

ANNUAL REPORT

2022/
2023



HAUMARU HOUSING
Communities for older people

Haumaru Housing is a registered Community Housing Provider (CHP), which provides holistic tenancy and asset management services for Auckland Council's portfolio of 1,475 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, Haumaru 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.

Legal Name: Haumaru Housing Limited Partnership

Trading Name: Haumaru Housing

Entity type & Class of registration: Limited Partnership & Social Landlord

Registration Number: 2659031





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Chair's Report

Haumaru Housing has entered its sixth year of operation with an excellent record of providing safe and secure housing for independent seniors across Auckland. We have achieved many milestones during our first five years and despite the setbacks caused by cyclones earlier this year, we are committed to pushing forward and expanding our services.

During this year, we focused on refreshing our strategies and preparing for the next three-year period of growth and expansion. A new three-year strategic plan was developed, emphasising five key strategic priorities: optimising our building assets, implementing environmental sustainability practices, enhancing our tenants' wellbeing, professional development for staff, and financial sustainability and strength.

General Manager Operations, Gillian Schweizer was appointed to the role of Chief Executive Officer in October 2022 and has quickly established herself as a leader who is building excellent relationships and advocating for our tenants. It brings me great pleasure to report that our tenants continue to express their satisfaction with the overall service provided by Haumaru Housing, with a 94% approval rating. This year has seen the highest response rate to the survey to date, with 66% of our tenants providing feedback. These impressive results are a testament to the dedication and hard work of Gillian and her team.

Furthermore, I would like to extend my congratulations to the team for achieving a significant milestone - 100% compliance with the healthy homes standard across the entire Haumaru Housing portfolio. This feat highlights our unwavering commitment to providing safe, healthy and quality living conditions for our tenants.

In the aftermath of the cyclone and floods earlier this year the Haumaru team and our tenants showed their true grit and resilience as some battled the devastation of their homes. Yet again staff were called upon to work above and beyond, and neighbours and local communities came together to support one another. We were grateful to receive immediate practical support from The Selwyn Foundation and other local organisations.

On 7 October, Haumaru tenants, staff and other guests were joined by the Hon Carmel Sepuloni, Minister for Social Development and Employment, in celebrating the opening of our new housing development for older people at 2 Wilson Road, Glen Eden. Purpose-built by Kāinga Ora, the six-level building has 41 one-bedroom homes which have been designed to meet the specific needs of seniors.

We are in the final stages of negotiations on the Greenslade development project and are actively pursuing other opportunities that we hope to share with you soon. As Auckland grapples with a shortage of affordable

housing, increasing the supply of suitable housing remains a top priority for us.

We extend our gratitude to our partners Auckland Council and The Selwyn Foundation for their unwavering support. We look forward to partnering with Eke Panuku Development Auckland and Kāinga Ora to develop more new purpose-built homes for seniors.

I would like to thank my fellow board members for their ongoing support, outstanding expertise, and hard work, and congratulate our team for managing to achieve a net surplus of \$4.9m despite the challenging weather and additional maintenance required as a result.

At the end of March 2023 we wished Auckland Council board member Matthew Harker farewell after six years of service to Haumaru Housing and welcomed Jason Kereama Rogers as his replacement.

Finally, the Board and I would like to express our appreciation to Gillian and her team for their dedication and service to our tenants. We are excited about the next phase of expansion and growth and look forward to making a significant impact on the lives of seniors in Auckland.



Kay Hawk, Chair
Haumaru Auckland Ltd
September 2023



2022/23 Highlights

- \$4.9m surplus
- 100% compliant with Healthy Homes standard
- Wilson Village, purpose-built, six-level, 41 one-bedroom apartment development opened
- Overall tenant satisfaction 94% with highest response rate of 66%



Haumaru Snapshot 2023

62 villages across Auckland

1,606 tenants

1,475 units

5 days to occupy unit (when fit for purpose)

1:164 ratio of units to Haumaru Community Managers

\$282 average weekly rent

1:54 ratio of units to all Haumaru staff FTE

3% staff turnover

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

823 tenants qualifying for IRRS subsidy

0.61% rent arrears

"Thank you to all the staff for your help, service and support."

