ENRICH+ TRUST

enrich Group

CONSOLIDATED GENERAL PURPOSE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

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Directory

Principal business	The purposes of the Trust are to support those persons who by reason of physical or intellectual impairment or mental health disorder are unable to follow a vocation, or to obtain employment, or to enjoy full quality of life, by assisting them, with the participation of that community, to become full, contributing, and valued members of their community by way of providing employment, other real work opportunities, and other meaningful activities.
Trustees	Andrew Jean Johnson (resigned 09/08/2022) Maree Judith Haddon Scott Ratuki Paul Bennet Simon lockwood
Chairperson	Paul Bennett
Registered office	48 Teasdale Street Te Awamutu 3800
Auditor	PwC Level 4 Cnr Anglesea & Ward Street Hamilton 3240
Bankers	Wesptac bank BNZ bank
Website address	www.enrichplus.org.nz
Charity registration number	CC23554

CONSOLIDATED STATEMENT OF SERVICE PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2023

Statement of Service Performance Enrich+ 2022 - 2023

Our Vision

We work in partnership creating inclusive environments built on trust, respect and equity where people with disability, autism and neurodiversity live the life they choose.

Our Purpose

Our unique, personalised programmes ensure individuals gain the skills needed to achieve their goals. From navigating social situations, building meaningful relationships, transitioning from school, adjusting to independent living, or gaining employment, our team works alongside individuals and their whānau to give them the tools to realise their potential and achieve their goals.

Our Geographical Areas

Hamilton, Te Awamutu, Waikato, King Country, Tauranga

Our Contracts	2022	2023
Supported Activities	MSD	MSD
Very High Needs	MSD	MSD
Employment Support	MSD	MSD
Employment Support in Schools	MSD	MSD
Supported Independent Living	Whaikaha	Whaikaha
Living My Life	ACC	ACC
Infant, Child, Adolescent Metal Health	Te Whatu Ora	Te Whatu Ora Waikato
Education Support Worker		ACC

Snapshot of Success

Supported Activities	2022	2023
Number total Clients Supported	130	170
Number Female	75	81
Number Male	55	89

At Enrich+ we support people with intellectual, physical or sensory disabilities to develop their talents, connections and the everyday skills needed to have 'a life like any other'. We work alongside you to build natural supports in the community through volunteering, leisure activities and socialising.We currently run services in Te Awamutu, Hamilton and Taumarunui.

Supported Employment	2022	2023
Total Clients Supported	97	86
Number Female	42	27
Number Male	55	59

At Enrich+, we work with people aged 16 and older who have intellectual and physical disabilities, mental health and autism to gain employment and reach career goals.Our employment brokers are experienced in disability and autism employment and are committed to the values and principles of the National Supported Employment Practice Guidelines.

Employment Services In Schools	2022	2023
Total Clients Supported	-	377
Number Female	-	109
Number Male	-	268

* 2022 data has not been collected.

All teenagers in their last year of school or tertiary education should experience a smooth transition into the next phase of their life. We support teens (aged between 16 and 21 years) with physical and intellectual disabilties, mental health & autism to explore their options regarding gaining volunteer work or employment during the last two years of school. Whether it's: further employment education,employment,living and future flatting arrangements, contributing towards their community, accessing community services.

CONSOLIDATED STATEMENT OF SERVICE PERFORMANCE (Continued)
FOR THE YEAR ENDED 30 JUNE 2023

Supported Living - MOH	2022	2023
Average Total Clients Supported Per Month	131	117
Number Female supported in June	48	51
Number Male supported in June	83	58

Our Supported Living service is designed for individuals over the age of 17, living with permanent physical or intellectual disabilities and autism. We provide both practical and emotional support for Individuals to attain or retain their independence by living outside of the family home and within their local communities.

Empowerment Services	2022	2023
Average total Clients Supported Per Month	25	17

Our team of psychologists and specialists in Waikato and Bay of Plenty work with autistic people and have a sound knowledge across the wide spectrum of physical and intellectual disabilities.

Autism Groups	2022	2023
Average Number of Weekly Groups (Ham & TGA	12	14
Number of New Enrolments	116	70
Number of Re-Enrolments	215	140

Enrich+ offers seven small group sessions a week in Hamilton and Tauranga during the school terms for ages five to 25 years catering for autistics or those with general social difficulties.

People & Culture

Training & Development	2022	2023
Total staff L3 NZ Cert Health & Wellbeing	23	20
L3 Certificate Obtained 2023	0	2
L4 Certificate Obtained 2023	0	6
First Aid training	27	36
Total staff with First Aid Training	47	55
Safety Interventions	78	16

Staff are trained in First Aid every two years. We encourage our team to continue their learning and will support them through their NZ Certificate in Health & Wellbeing L3 and L4. We have two in-house assessors available to support staff.

