



The Nelson Tasman Housing Trust

Performance Report

For the year ended
30 June 2023

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The Nelson Tasman Housing Trust

Entity Information

"Who are we?", "Why do we exist?"

For the year ended
30 June 2023

Legal Name of Entity:	The Nelson Tasman Housing Trust
Other Name of Entity (if any):	NTHT
Type of Entity and Legal Basis (if any):	<p>A registered Charitable Trust incorporated under the Charitable Trusts Act 1957 and a charity registered under the Charities Act 2005</p> <p>A Community Housing Provider registered with the Community Housing Regulatory Authority (CHRA)</p>
Registration Number:	<p>Incorporation Number 1534016</p> <p>Charities Registration CC21439</p> <p>CHRA Provider Number RA017</p>

Entity's Purpose or Mission:

The NTHT mission is to increase the supply of quality, affordable, healthy homes and housing services for people/ whānau in need, while upholding the principles of Te Tiriti o Waitangi. We own and manage energy-efficient rental homes for people on low incomes. We have two rent levels: "affordable," which is 70-80% of market rent; and "social/public housing," in which tenants pay 25% of their income for rent (and Ministry for Social Development pays NTHT a subsidy, the Income-Related Rent Subsidy, (IRRS).

NTHT recognises that quality, affordable, tenure-secure housing is fundamental to people's ability to be healthy, gain work, attend school, and participate well in their community. We accept a definition of housing affordability that says housing costs should be no more than 30-40% of a household's income.

Other NTHT projects are: Housing Advice Service, Monitoring Housing Need, and administering Warmer Healthier Homes, which is an insulation retrofit programme for homeowners on low incomes who have health issues and/or a Community Services Card.

Entity Structure:

Nelson Tasman Housing Trust is governed by a volunteer Board of Trustees. This Board is responsible for the organisation's overall strategy and financial performance, employing 5 part-time staff during 2022-23: Director, Building/Development Manager, Tenancy Manager, Finance Manager and Communications Manager. The NTHT Board includes 8 Trustees, meeting at least bi-monthly.



The Nelson Tasman Housing Trust

Entity Information

"Who are we?", "Why do we exist?"

For the year ended

30 June 2023

Main Sources of the Entity's Cash and Resources:

NTHT's property asset base has built up over many years thanks to grants and loans from various local and central government funds, community funders and philanthropic donors, as well as conventional loans from our bank, ASB.

In FY 2022/23 NTHT received large capital grants from the Nelson City Council Housing Reserve and from our major philanthropic donor. Smaller donations came from Nelson Pine Industries Ltd and some private individuals. We rely on capital grants and donations to purchase land and begin construction of new housing.

NTHT also receives substantial revenue from tenants' rent payments, from the Ministry of Social Development in the form of Income-Related Rent Subsidies (IRRS) for tenants in public housing, and an Operating Supplement (OS) from the Ministry of Housing and Urban Development for the 17 Murphy St development. We use this revenue to cover all operating costs, including bank loan repayments. We borrow from the bank to pay for construction of new housing.

NTHT is contracted by the Warmer Healthier Homes Te Tau Ihu Charitable Trust to manage their funding and finances, for which we are paid a fee.

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

NTHT Trustees are volunteers whose incidental, out-of-pocket expenses are reimbursed by NTHT. The Trustees provide skilled governance for the organisation, based on their backgrounds in the fields of community housing, civil engineering, accounting, law, business banking, project management, Māori health and community development. All NTHT developments in Nelson benefit from Nelson City Council's policy to waive Development Contributions for community housing. This effectively reduces the build cost for each new NTHT property in Nelson by \$10,000 - \$80,000.

Contact details

Physical Address:	329 Trafalgar Square East, Nelson
Postal Address:	PO Box 140, Nelson
Phone/Fax:	03 546 9568; 0800 266 325
Email/Website:	info@nelsonhousing.org.nz; www.nelsonhousing.org.nz



The Nelson Tasman Housing Trust

Statement of Service Performance

"What did we do?", When did we do it?"

