets and rates. The depreciation methods are reviewed and adjusted if appropriate at each balance date.

Depreciation is charged on a straight line basis over the useful life of the asset, except for Land and Building which are 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. Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining life of the improvements, whichever is shorter.

Land & Buildings	SL	0%
Fixtures and fittings	SL	8.4% - 40%
Office equipment	SL	8.4% - 67%
Motor vehicles	SL	25%
Computer software	SL	40%
Leasehold Improvements	SL	7% - 36%

**De-Recognition**

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Comprehensive Revenue and Expense.

**4.11 Intangible Assets**

Intangible assets are the service contracts acquired by the Trust and have finite useful lives. They are measured at cost less accumulated amortisation and any accumulated impairment losses. The cost is amortised on a straight line basis over 4 years useful life. The balance is assessed for impairment if an indicator is identified that the asset may be impaired.

**4.12 Interest-Bearing Loans and Borrowings**

Borrowing costs are those costs that the Trust incurs in connection with the borrowing of funds directly attributable to the acquisition, construction or production of assets. All borrowing costs are capitalised in the period they occur (with the exception of interest costs, which are expensed).

**4.13 Employee Entitlements**

**Wages, Salaries, Annual Leave and Sick Leave**

Short-term employee benefits, including holiday entitlement and salaries and wages accrued up to the reporting date, are current liabilities recorded on the Statement of Financial Position, measured at the undiscounted amount that the Trust expects to pay within 12 months of the reporting date.

The Trust recognises a liability and an expense for bonuses where they are contractually obliged or where there is a past practice that has created a constructive obligation.

**4.14 Equity**

Equity is the community's interest in the Trust, measured as the difference between total assets and total liabilities. Equity is made up of the following components:

**Retained Surplus**

Retained Surplus is the Trust's accumulated surplus or deficit since its formation, adjusted for transfers to/from specific reserves.

**Asset Revaluation Reserve**

The asset revaluation reserve is used to record increases and decreases in the fair value of land and buildings only to the extent that they offset each other.

**Note 5: Significant Accounting Judgements, Estimates and Assumptions**

The preparation of the Trust's financial statements requires management and the Board to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities.

**Judgements**

In the process of applying the Trust's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Trust based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Trust. Such changes are reflected in the assumptions when they occur.



**VISIONWEST COMMUNITY TRUST**  
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**Valuation of Land and Buildings**

Land and buildings have been stated at fair values determined by appropriately qualified, experienced and independent registered valuers. Land and buildings are generally not depreciated. Fair value is determined with reference to market based evidence, which is the amount for which assets could be exchanged between a willing buyer and a knowledgeable willing seller in an arm's length transaction at valuation date.

**Useful Lives and Residual Values**

The useful lives and residual values of assets are assessed using the following indicators to determine potential future use and value from disposal:

- The condition of the asset
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

The estimated useful lives of the asset classes held by the Trust are listed in Note 4,10.

**Note 6: Cash and Cash Equivalents**

Cash and cash equivalents include the following components:

	<b>2024</b>	<b>2023</b>
Cash at bank and in hand	4,555,961	4,379,644
Term deposits with maturities no more than 3 months	2,343,562	2,014,170
<b>Total cash and cash equivalents</b>	<b>6,899,523</b>	<b>6,393,814</b>

**Note 7: Receivables from Non-Exchange Transactions**

	<b>2024</b>	<b>2023</b>
Trade debtors net of provision for doubtful debts	3,867,245	3,852,921
Accrued Income	4,108,650	2,923,290
Bonds Paid	863,944	748,430
<b>Total trade debtors and other receivables</b>	<b>8,839,839</b>	<b>7,524,641</b>

Trade debtors and other receivables are non-interest bearing and are normally settled on 30 days terms; therefore the carrying value of trade debtors and other receivables approximates its fair value.

As at 30 June 2024, all overdue receivables have been assessed for impairment and appropriate allowances made. All receivables are subject to credit risk exposure.

Other Receivables include bonds paid to Landlord's and Accrued Income from service contracts due at year end but not yet paid.