CONSOLIDATED STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 Actual	2022 Actual
Revenue	6	8,893,198	8,962,841
Total Revenue		8,893,198	8,962,841
Other income	7	76,496	112,696
Direct Expenses		(552,008)	(395,833)
Personnel Costs		(6,306,000)	(6,354,938)
Staff Development		(161,523)	(139,103)
Administration		(611,812)	(686,656)
Promotion & Communications		(70,808)	(49,716)
Vehicle & Plant Expenses		(315,976)	(291,871)
Equipment & Furniture		(24,870)	(27,856)
Property Costs		(469,367)	(375,753)
Governance		(122,976)	(86,788)
Depreciation and amortisation expenses	14	(182,412)	(194,590)
Fundraising		-	-
Other expenses	8	(227,999)	(101,926)
		(8,969,255)	(8,592,333)
Surplus/(Deficit) before net financing costs		(76,057)	370,508
Finance income	9	111,325	80,923
Finance costs	9	(206,969)	(108,209)
Net finance costs		(95,644)	(27,286)
Share of Work Outcomes Limited Partnership surplus/(deficit)	15	260,892	(219,601)
		260,892	**(219,601)**
Operating Surplus/(deficit) for the year		**89,191**	**123,621**
Other comprehensive revenue and expenses			
Gain/(Loss) on revaluation of available for sale assets		(31,506)	237,770
		(31,506)	**237,770**
Total comprehensive revenue and expense for the year		**57,685**	**361,391**

The above statements should be read in conjunction with the notes to and forming part of the financial statements

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	AFS Fair Value Reserve	Accumulated revenue and expenses	Total net assets/ equity
Balance as at 1 July 2021	326,122	9,010,053	9,336,175
Total comprehensive revenue and expenses for the year	237,770	123,621	361,391
Balance at 30 June 2022	**563,892**	**9,133,674**	**9,697,566**

	AFS Fair Value Reserve	Accumulated revenue and expenses	Total net assets/ equity
Balance as at 1 July 2022	563,892	9,133,674	9,697,566
Total comprehensive revenue and expenses for the year	(31,506)	89,191	57,685
Balance at 30 June 2023	**532,386**	**9,222,865**	**9,755,251**

The above statements should be read in conjunction with the notes to and forming part of the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 Actual	2022 Actual
ASSETS			
Current assets			
Cash and cash equivalents	10	1,170,569	567,990
Receivables (from exchange transactions)	11	1,626,885	2,049,793
Prepayments and other assets	12	12,588	7,891
Term Investments		-	471,869
		2,810,042	**3,097,543**
Non-current assets			
Property, plant and equipment	14	5,381,742	5,297,157
Work in Progress		-	20,227
Investment Property	13	3,415,201	3,456,371
Other Investments	16	2,700,316	2,722,325
Investment in Work Outcomes Limited Partnership	15	-	104,108
		11,497,259	**11,600,188**
TOTAL ASSETS		**14,307,301**	**14,697,731**
LIABILITIES			
Current liabilities			
Payables (from exchange transactions)	17	779,797	646,302
Deferred revenue	18	497,277	721,189
Employee benefit liability	19	525,219	587,582
Non-exchange liabilities	20	64,757	88,803
Loans	21	-	200,364
		1,867,050	**2,244,240**
Non-current liabilities			
Loans	21	2,685,000	2,755,925
		2,685,000	**2,755,925**
TOTAL LIABILITIES		**4,552,050**	**5,000,165**
NET ASSETS / EQUITY			
Accumulated revenue and expense		9,222,865	9,133,674
Available for sale financial asset fair value reserve		532,386	563,892
TOTAL NET ASSETS / EQUITY		**9,755,251**	**9,697,566**
TOTAL NET ASSETS / EQUITY AND LIABILITIES		**14,307,301**	**14,697,731**

The above statements should be read in conjunction with the notes to and forming part of the financial statements.

Approved on Behalf of the Board:

Chairperson

Date 10/5/24

Trustee

Date 10.05.24

pwc

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 Actual	2022 Actual
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was received from:			
Goods and services provided		8,711,353	8,276,001
Grants, donations, and bequests		310,318	388,691
Cash was applied to:			
Payments to suppliers and employees		(8,673,931)	(8,321,001)
Net GST (paid)		-	17,387
Net cash inflow/(outflow) from operating activities		**347,740**	**361,078**
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was received from:			
Interest received		24,777	-
Receipts from the sale of property, plant and equipment		-	1,125,993
Receipt from Work Outcomes		365,000	-
Receipt from Term Deposits		471,869	
Dividends received		77,050	80,923
Cash was applied to:			
Payments to purchase investments		-	(275,000)
Purchase of Term Investments		-	(150,000)
Payments for purchase of property, plant and equipment		(205,601)	(2,631,585)
Net cash inflow/(outflow) from investing activities		**733,095**	**(1,849,669)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was received from:			
Loans received		-	276,542
Cash was applied to:			
Loans to related parties		-	-
Interest expenses		(206,969)	(108,209)
Loan Repayments		(271,289)	-
Net cash inflow/(outflow) from financing activities		**(478,258)**	**168,333**
Net increase/(decrease) in cash and cash equivalents		**602,577**	**(1,320,258)**
Cash and cash equivalents at beginning of year		567,991	1,888,249
Cash and cash equivalents at the end of year	10	**1,170,568**	**567,991**

NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Note 1 – Reporting entity

Enrich+ Trust is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013). This general purpose financial report (including the consolidated financial statements and consolidated statement of service performance) for the year ended 30 June 2023 comprise Enrich+ Trust ("the Trust") and its controlled entities (together referred to as the 'Group') and individually as 'Group entities'.
Enrich+ Trust supplies support and services to people living with autism and disabilities.
Enrich+ is governed by a Board of Trustees. Enrich+ has the below subsidiaries:
Enrich+ Property Trust, Enrich+ Spectrum Energy Trust and McKenzie Centre Trust.

Note 2 – Basis of preparation

(a) Statement of compliance
The consolidated general purpose financial report has been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted.
The Group qualifies as a Tier 2 reporting entity as for the two most recent reporting periods it has had between $2m and $30m operating expenditure.

(b) Measurement basis
The consolidated financial statements have been prepared on the historical cost basis except for the other investments which are measured at fair value.

(c) Functional and presentation currency
The financial statements are presented in New Zealand dollars ($) which is the controlling entity's functional and Group's presentation currency. There has been no change in the functional currency of the Group.

Note 3 - Changes in Accounting Policies

During the year, the Group has adopted PBE IPSAS 41 Financial Instruments and PBE IFRS 48 Service Performance Reporting (refer to Service Performance note).

PBE FRS 48: Service Performance Reporting
The External Reporting Board issued PBE FRS 48: Service Performance Reporting in November 2017 that PBEs were required to adopt the standard from 1 January 2022. The Trust adopted the standard for the June 2023 year end.As a result of the adoption, a new statement has been presented in these financial statements called Service Performance Report.

PBE IPSAS 41: Financial Instruments
The External Reporting Board issued PBE IPSAS 41: Financial Instruments in March 2019. PBEs were required to adopt the standard from 1 January 2022. The Trust adopted PBE IPSAS 41 for the June 2023 year end. The main changes between PBE IPSAS 29 and PBE IPSAS 41 for the Trust are:
- New financial asset classification requirements for determining whether an asset is measured at fair value oramortised cost.
- A new impairment model for financial assets based on expected credit losses, which may result in earlier recognitionof impairment losses. This adoption had no material impact on figures presented in the financial statements in the 2023 financial year.

Note 4 - Accounting Standards not yet adopted

There are no material accounting standards effective not yet adopted.

Note 5 – Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Group.

- Basis of consolidation
i. Controlled entities
Controlled entities are entities controlled by the Group, being where the Group has power to govern the financial and operating policies of another entity so as to benefit from that entity's activities. The financial statements of the Group's controlled entity are included in the consolidated financial statements from the date that control commences until the date that control ceases.
Subsequent changes in a controlled entity that do not result in a loss of control are accounted for as transactions with controllers of the controlling entity in their capacity as controllers, within net assets/equity.

ii. Loss of control of a controlled entity
On the loss of control, the Group derecognises the assets and liabilities of the controlled entity, any minority interest, and the other components of net assets/equity related to the controlled entity. Any surplus or deficit arising on the loss of control is recognised in surplus or deficit.
If the Group retains any interest in the previously controlled entity, then such interest is measured at fair value at the date that control is lost. Subsequently, the retained interest is either accounted for as an equity-accounted associated or an available-for-sale financial asset depending on the level of influence retained.

iii. Joint ventures
Joint ventures are those entities over whose activities the Group has joint control, established by a binding agreement and requiring unanimous consent for strategic financial and operating decisions.
Joint ventures that are structured in a separate vehicle are classified jointly-controlled-entities and are accounted for using the equity method proportionate consolidation method whereby a Group's share of each of the assets, liabilities, revenue and expenses of a jointly controlled entity is combined line by line with similar items in the Group's financial statements.
Joint ventures that are not structured in a separate vehicle are classified as either jointly-controlled- operations or jointly controlled assets. The consolidated financial statements include the Group's share of assets, liabilities, expenses, and revenues from the jointly-controlled-operation or jointly controlled asset on a line-by-line basis.

iv. Transactions eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.
Unrealised gains arising from transactions with equity accounted associates and jointly-controlled-entities are eliminated against the investment to the extent of the Group's interest in the investee.
Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