For the year ended
30 June 2023

Description of the Entity's Outcomes:

AFFORDABLE AND SOCIAL HOUSING: Nelson Tasman Housing Trust (NTHT) currently owns 54 homes and leases one other. We rent these homes long-term to people on low incomes. About half our tenants are "social/public housing" (rent set at 25% of their income) and half are "affordable housing" (rent at 70-80% of market rent). Our strategic goal is to grow to 120 homes by 2028. Thanks to new philanthropic and government funding, we purchased a site on Totara St, Nelson in January 2022, where we will build six homes as public housing, due for completion in 2024. In April 2023, we completed development of five new homes at 99 Muritai St, as well as purchased another site in Nelson South, suitable for eight 2-bedroom homes.

HOUSING ADVICE: NTHT staff field 3-6 queries each week from people looking for rental housing that they can afford. NTHT tenant turnover is low (average is 10% each year), so we do not have many vacancies, but we take the time to help people enquiring to understand their options: how to apply for NTHT housing, and for public housing through MSD, as well as other specific steps they can take to find (and keep) a private rental. We also produce a comprehensive Accommodation Guide to assist people looking for short- and long-term housing.

MONITORING HOUSING NEED: The aim of this project is to research and track the level of need for affordable rental housing in Nelson. While MSD maintains the Public Housing Register, for people approved and waiting for public housing either through Kāinga Ora or NTHT, there is no other record of those who need affordable rental housing, who struggle to afford private rentals, but who for various reasons do not qualify for public housing. This Monitoring Housing Need project aims to generate a more accurate picture of affordable rental housing need in this region and inform our proposals for local and central government funding to build more homes. This project involves regular surveys of the main social service agencies, local motor camps, other local housing providers and enquiries to NTHT.

WARMER HEALTHIER HOMES (WHH): NTHT administers this scheme to install retrofit insulation into houses owned by people with Community Service Cards across Te Tau Ihu, the Top of the South. The goal is to improve residents' health and ability to work and attend school, by improving the warmth of their homes. WHH became a separate charitable trust in 2020, and contracts NTHT to do the programme's administration and accounting. WHH attracts a range of funding from the Marlborough, Nelson and Tasman Councils, Nelson Marlborough Health, the Rātā Foundation and several smaller funders. This 'third-party' funding serves to leverage government funding from the Energy Efficiency and Conservation Authority (EECA) to cover 80% of the costs of insulation for qualifying households. Since 2014, NTHT has supported the WHH programme to insulate over 3200 low-income homes throughout Te Tau Ihu.

Description and Quantification (to the extent practicable) of the Entity's Outputs:	Actual This Year	Actual Last Year
Number of affordable housing tenants (paying 70-80% of market rent)	21	20
Number of public housing tenants (paying income-related rent, subsidised by HUD)	34	30
NTHT Housing Occupancy	99.5%	98.8%
NTHT Tenancy Turnover	5.9%	7.4%
Monitoring Housing Need - numbers of agencies and providers surveyed	24	24
Housing Advice Service - number of people served	165	157
Housing Advice Service - number of NTHT staff hours allocated	126	120



The Nelson Tasman Housing Trust

Statement of Service Performance

"What did we do?", When did we do it?"

For the year ended
30 June 2023

Additional Information:

NTHT tenancy turnover is normally low and housing occupancy high, demonstrating excellent stability in our housing provision. We continue to assess applicants carefully and we proactively manage all our tenancies. The reduction in tenant turnover this year compared to last year was due to fewer tenants deciding to leave Nelson for work or family reasons.

Progress on our strategic goal to grow our housing portfolio was strong this year thanks to continued funding support from local and central government and our philanthropic donors. NTHT completed construction of an affordable housing development of five homes at 99 Muritai St, Tahnuanui in April 2023. All the new tenants moved in immediately. Major grant funding for Muritai came from the Nelson City Council Housing Reserve and our main philanthropic donor.

Shortly after 99 Muritai St was completed, we purchased two adjoining properties at 116 Waimea Rd and 163 Kawai St South, again thanks to a grant from the Nelson City Council Housing Reserve. This enabled NTHT to apply to Round 2 of the government's Affordable Housing Fund. Our plan for the Waimea/Kawai site is to build 8 two-bedroom single storey homes, 4 with wheelchair access, for older people on low-to-modest incomes.