**The movement in the allowance for doubtful debts is as follows:**

<b>Balance 30 June 2022</b>	616,170
Amounts written off	-
Impairment loss reversed	(250,889)
<b>Balance 30 June 2023</b>	<b>365,281</b>
Amounts written off	-
Impairment loss recognised	3,765
<b>Balance 30 June 2024</b>	<b>369,046</b>

<b>2023 Ageing analysis of trade receivables</b>	<b>Gross amounts receivable</b>	<b>Impairment</b>	<b>Net balance</b>
0-30 days (not past due)	3,170,504	-	3,170,504
31 - 60 days	409,110	-	409,110
61- 90 days	273,307	-	273,307
Greater than 90 days	365,281	365,281	-
Total past due	1,047,698	365,281	682,417
<b>Total of trade debtors</b>	<b>4,218,202</b>	<b>365,281</b>	<b>3,852,921</b>



**VISIONWEST COMMUNITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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2024 Ageing analysis of trade receivables	Gross amounts receivable	Impairment	Net balance
0-30 days (not past due)	2,088,613	-	2,088,613
31 - 60 days	1,198,123	-	1,198,123
61- 90 days	580,509	-	580,509
Greater than 90 days	369,046	369,046	-
Total past due	2,147,678	369,046	1,778,632
<b>Total of trade debtors</b>	<b>4,236,291</b>	<b>369,046</b>	<b>3,867,245</b>

**Note 8: Payables under Exchange Transactions**

Current	2024	2023
Trade creditors	472,486	376,735
Non trade payables and accrued expenses	5,715,860	4,656,315
GST payable	974,086	748,861
	<u>7,162,432</u>	<u>5,781,911</u>

Trade creditors and other payables are non-interest bearing and normally settled on 30 day terms. The carrying amount is recorded as amortised costs.

**Note 9: Property, Plant and Equipment**

Movements for each class of property, plant and equipment are as follows:

	Land & Buildings	Fixtures & Fittings	Office Equipment	Motor Vehicles	Leasehold Improvements	Computer software
<b>Cost</b>						
Balance 30 June 2022	72,254,311	614,624	1,812,437	143,476	-	-
Additions	2,369,189	1,872,798	372,608	109,702	69,698	-
Disposals	-	-	-	(44,997)	-	-
Reclassification	(580,239)	-	-	-	580,239	-
Revaluation	4,485,000	-	-	-	-	-
<b>Balance 30 June 2023</b>	<b>78,528,261</b>	<b>2,487,422</b>	<b>2,185,045</b>	<b>208,181</b>	<b>649,937</b>	<b>-</b>
Additions	523,865	4,312	177,711	-	471,506	14,772
Disposals	-	(100,248)	(985,931)	-	(119,544)	-
Reclassification	-	-	-	-	-	-
Revaluation	(6,102,126)	-	-	-	-	-
<b>Balance 30 June 2024</b>	<b>72,950,000</b>	<b>2,391,486</b>	<b>1,376,825</b>	<b>208,181</b>	<b>1,001,899</b>	<b>14,772</b>
<b>Accumulated depreciation</b>						
Balance 30 June 2022	310,024	229,588	1,230,799	91,782	-	-
Depreciation for the year	-	114,914	352,325	19,301	42,893	-
Depreciation Reclassified	(310,024)	-	-	-	310,024	-
Depreciation Written back on disposal	-	-	-	(35,011)	-	-
<b>Balance 30 June 2023</b>	<b>-</b>	<b>344,502</b>	<b>1,583,124</b>	<b>76,072</b>	<b>352,917</b>	<b>-</b>
Depreciation for the year	-	203,466	383,090	43,431	50,461	5,909
Depreciation written back on disposal	-	(100,248)	(985,931)	-	(119,544)	-
<b>Balance 30 June 2024</b>	<b>-</b>	<b>447,720</b>	<b>980,283</b>	<b>119,503</b>	<b>283,834</b>	<b>5,909</b>
<b>Carrying amounts</b>						
At 30 June 2023	78,528,261	2,142,920	601,921	132,109	297,020	-
At 30 June 2024	72,950,000	1,943,766	396,542	88,678	718,065	8,863

**Bank Security**

The Trust's land and building have been pledged as security for loans and borrowings.



**VISIONWEST COMMUNITY TRUST**  
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**Note 10: Work in Progress**

At year end work in progress was cleared out with expenses coded to non-current assets (Property, plant and equipment) and software development expenses.