- Revenue
The Group receives revenue from both exchange and non-exchange transactions. An exchange transaction is defined as a transaction in which one entity receives assets or services (or has liabilities extinguished) and directly gives approximately equal value to another entity in exchange. A non-exchange transaction is a transaction in which the Company receives an asset (such as cash), but does not provide approximately equal value in return.

i. Revenue from exchange transactions
Rendering of services
Revenue from services rendered is recognised in the consolidated statement of comprehensive revenue and expense in proportion to the stage-of-completion of the transaction at the reporting date. Government Contract income is accounted for in the period the contract relates to, which is from 1 July to 30 June. Amounts received in advance for services to be provided in future periods are recognised as liability until such time as the service is provided.

ii. Revenue from non-exchange transactions
Where a non-exchange transaction has an associated condition (which is a requirement to return assets that have not been used for the purposes specified by the other party to the transaction), a liability is recognised. Revenue is recognised (and the liability extinguished) as the condition is met.

Fundraising
The Group's fundraising activities involve an event every two years to raise funds for Enrich+ Spectrum Energy. Fundraising non-exchange revenue is recognised at the point at which cash is received.

Grants and Donations
The recognition of non-exchange revenue from Grants and Donations depends on the nature of any stipulations attached to the inflow of resources received, and whether this creates a liability (i.e. present obligation) rather than the recognition of revenue. Stipulations that are 'conditions' specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the 'conditions' are satisfied. Stipulations that are 'restrictions' do not specifically require the Group to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

Debt forgiveness
Regarding the derecognition of financial liabilities, non-exchange revenue relating to debt forgiveness is recognised at the point at which the contractual obligations for repayment of the debt are discharged, cancelled, or expire.

Finance income
Finance income comprises interest income on loans and receivables. Interest income is recognised as it accrues in the consolidated statement of comprehensive income and expense, using the effective interest method.

Dividends
Income from dividends is recognised when the Groups' right to receive payment is established, and the amount can be reliably measured.

iii. Other income
Insurance proceeds
Income from insurance proceeds is recognised when the Group's right to receive payment is established, and the amount can be reliably measured.

- Good & Services Tax (GST)
All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

- Income Tax
The entity is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

- Accounts Receivable and Accounts Payable
Accounts Receivable and accounts payable are stated at their estimated realisable value.
- Employee benefits
i. Short-term employee benefits
Short-term employee benefit liabilities are recognised when the Group has a legal or constructive obligation to remunerate employees for services provided with 12 months of reporting date, and is measured on an undiscounted basis and expensed in the period in which employment services are provided.

ii. Long-term employee benefits
Long-term employee benefit obligations are recognised when the Group has a legal or constructive obligation to remunerate employees for services provided beyond 12 months of reporting date.

iii. Termination benefits
Termination benefits are recognised as an expense when the Group is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

-Finance costs
Finance costs comprise interest expense on financial liabilities.

Financial Instruments
The Group initially recognises financial instruments when the Group becomes a party to the contractual provisions of the instrument.

Financial assets: Initial recognition and measurement
Financial assets are classified, at initial recognition, as financial assets at fair value through other comprehensive income and expenses (FVRE) or amortised cost. All financial assets are recognised initially at fair value plus the transaction costs that are attributable to the acquisition of the financial asset.

The Groups financial assets include: cash and cash equivalents, receivables from exchange transactions, term investments and other investments.

Financial assets: Subsequent measurement
For the purpose of subsequent measurement financial assets are classified in two catergories:
- Financial assets at fair value through comprehensive income and expenseFinancial assets: Initial recognition and measurement
- Amortised cost

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligation is discharged, cancelled, or expires.

i. Financial Assets
Amortised Cost
Financial assets are subequently measured at amortised cost using the effective interest rate. If issued with a duration of less than 12 months they are recognised at their normal value unless the effect of discounting is material. Interest and impairment losses are recognised in the Statement of Financial Performance.

Impairment of Financial Assets
An expected credit loss (ECL) model is used to recognise and calculate impairment losses for financial assets subsequently measured at amortised cost and debt instruments subsequently measured at FVCRE. Financial assets are to be assessed at each reporting date for any significant increase in the credit risk since initial recognition.

The simplified approach to providing for expected credit losses is applied to trade and other receivables. The simplified approach involves making a provision at an amount equal to lifetime expected credit losses. The allowance is assessed on a portfolio basis based on the number of days overdue and taking into account the historical loss experience and incorporating any external and future information.

The general model prescibed is adopted for individual financial assets or groups of financial assets held at amortised cost or FVCRE, other than trade and other receivables. This model recognises impairment losses in line with the credit quality stage of the financial asset. Impairment of financial assets that are individually significant are determined on an individual basis. Specific lifetime expected credit losses allowance is recognised for these assets under both general and simplified impairment model.