NTHT has two other schemes in development: 6 homes as public housing at 6/8 Totara St, and 10 affordable rental homes at 76 Dodson Valley Rd. Preliminary works to clear both sites commenced in 2023. We project completion of both developments in 2024.

NTHT continues to work proactively to build a pipeline of new developments in both Nelson and Tasman. Our main challenges are securing suitable sites, in an environment where there is strong competition for land and funding, the costs of construction have increased and interest rates are back up over 7%.



The Nelson Tasman Housing Trust

Statement of Financial Performance

"How was it funded?" and "What did it cost?"

For the year ended

30 June 2023

	Note	Actual This Year \$	Actual Last Year \$
Revenue			
Donations, Fundraising and other Similar Revenue		3,068,060	1,566,000
Revenue from Providing Goods or Services		1,175,729	945,765
Other Income		14,238	22,174
Total Revenue	1	<u>4,258,027</u>	<u>2,533,939</u>
Expenses			
Volunteer and Employee Related Costs		263,520	246,424
Costs Related to Providing Goods or Services		346,607	268,937
Other Expenses		269,707	194,188
Total Expenses	2	<u>879,834</u>	<u>709,549</u>
Operating Surplus/(Deficit) for the Year		<u>3,378,193</u>	<u>1,824,390</u>
Other Income			
Gain (loss) on revaluation of Property, Plant, Equipment	4A	501,298	3,544,623
Surplus/(Deficit) for the Year		<u><u>3,879,491</u></u>	<u><u>5,369,013</u></u>



The Nelson Tasman Housing Trust

Statement of Financial Position

"What the entity owns?" and "What the entity owes?"

As at
30 June 2023

	Note	Actual This Year \$	Actual Last Year \$
Assets			
Current Assets			
Bank Accounts and Cash	3	(85,710)	8,607
Debtors and Prepayments	3	49,143	58,947
Total Current Assets		(36,567)	67,554
Non-Current Assets			
Property, Plant and Equipment	4 & 4A	28,265,403	24,129,762
Total Non-Current Assets		28,265,403	24,129,762
Total Assets		28,228,836	24,197,316
Liabilities			
Current Liabilities			
Creditors and Accrued Expenses	3	232,489	507,557
Other Short Term Liabilities	3	6,463	17,058
Total Current Liabilities		238,952	524,615
Non-Current Liabilities (excluding current portion of term loans)			
Loans	3	5,501,422	5,063,728
Total Non-Current liabilities		5,501,422	5,063,728
Total Liabilities		5,740,374	5,588,343
Total Assets less Total Liabilities (Net Assets)		22,488,462	18,608,973



The Nelson Tasman Housing Trust

Statement of Financial Position

"What the entity owns?" and "What the entity owes?"

As at
30 June 2023

Equity			
Accumulated surpluses or (deficits)	5	11,542,543	8,164,350
Reserves	5	10,945,921	10,444,623
Total Accumulated Funds		<u>22,488,462</u>	<u>18,608,973</u>

For and on Behalf of the Board

Andrew Wilson (Chair)

Date 24/10/23

Catherine McLellan (Treasurer)

Date 24/10/23



The Nelson Tasman Housing Trust

Statement of Cash Flows

"How the entity has received and used cash"

For the year ended
30 June 2023

	Actual This Year \$	Actual Last Year \$
Cash Flows From Operating Activities		
Cash was Received From:		
Donations, Fundraising and other Similar Revenue	3,068,060	1,565,466
Receipts from Providing Goods and Services	1,177,521	930,975
Other income	11,702	22,174
Net Movement in GST	15	325
Cash Was Applied To:		
Payments to Suppliers	(355,078)	(284,363)
Cash Paid to Employees	(266,224)	(237,634)
Interest Paid	(251,900)	(161,278)
Net Cash Flows From Operating Activities	3,384,096	1,835,665
Cash flows from Investing and Financing Activities		
Cash Was Received From:		
Proceeds from Borrowings	1,823,694	1,956,854
Cash was Applied to:		
Payments to Acquire Property, Plant and Equipment	(3,793,185)	(2,767,929)
Repayments of loans borrowed from other parties	(1,508,922)	(1,157,309)
Net Cash Flows from Investing and Financing Activities	(3,478,413)	(1,968,384)
Net Increase / (Decrease) in Cash	(94,317)	(132,719)
Opening Cash	8,607	141,326
Closing Cash	(85,710)	8,607
This is represented by:		
Bank Accounts and Cash	(85,710)	8,607



The Nelson Tasman Housing Trust

Statement of Accounting Policies

"How did we do our accounting?"