	<b>2023</b>
Work in Progress	227,432
	<u>227,432</u>
	<b>2024</b>
Work in Progress	-
	<u>-</u>

**Note 11: Provisions**

	<b>2024</b>	<b>2023</b>
Opening Balance 1 July 2023	1,908,033	1,603,950
Additional Provisions	119,967	304,083
Balance 30 June 2024	<u>2,028,000</u>	<u>1,908,033</u>

**Note 12: Auditor's Remuneration**

Grant Thornton New Zealand Audit Limited have been the Trust's auditors since the year ended 30 June 2017. Non-audit services relating to the Holidays Act Payroll Compliance have been provided in the current financial year.

	<b>2024</b>	<b>2023</b>
Amounts Paid to Grant Thornton		
Audit of the financial statements	54,495	41,475
Other Consultancy Services	8,855	6,170
	<u>63,350</u>	<u>47,645</u>

**Note 13: Capital Expenditure Commitments**

The Trust has no capital commitments .

**Note 14: Operating Lease Commitments**

As at reporting date the Trust has operating leases for vehicles, and photocopiers. The Trust leases commercial buildings in Auckland, Hamilton, Tauranga, Rotorua and Christchurch.

	<b>2024</b>	<b>2023</b>
Less than one year	985,407	763,458
Between two to five years	2,343,763	1,932,263
More than five years	1,548,000	1,457,466
Total Lease Payments	<u>4,877,169</u>	<u>4,153,187</u>

As at reporting date the Trust has 311 operating leases with third parties for residential property in Auckland and Christchurch. These are used for the Housing First Project and Transitional Housing.

	<b>2024</b>	<b>2023</b>
Less than one year	5,119,347	6,934,889
Between two to five years	3,749,844	3,637,344
More than five years	962,560	1,305,600
Total Lease Payments	<u>9,831,752</u>	<u>11,877,833</u>

**Note 15: Contingent Assets and Liabilities**

There are no contingent assets or liabilities at the reporting date. (2024: \$Nil).

**VISIONWEST COMMUNITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**Note 16: Related Party Information**

Visionwest Community Trust has trustees who are also on the leadership of the Glen Eden Baptist Church. Visionwest Community Trust has property occupancy agreements with the Glen Eden Baptist Church. Visionwest Community Trust engaged the following persons as contractors during the financial year: A member of the Executive, the CEO, Lisa Woolley's nephew's plumbing business (Hydro Dynamics). There is a related party transaction for WeeMo Ltd, as the owner's wife was the personal assistant to the CEO during the financial year. The CEO Lisa Woolley is a Council member for the Community Housing Aotearoa Incorporated which Visionwest hold's a membership to. Andrew Fraser is the CEO of Rhema Media and also a Trustee of Visionwest Community Trust, Andrew's wife Anna Fraser has been a contractor at Visionwest during the last financial year. Finally Murray Penman who is the Head of Health and Community Services is The Chairperson for Home and Community Health Association to which Visionwest Community Trust has a membership. Amounts stated below are inclusive of GST.

	<b>2024</b>	<b>2023</b>
Rent Payments to Glen Eden Baptist Church	169,158	169,158
Contract Payments made to WeeMo Ltd	13,533	50,291
Contract Payments made to Hydro Dynamics	46,272	31,121
Membership fee to Community Housing Aotearoa Incorporated	8,625	1,725
Advertising payments to Rhema Media Inc	44,563	25,932
Membership fee to Home & Community Health Association	37,950	34,500
Contract Payments made to People Plus Purpose	14,778	86,944

**Key Management Personnel**

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosures, are the members of the governing body which comprises the Board of Trustees, CEO, Head of Finance & Operations, Head of Community Services & Partnerships, Head of Maori Development & Education, Head of Health, Head of People & Culture and Head of Housing & Pasefika Development which constitutes the governing body of the Trust. No remuneration is paid to members of the Board of Trustees. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	<b>2024</b>	<b>2023</b>
Total Remuneration	1,503,306	1,182,930
Number of Persons	8	7

**Remuneration and compensation provided to close family members of key management personnel**

During the reporting period, total remuneration and compensation of \$387,187 (2023: \$392,302) was provided by the Trust to employees who are close family members of key management personnel.

