

ANNUAL REPORT

2020/ 2021



HAUMARU HOUSING
Communities for older people



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Haumarū Housing is a registered Community Housing Provider (CHP), which provides holistic tenancy and asset management services for Auckland Council's portfolio of 1,446 rental units for older people. Established in late 2016, we are a limited partnership between New Zealand registered charity, The Selwyn Foundation, and Auckland Council.

We aim to provide outstanding social housing for older Aucklanders, with customer service excellence a priority. Our focus is on providing safe, secure and affordable long-term tenancies for senior citizens and creating positive and inclusive communities that support people to live well in the comfort and security of their home.

As an independent limited partnership, Haumarū Housing invests in communities, in terms of people and properties, retaining all surpluses to benefit older adults in local neighbourhoods. Our service is as much about enhancing people's wellbeing, as it is about providing housing.

Chair's Report

Despite the Auckland region entering its fifth lockdown over eighteen months, we had another incredibly successful year and continued to enhance our service response and range of initiatives within the community to enable our tenants to live quality lives, independently at home for as long as possible. The safety and wellbeing of our staff and tenants have been paramount.

Thank you to our Chief Executive Officer Gabby Clezy and her dedicated team for their genuine passion and commitment to this unique venture, and for all they have done this year to enrich the tenant experience, to support tenants and boost their resilience during the higher Covid-19 Alert Levels, and to strengthen links with local communities on behalf of all who live in a Haumaru Housing village.

Thank you also to our tenants for their positive engagement and overwhelming endorsement of our work, which came through so clearly in this year's tenant satisfaction survey - we had the highest ever response rate at 65%, with 94% satisfaction of our overall service. Of course, there is always more to do, and we look forward to continuing to work with our tenants to further expand our offering and range of added services and opportunities which can contribute so much to improving wellbeing and quality of life.

There were many highlights during what was a very busy year. We are excited to work in partnership with Kāinga Ora to grow our portfolio of new housing, and are expecting to bring onstream more than 90 one-bedroom units across two new developments in North and West Auckland. With the land purchased and property development undertaken by Kāinga Ora, the new homes will be purpose-built for older people. They will be managed by Haumaru Housing via a long-term lease partnering agreement, and all tenants will qualify for the Income Related Rent Subsidy.

In addition, we have been progressing the design and documentation required to lodge a resource consent for another large, 40-unit development in West Auckland.

Such developments will go some way to providing housing for the rising number of people in the city who are reaching retirement in need of affordable rentals - a need which will unfortunately increase year-on-year. Our Board is keenly aware of this need and our property strategy is evolving to enable a range of partnering options.

Another highlight, in our fourth year of operation we have achieved an excellent financial result. Haumaru Housing continues to fully utilise its capital funding to renovate villages and units; by exceeding target occupancy and revenue, therefore, we ensure we have the resources to continue to deliver more quality accommodation and services to our tenants.

On the advocacy front, I would like to congratulate our CEO Gabby Clezy who was elected to the national council of Community Housing Aotearoa in November. This industry body supports the development of community housing by providing leadership and supporting the sector to grow, and its council governs its direction and work in this respect. Through Gabby's appointment, Haumaru Housing has also been involved in the joint Community Housing Aotearoa / Shift Aotearoa steering group which this year has provided feedback to the Human Rights Commission in relation to the development of guidelines on the right to a decent home.

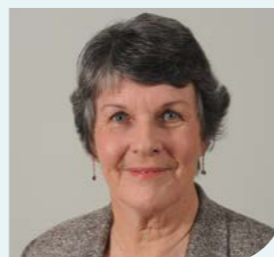
Locally, Gabby chairs the Auckland Community Housing Providers' Network, which similarly advances the case for more housing for those in need. Her team is also involved in the Age-Friendly Auckland Project (an initiative of Auckland Council) which aims to improve age-friendliness across the city in a wide range of service areas; this will enable Auckland to become an official 'Age-Friendly City' in due course and to be recognised as such by the World Health Organisation.

In concluding, I wish to thank my fellow Board Members for their wise advice and counsel throughout the year, as we continue our work to expand the business for the benefit of our tenants now and in the future. In May 2021, Selwyn-appointed Board Member Garry Smith stood down having served since the Board's formation in 2017. I would like to thank Garry most sincerely for his expert analysis, acumen and considered opinion and for the significant contribution he made to Haumaru Housing in that time. Garry's successor is Dr Sue Watson, whom we welcomed onto the Board in May. Sue is Chair of CORT Community Housing and, with extensive experience in strategic planning and partnerships, she brings a strong personal commitment to increasing the number of quality affordable homes and social rentals to meet the continuing demand in Auckland.

Finally, I would like to thank our partners, registered charity The Selwyn Foundation and Auckland Council and their specialist teams, for their ongoing assistance and support. Our current success notwithstanding, our combined efforts and partnership working will be ever more critical in ensuring an effective response to the housing supply issue that will inevitably affect many more older Aucklanders in the years to come.