For the year ended
30 June 2023

Reporting Entity

Nelson Tasman Housing Trust is a registered Charitable Trust incorporated under the Charitable Trusts Act 1957, a charity registered under the Charities Act 2005 and complies with the Trusts Act 2019. The Financial Statements have been prepared to meet the Trusts reporting requirements and for external funding applications.

Basis of Preparation

The Nelson Tasman Housing 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.

Revenue

Revenue is measured at the fair value of the consideration received or receivable for rent, to the extent it is probable that the economic benefits will flow to the Trust and revenue can be reliably measured. Interest income is recognised as interest accrues. Grants/donations are recognised as revenue on receipt where no performance conditions have been specified on receipt of the grant.

Goods and Services Tax (GST)

GST on expenses has been apportioned on the basis of GST-liable income as against total income. Where applicable, all assets and liabilities have been stated net of GST with the exception of receivables and payables, which are stated inclusive of GST.

Income Tax

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

Debtors

Debtors are carried at estimated realisable value after providing against debts where collection is doubtful.

Employee Costs

Employee entitlements are measured at undiscounted nominal values based on accrual entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned but not taken at balance date.

Loans

Loans are recognised when the amount borrowed has been received. The loan is recognised at the principal value plus accrued interest less repayments made.

Bank Accounts and Cash

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

Valuation of Property, Plant and Equipment:

Plant and equipment that was acquired for a cost of \$1,000 or more are stated at historical cost less any accumulated depreciation. Nelson Tasman Housing Trust has adopted Tier 2 IPSAS-17 for the revaluation of land and buildings so the Board have elected to value residential property assets via Telfer Young Registered Valuers. A desktop valuation is obtained annually and a registered valuation is obtained every five years. Property purchased and developed is recorded at cost until it is valued at completion.

Depreciation

Depreciation is provided on a diminishing value basis on all plant and equipment, at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The depreciation rates and useful live associated with major classes of assets have been estimated as follows:

Motor Vehicles	30% - 40%
Office Equipment	11.5% to 100%
Office Furniture	13% to 67%

Changes in Accounting Policies

There have been no changes in accounting policies.



The Nelson Tasman Housing Trust

Notes to the Performance Report

For the year ended
30 June 2023

Note 1 : Analysis of Revenue

		This Year \$	Last Year \$
Donations, Fundraising and other Similar Revenue	COGS Grant - Monitor Housing Need & Advice	5,000	5,000
	NCC CIF - Monitor Housing Need & Advice	4,000	4,000
	NCC Housing Reserve Grant	1,650,000	400,000
	Nelson Pine Industries Limited Grant	20,000	20,000
	Philanthropic Funding	1,387,500	1,115,000
	Lottery Community Grant	-	20,000
	Sundry Donations	1,560	2,000
	Total	3,068,060	1,566,000
Revenue from Providing Goods or Services	Affordable Rent	355,378	328,406
	Income Related Rent	269,295	203,777
	Income Related Rent Subsidies	498,703	387,084
	Operational Supplement	40,104	16,236
	Water Rates On-Charged to Tenants	10,999	7,929
	Maintenance costs on-charged to tenant	1,250	2,333
	Total	1,175,729	945,765
Other Income	Insurance claim	4,018	11,731
	Warmer Healthier Homes Admin	7,684	4,315
	Warmer Healthier Homes Grant	2,536	5,590
	Gain on Sale	-	538
	Total	14,238	22,174
	Total Revenue	4,258,027	2,533,939
Other Comprehensive Income	Gain (loss) on revaluation of Property, Plant, Equipment	501,298	3,544,623
Comprehensive Income		4,759,325	6,078,562