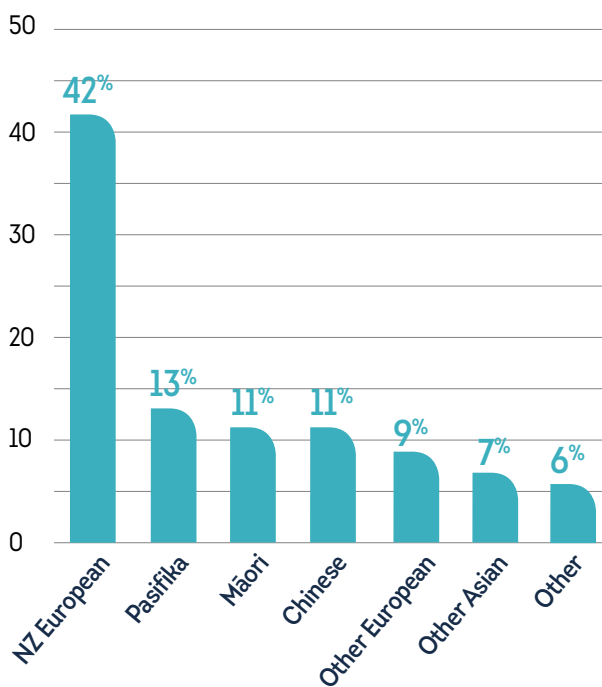
- Haumaru tenant

Tenant and Staff Demographics

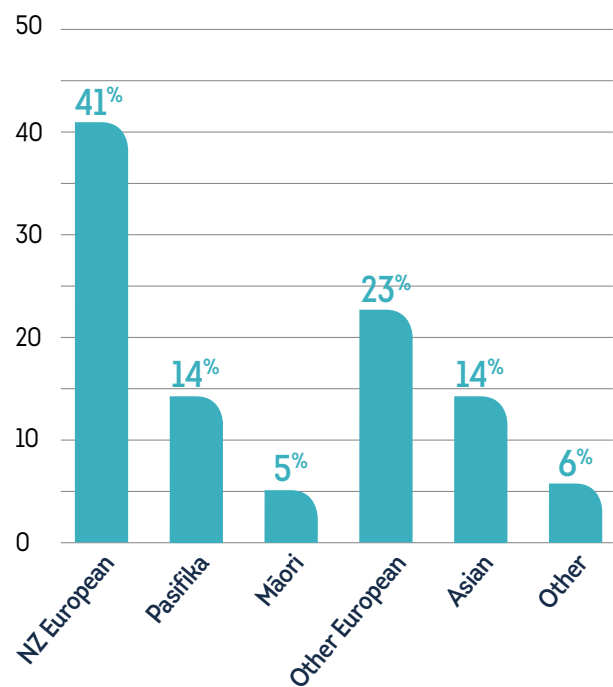
77 years average age of tenants

73 years average age of applicants

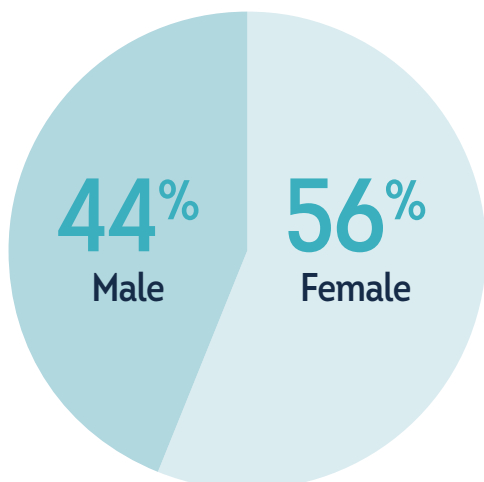
Ethnicity of tenants



Ethnicity of staff



Gender of Haumaru Housing tenants



Chief Executive Officer's Report

Tena koutou katoa

It has been an eventful year for Haumarū Housing with changes in leadership, unprecedented weather events, the introduction of new and varied community activity options, and the ongoing work to upgrade and improve our facilities. We also celebrated the opening of 41 new units.

Haumarū Housing has reached its sixth anniversary and the way we operate is now well-embedded. With Covid lockdowns a thing of the past, we are looking to the future with the development of a new strategic plan. Our objectives will always be on maintaining, improving and growing our properties, and looking after the wellbeing of our tenants, but we will also now focus on our environmental sustainability and ensure that we honour our treaty obligations as we go about our work.

Haumarū has high standards. We operate within our values of respect, kindness, accountability and responsiveness. This year we have launched a Quality Committee to advise on improvements to our services as well as to pick up new projects. Some of these projects are innovative ideas that have come directly from staff and tenants, and some of them fell out of the annual tenant satisfaction survey. Projects include improvements to our lawn maintenance, reviewing the speed and manner of response to our overnight on-call service, as well as looking at better lighting and security in our villages. The importance of the good neighbour focus, which involves tenants looking out for one another's wellbeing, has been highlighted by this year's extreme weather events.

Haumarū was impacted by the January floods with 51 units being damaged. Of these, 39 units needed to be evacuated and their tenants rehoused for full renovations. The role played by the local communities, friends and whānau in assisting those in need was outstanding and it was so very heartening to see how our seniors' needs were identified and supported, often by people they had never met before. The floods and the subsequent cyclone led to the creation of a Haumarū emergency preparedness document to ensure that should such events occur again tenants will be clear on pathways of support, both from Haumarū and from the Auckland Council Emergency preparedness team.

Following a focus on digital literacy, tenants are now doing more online including the satisfaction surveys regarding contractor work and health and safety matters. Our nine Community Managers are on hand in the villages most days to assist with day-to-day maintenance and wellbeing matters. They have been connecting with many community stakeholders to inform tenants of what is available for them in their community, both from a service point of view but also for leisure activities. There have been several seniors expos and many cultural activities with singing and laughter and new friendships formed. We

continue with our weekly van trips, which are co-ordinated by The Selwyn Foundation and funded by Haumarū. A new initiative this year was the production of our Haumarū cookbook featuring recipes from tenants and staff, with artwork provided by our tenants.

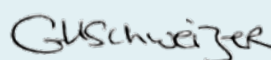
The Haumarū team has grown, with the addition of a new coordinator role to our facilities team to help manage the workflow. Staff have been engaged in upskilling, and are really enjoying learning Te Reo and refreshing their lifting and handling skills. Many staff also choose to involve themselves in added responsibilities such as being health and safety representatives, quality team representatives and sustainability champions. They also have the option to engage in funded study, which has included project management courses, tenancy management qualifications and excel and reporting courses.

We are proud of our collaboration with Auckland University on a research project that highlights how elderly individuals maintain their core body temperature while at home. At the Age-Friendly Auckland Symposium, we presented our ongoing research findings from Wilsher Village, where data regarding moisture and temperature is being collected from fixed monitors. Furthermore, Maxine Stiling, our Tenancy Quality Manager, has been designated as Chair of Age-Friendly Auckland, permitting Haumarū to continue our contribution to the study, and to develop concepts that encourage age-friendly living in Auckland.