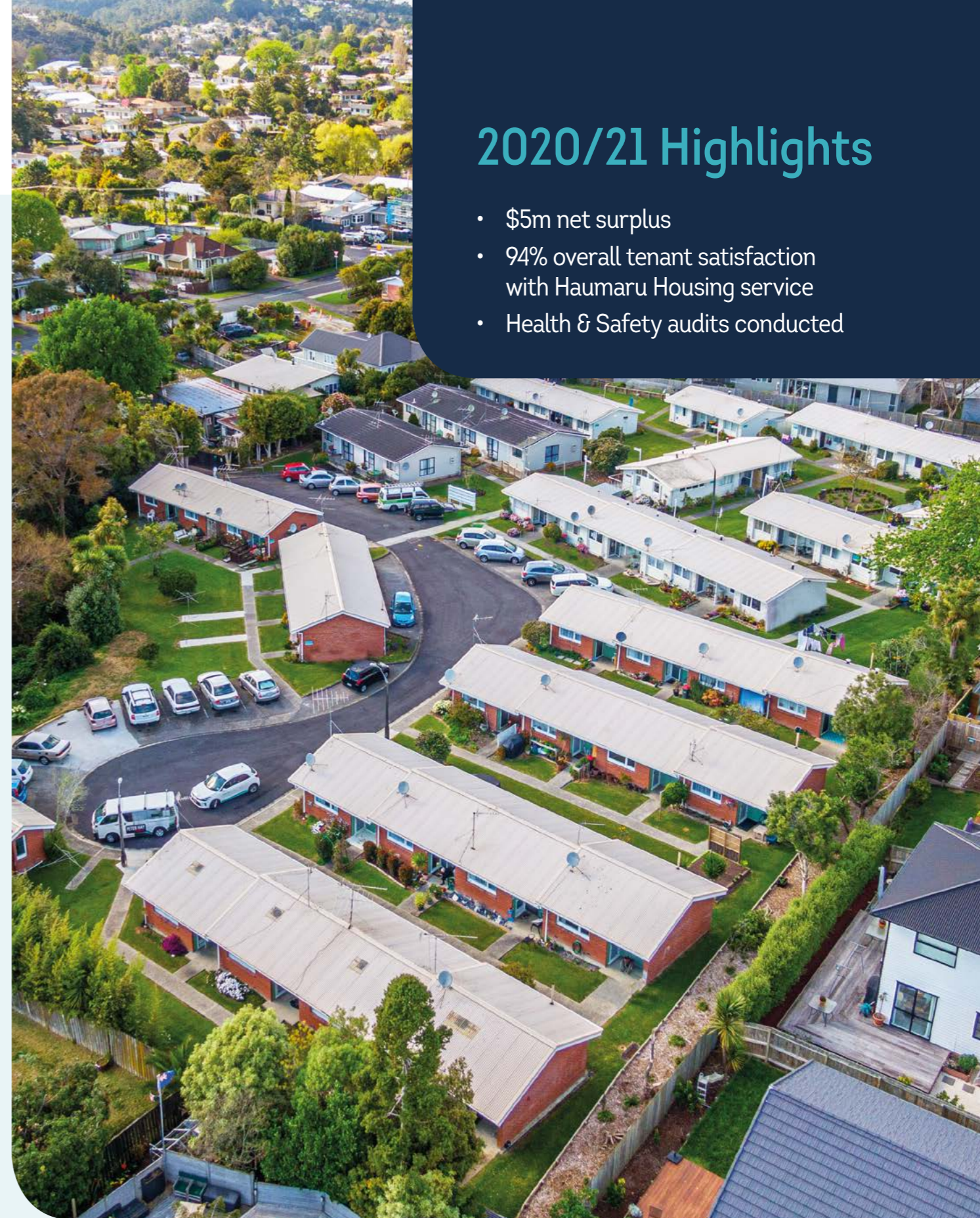


Kay Hawk, Chair
Haumaru Auckland Ltd
September 2021



2020/21 Highlights

- \$5m net surplus
- 94% overall tenant satisfaction with Haumaru Housing service
- Health & Safety audits conducted



"I like the people in my village. They take care of each other. They look after me and help me when I need it."

- Haumaru tenant

Haumaruru Snapshot 2021

62 villages across Auckland

1,446 units

1,567 tenants

157 new tenancies, all housed from the MSD social housing register

1:56 ratio of units to all Haumaruru staff FTE

1:160 ratio of units to Haumaruru Community Managers

98.63% occupancy of available units

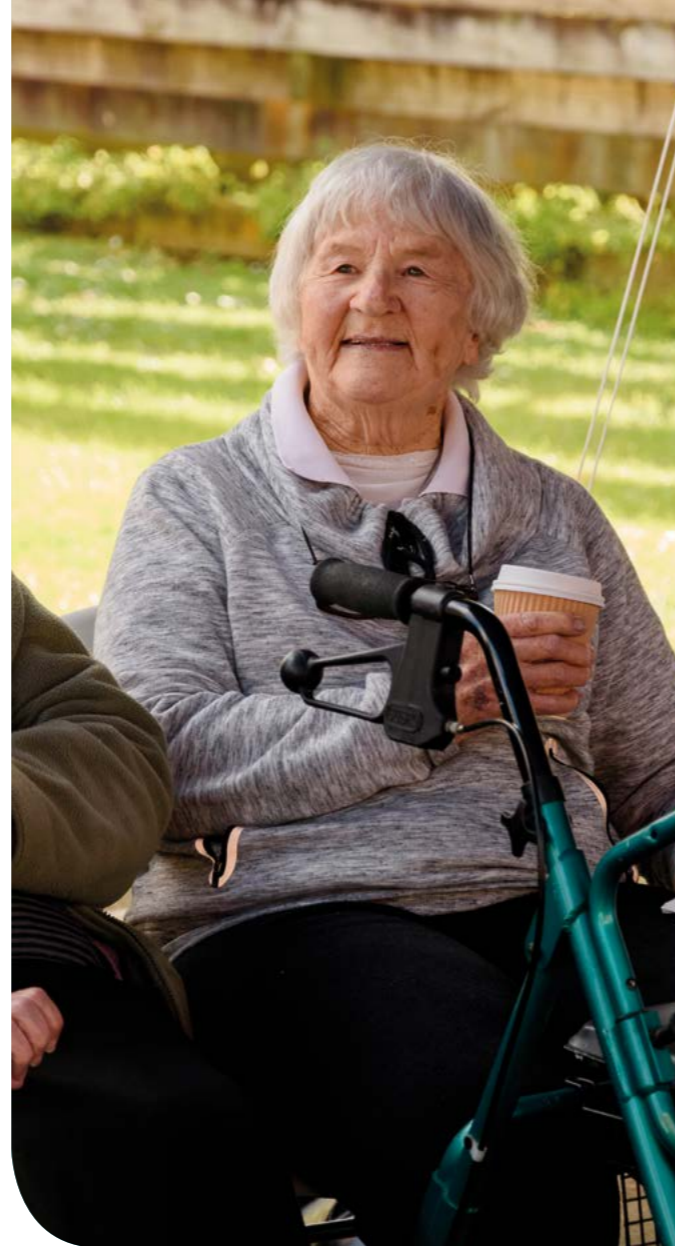
3 days to occupy unit (when fit for purpose)

593 (38%) tenants qualified for IRRS subsidy

0.1% rent arrears

"All the staff are really pleasant. I don't think they could do much more."