The Nelson Tasman Housing Trust

Notes to the Performance Report

For the year ended
30 June 2023

Note 2 : Analysis of Expenses

		This Year \$	Last Year \$
Volunteer and Employee Related Costs	Property Management	51,923	45,065
	Building Management	68,299	59,243
	Communications	12,313	13,822
	Accounting/Bookkeeping	43,303	33,966
	Housing Advice Services	2,970	2,000
	Management	75,192	83,679
	Recruitment	-	845
	Training	3,138	893
	ACC	1,129	1,050
	Warmer Healthier Homes Admin	5,253	5,861
	Total	263,520	246,424
Costs Related to Providing Goods or Services	Callcare	3,447	2,450
	Change in Tenancy Costs	15,036	10,080
	Computer IT Expenses	2,062	1,285
	Consultancy	600	6,509
	Development expenses	1,898	1,310
	General Expenses	209	40
	General Repairs & Maintenance	642	294
	Lease Costs	19,716	17,961
	Legal Expenses	2,483	824
	Low Cost Assets < 1,000	83	95
	Office Costs	3,557	3,162
	Office Rent	24,999	23,612
	Planned Maintenance	32,001	26,090
	Printing and Stationery	3,771	2,616
	Public Liability & Crime Insurance	6,881	5,610
	Property Insurance	76,716	57,070
	Rates	88,718	68,258
	Responsive Maintenance	31,176	22,901
	Subscriptions	14,400	7,931
	Telephone and Internet	3,681	3,297
	Valuation	10,923	4,704
	Vehicle Expenses	3,608	2,838
	Total	346,607	268,937
Other Expenses	Audit Expenses	6,975	5,682
	Bank Fees	254	949
	Depreciation	4,356	12,183
	Entertainment	1,356	586
	GST not Claimable	-	9,211
	Interest On Loans	253,995	165,163
	Interest Overdraft	2,771	208
	Loss on sale	-	206
	Total	269,707	194,188
	Total Expenses	879,834	709,549



The Nelson Tasman Housing Trust

Notes to the Performance Report

For the year ended
30 June 2023

Note 3 : Analysis of Assets and Liabilities

		This Year \$	Last Year \$
Bank accounts and cash	ASB Rental 51	(85,710)	8,607
	Total	(85,710)	8,607
Debtors and prepayments	Accounts Receivable	47,093	57,677
	Rent arrears	1,138	405
	GST Receivable	-	-
	Prepayments	912	865
	Total	49,143	58,947
Creditors and accrued expenses	Accounts Payable	90,280	245,288
	Credit Card Payable	1,412	728
	GST payable	215	200
	Wages payable	10,255	7,866
	Annual leave owing	10,300	15,392
	Current Portion of Term Loans	108,000	230,922
	Accrued interest on Mortgages	12,027	7,161
	Total	232,489	507,557
Other short term liabilities	Payments received in advance	6,463	14,522
	Mainland Foundation Grant	-	2,536
	Total	6,463	17,058
Loans <i>Refer Note 7.</i>	ASB - Commercial Floating Facility	1,312,750	1,051,070
	ASB Loan #31		1,170,000
	ASB Loan #22	1,807,639	1,807,639
	ASB Loan #07	645,000	753,000
	ASB Loan #21	287,033	282,019
	ASB Loan #29	1,449,000	-
	Total	5,501,422	5,063,728



The Nelson Tasman Housing Trust

Notes to the Performance Report

For the year ended
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Note 4 : Property, Plant and Equipment

This Year

Asset Class	Opening Carrying Amount	Purchases/Revaluation	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Land and Buildings	24,068,333	4,184,093	0	0	28,252,426
Improvements	47,919	(47,919)	0	0	0
Computers (including software)	2,607	3,823	0	(2,255)	4,175
Leasehold Assets	1,139	0	0	(148)	991
Motor Vehicles	9,764	0	0	(1,953)	7,811
Total	24,129,762	4,139,997	0	(4,356)	28,265,403

Last Year

Asset Class	Opening Carrying Amount	Purchases/Revaluation	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Land and Buildings	17,693,158	6,375,175	0	0	24,068,333
Improvements	27,699	28,537	0	(8,317)	47,919
Computers (including software)	2,208	1,860	(206)	(1,255)	2,607
Leasehold Assets	1,309	0	0	(170)	1,139
Motor Vehicles	12,205	0	0	(2,441)	9,764
Total	17,736,579	6,405,572	(206)	(12,183)	24,129,762