As a result of an environmental sustainability planning workshop Haumarū Housing has committed to three key take-outs starting from 1 July 2023; becoming paper free, reducing our carbon emissions and supporting tenants to recycle their food waste. All of these will be measured and reported on.

With the increased cost of living I would like to acknowledge The Selwyn Foundation who assisted flood impacted tenants with a significant financial gift as well as assisting some Haumarū tenants with accommodation options at Selwyn Village. Thanks also to the local marae who deliver food weekly to some of our villages and to those tenants who are helping one another with communal veggie gardens and sharing items rather than disposing of them. What amazing communities we support.

I look forward to the coming year and implementing our new strategic plan.



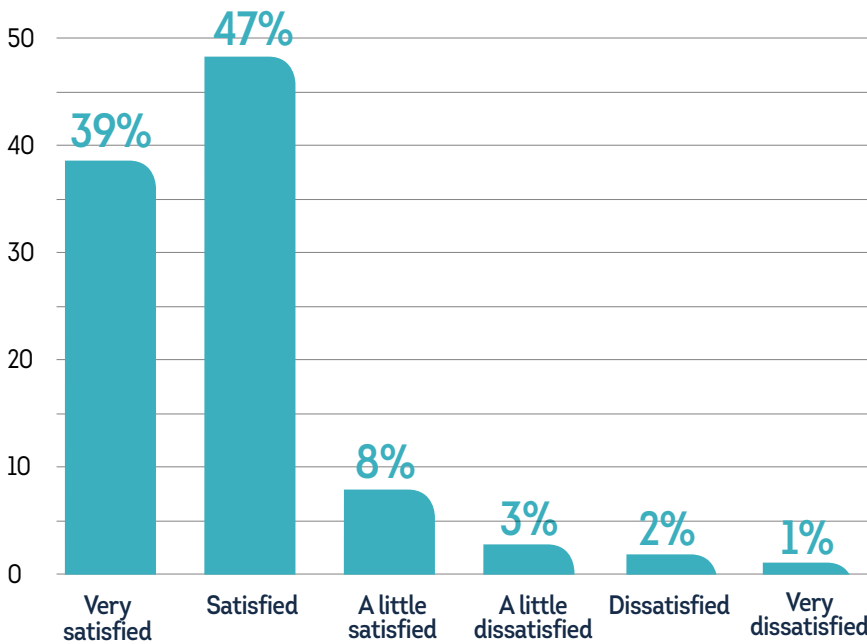
Gillian Schweizer,
Chief Executive Officer
Haumarū Auckland Ltd
September 2023



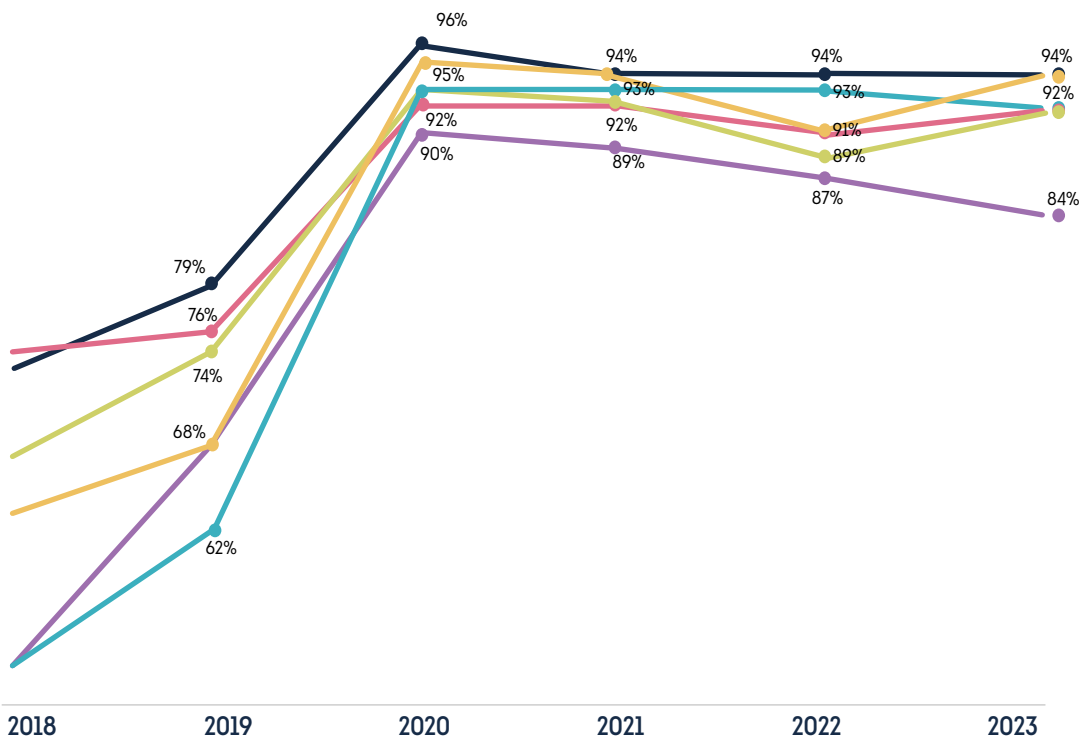
Tenant Satisfaction May 2023

Maximum Margin of Error* +3.21% | Response rate 66%

Overall tenant satisfaction



Tenant satisfaction of key aspects of services



94%
Home Maintenance

91%
Connection, Involvement

94%
Overall Satisfaction

92%
Safety*

92%
Haumarū Housing Staff

84%
Grounds Maintenance

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

Strategic Priorities

Connecting communities

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

94% overall tenant satisfaction

91% satisfaction with connection and involvement

92% feel safe at home and in the village

Community Managers and tenants working together continue to facilitate regular events and activities, helping neighbours connect and form friendships, along with regular organised outings to cafés, restaurants, museums, galleries, bush and garden walks, classes and more totalling 525 throughout the year.