- Haumaruru tenant



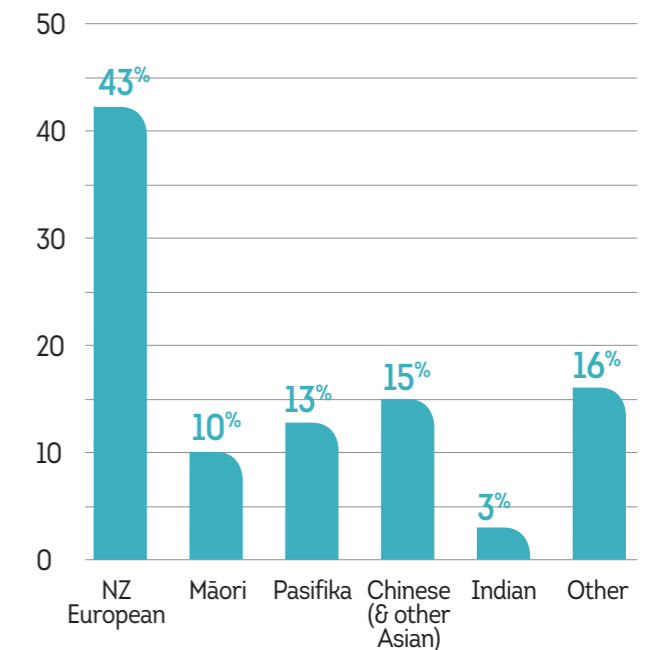
Tenant and Staff Demographics

77 years average age of tenants

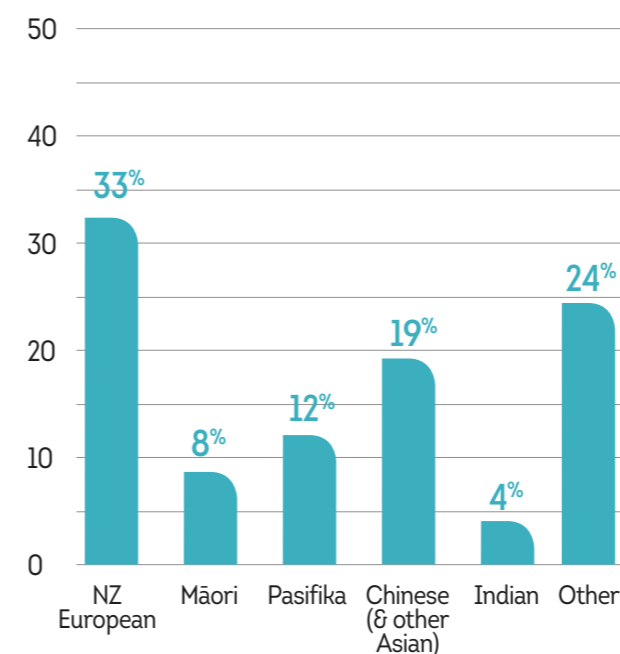
72 years average age of applicants

25.6 full-time equivalent staff

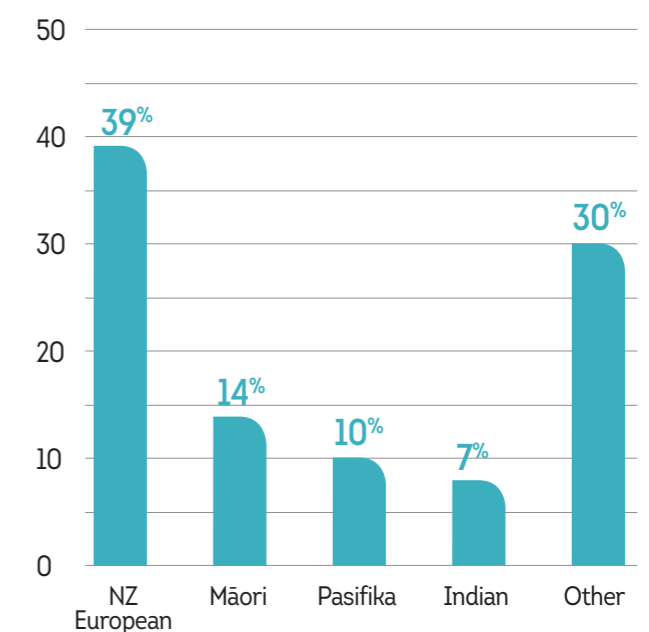
Ethnicity of tenants



Ethnicity of tenant applicants in the last 12 months



Ethnicity of staff



Chief Executive Officer's Report

Throughout 2020/2021, Haumarū Housing continued to strengthen its position as a trusted provider of affordable rental housing for older Aucklanders, delivering customer-focused, quality services to tenants and progressing new opportunities to expand its housing availability for yet more seniors in need. This year, we have again enjoyed very high rates of tenant satisfaction, boosted our networks within communities and with Local Boards, and returned an extremely pleasing \$5 million net surplus. Supported by a high-performing, dedicated team of managers and staff, we look forward to being able to capitalise on our strong base to develop our service provision further, in response to the ever growing demand for affordable rental options for Auckland's older citizens.

Putting health and safety first

During the reporting period, the Auckland region re-entered lockdown in August/September 2020 and February/March 2021. Our diligent and adaptable staff continued to be responsive to tenants' needs via our 24-hour 0800 helpline number, always putting the health and safety of our vulnerable seniors first whilst following all Covid-19 recommendations from the Ministry of Health and the Ministry of Housing and Urban Development. I would like to thank our tenants for their support whilst we continued to fulfil service requests amidst the inevitable disruption to the supply chain and to our normal operating practices, and to acknowledge the commitment and focus of our Haumarū Housing team during those challenging times.

Whilst ensuring that our services and procedures were fully compliant with all Covid-19 related health and safety standards and guidance, we also commissioned an independent review of our overall practices and processes by workplace health and safety consultants, IMPAC. This was completed in November 2020, and I am delighted to report that the review concluded that Haumarū is strongly committed to health and safety, with no significant areas identified as requiring improvement.

Investment in the portfolio

We continued our focus on upgrading our housing stock and on enhancing tenants' living environments and enjoyment of their homes. As we complete renovations, refurbishments and general maintenance throughout the year, the overall condition of the portfolio is improved, resulting in a decrease in Condition Grade Index. It is gratifying to note that there has been an overall

improvement of 11% since Haumarū Housing took over operational management of the portfolio in 2017. This figure will increase further, as we continue to invest in our properties through our scheduled maintenance programmes and in accordance with the Healthy Homes Standards which will come into effect for Community Housing Providers on 1 July 2023.

Our ability to provide more warm, dry homes for people over the age of 65 – whether through minor works, renovation, retro-fitting or new-builds – is dependent on our financial performance and the total sums available to reinvest. The very satisfying net surplus achieved this year will go towards modernising our existing stock, the development of new buildings and continuing to facilitate a wide range of activities to promote tenants' opportunities for social engagement, learning and community connection.

Our financial health and fiscal security also put us in a strong position to be able to grow our portfolio of new, purpose-built housing for older people. In this regard, we have been working on new opportunities in partnership with Kāinga Ora, and on planning for potential Haumarū new-builds, and we hope to announce details of each development later in the year.

Excellent tenant satisfaction rates

In everything we do, we endeavour to provide a professional, timely response to our tenants' requests, queries and concerns and to offer a quality service that exceeds expectations. Following the excellent results of our 2019/2020 tenant satisfaction survey, we were once again delighted with the outcome of our 2020/2021 survey which returned the highest response rate ever – 65%.