The Nelson Tasman Housing Trust

Notes to the Performance Report

For the year ended
30 June 2023

Note 4a

PROPERTY VALUATION SCHEDULE AS AT 30 JUNE 2023

Asset	Value to 30 June 2022	Costs to 30 June 2023	Value to 30 June 2023	Registered Valuation, Desktop Valuation or At Cost	Last Valued by	Date of last update	Revaluation (to reserve)
103 Kawai Street	1,925,000	0	1,990,000	Desktop valuation	Telfer Young	Jun-23	65,000
14 Bramley Street	3,800,000	0	3,950,000	Desktop valuation	Telfer Young	Jun-23	150,000
285 Brook Street	3,900,000	0	4,050,000	Desktop valuation	Telfer Young	Jun-23	150,000
51 St Lawrence Street	990,000	0	980,000	Desktop valuation	Telfer Young	Jun-23	-10,000
53 St Lawrence Street	990,000	0	980,000	Desktop valuation	Telfer Young	Jun-23	-10,000
55 St Lawrence Street	2,000,000	0	1,990,000	Desktop valuation	Telfer Young	Jun-23	-10,000
58 St Lawrence Street	925,000	0	950,000	Desktop valuation	Telfer Young	Jun-23	25,000
60 St Lawrence Street	990,000	0	980,000	Desktop valuation	Telfer Young	Jun-23	-10,000
225 Kawai Street South	1,350,000	0	1,375,000	Desktop valuation	Telfer Young	Jun-23	25,000
16 Orchard Street	2,275,000	0	2,375,000	Desktop valuation	Telfer Young	Jun-23	100,000
17 Murphy Street	2,700,000	0	2,800,000	Desktop valuation	Telfer Young	Jun-23	100,000
99 Muritai Street	964,471	1,461,312	2,400,000	Registered valuation	Telfer Young	Apr-23	-25,783
76 Dodson Valley Road	1,230,033	78,168	1,308,201	At Cost	NTHT	Jun-23	0
6 - 8 Totara Street	28,829	801,091	829,920	At Cost	NTHT	Jun-23	0
Waimea / Kawai	0	1,294,305	1,294,305	At Cost	NTHT	Jun-23	0
TOTAL ASSETS	24,068,333	3,634,876	28,252,426				549,217



The Nelson Tasman Housing Trust

Notes to the Performance Report

For the year ended
30 June 2023

Note 5: Accumulated Funds

Description*	Capital Contributed by Owners or Members*	Accumulated Surpluses or Deficits*	Reserves*	Total*
Opening Balance	-	8,164,350	10,444,623	18,608,973
Capital contributed by owners or members*	-			-
Capital returned to owners or members*	-			-
Surplus/(Deficit)*		3,879,491		3,879,491
Distributions paid to owners or members*		-		-
Transfer to Reserves*		(501,298)	501,298	
Transfer from Reserves*		-	-	
Closing Balance	-	11,542,543	10,945,921	22,488,464

Last Year				
Description*	Capital Contributed by Owners or Members*	Accumulated Surpluses or Deficits*	Reserves*	Total*
Opening Balance	-	6,339,960	6,900,000	13,239,960
Capital contributed by owners or members*	-			-
Capital returned to owners or members*	-			-
Surplus/(Deficit)*		5,369,013		5,369,013
Distributions paid to owners or members*		-		-
Transfer to Reserves*		(3,544,623)	3,544,623	
Transfer from Reserves*		-	-	
Closing Balance	-	8,164,350	10,444,623	18,608,973

Breakdown of Reserves		Actual*	Actual*
		This Year	Last Year
Name*	Nature and Purpose*	\$	\$
Land & Building Revaluation	Unrealised capital gain on land and	10,945,921	10,444,623