“I appreciate the friendships and being able to help out when needed. I like joining other residents for morning teas & chats.”

- Haumaru tenant

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.

	2023 Budget	2023 Actual
Revenue	\$21m	\$21m
Net surplus	\$4m	\$4.9m

Income streams

51% IRRS

49% grandparented

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.

	Target	Achieved
Deed lease	100% KPIs	100%
Healthy homes legislation	100% by 1 July 2023	100%
Inspections	100%	99%*

*Only properties not inspected were those still decommissioned due to flood damage.

94% overall satisfaction of maintenance of home

84% overall satisfaction of grounds maintenance

2023 has had the wettest start to the year here in Auckland by a considerable margin, already achieving its annual rainfall which has certainly impacted our ability to maintain lawns and gardens to the standard we would expect. With multiple villages seriously impacted due to major weather events earlier in the year, much of our focus has been on crisis maintenance.

\$5.4m capital spend on villages

34% minor unit maintenance
refurbishment & internal finishes

7% double glazing

25% exterior painting & repairs

5% paths, ramps,
fences, grounds

24% full unit refurbishment

5% roof maintenance

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.

Haumaruru Housing continues to seek and work with partners to grow its housing portfolio for older people. The latest development, Wilson Village in Glen Eden was opened in October 2022 with the next development planned for Northcote in the very final stages of negotiation. Villages no longer fit for purpose are decommissioned with plans to redevelop purpose built homes for older people, while any units no longer suitable are fully refurbished as swiftly as possible.

	2017	2023	
No. tenants	1,434	1,606	^172
No. units	1,412	1,475	^63

New developments:

Wilsher Village (2019) 40 units

Wilson Village (2022) 41 units

Pipeline 52 units



Summary Statement of Service Performance

Delivering affordable rental housing specifically for older people, Haumaru Housing Limited Partnership is a joint venture between Auckland Council and The Selwyn Foundation. Currently we manage 1,475 units for older people with a housing need.

Our Vision	Our Values	Our Performance
To be a leading provider of affordable rental housing for older people in New Zealand.	Respect Accountability Responsiveness Kindness.	Haumaru Housing have identified three key areas of focus.



1. Ensuring Haumaru Housing properties are fit for purpose

With the increasing economic pressures faced by older people, there is a persistent disparity between the demand for housing and its availability. With an ageing property portfolio (average age is 50 years), it is crucial that all Haumaru Housing properties are well-maintained and meet the healthy homes standards as mandated by government legislation of June 2019. This includes mandatory drainage, ventilation, and insulation, moisture ingress, draft prevention and providing appropriate heating, all at an affordable price.

Partial unit renovations

Each year Haumaru has a target and budgets to refresh a minimum of 120 units. A unit's condition is assessed when a tenant moves out. A full unit renovation includes installing a brand new bathroom and brand new kitchen. Partial refreshment can include repainting the interior, upgrading the oven, new flooring, replacing window latches, bathroom fixture upgrades; including vanities and installing new blinds. Partial renovations ensure new tenants are moving into clean, warm, safe units that are a place to call home as well as ensuring that current tenants housing is maintained to a high standard. All partial renovations are logged in the Haumaru Asset Register which is managed by an external asset provider, SPM.

Partial unit refurbishments

2022	2023
138	131

Full unit renovations

Each year Haumaru Housing budgets for 25 full refurbishments of units where former legacy tenants have lived and moved on. Refurbishment includes new kitchens, bathrooms, floor coverings, curtains and repainting. This should be achievable unless building costs dramatically change from the planned budget set annually. It is expected that it will take some years to refurbish all these former legacy tenant's units unless demolished for the purpose of new development. The Haumaru Asset Register which is managed by an external asset register provider, SPM, is the recording tool used to detail and record the status and condition of components for each unit and along with regular visual inspections identifies areas due for replacement.

Our target of 25 refurbished units was not achieved in 2023 due to the impact of the cyclones and flooding in early 2023. This had a significant impact on several villages, with three villages requiring evacuation and tenants rehomed. Focus moved away from planned refurbishment to unexpected emergency rehoming, rebuilding and refurbishment.

Units refurbished

2022	2023
25	21

Capital spend on villages

Haumaru completed its healthy homes compliance project with all villages getting heat pumps or heaters as per sector standards. Village improvements were rolled out as per our capital spend plan and included replacing fencing, new roofing and guttering, laundry upgrades, full unit refurbishments, new paths and handrails, extensive painting, landscaping and double glazing.

Capital spend

2022	2023
\$6.4m	\$5.4m

"I love my home and the village! I'm so grateful and happy living here. Thank you very much to Haumaru Housing and their staff members."