When asked specifically how satisfied tenants were with the overall service provided by Haumarū Housing, an overwhelming 94% said they were satisfied. As regards the various aspects of our service delivery, people continued to be very positive about the quality of the maintenance work undertaken (92% satisfied) and with the ease of contacting someone who could help (91%). Ninety-two percent of tenants were satisfied with the service provided by Haumarū staff in general, and continued to be most satisfied with the quality of the communications received (94%) and the support provided by staff (90% satisfied).

As validation of the wide range of social activities we promote within the villages and in conjunction with

community organisations, 93% of tenants were satisfied with their current level of connection and involvement. Tenants also continued to be most positive about their good neighbours, the proximity to amenities such as shops and public transport, and the privacy and peacefulness of their village – with 92% saying they felt safe in their home and village.

We are working to improve our performance still further. However, with such a high response rate, we can be sure that the overarching results are an accurate representation of our tenants' views of the service they receive from our Haumarū team, and I would like to thank our staff and contractors for their role in delivering such pleasing results.

Working together for the common good

Our purpose for being is to provide high quality tenancy services to those living in our villages, and this is very much a joint effort involving all our community partners. I would therefore like to take this opportunity to thank all those we work alongside for their continuing support, guidance, expertise, vision and foresight.

Thank you to our maintenance contractors who represent Haumarū Housing in their daily interactions with our tenants around the villages. My thanks also to the Local Boards in those areas we serve for funding a wide range of initiatives designed to increase tenants' connectedness and engagement, and to the many other community organisations with whom we partner to deliver projects that enhance our tenant experience throughout the year. I would also like to acknowledge the Charles Rupert Stead Trust, whose kind donation contributed to our being able to provide an elegant wooden pergola at our Belmont Court and Pahurehure villages for tenants to gather together and enjoy their communal outdoor environment.

Similarly, I wish to thank my fellow members of Community Housing Aotearoa and the Auckland Community Housing Providers' Network for their collaboration and the valuable work they do to support and progress the development of the community housing sector.

To our shareholders, The Selwyn Foundation and Auckland Council and their respective teams including Eke Panuku Development Auckland, and to the Haumarū Auckland Ltd Board and our Chair Kay Hawk, sincere thanks for all your ongoing support and guidance over the last twelve months.



Finally, to the hardworking and caring Haumarū Housing team and to our Haumarū tenants, it is a pleasure working with you and on behalf of you all. Despite the disruption caused by Covid-19, we are on a very sound footing and have great potential to do even more for vulnerable seniors in need of affordable rental housing. I look forward to building on this firm foundation and to continuing our work so we may take further steps towards achieving this potential in the not-too-distant future.