Fair values of quoted investments are based on market prices. Regular way purchases and sales of all financial assets are accounted for at trade date. If the market for a financial asset is not active, fair values for initial recognition and, where appropriate, subsequent measurement are established by using valuation techniques, as set out in the notes to the financial statements. At each balance date an assessment is made whether there is objective evidence that a financial asset or group of financial assets is impaired.

ii. Financial Liabilities
Financial liabilities are initially recognised at fair value and subsequently measured at amortised cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Financial liabilities entered into with durations of less than 12 months are recognised at their normal value. Amortisation and, in the case of monetary items, foreign exchange gains and losses, are recognised in the Statement of Financial Performance as is any gain or loss when the liability is derecognised.

- Investments - Shares
Investments comprise investments with bank and listed shares. Investments in Shares are stated at fair value. Fair value is determined by reference to the market price at balance date. Gains and losses arising from changes in fair value are recognised directly in the revaluation reserve, until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in the revaluation reserve is included in profit or loss for the period.

- Investment - Properties
The Group currently owns properties across the Waikato and Bay of Plenty being:
- 48 Teasdale Street, Te Awamutu is currently tenanted by Enrich Group head office and Enrich+ Trust for providing administration and support to clients via supported day activities and supported employment services.
- 771 Mahoe Stree, Te Awamutu is also tenanted by Enrich+ Trust for providing support to it's clients via supported day activity services primarily for higher needs clients.
- 21 Ruakura Rd, Hamilton is also tenanted by Enrich+ Trust to provide services to clients via supported day activity services primarily for higher needs clients.
- 5 Hardley St is currently tenanted by a third party tenant which income goes towards supporting property portfolio to enable Enrich+ Property Trust to grow its portolfio.
- 7 Hardley St is currently tenanted by Enrich+ Trust which provides support to its clients via specialist services, autism, supported independent living and supported employment services.
- 23 Hynds Rd, Tauranga is 4 unit property with Unit 1 being tenanted by Enrich+ Trust provides support to its clients via specialist services, autism, supported independent living and supported employment services. Units 2, 3 and 4 the property tenanted to a third party whose also provides support to clients in line with overall Enrich Group strategy.

Property that is held to earn rentals or for capital appreciation is treated as investment property and where the property for use in the production or supply of goods or services or for administrative purposes is treated as land and buildings. Where the property is utilised for a combination to earn rental and use in the production or supply of goods or services or for adminstrative purposes, and cannot be sold separately the property is treated as investment property where an insignificant portion is held for use in the production or supply of goods or services or for adminstrative purpose.

All of the Trusts investment properties are subsequently measured in accordance with the cost model.

Depreciation
Depreciation on investment property is calculated using diminishing value (DV) rates to write the assets off over the expected useful lives. Land is not depreciated.

Buildings	2% DV
Building Fit-Out	2-10% DV

- Property, plant and equipment
i. Recognition and measurement
Items of property plant and equipment are initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

Items of property, plant and equipment are subsequently measured under the Cost model: Cost (or fair value for items acquired through non-exchange transactions) less accumulated depreciation and impairment. All of the Group's items of property plant and equipment are subsequently measured in accordance with the cost model. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

ii. Subsequent expenditure
Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance is expensed as incurred.

iii. Depreciation
For plant and equipment, depreciation is based on the cost of an asset less its residual value. Significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately.
Depreciation is recognised in surplus or deficit on a straight-line or diminishing value basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.
The estimated useful lives are:
• Leasehold Improvements 2% - 20%
• Plant and Equipment 8.5% - 67%
• Motor vehicles 13.5% - 30%
• Fixtures and fittings 2% - 30%
• Computer equipment 10% - 67%
• Outdoor Development and Equipment - 4% - 36% DV/SL
• Buildings - 2% SL

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

- Impairment of Financial Assets
The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the statement of comprehensive income.

- Leases
Operating leases
Leases that are not finance leases are classified as operating leases.
Operating leases are not recognised in the Group's statement of financial position. Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

	2023 Actual	2022 Actual
Note 6 – Revenue		
Revenue from exchange transactions:		
Rendering of services	674,890	555,278
Rendering of services - Government Contracts	7,883,944	8,124,035
Revenue from non-exchange transactions:		
Grants	312,059	283,528
Fundraising	22,305	-
	8,893,198	8,962,841
Note 7 – Other income		
Gain on disposal of property, plant and equipment	-	7,533
Sundry Income	76,496	105,163
	76,496	112,696
Note 8 – Other expenses		
Bank Charges	8,623	3,197
Koha	-	1,048
Sundry Expenses	-	410
Audit Fees	101,100	125,483
Assets Write-offs	-	(19,768)
Bad Debts Written Off	118,276	(8,444)
	227,999	101,926
Note 9 – Net finance costs		
Finance Income		
Interest and Dividend Income	111,325	80,923
Total finance income	111,325	80,923
Finance Cost		
Interest Expense	(206,969)	(108,209)
Total finance expense	(206,969)	(108,209)
Net Finance Costs	(95,644)	(27,286)
Note 10 – Cash and cash equivalents		
Current assets:		
Cash on hand	537,992	193,779
Term Investments	429,551	-
Call deposits	203,026	374,211
Cash and cash equivalents in the statement of cash flows	1,170,569	567,990
Note 11 – Receivables - exchange transactions		
Trade receivables from exchange transactions	1,442,647	1,945,329
Sundry receivables	184,238	104,464
	1,626,885	2,049,793
Note 12 – Prepayments and other assets		
Prepayments	12,588	7,891
	12,588	7,891