- Haumaru tenant

Summary Statement of Service Performance

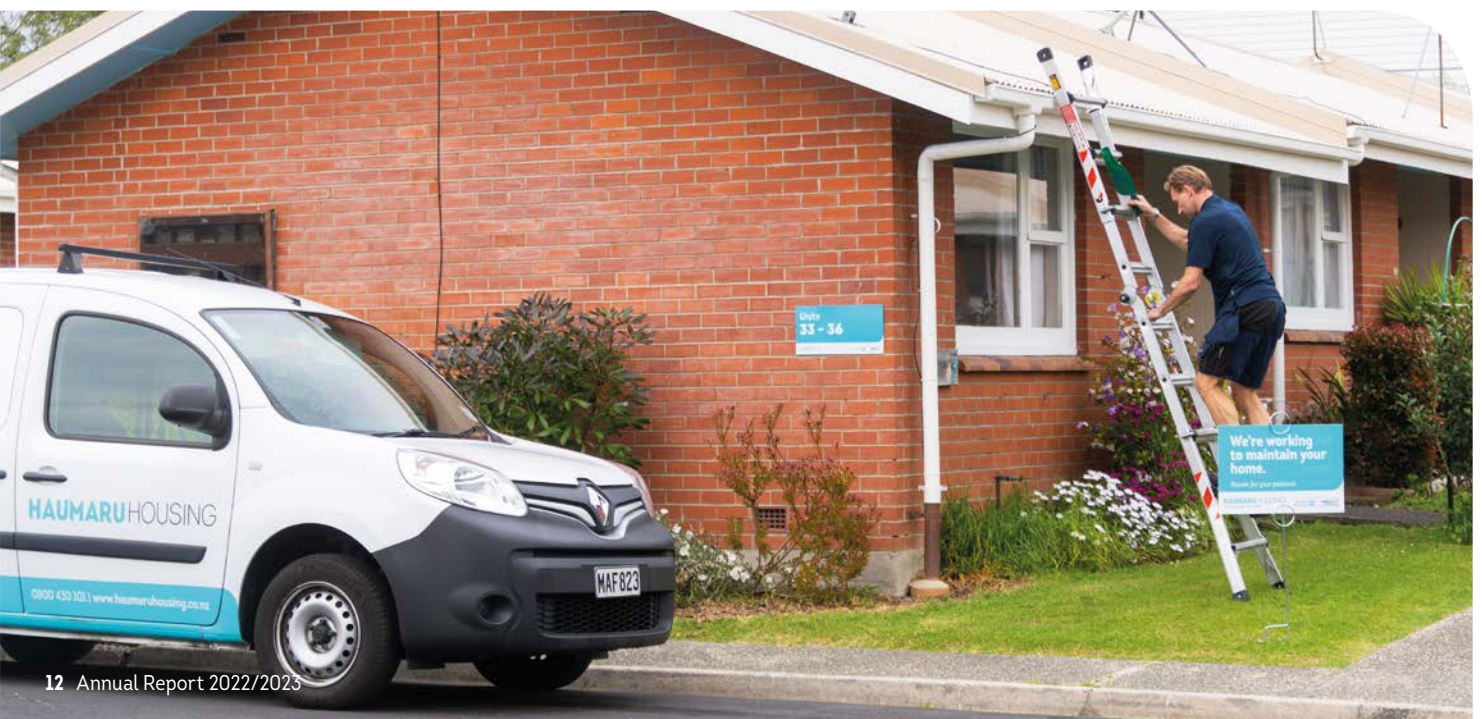
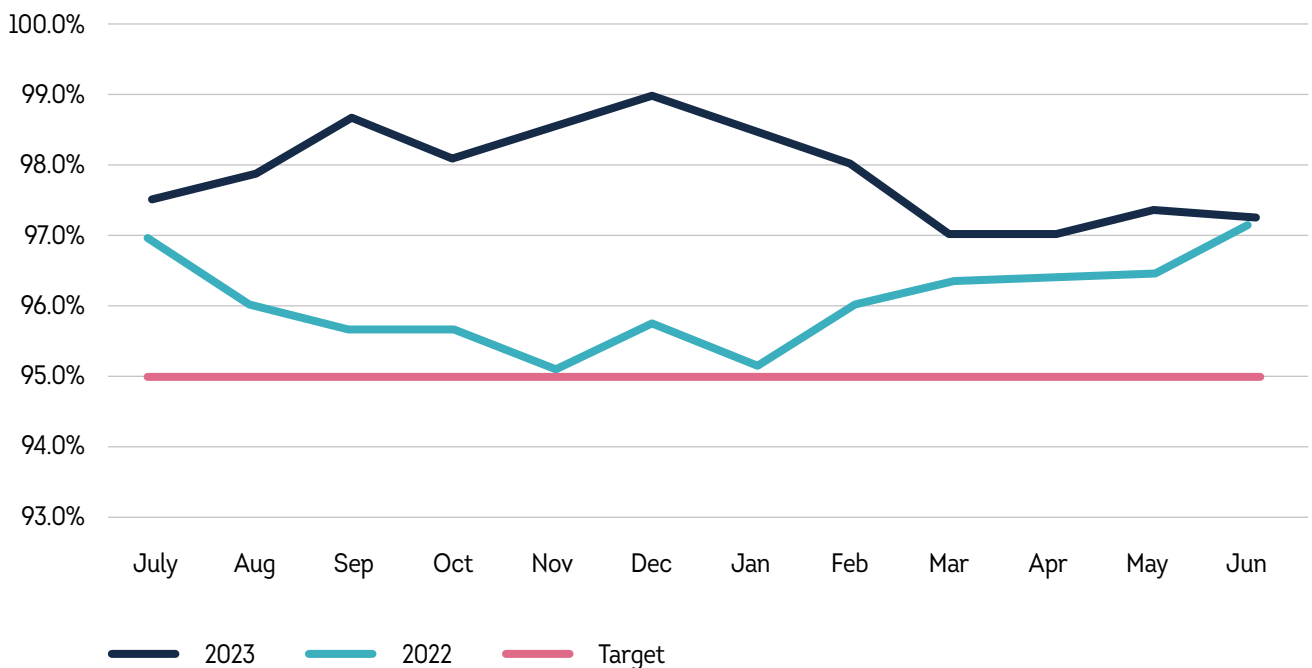
Occupancy rate

It is important to occupy vacant units as soon as practicable given the waitlist for affordable housing. Our target is 95% per month occupancy of all occupiable units. This percentage is a business KPI as agreed by our partners in our limited partnership. Our occupancy percentage is recorded and reported on each month.