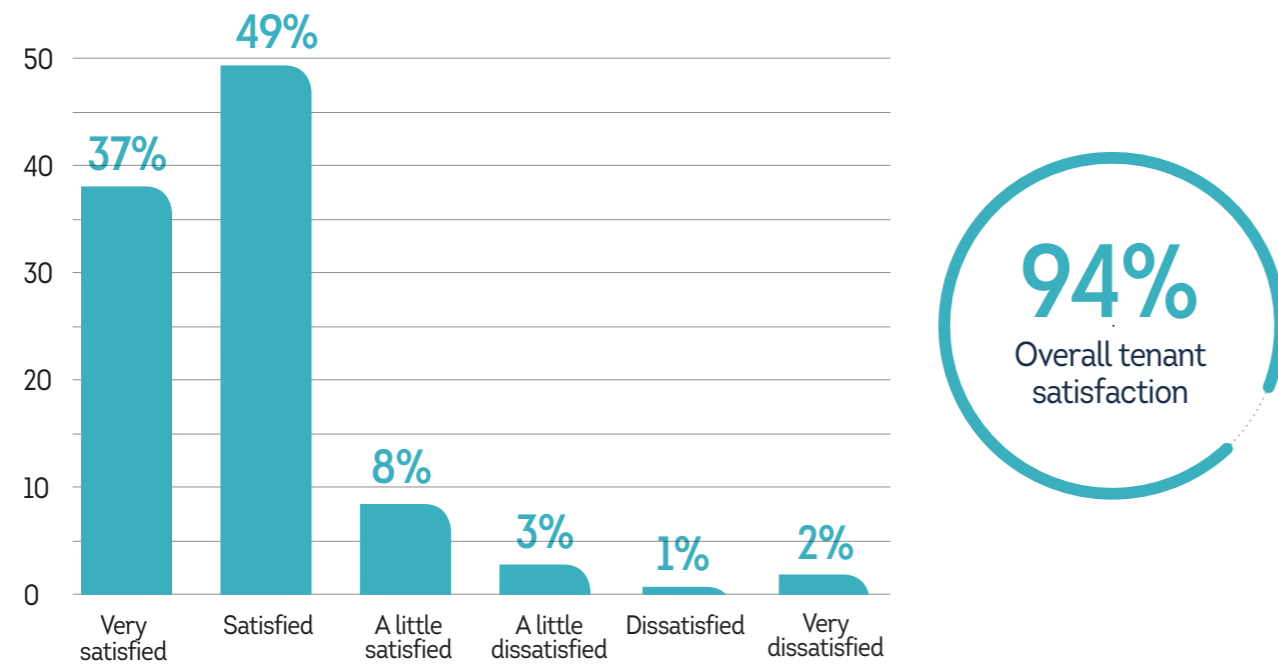


Gabby Clezy, CEO
Haumarū Auckland Ltd
September 2021

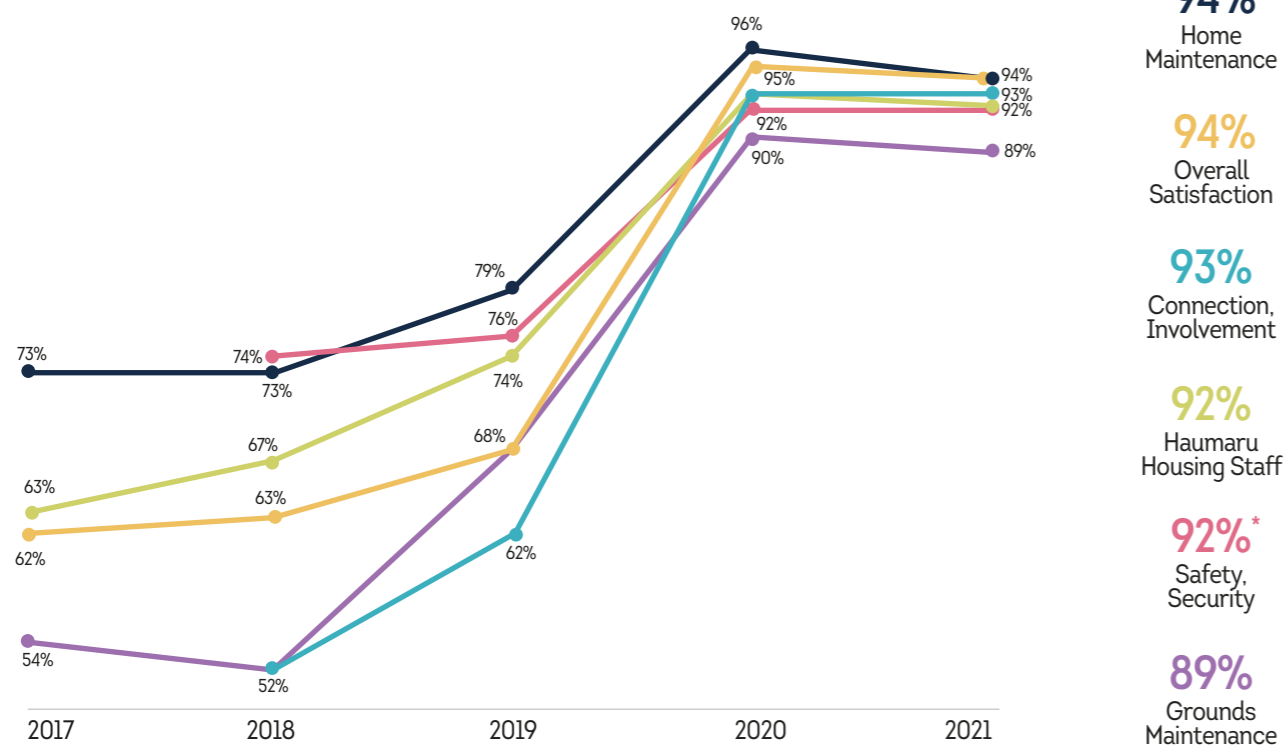
Tenant Satisfaction May 2021

Maximum Margin of Error* +1.9% | Response rate 65% (+3%)

Overall tenant satisfaction



Tenant satisfaction of key aspects of services



*Maximum margin of error at the 95% confidence interval, adjusted for finite population correction factor.

*Note: Perceptions of safety not asked in 2017. Results for safety are a combined result for 'safety in home' and 'safety in village'

Six KPIs for Haumaru Housing

	KPI	2021
Occupiable units occupied	No less than 95%	98.63%
Tenant satisfaction	Equal to or no less than 77% by FY20	94%
Number of units	No less than 1,412	1,446
Occupiable units meet CHP registration	100% by FY20	100%
Occupiable units meet IRRS requirements	100% by FY20	100%
CHP registration at all times	Compliant	100% Compliant



Strategic Priorities

Connecting communities

Performance goal: by utilising good practice, we will create safe, thriving communities of older people.

94% Overall tenant satisfaction

93% Feeling involved & connected

92% Feeling safe

With the increasing need to connect with the world online, we have now installed fibre broadband at 46 villages, with a view to roll out to all 62 villages within the next 12 months.

During the year, we broadened our community connections further, linking with neighbourhood organisations and working closely with Local Boards to increase access to a greater range of services, activities and amenities for our tenants.

Māngere-Otahuhu Local Board funded \$5,000 towards a digital literacy workshop for tenants.

Ōtara-Papatoetoe Local Board funded \$10,000 towards raised vegetable garden beds, more digital literacy workshops, bringing seniors together with youth through music, thanks to Sistema Aotearoa, transport for an Inclusions NZ diversity tour where tenants visited a Hindu temple learning about the Hindu religion, culture, beliefs and enjoyed a vegetarian lunch.

Thanks to a donation made by Charles Rupert Stead Trust, two villages received gazebos for tenants to enjoy the outdoors and connect with one another.

Despite Covid-19, 698 events and activities were organised in the last year for tenants.

Financial sustainability

Performance goal: by exceeding target occupancy and revenue, we will ensure we have the resources to continue to deliver more quality accommodation and services to our tenants.

	2021 Budget	2021 Actual
Revenue	\$16.3m	\$16.4m
Net surplus	\$3.9m	\$5.0m

Our solid financial performance puts us in a strong position to be able to grow our portfolio of new, purpose-built housing for older people in partnership with the likes of Kāinga Ora.

Haumaru Housing continues to fully utilise its capital funding to renovate villages and units.

Income streams

38% IRRS

62% Grandparented

"I am so very grateful for the awesome outings arranged by our Housing Managers and have thoroughly enjoyed every one I've been on."

- Haumaru tenant



"I love the trees and the variety of birds. Everything is nice and tidy."

- Haumaru tenant

Fit for purpose properties

Performance goal: by utilising best in class asset and facility management we shall protect and improve the quality of housing stock within our portfolio.

94% Service provided by contractors

89% Satisfied with grounds maintenance

Haumaru has adopted an asset management approach based on the recognised CAM (The NZ Treasury Capital Asset Management Initiative) and IIMM (International Infrastructure Management Manual) approaches. The asset management process is supported by the implementation of management enablers. These include:

- ensuring asset management is sufficiently internally resourced with capable staff,
- that key business processes are in place to support good asset management, and
- that systems and data used to support good decision-making are both in place and kept accurate.

Strategic Priorities

	Target	Achieved
Deed lease	100% KPIs	100% KPIs
Healthy Homes legislation	By 1 July 2023	In progress
Compliance with residential tenancy agreements	100%	100%

100% of all units were inspected in the first half of the year and apart from Handley village (sold), and Greenslade village (closed for development), bi-annual property inspections have been completed for all other units.



"The grounds here always look great. I love watching my grandchildren play soccer outside."

- Haumaruru tenant

"I love having a private garden and nice grounds. I love the way the village grounds look, especially with the rose gardens."

- Haumaruru tenant

Growth

Performance goal: by focusing on the development of our current portfolio and other growth opportunities we will increase the number of houses for older people under management.

Planning for the future: with the success of the Wilsher Village development in West Auckland, we continue to work with Kāinga Ora and other developers to grow the Haumaruru Housing portfolio through either building to own or lease to meet the growing demand of housing for older people.

Vision and Values

Our Vision

To be the leading provider of affordable rental housing for older people in New Zealand.

Our Values

- Kindness
- Responsiveness
- Respect
- Accountability

"I like the feeling of being able to live alone yet not feeling alone. I'm so happy with the service provided."