Note 13 - Investment Property

Cost

	2023 Actual	2022 Actual
Balance as at 1 July	3,527,500	1,992,735
Reclassification (refer to Note 4)	-	287,265
Additions	-	1,247,500
Disposals	-	-
Balance as at 30 June	3,527,500	3,527,500

Accumulated Depreciation

	2023 Actual	2022 Actual
Balance as at 1 July	71,129	94,356
Reclassification (refer to Note 4)	-	(57,504)
Depreciation	41,170	34,277
Disposals	-	-
Balance as at 30 June	112,299	71,129
Net Book Value	3,415,201	3,456,371

Note 14 - Property, plant and equipment

Group	Land and Buildings	Leasehold Improvements	Plant and machinery	Motor vehicles	Fixtures and fittings	Computer equipment	Total
Cost							
Balance as at 1 July 2022	4,750,785	731,668	419,793	38,753	386,505	483,138	6,810,642
Adjustments/transfers	-	-	-	-	-	-	-
Additions	4,239	190,792	3,043	-	4,444	34,434	236,952
Disposals	-	-	-	-	-	-	-
Balance as at 30 June 2023	4,755,024	922,460	422,836	38,753	390,949	517,572	7,047,594
Accumulated depreciation and impairment							
Balance as at 1 July 2022	265,404	195,226	361,969	28,927	286,151	387,310	1,524,987
Adjustments/transfers	-	-	-	-	-	-	-
Depreciation	58,477	24,772	12,755	2,948	13,344	28,569	140,865
Disposals	-	-	-	-	-	-	-
Balance as at 30 Jun 2023	323,881	219,998	374,724	31,875	299,495	415,879	1,665,852
Closing Book Value	4,431,143	702,462	48,112	6,878	91,454	101,693	5,381,742

Summary of Depreciation

	2023	2022
Depreciation on Investment Property	41,170	34,277
Depreciation on Property, Plant & Equipment	82,388	93,116
Depreciation on Buildings	58,477	67,197
	182,035	194,590

Note 15 - Investments

Work Outcomes Limited Partnership	2023 Actual	2022 Actual
Opening balance (1 July)	104,108	323,709
Prior period restatements	-	(77,383)
Receipt from Joint Venture	-	(100,000)
Profit for the year attributable to partners	116,701	(42,218)
Sale	(220,809)	
Closing balance (30 June)	-	104,108

Work Outcomes Limited Partnership (WO) was established as a limited partnership from 1 July 2015. The partnership is jointly controlled in a 50/50 partnership by Enrich+ Trust and Physio Plus Te Kuiti Ltd. Financial result are accounted for under the equity method of accounting.

During the 2023 year the Group decided to sell its 50% share of Work Outcomes to the remaining 50% partner, Physio Plus Te Kuiti Ltd in an arms length transaction on which a gain of $144,191 was earned. The sale was completed on 30 June 2023.

Pai Ake Toru Limited

Pai Ake Toru Limited is a limited liability company incorporated on 21 February 2018. The shares in the company are held equally (33.33% each) by Dunedin Community Care Trust, Community Connections Supported Living Charitable Trust and Enrich+ Trust. All shares hold equal voting rights. Pai Ake Toru holds contracts with ACC and the Ministry of Social Development and subcontracts the services under these contracts to its shareholders. Services under these contracts began in November 2018. There should be no surplus or deficit in Pai Ake Toru as all income flows through to the subcontracted shareholders, no margin is charged. The capital is uncalled at year-end. There are no further obligations under this arrangement.

Note 16 - Other Investments	2023 Actual	2022 Actual
Long Term Investment - Craigs	932,479	876,075
Share Investments - Momentum	157,837	150,000
Share Investments - Rangatira Shares	1,610,000	1,696,250
	2,700,316	2,722,325

Money was invested to earn future income which are non-trading in nature utilising an investment service through Craig's Investment partners. Investments are held at market value

Note 17 - Payables - exchange transactions	2023 Actual	2022 Actual
Trade payables from exchange transactions	270,642	267,708
GST Payable	228,170	256,711
Sundry accruals	280,985	121,883
	779,797	646,302

Note 18 – Deferred revenue		
Revenue received in advance - services	497,277	721,189
	497,277	721,189

Note 19 – Employee benefit liability		
Annual Leave benefits	272,480	299,157
Other Employee Benefits	252,739	288,425
Total employee benefit liability	525,219	587,582

Note 20 - Non-exchange liabilities	2023 Actual	2022 Actual
Deferred non-exchange revenue	64,757	88,803
	64,757	88,803

(i) Deferred non-exchange revenue

Deferred non-exchange revenue relates to grants and donations received to which there are stipulated conditions attached. Non-exchange revenue in relation to this balance is recognised at the point-in-time as each stipulated condition is satisfied.