This figure allows for a three-week turnaround in our ready to let units and up to six months turnaround in our fully renovated units. This target was achieved despite

occupancy experiencing a minor dip due to several factors. Specifically, in September 2022, the introduction of 41 new tenancies at Wilson Road, which were all occupied within one month of opening. Additionally, 39 tenancies were relocated due to flooding impacting their original units. Of these tenants, 19 tenants moved in temporarily with their families and 16 tenants were transferred to alternate Haumaru villages. Furthermore, four tenants temporarily shifted to Selwyn Village for a duration of six months while their homes underwent necessary renovations.

Occupied units percentage per month



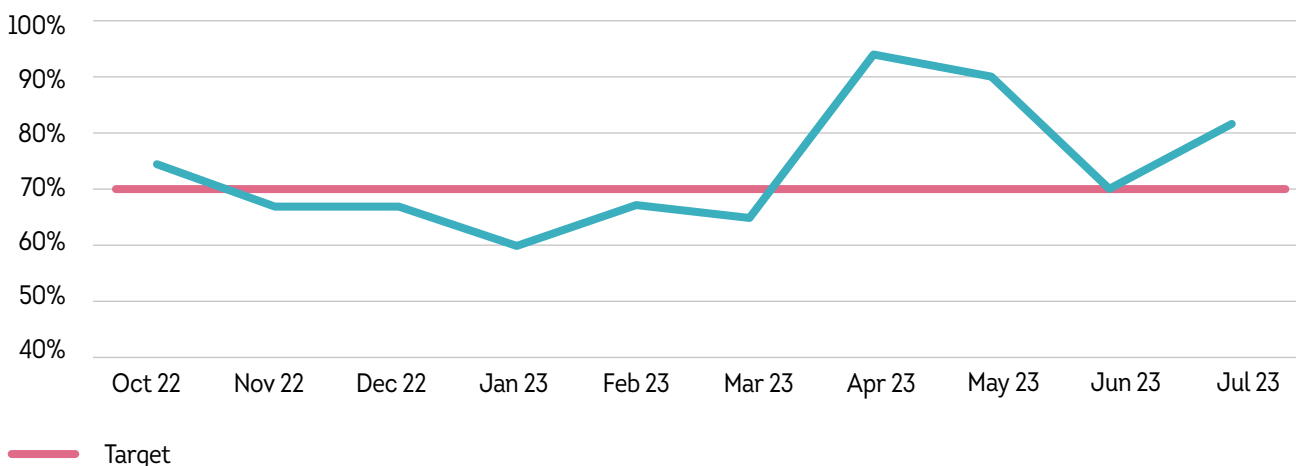
2. Organisational capability – responsiveness and effectiveness

We take care and pride in the services we provide our tenants. Addressing their needs promptly is of utmost importance to Haumarū and our dedicated team.

After hours responsiveness

Haumarū Housing outsources its afterhours call centre service. In October 2022 tenants highlighted issues relating to the timeliness of calls being answered. After investigating the service, areas for improvement were identified. Significant work has been undertaken with the service provider, including a change in scripting and we are pleased to be able to report an ongoing improvement in performance. We have set a benchmark to have 70% of calls answered within 30 seconds. In 2023/24 we will be able to compare year on year.

Percentage of calls answered within 4 rings or those under 30 seconds on hold since Oct 2022



Satisfaction with contractor response and quality of work

This information was previously collated manually from our tenants which required them to fill out a paper questionnaire and return it to Haumarū. Our target is a response of 90% satisfaction with our contractors work. In January 2023, we implemented an online version of the questionnaire. Using an online response tool has seen an increase in our response rates. Since January 2023 the process entails that when the maintenance jobs are completed, Community Managers arrange a visit to their tenants within a week to gather feedback on the recently completed work. During this visit, tenants are invited to fill out a brief online questionnaire to share their satisfaction level with the completed job. In 2023 when changing the questionnaire to online, a question was added asking tenants how easy it is to contact someone at Haumarū Housing at any time including after hours. 99% of respondents stated it was easy to contact someone. Those who indicated it had not been easy, either had issues during the floods earlier in the year, or had someone else log a job on their behalf. Due to this extra question added in 2023, there is no data available for the 2021/2022 financial year.

“Job done well. Very efficient and kind contractor.”

- Haumarū tenant

	2022	2023
Jobs logged	4,518	5,939
Number of responses to survey	149	859
Percentage of respondents satisfied with contractor work	98%	91%
Percentage of respondents stating it was easy to contact helpdesk	N/A	99%

Summary Statement of Service Performance

3. Connecting Communities

Ensuring our tenants stay connected not only with their neighbours but also with the broader community is vital for their overall wellbeing. With the valuable assistance of our Community Managers and partnerships like The Selwyn Foundation, our tenants can lead active lives according to their preferences and choices.