- Haumaruru tenant



Health & Safety and Operations

The Health & Safety Committee, made up of representatives from Community, Facility and administrative teams and lead by the CEO, have developed and delivered a programme of education, standard operating procedures, policy development and the setting up of a Health & Safety at Work participation scheme.

Independent Health & Safety review findings

Haumarū commissioned Health & Safety consultants IMPAC to review its health and safety management and to make recommendations for improvement. The review concluded that Haumarū is strongly committed to health and safety. There is also a growing focus on workplace wellbeing. There is engagement from the Board and the senior management team. Critical risks are generally understood and operations in which these risks are manifested are monitored.



The highest risks are:

- Exposure to Covid-19.
- Exposure to hazards associated with driving and working alone.
- Exposure to challenging behaviours, fatigue and workplace stressors as a consequence of working to meet the needs of a large, elderly tenant population.
- Exposure to infections.
- Exposure to construction risks by contractors engaged by Haumarū to refurbish, repair and maintain its buildings.

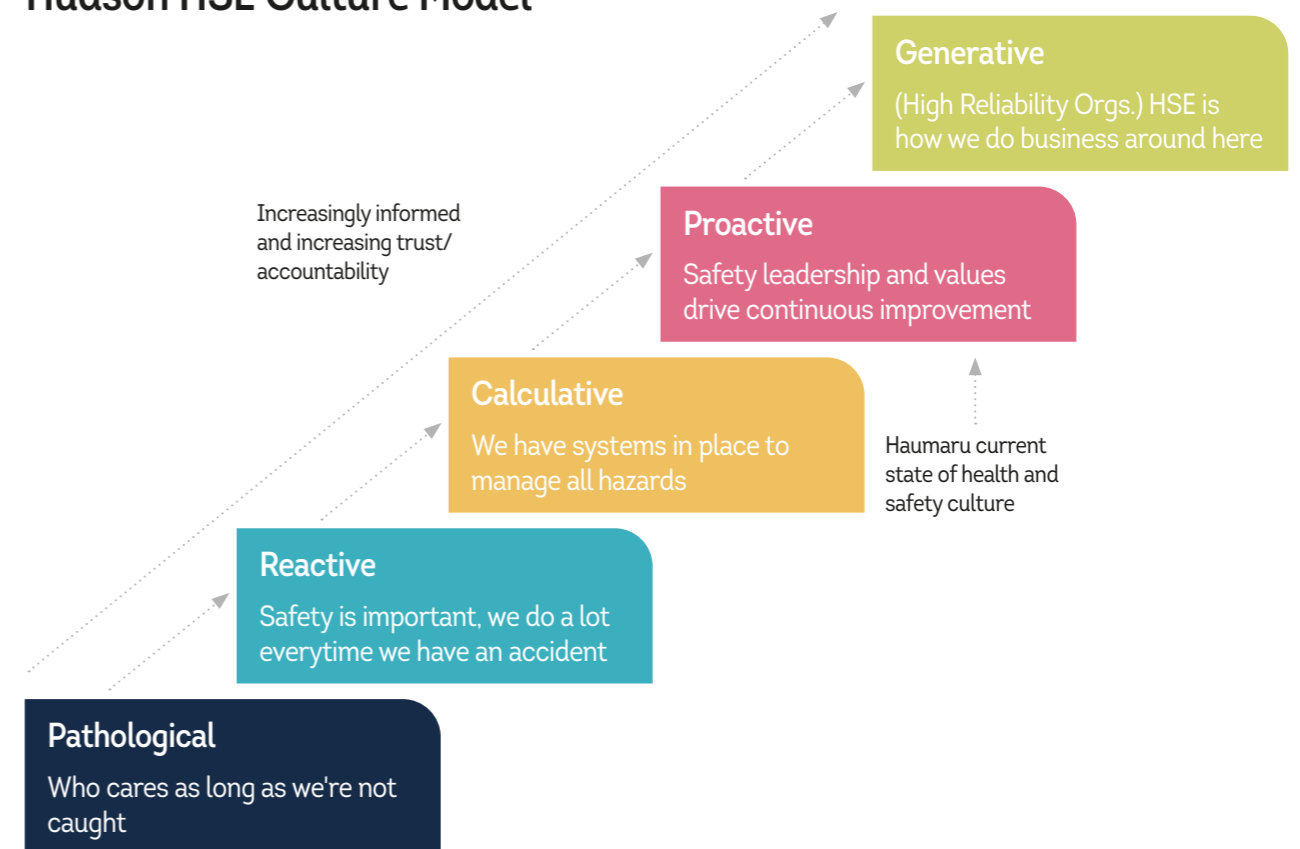
In general, Haumarū is adequately managing these health and safety risks. In particular, the measures adopted during the Covid-19 pandemic have been thorough and effective. The next major health and safety initiative in Haumarū is a comprehensive wellbeing programme.

Haumarū has adequate oversight over the contractors it engages to refurbish, repair and maintain its buildings. Contractors are pre-qualified. There are processes in place to ensure there are adequate risk assessments carried out prior to work commencing.

“My home is warm and comfortable, easy to move around in, everything within arm’s reach.”

- Haumarū tenant

Hudson HSE Culture Model



There are several reasons for this assessment:

- **Visible safety leadership**

There is evidence that directors and senior managers are actively engaged in efforts to reduce critical Health & Safety risks.

- **Worker engagement**

There is evidence that workers understand the need for Health & Safety risk controls and are diligent in their efforts to implement these.

- **Evidence of Health & Safety improvements**

There is visible evidence of initiatives to improve risk controls. A particular example is the recent purchase of vehicles that have reduced safety risks to managers.



Summary Financial Statements

Summary Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2021	Note	2021 \$'000	2020 \$'000
Revenue			
Residential property management fee from exchange transactions	3	16,419	13,909
Other revenue from exchange transactions		61	100
		16,480	14,009
Less: expenses			
Repairs and maintenance expense		(4,749)	(4,457)
Employee benefits expense		(2,262)	(2,253)
Rates - council and water		(1,953)	(1,965)
Lease expense		(266)	(252)
Electricity		(146)	(133)
Depreciation		(15)	(23)
Motor vehicle expenses		(49)	(31)
Finance costs		-	(57)
Other expenses		(1,969)	(1,715)
		(11,409)	(10,886)
Surplus for the year		5,071	3,123
Other comprehensive revenue and expense for the year		-	-
Total comprehensive revenue and expense for the year		5,071	3,123

Summary Statement of Financial Position

As at 30 June 2021

	2021 \$'000	2020 \$'000
Current assets		
Cash and cash equivalents	9,829	5,567
Receivables from exchange transactions	490	415
Prepayments	874	823
Total current assets	11,193	6,805
Non-current assets		
Property, plant and equipment	22	23
Total non-current assets	22	23
Total assets	11,215	6,828
Current liabilities		
Payables from exchange transactions	1,729	2,413
Total current liabilities	1,729	2,413
Total liabilities	1,729	2,413
Net assets	9,486	4,415
Partners' funds		
Accumulated surplus	9,486	4,415
Total partners' funds	9,486	4,415

For and on behalf of the Board of the General Partner - Haumaru Auckland Limited, dated 21st September 2021.