The Nelson Tasman Housing Trust

Notes to the Performance Report

For the year ended
30 June 2023

Note 6 : Commitments and Contingencies

Commitment	Explanation and Timing
329 Trafalgar Square Lease	NTHT agreed to lease an office at 329 Trafalgar Square East from Trafalgar House Limited. The lease commenced on 31 March 2017 and has three rights of renewal of two years each. The rent until 15 March 2024 is \$15,078 (2022; \$35,183)
Olivine Terrace	NTHT entered into a lease agreement with the Methodist Church for 2 Olivine Tce, The Brook at \$1,759 per month. The tenancy is fixed until 1 March 2026. The rent until 1 March 2026 is \$58,058 (2022; \$73,710)
Construction Commitments	The final payment to Jennian for the construction of Muritai St was made before 30 June 2023. We have not signed further construction contracts to June 2023. We intend to enter into construction commitments with Jennian in the next financial year for 6 - 8 Totara St & 76 Dodson Valley Road, which we estimate to total \$8,700,000. (2022; \$1,402,047 for construction of 99 Muritai St, Nelson)



The Nelson Tasman Housing Trust

Notes to the Performance Report

For the year ended
30 June 2023

Notes 7-9

Note 7: Other

Assets Used as Security for Liabilities

Nature and Amount of Borrowing

ASB Mortgages (combined mortgage security pool)

ASB Committed Cash Advance Facility - \$1,312,750 interest only 7.52% floating
ASB Loan # 07 - \$753,000 principle & interest, 4.99% fixed until April 2026
ASB Loan # 21 - \$287,033 principle & interest, 5.99% fixed until November 2023
ASB Loan # 22 - \$1,807,639, interest only, 2.95% fixed until July 2024
ASB Loan # 29 - \$1,449,000 interest-only, 6.49% fixed until July 2025

Nature and Amount of Asset Used as Security

These properties are mortgaged to ASB:

Registered Mortgage - 51, 53, 55, 58, and 60 St Lawrence Street, Nelson
Registered Mortgage - 225 Kawai Street, Nelson
Registered Mortgage - 14 Bramley Street, Richmond, Nelson
Registered Mortgage - 103 Kawai Street, Nelson
Registered Mortgage - 16 Orchard Street, Nelson
Registered Mortgage - 17 Murphy Street, Nelson
Registered Mortgage - 6 - 8 Totara Street, Nelson
Registered Mortgage - 285 Brook Street, Nelson
Registered Mortgage - 76 Dodson Valley Road, Nelson
Registered Mortgage - 99 Muritai Street, Nelson

Note 8: Related Party Transactions

Related Party	Description of Transaction	This Year	Last Year
		\$	\$
Duncan Cotterill (employer of Trustee Nick Laing)	Nick Laing is no longer a Trustee of NTHT.	0	5,148

Note 9: Ability to Continue Operating

The Trustees have no reason to believe NTHT will not continue to operate successfully in the foreseeable future.



NMA Nelson Marlborough Audit Ltd

INDEPENDENT AUDITOR'S REPORT

To the Beneficiaries of The Nelson Tasman Housing Trust

Report on the Performance report

Opinion

We have audited the performance report of The Nelson Tasman Housing Trust which comprise the entity information, the statement of financial position as at 30 June 2023, the statement of service performance, the statement of financial performance, and statement of cash flows for the year then ended, and notes to the performance report, including a summary of significant accounting policies.

In our opinion the performance report presents fairly, in all material respects:

- the entity information for the year then ended
- the service performance for the year then ended
- the financial position of The Nelson Tasman Housing Trust as at 30 June 2023 and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

Basis for Opinion

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 the 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 Trust 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 the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Responsibility of the Trustees for the Performance Report

The Trustees are responsible on behalf of the entity 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 and fair presentation of the performance report which comprises:
 - the entity information
 - the statement of service performance
 - 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 in New Zealand by the New Zealand Accounting Standards Board.

- (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 Trust for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report as a whole 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) 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 be reasonably expected to influence the decisions of users taken on the basis of the performance report.

As part of an audit in accordance with ISAs (NZ), 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 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 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 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 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 Trust 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.

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.

Other Matter

The performance report for the year ended 30 June 2022 was audited by another assurance practitioner who issued an unmodified opinion dated 16 November 2022.

A handwritten signature in black ink that reads "NMA Nelson Marlborough Audit Ltd". The signature is written in a cursive, flowing style.

NMA Nelson Marlborough Audit Limited
PO Box 732
Nelson 7040

24 October 2023