Contacting tenants

Haumarū is a housing provider, not a health or social care provider but the wellbeing of our tenants is still important to us. It is not always possible to talk to every tenant daily, and nor do our tenants want this. Most are active independent adults, with full and busy lives, filled with whānau and friends, but not all. For this reason we record every sighting of a tenant, whether we engage with them or not. Unit inspections occur twice a year and there are other opportunities for Community Managers to engage with their tenants face-to-face. Until March 2023, our target was to engage with each tenant quarterly, this has since changed to every second month. When 100% tenant contact isn't achieved, we ensure we have knowledge of where the tenant is. Reasons for not sighting a tenant during a quarter include: tenants being overseas, staying with family, or in hospital.

Community engagement activities

Haumarū help tenants connect with their neighbours and their local communities through meetings, morning teas, lunches, and other events with the support of The Selwyn Foundation arranging full day and half day excursion's (van trips) in and around Auckland. Not all our tenants choose to be social but we encourage all to participate and offer ideas on what they would like to see offered. 2021/22 excursions were severely impacted by ongoing COVID related issues, but with COVID now behind us activities are back in full swing with 113 half day and 34 full day excursions undertaken with an average of 4.59 tenants on each trip. Generally, more tenants sign up to the trips but changes occur on the day due to ill health, weather or something else having taken priority.

Village organised activities have included hosting Members of Parliament, the Aged Care Commissioner, and subject matter experts such as diabetes advisors. Haumarū Housing organised activities have included digital literacy courses, live stronger for longer, strength and balance classes, village connection days and cultural festivals in association with the independent living charitable trust and local council boards as well as an inaugural Mini Expo event for seniors at Bridge Court and local Community Constable visits to villages.

	2022 % tenants contacted	2023 % tenants contacted
Q1	97.2%	99.3%
Q2	99.6%	99.9%
Q3	98.6%	99.8%
Q4	99.7%	99.6%

	2022 Actual	2023 Actual
Selwyn Foundation Excursions	50	147
Haumarū Housing organised village activities	0	12
Tenant organised village activities	23	95
Externally organised village activities	21	74

“Quick response to our needs, and during her weekly visits while in village, our community manager will pop in and say ‘hi’ and check on us on her round. Personal touch, always lovely.”

- Haumarū tenant



Summary Financial Statements

Summary Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Revenue			
Residential property management fee from exchange transactions	3	21,046	18,129
Other revenue from exchange transactions		3,364	88
		24,410	18,217
Less: expenses			
Repairs and maintenance expense		(8,437)	(8,246)
Employee benefits expense		(2,650)	(2,700)
Rates - council and water		(2,276)	(2,140)
Lease expense		(792)	(263)
Electricity		(176)	(159)
Depreciation		(13)	(17)
Motor vehicle expenses		(52)	(46)
Advertising expenses		(21)	(23)
Other expenses		(5,123)	(2,000)
		(19,540)	(15,594)
Surplus for the year		4,870	2,623
Other comprehensive revenue and expense for the year		-	-
Total comprehensive revenue and expense for the year		4,870	2,623

Summary Statement of Financial Position

As at 30 June 2023

	2023 \$'000	2022 \$'000
Current assets		
Cash and cash equivalents	3,857	8,586
Receivables	825	552
Other assets	15,990	5,844
Total current assets	20,672	14,982
Non-current assets		
Property, plant and equipment	11	17
Total non-current assets	11	17
Total assets	20,683	14,999
Current liabilities		
Payables	3,704	2,890
Total current liabilities	3,704	2,890
Total liabilities	3,704	2,890
Net assets	16,979	12,109
Partners' funds		
Accumulated surplus	16,979	12,109
Total partners' funds	16,979	12,109

For and on behalf of the Board of the General Partner - Haumarū Auckland Limited, dated 19 September 2023.



Kay Hawk, Chair



Stephen Titter, Director

Summary Financial Statements (cont.)

Summary Statement of Changes in Partners' Funds

For the year ended 30 June 2023

	Accumulated surplus \$'000	Partners funds \$'000
Balance as at 1 July 2021	9,486	9,486
Surplus for the year	2,623	2,623
Total comprehensive revenue and expense for the year	2,623	2,623
Balance as at 30 June 2022	12,109	12,109
Balance as at 1 July 2022	12,109	12,109
Surplus for the year	4,870	4,870
Total comprehensive revenue and expense for the year	4,870	4,870
Balance as at 30 June 2023	16,979	16,979

Summary Statement of Cash Flows

For the year ended 30 June 2023

	2023 \$'000	2022 \$'000
Cash flows from operating activities		
Receipts from property management fees	20,773	18,086
Interest received	454	73
Dividends received	14	14
Receipts from other income	1	1
Payments to suppliers and employees	(18,985)	(13,324)
Lease payments	(792)	(263)
Insurance recoveries received	575	-
Net cash provided by operating activities	2,040	4,587
Cash flow from investing activities		
Payment for plant and equipment	(7)	(12)
Payment for term deposits	(6,762)	(5,818)
Net cash used in investing activities	(6,769)	(5,830)
Reconciliation of cash		
Cash at beginning of the financial year	8,586	9,829
Net increase / (decrease) in cash held	(4,729)	(1,243)
Cash at end of financial year	3,857	8,586

Notes to the Summary Financial Statements

For the year ended 30 June 2023

Note 1: Statement of Significant Accounting Policies

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

The partners are The Selwyn Foundation (51% share) and Auckland Council (49% share). Haumaru 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 2023. 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 2023 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 2023 on 19 September 2023.

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 Haumaru 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.

(c) New and amended standards and interpretations

New standards and amendments and interpretation to existing standards that came into effect during the current accounting period beginning on 1 July 2022.