Kay Hawk, Chair



Kerry Hitchcock, Director

Summary Financial Statements (continued)

Summary Statement of Changes in Partners' Funds

For the year ended 30 June 2021

	Accumulated surplus \$'000	Partners funds \$'000
Balance as at 1 July 2019	1,292	1,292
Surplus for the year	3,123	3,123
Total comprehensive revenue and expense for the year	3,123	3,123
Balance as at 30 June 2020	4,415	4,415
Balance as at 1 July 2020	4,415	4,415
Surplus for the year	5,071	5,071
Total comprehensive revenue and expense for the year	5,071	5,071
Balance as at 30 June 2021	9,486	9,486

Summary Statement of Cash Flows

For the year ended 30 June 2021

	2021 \$'000	2020 \$'000
Cash flows from operating activities		
Receipts from property management fees	16,345	13,743
Interest received	45	81
Dividends received	15	18
Receipts from other income	1	1
Payments to suppliers and employees	(12,120)	(10,603)
Net cash provided by operating activities	4,286	3,240
Cash flow from investing activities		
Payment for plant and equipment	(24)	(22)
Net cash used in investing activities	(24)	(22)
Cash flow from financing activities		
Repayment of borrowings	-	(955)
Net cash used in financing activities	-	(955)
Reconciliation of cash		
Cash at beginning of the financial year	5,567	3,304
Net increase in cash held	4,262	2,263
Cash at end of financial year	9,829	5,567

Notes to the Summary Financial Statements

For the year ended 30 June 2021

Note 1: Statement of Significant Accounting Policies

These summary financial statements are for Haumarū Housing Limited Partnership ('the Partnership').

The partners are The Selwyn Foundation (51% share) and Auckland Council (49% share). Haumarū Auckland Limited is the general partner; its shareholders are The Selwyn Foundation (51%) and Auckland Council (49%).

The Partnership is a limited partnership registered under the Limited Partnerships Act 2012 and is domiciled in New Zealand.

The Partnership does not have the primary objective of making a financial return and is designated as a public benefit entity for financial reporting purposes.

The summary financial statements of Partnership are for the year ended 30 June 2021. The summary financial statements were authorised for issue by the Board of Directors of the general partner on the date they were signed.

(a) Basis of preparation of the financial report

The summary financial statements have been extracted from the audited full financial statements for the year ended 30 June 2021 and authorised for issue by the Board of Directors of the General Partner on the date they were signed.

The full financial statements from which these summary financial statements have been extracted, comply with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). For the purposes of complying with NZ GAAP, the Partnership is a not-for-profit entity. It complies with Public Benefit Entity International Accounting Standards ("PBE IPSAS") and other applicable Financial Reporting Standards, as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted.

The full financial statements have been audited and issued with an unmodified opinion in respect to the year ended 30 June 2021 on 21 September 2021.

These summary financial statements are presented in New Zealand dollars which is the Partnership's functional and presentation currency, rounded to nearest thousand dollars (\$000). These summary financial statements have been prepared in accordance with PBE FRS-43 Summary Financial Statements.

The summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide a complete understanding as provided by the full financial statements. A copy of the full financial statements can be obtained by contacting Haumarū Housing Limited Partnership at PO Box 8475, Symonds Street, Auckland 1150.

(b) Going concern

The summary financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Global pandemic of coronavirus disease 2019

In March 2020, the World Health Organisation declared an ongoing global outbreak of a novel coronavirus ('Covid-19') as a pandemic. In response, the New Zealand Government implemented a range of public health and economic measures to mitigate the impact of the Covid-19 pandemic. The Covid-19 pandemic continues to inhibit general activity and confidence levels within the community, and the economy.

The Partnership continues to monitor developments and initiate plans to mitigate adverse impacts and maximise opportunities.

As at the date of signing these summary financial statements, the Partnership continues to operate without any significant direct impacts from the global pandemic, although uncertainty remains about future impacts. It is not possible to estimate the full impact of the Covid-19 pandemic's short and long term effects. As the outbreak of the Covid-19 pandemic occurred before 30 June 2021, its impacts are considered an event that is indicative of conditions that arose prior to reporting period. Accordingly, as at the date of signing these summary financial statements, all reasonably known and available information with respect to the Covid-19 pandemic, has been taken into consideration and all reasonably determinable adjustments have been made in preparing these summary financial statements.

Note 2: Significant Accounting Estimates and Judgements

The preparation of the Partnership's summary financial statements requires management to make estimates and judgements that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and judgements are based on experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Uncertainty about these estimates and judgements could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any other periods affected.

Judgements made by management that have significant effects on the summary financial statements and estimates with a significant risk of material adjustments in the next year are discussed below:

Service concession arrangement

Auckland Council has provided the partnership access to a portfolio of properties. The Partnership is responsible for the management of these properties including the day to day activities as well as the upgrading and development of the properties. The Selwyn Foundation has contributed management expertise and funding. This arrangement has been treated as a service concession arrangement and the transaction has been accounted for in accordance with PBE IPSAS 9 Revenue from Exchange Transactions.

Significant judgement has been applied in respect to the following:

- the Partnership manages, as opposed to controls, the properties and services provided,
- Auckland Council effectively controls the underlying assets of the Partnership as it has the ability to add or remove properties from within the lease portfolio. The rents that are received by the Partnership from the portfolio are ring fenced and separated from the other operations of the Partnership. Any surpluses the Partnership makes will be spent on refurbishment of the portfolio and future development. The Partnership has been established as a non distributing entity, and
- the Deed of Lease allows the Partnership to collect annual rental income and the Partnership is obligated to pay for most of the costs however significant judgement has been exercised and it has been determined that the conditions do not meet the definition of a lease agreement and accordingly the arrangement has been treated as a management agreement. The management fee the Partnership receives is fair value for the service provided.