Note 21 - Loans

	2023 Actual	2022 Actual
Current Liabilities - Loans		
Current portion of long-term debt - Choices 91	-	40,800
Current portion of long-term debt - Choices 92	-	-
Current portion of long-term debt - Choices 93	-	159,564
	-	200,364
Non Current Liabilities - Loans		
BNZ CARL Facility	2,685,000	-
Choices 91 (7.55% floating)	-	58,228
Choices 92 (7.75% 90 day rolling rate)	-	2,280,000
Choices 93 (8.25% 90 day rolling rate)	-	-
Choices 94 (8.20% 90 day rolling rate)	-	417,697
	2,685,000	2,755,925
Total	2,685,000	2,956,289

The current loan with BNZ is a Customised Average Rate Loan (CARL) facility on a 3 year term with maturity being 22 May 2026 and floating interest rate.

The Trust decided to refinance its three remaining loans with Westpac over to BNZ in one Customised Average Rate Loan (CARL) facility. The refinance was completed on 31 May 2023. This saw the refinance of the following:

- Choices 91 $66,406
- Choices 92 $2,280,000
- Choices 94 $417,697

The loan is secured against all properties owned by the Trust.

Note 22 - Financial Instruments

Classification and fair values of financial instruments

The tables below show the carrying amount of the Group's financial assets and financial liabilities.

	Note	2023 Actual	2022 Actual
Assets at amortised cost			
Cash and cash equivalent (assets)	10	1,170,569	567,990
Receivables	11	1,626,885	2,049,793
		2,797,454	2,617,783
Liabilities at amortised cost			
Payables	17	(779,797)	(646,302)
Loans	21	(2,685,000)	(2,956,289)
		(3,464,797)	(3,602,591)
Assets at fair value			
Other Investments	16	2,700,316	2,722,325
Term Investments		-	471,869
		2,700,316	3,194,194

Fair value determination for financial instruments subsequently measured at fair value.
Other investment - Fair values are based on the quoted active market price at reporting date.

Note 23 - Group entities

	Country of settlement/incorporation	Percentage of voting rights 2023	2022
Enrich+ Property Trust	New Zealand	100%	100%
McKenzie Centre Trust (from March 2018)	New Zealand	100%	100%
Enrich Group Management Services	New Zealand	100%	100%
Enrich + Spectrum Energy Trust	New Zealand	100%	100%

All controlled entities have the same reporting date as the controlling entity.
There are no significant restrictions regarding to the transfer of dividends, loan repayments, and other funds from controlled entities.

Enrich+ Property Trust
Enrich+ holds the entirety of the voting rights over the Enrich+ Property Trust and has the right to appoint Board members on the Trust Board.

McKenzie Centre Trust
Enrich+ holds the entirety of the voting rights over the McKenzie Centre Trust and has the right to appoint Board members on the Trust Board.

Enrich Group Management Services
Enrich+ holds the entirety of the voting rights over Enrich Group Management Services and has the right to appoint Board members on the Trust Board. On 11 Jun 2021, the 50% shares were transferred from Life Unlimited Charitable Trust to the Trust and the shared services relationship discontinued.

Note 24 - Operating Leases
(i) Leases as lessee
The future non-cancellable minimum lease payments of operating leases as lessee at reporting date are detailed in the table below:

	2023	2022
Less than one year	145,613	210,552
Between one and five years	35,361	180,974
Greater than 5 years		
Total non-cancellable operating lease payments	180,974	391,526

Note 25 – Related party transactions

All related party transactions were conducted on terms equivalent to those prevailing in an arms length transaction.