PBE IPSAS 41 *Financial Instruments*

PBE IPSAS 41, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in PBE IPSAS 29, 'Financial Instruments: Recognition and Measurement', that relates to the classification and measurement of financial instruments. PBE IPSAS 41 retains but simplifies the mixed measurement model and establishes new measurement categories for financial assets. The basis of classification depends on the entity's management model and the contractual cash flow characteristics of the financial asset. In addition, there is now a new expected credit losses impairment model that replaces the incurred loss impairment model used in PBE IPSAS 29.

The accounting policies for the year ended 30 June 2023 have been updated to comply with PBE IPSAS 41. The adoption of PBE IPSAS 41 has not had a material impact on the financial statements of the Partnership.

The main impact has been presentation only.

PBE FRS 48 Statement of *Service Performance*

PBE FRS 48 requires entities to disclose service performance information to provide contextual information on why the entity exists, what it intends to achieve in broad terms, and what was done during the reporting period towards its broader aims and objectives.

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 owns the portfolio of rental properties. 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 service concessions arrangement, whereby the rentals received are classified as a management fee for financial reporting purposes. The management fee the Partnership receives is fair value for the service provided.

Funding arrangement

The Partnership organises the refurbishment of the housing portfolio owned by the Auckland Council 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.

Service performance reporting

In determining the performance measures to be included in the statement of service performance, the Partners have exercised judgement and reported on those measures considered to be the most useful to the readers of the service performance report, in understanding the Partnership purpose and objectives, and what the Partnership has achieved during the reporting period.

Notes to the Summary Financial Statements (cont.)

Insurance claim proceeds

During the year, the properties suffered flood damage resulting from the significant flooding events in Auckland in January 2023. The Partnership holds an enforceable contract with their insurance company to bear the risk associated with such unfavourable events. In assessing revenue recognition, significant judgement has been exercised in reference to stage of completion and recoverability of the insurance receivable as at balance date. The Partnership has recognised insurance recoveries to the extent of the identified total property redemption costs incurred as at balance date as referenced by invoices and quotes received.

Note 3: Revenue

	2023 \$'000	2022 \$'000
Residential property management fees (exchange transactions)		
Rents under residential tenancy agreements	11,036	9,411
Income related rent subsidies	10,010	8,718
	21,046	18,129

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 other matters or circumstances, which has arisen since 30 June 2023 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 30 June 2023 of the Partnership, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 30 June 2023, of the Partnership.

Auditor's Report

Level 9, 45 Queen Street, Auckland 1010
PO Box 3899, Auckland 1140
New Zealand

T: +64 9 309 0463
F: +64 9 309 4544
E: auckland@bakertillysr.nz
W: www.bakertillysr.nz



INDEPENDENT AUDITOR'S REPORT On the Summary Financial Statements To the Partners of Haumaru Housing Limited Partnership

Opinion

The accompanying summary financial statements on pages 1 to 13, which comprise the summary statement of financial position as at 30 June 2023, the summary statement of service performance, 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 Haumaru Housing Limited Partnership (the 'Limited Partnership') for the year ended 30 June 2023.

In our opinion, the accompany summary financial statements are consistent, in all material respects, with the audited general purpose financial report, in accordance with Public Benefit Entity Financial Reporting Standard 43: *Summary Financial Statements* (PBE FRS 43) issued by the New Zealand Accounting Standards Board.

Our report is made solely to the Partners of the Limited Partnership. Our audit work has been undertaken so that we might state to the Partners of the Limited Partnership those matters 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 Partners of the Limited Partnership as a body, for our audit work, for our report or for the opinions we have formed.

Summary Financial Statements

The summary financial statements do not contain all disclosures required by Public Benefit Entity Financial Reporting Standard – Reduced Disclosure Regime ('PBE Standards RDR'). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited general purpose financial report of the Limited Partnership. The summary financial statements and the general purpose financial report do not reflect the effects of events that occurred subsequent to the date of our report on the audited general purpose financial report.

The Audited General Purpose Financial Report

We expressed an unmodified audit opinion on the audited general purpose financial report of the Limited Partnership for the year ended 30 June 2023 in our report dated 19 September 2023.

Responsibilities of the Directors of the General Partner for the Summary Financial Statements

The Directors of the General Partner are responsible for the preparation of a summary of the audited general purpose financial report 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 Haumaru Housing Limited Partnership in the area of financial statements compilation services. The provision of these other services has not impaired our independence.

Other information

The Partners are responsible for the other information. The other information comprises the information included in the Limited Partnership's annual report for the year ended 30 June 2023 (but does not include the financial statements, and auditors report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with the audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work performed, we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

A handwritten signature in cursive script that reads "Baker Tilly Staples Rodway".

BAKER TILLY STAPLES RODWAY AUCKLAND
Auckland, New Zealand
19 September 2023

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

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

Wilson Village
2 Wilson 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

"A village where I feel very safe. All of the residents are friendly, and helpful if needed."

- Haumaru tenant



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



The Selwyn Foundation Directors:

Dr Kay Hawk (Chair)

19 March 2019 to present

Stephen Titter

16 December 2019 to present

Dr Sue Watson

1 June 2021 to present

Auckland Council Directors:

Kerry Hitchcock

1 July 2017 to present

Matthew Harker

1 July 2017 to 31 March 2023 (replaced by Jason Rogers)

Jason Rogers

1 July 2023 to present

Haumaru Housing Limited Partnership

PO Box 8475, Symonds St, Auckland 1150

Level 2, 1 Nugent Street, Grafton, Auckland 1023

0800 430 101 | info@haumaruhousing.co.nz | haumaruhousing.co.nz