Notes to the Summary Financial Statements (continued)

Note 2: Significant Accounting Estimates and Judgements (continued)

Funding arrangement

The Partnership organises the refurbishment of the housing portfolio and acts as the principal, only in relation to the management services provided. All amounts spent under the funding agreement are done in an agent relationship. There has been significant judgement used in determining if an agency relationship exists. As a result, all committed funding from Auckland Council and associated capital expenditure have not been accounted for in the Partnerships summary financial statements.

Note 3: Revenue

	2021 \$'000	2020 \$'000
Residential property management fees (exchange transactions)		
Rents under residential tenancy agreements	8,997	8,859
Income related rent subsidies	7,422	5,050
	16,419	13,909

Legally, the Partnership holds tenancy agreements with the tenants of the properties within the leased portfolio. In addition, the Partnership has a contract with the Ministry of Social Development (MSD) to provide housing under the Income Related Rent Subsidy scheme which legally entitles the Partnership to receive all amounts (including all subsidies) associated with the properties. However, due to the nature of the agreements between the Partnership and Auckland Council, under accounting standards the arrangement is deemed to be a service concession arrangement, where the Partnership manages the underlying properties. As such, the income it receives for the rent is treated as a management fee rather than rent received. Regardless of the accounting treatment all rent under the legal arrangements with tenants and MSD are retained by the Partnership to be reinvested in the provision of public and private affordable housing for the older person.

Note 4: Events Subsequent to Reporting Date

There has been no matter or circumstance, which has arisen since 30 June 2021 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2021, of the Partnership, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2021, of the Partnership.



"I am very satisfied with the service here. We have a fantastic manager who really cares."

- Haumaru tenant

Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

On the Summary Financial Statements

To the Partners of Haumarū Housing Limited Partnership

The accompanying summary financial statements, which comprise the Summary Statement of Financial Position as at 30 June 2021, the Summary Statement of Comprehensive Revenue and Expense, Summary Statement of Changes in Partners Funds and Summary Statement of Cash Flows for the year then ended, and related notes, are derived from the audited financial statements of Haumarū Housing Limited Partnership for the year ended 30 June 2021. We expressed an unmodified audit opinion on those financial statements in our report dated 21 September 2021. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Haumarū Housing Limited Partnership.

Directors of the General Partner Responsibility for the Summary Financial Statements

The Directors of the General Partner are responsible for the preparation of a summary of the audited financial statements in accordance with Public Benefit Entity Financial Reporting Standard 43: Summary Financial Statements (PBE FRS 43).

Auditor's Responsibilities for the Audit of the Summary Financial Statements

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810, "Engagements to Report on Summary Financial Statements."

Other than in our capacity as auditor, our firm carries out other assignments for Haumarū Housing Limited Partnership in the area of financial statements preparation services. The provision of these other services has not impaired our independence.

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of Haumarū Housing Limited Partnership for the year ended 30 June 2021 are consistent, in all material respects, with those financial statements, in accordance with PBE FRS 43.

BAKER TILLY STAPLES RODWAY AUCKLAND

Auckland, New Zealand

21 September 2021

Our Villages

North

Beach Haven

Lancaster Court
90 Lancaster Road

Shepherds Park Village
2 John Bracken Way

Belmont

Preston Court
8 Preston Avenue

Belmont Court
1 Roberts Avenue

Birkdale

Birkdale Court
72 Birkdale Road

Devonport

Cambria Court
33 Vauxhall Road

Fraser Court
17B Fraser Road

Kings Court
65 Lake Road

Glenfield

Bentley Court
86 Bentley Avenue

Mairangi Bay

Windsor Court
480A East Coast Road

Milford

Alma Court
33A Alma Road

Dallington Court
17 Dallinghoe Crescent

Gordon Court
1 Gordon Avenue

Stratford Court
7 Stratford Avenue

Northcote

Greenslade Court
27-31 Greenslade Crescent

Hillcrest Court
19 Hillcrest Avenue

Piringa Court
140 Lake Road

Sunnynook

Cockayne Court
8 Cockayne Crescent

Takapuna

Peggy Phillips Village
72 Dominion Street

Pupuke Court
36 Taharoto Road

Torbay

Torbay Village
16 Watea Road

West

Glen Eden

Harmony Village
44 West Coast Road

Westview Village
104 West Coast Road

Green Bay

Godley Court
73 Godley Road

Henderson

Wilsher Village
33 Henderson Valley Road

Massey

Flagstaff Court
6 Flagstaff Place

Jack Smyth Court
14 Royal Road



New Lynn

Hutchinson Village
6 Hutchinson Avenue

Karaka Village East
10 Karaka Street

Karaka Village West
19 Karaka Street

Tane Village
4 Tane Street

Te Atatu Peninsula

Kaumatua Village
11 Kaumatua Place

Titirangi

Kaurilands Court
18 Kaurilands Road

South

Māngere

Court Town Village
23 Court Town Close

Māngere Bridge

Bridge Court
7 Coronation Road

Māngere East

Topping Court
13A Ashley Avenue

Lambie Court
11 Yates Road

Manurewa

Leabank Court
12 Kirton Crescent

Alfriston Court
33-37 Alfriston Court

Percival Court
15 Percival Court

Gallaher Court
29 Alfriston Road

Ōtara

Ōtara Court
163 East Tamaki Road

Hills Court
10-14 Hills Road

Papakura

Coles Village
17 Coles Crescent

Marne Village North
14 Marne Road

Marne Village South
22 Marne Road

Pahurehure Village
14 Don Street

Papatoetoe

Acacia Court
25 Kolmar Road

Whitehaven Court
146 Kolmar Road

Pukekohe

Parkway Village
16 Princes Street

Albert Village
1 Albert Place

Lawrie Village
111 Queen Street

Henry Curd Village
4-8 Henry Curd Terrace

Takanini

Conifer Court
12 Challen Close

Waimana Court
16 Waimana Road &
15 Waiari Road

Waiuku

Norfolk Village
2 Norfolk Rise &
3 Constable Road

Kent Village
14 Kent Street

Wiri

Inverell Court
18 Inverell Avenue

East

Howick

Minerva Court
3-5 Gibraltar Street

Pakuranga

Dale Court
33 Dale Crescent

Mattson Court
22 Mattson Road

Marriott Court
3-5 Marriott Street



"It's light and quiet and warm. Our visitors love coming to see us here."

- Haumarū tenant



Haumaru Housing is partnering with Kāinga Ora and the Ministry of Housing and Urban Development to develop, build and manage new universal design homes for older people in Auckland.

Haumaru Housing Limited Partnership

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Auckland 1150

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Grafton, Auckland 1023

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Haumaru Housing LP is a Limited Partnership
registered under the Limited Partnerships Act 2008

The Selwyn
Foundation 

Auckland
Council 
Te Kaunihera o Tamaki Makaurau