Related parties	Explanation	This Year Value of	Last Year Value of transactions	This Year Amount Outstanding	Last Year Amount Outstanding
Pai Ake Toru	Enrich+ has 33.33% ownership in Pai Ake Toru Limited. During the financial year income has been received relating to Pai Ake Toru, with no margin charged.	-	19,907	-	-
Work Outcomes	Enrich+ has a 50% share in Work Outcomes Limited Partnership. Management and Administration services provided by Enrich+ Trust to Work Outcomes over the year.	-	79,593	-	(7,802)
Work Outcomes	Enrich+ has a licence to occupy agreement with Work Outcomes Limited Partnership for the provision of office space at the Te Awamutu Service Centre.	-	112,379	-	(608)
Work Outcomes	Robyn Lindstrom is the Clinical/Quality Director of Work Outcomes General Partnership Ltd	-	7,414	-	148
Work Outcomes	Work Outcomes leases the premises at 27 King street, Te Kuiti from CRL Family Trust of which Work Outcomes directors, Robyn Lindstrom and Wayne Leadbetter are both trustee	-	32,181	-	-
Work Outcomes	Work Outcomes holds a partners loan from Enrich+	-	-	-	(1,021)
Simon Lockwood	Enrich+ insures its assets through Crombie Lockwood Insurance Brokers of which Simon Lockwood, the deputy chairperson of Enrich+, is the Branch Director.	68,064	89,510	-	-
Scott Ratuki	Enrich+ uses the legal service of Tompkins Wake of which Scott Ratuki, a board member of Enrich+, is a partner.	14,220	20,292	728	1,823

Key management personnel remuneration

The Group classifies its key management personnel into one of two classes:
- Members of the governing body
- Senior executive officers, responsible for reporting to the governing body

Members of the governing body are paid an annual fee of between $8,200 and $22,000 for attending a minimum of 6 meetings during the year. Senior executive officers are employed as employees of the Group, on normal employment terms.

The aggregate level of remuneration paid and number of individuals (measured in 'people' for Members of the governing body, and 'full- time-equivalents' (FTE's) for Senior executive officers) in each class of key management personnel is presented below:

	2023		2022	
	Remuneration	Number of individuals	Remuneration	Number of individuals
Members of the governing body	$122,975	6 People	$84,631	6 People
Senior executive officers	$659,557	6 FTEs	$623,810	5 FTEs

Note 26 – Commitments and contingencies

The Trust has no capital commitments at 30 June 2023 (2022: Nil)
The Trust has no contingent liability as at 30 June 2023 (2022: Nil)

Note 27 – Events after reporting date

No events have occurred after balance date.

Independent auditor's report

To the Trustees of Enrich+ Trust

Our opinion

In our opinion the accompanying general purpose financial report of Enrich+ Trust (the Trust) and its subsidiaries (together, the "Group") on pages 4 to 19 presents fairly, in all material respects, the financial position of the Trust as at 30 June 2023, and its service performance, financial performance and cash flows for the year ended on that date in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued in New Zealand (PBE Standards RDR).

What we have audited

The general purpose financial report which comprises:

- The consolidated financial statements (the "financial statements"), including:
  - the consolidated statement of financial position as at 30 June 2023;
  - the consolidated statement of comprehensive revenue and expenses for the year then ended;
  - the consolidated statement of changes in net assets/equity for the year then ended;
  - the consolidated statement of cash flows for the year then ended; and
  - the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.
- The consolidated statement of service performance for the year ended 30 June 2023.

Basis for opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and International Standards on Auditing (ISAs). The audit of the service performance information was conducted in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised) (ISAE (NZ) 3000 (Revised)).

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the general purpose financial report* section of our report.

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

Our independence and quality management

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board and the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We apply Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

Other matter

The service performance information presented for the corresponding year ended 30 June 2022 is unaudited.

Responsibilities of the Trustees for the general purpose financial report

The Trustees are responsible, on behalf of the Trust, for the preparation and fair presentation of the general purpose financial report in accordance with PBE Standards RDR, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial statements and service performance information that is free from material misstatement, whether due to fraud or error.

The Trustees are also responsible, on behalf of the Trust, for identifying performance measures and/or descriptions to report in the general purpose financial report that are a faithful representation of the Group's service performance and that are relevant, understandable, timely, comparable and verifiable.

In preparing the general purpose financial report, the Trustees are responsible for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the general purpose financial report

Our objectives are to obtain reasonable assurance about whether the general purpose financial 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), ISAs or ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this general purpose financial report.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the general purpose financial report, including performing procedures to obtain evidence about and evaluating whether the service performance information is a faithful representation of the Group's service performance and that is relevant, understandable, timely, comparable and verifiable.

As part of our audit, we perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

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

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and service performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Obtain an understanding of the process applied by the Group to select what and how to report its service performance.
- Evaluate whether the service performance criteria are suitable so as to result in service performance information that is in accordance with the applicable financial reporting framework.

- Conclude on the appropriateness of the use of the going concern basis of accounting by those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and service performance information, including the disclosures, and whether the consolidated financial statements and service performance information represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the information of the entities or business activities within the Group to express an opinion on the consolidated financial statements and service performance information. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 identified during the audit.

Who we report to

This report is made solely to the Trustees, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trustees, as a body, for our audit work, for this report or for the opinions we have formed.

The engagement executive director on the audit resulting in this independent auditor's report is Peter Sharp.

For and on behalf of:

PricewaterhouseCoopers

Chartered Accountants — Hamilton
10 May 2024