**Note 17: Revenue From Non-Exchange Transactions**

Revenue from non-exchange transactions received during each reporting period are made up of the following:

	<b>2024</b>	<b>2023</b>
<b>Operational Other Grants</b>		
Lotteries	30,445	74,237
Other	66,500	-
Ministry of Housing & Urban Development	20,000	54,620
Ministry of Social Development	<u>131,864</u>	<u>781,813</u>
	<u>248,810</u>	<u>910,670</u>
<b>Donations-in-Kind</b>		
Donations-in-Kind	2,247,556	2,828,320
Services-in-Kind	<u>198,058</u>	<u>134,367</u>
	<u>2,445,613</u>	<u>2,962,687</u>

The corresponding expense for Donations-in-Kind and Services-in-Kind is under Expenses.

**Note 18: Loans and Borrowings**

Loans and borrowings held by the Trust are summarised as follows:

	<b>2024</b>	<b>2023</b>
<b>Current</b>		
Secured bank loans - interest bearing	329,789	361,906
Secured bank loans - zero interest	<u>32,002</u>	<u>32,002</u>
<b>Total current loans</b>	<b>361,791</b>	<b>393,908</b>
<b>Non-current</b>		
Secured bank loans - interest bearing	16,446,673	16,740,759
Secured bank loans - zero interest	<u>352,226</u>	<u>385,321</u>
<b>Total non-current loans</b>	<b>16,798,900</b>	<b>17,126,080</b>
<b>Total loans and borrowings</b>	<b>17,160,691</b>	<b>17,519,988</b>



**VISIONWEST COMMUNITY TRUST**  
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The fair value of interest bearing loans and borrowings approximate their value, given interest rates charged are close to market rates at year-end. The zero interest bank loans are Housing NZ term loans repayable over 25 years, and no interest is chargeable, for the first 10 years, given that the trustees use the properties for the purpose of low income housing, There were no loans that rolled over their 10 year interest free term during this financial year. The potential impact of discounting using the current market interest rate will have insignificant impact to the financial statements. Therefore, it has not been recorded in the financial statements.

**Terms and Debt Repayment Schedule**

The terms and conditions of outstanding loans were as follows:

	Interest rate	Original Repayment terms	Year of maturity	Balance at 30 June 2024	Balance at 30 June 2023
Secured bank loans - interest bearing: Christian Savings,	6.90% - 8.50% (2023: 3.49% - 7.30%)	2 - 23 years	2024-45	16,358,961	16,638,148
Secured - interest bearing: Housing NZ Innovation Fund	4.43% - 7.79% (2023: 4.43%)	25 years	2031-34	417,501	464,517
Secured - zero interest: Housing NZ Innovation Fund	0%	25 years	2035-36	384,229	417,323
				<b>17,160,691</b>	<b>17,519,988</b>

The bank loans are secured over certain land and buildings with a carrying amount of \$79,052,126 (2023: \$78,528,261).

There are no financial covenants attached to these loans.

**Note 19: Reconciliation of Surplus/Deficit with Net Cash Flow from Operating Activities**

	2024	2023
<b>Net (Loss) / Surplus for the reporting period</b>	(2,798,151)	1,235,309
<i>(Deduct) Non-cash items:</i>		
Depreciation	686,356	529,433
<i>(Deduct) items classified as financing or investing activities:</i>		
Interest expense	832,128	482,872
<i>Movements in working capital:</i>		
(Increase)/Decrease in receivables	(1,315,198)	575,308
Decrease / (Increase) in prepayments	210,187	(172,169)
Decrease / (Increase) in other assets	227,432	(36,427)
Increase/(Decrease) in trade and other creditors	1,380,521	(904,684)
Increase in employee entitlements	670,822	93,416
(Decrease) in income in advance	(1,278,056)	(1,254,350)
Increase in provisions	119,967	304,084
<b>Net cash flows from operating activities</b>	<b>(1,263,992)</b>	<b>852,792</b>

**Note 20: Categories of Financial Assets and Liabilities**

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

	2024	2023
<b>Financial assets</b>		
<b>At amortised cost</b>		
Cash and cash equivalents	6,899,523	6,393,814
Current Investments	-	4,153,292
Receivables from non-exchange transactions	8,839,839	7,524,641
	<b>15,739,362</b>	<b>18,071,747</b>
<b>Financial liabilities</b>		
<b>At amortised cost</b>		
Trade and other creditors	7,162,432	5,781,911
Loans and borrowings	17,160,691	17,519,988
	<b>24,323,122</b>	<b>23,301,899</b>



**VISIONWEST COMMUNITY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2024**

**Note 21: Employee Entitlements**

	2024	2023
Alternative Holidays Provision	2,415,629	2,302,315
Annual Leave Provision	7,667,820	7,110,312
	10,083,449	9,412,627

**Note 22: Other Expenses**

Other expenses broken down into categories:

	2024	2023
Other employee related costs	4,616,188	4,353,411
Rent	16,210,590	13,671,562
R&M	2,373,049	2,320,982
Professional Fees	3,207,809	1,381,036
Third Party Services	84,543	104,139
Computer & Phone	2,640,377	1,679,869
General Expenses	2,307,457	2,509,472
	31,440,013	26,020,471

**Note 23: Financial Instrument Risk**

The Trust's activities expose it to a number of financial instrument risks, including market risk, credit risk and liquidity risk.

There were no material changes in the Trust's risk exposure and risk management objectives during the year.

The Trust does not actively engage in trading of financial assets for speculative purposes. The significant financial risks that the Trust is exposed to are as follows:

**Market Risk Analysis**

The Trust is exposed to market risk through their use of financial instruments and specifically to interest rate risk, which results from both its operating and investing activities. Interest rate risk is the risk that cash flows from a financial instrument will fluctuate because of changes in market interest rates. The Trust is exposed to interest rate risk on funds borrowed at fixed rates.

**Credit Risk Analysis**

Credit risk is the risk that a third party will default on its obligation to the Trust, causing the Trust to incur a loss. MOH, DHB's and MSD are the largest debtors these are assessed as low risk and high quality entities due to being government funded purchasers of Home Healthcare and Housing services.

The credit risk for cash and cash equivalents is considered negligible, since the counterparty is a reputable bank with a Standard & Poor's rating of AA-. The Trust only deals with credit worthy counterparties. The majority of the Trust's receivables are from Government agencies and therefore credit assessment is that they have the ability to pay and credit risk is low.

**Liquidity Risk Analysis**

Liquidity risk is the risk that the Trust won't be able to meet its obligations. The Trust manages the risk by continually monitoring forecasted and actual cash flow requirements. Liquidity needs are monitored monthly and projected for the financial year.

The table below analyses the financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date.

	Within 6 months	6-12 months	1-5 years	Later than 5 years
<b>2024</b>				
Trade and other Creditors	7,162,432	-	-	-
Borrowings	802,785	802,785	8,027,854	18,840,487
	7,965,217	802,785	8,027,854	18,840,487
<b>2023</b>				
Trade and other Creditors	5,781,911	-	-	-
Borrowings	591,151	591,151	5,911,510	16,156,742
	6,373,062	591,151	5,911,510	16,156,742

The amounts above reflect the contractual undiscounted cash flows at the reporting date.

**Note 24: Capital Management**

The Board determines the capital management policy by ensuring that the Trust has sufficient funds to continue with its main purpose of supporting and caring for people within our community. Capital for the Trust consists of its accumulated funds and borrowings. The Trust maintains a balance between debit and equity funding.

**Note 25: Subsequent Events**

There have been no events subsequent to balance date which would materially affect the Financial Statements.

**Note 26: Going Concern**

The financial statements have been prepared on a going concern basis. As at 30 June 2024, the entity has current assets of \$16.1 million (2023: \$18.7 million) whereas the current liabilities is \$20.6 million (2023: \$19.8 million) resulting in net negative working capital of \$4.5 million (2023: \$1.1 million). The Board of Trustees have considered the following in assessing the going concern assumption for the preparation of the financial statements:

- \* The current liabilities included income in advance which is not payable to third party of \$3.0 million (2023: \$4.2 million) and therefore, no cash outflow impact in the short-term.
- \* Subsequent to the balance date, management is in the process of securing an overdraft facility of \$2 million to address short-term working capital needs.
- \* Forecast performance and monthly forecast cash flow statements for the period of more than 12 months from the date of signing of these financial statements.

Based on the above consideration, the Board of Trustees have concluded that the going concern assumption for the preparation of the financial statements is appropriate.

