

Preliminary Results 2023



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended <i>In thousands of New Zealand dollars</i>	31 March 2023	31 March 2022
REVENUE		
Revenue	144,467	132,052
Deferred management fees	1,801	1,328
Total revenue	146,268	133,380
Change in fair value of investment property	765	1,088
Government subsidy received	189	–
Interest income	67	62
Gain on acquisition of previously leased property assets	1,781	1,403
Gain on business acquisition	927	–
Total revenue and other income	149,997	135,933
EXPENSES		
Employee costs	(93,097)	(82,368)
Depreciation expense	(9,979)	(11,194)
Finance costs	(12,479)	(9,091)
Loss on valuation of revalued land and buildings	(3,028)	–
Other expenses	(34,398)	(30,199)
Total expenses	(152,981)	(132,852)
Profit/(Loss) before income tax	(2,984)	3,081
Income tax benefit/(expense)	878	(408)
Profit/(Loss) for the year	(2,106)	2,673
OTHER COMPREHENSIVE INCOME FOR THE YEAR		
<i>Items that will not be reclassified subsequently to profit and loss</i>		
Revaluation of property, plant and equipment, net of tax	3,558	–
Income tax on other comprehensive income	(874)	–
Other comprehensive income for the year	2,684	–
Total comprehensive income	578	2,673
EARNINGS PER SHARE		
Basic and diluted earnings per share (cents per share)	(0.76)	1.13

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2023
In thousands of New Zealand dollars

	Contributed Equity	Asset Revaluation Reserve	Other Reserve	Retained Earnings	Total
BALANCE AS AT 1 APRIL 2021	5,932	6,812	–	11,349	24,093
Profit/(Loss) for the year	–	–	–	2,673	2,673
Other comprehensive income for the year	–	–	–	–	–
Total comprehensive income for the year	–	–	–	2,673	2,673
<i>Transactions with owners</i>					
Issue of share capital (net of transaction costs and tax)	45,800	–	–	–	45,800
Dividends paid	–	–	–	(2,478)	(2,478)
Total transactions with owners	45,800	–	–	(2,478)	43,322
BALANCE AS AT 31 MARCH 2022	51,732	6,812	–	11,544	70,088
BALANCE AS AT 1 APRIL 2022	51,732	6,812	–	11,544	70,088
Profit/(Loss) for the year	–	–	–	(2,106)	(2,106)
Share based payments reserve	–	–	33	–	33
Other comprehensive income for the year	–	2,684	–	–	2,684
Total comprehensive income for the year	–	2,684	33	(2,106)	611
<i>Transactions with owners</i>					
Issue of share capital (net of transaction costs and tax)	5,057	–	–	–	5,057
Dividends paid	24	–	–	(2,916)	(2,892)
Total transactions with owners	5,081	–	–	(2,916)	2,165
BALANCE AS AT 31 MARCH 2023	56,813	9,496	33	6,522	72,864

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023 <i>In thousands of New Zealand dollars</i>	31 March 2023	31 March 2022
ASSETS		
Cash and cash equivalents	515	2,088
Trade and other receivables	13,071	9,882
Held for sale assets	891	–
Inventories	753	768
Current tax assets	1,321	–
Investment properties	70,143	46,014
Property, plant and equipment	133,870	73,839
Right-of-use assets	112,464	133,912
Intangible assets	19,797	19,757
Deferred tax assets	3,770	3,885
Total assets	356,595	290,145
LIABILITIES		
Cash and cash equivalents (overdraft)	2,894	–
Trade and other payables	20,543	16,901
Current tax liabilities	–	444
Borrowings	97,687	30,000
Deferred management fees	6,973	1,553
Refundable occupation right agreements	34,104	28,616
Lease liabilities	121,530	142,543
Total liabilities	283,731	220,057
NET ASSETS	72,864	70,088
EQUITY		
Share capital	56,813	51,732
Reserves	9,529	6,812
Retained earnings	6,522	11,544
Total equity	72,864	70,088

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2023 <i>In thousands of New Zealand dollars</i>	31 March 2023	31 March 2022
Receipts from residents for care fees and village fees	140,699	129,796
Receipts of government subsidy	1,269	–
Payments to suppliers and employees	(124,697)	(111,696)
Proceeds from the sale of Refundable Occupation Right Agreements	3,715	4,726
Payments for the repurchase of Refundable Occupation Right Agreements	(2,847)	(1,766)
Interest received	67	62
Interest paid - borrowings	(6,506)	(1,436)
Interest paid - lease liabilities	(5,934)	(7,655)
Income tax paid	(1,729)	(2,154)
Net cash provided by operating activities	4,037	9,877
Proceeds from the sale of property, plant and equipment	7	50
Acquisition of subsidiaries, net of cash acquired	(500)	(14,000)
Payments for the purchase of property, plant and equipment	(58,681)	(38,431)
Payments for village developments	(53)	(411)
Net cash used in investing activities	(59,227)	(52,792)
Proceeds from issue of share capital	–	48,229
Share issue transaction costs	–	(2,429)
Proceeds from bank borrowings	56,169	2,788
Principal payments of lease liabilities	(2,554)	(3,868)
Dividends paid	(2,892)	(2,478)
Net cash provided by/(used in) financing activities	50,723	42,242
Cash and cash equivalents at beginning of the year	2,088	2,761
Net (decrease)/increase in cash and cash equivalents held	(4,467)	(673)
Cash and cash equivalents at end of year	(2,379)	2,088
COMPRISING OF		
<i>Cash and cash equivalents</i>	515	2,088
<i>Cash and cash equivalents (overdraft)</i>	(2,894)	–
Cash and cash equivalents at end of year	(2,379)	2,088

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended <i>In thousands of New Zealand dollars</i>	31 March 2023	31 March 2022
RECONCILIATION OF PROFIT FOR THE YEAR TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Profit/(Loss) for the year	(2,106)	2,673
ADJUSTMENTS FOR NON-CASH ITEMS		
Depreciation	9,979	11,194
Share based payments	88	–
Net loss/(gain) on disposal of property, plant and equipment	(1)	174
Gain on acquisition of previously leased property assets	(1,781)	(1,403)
Fair value adjustment to investment properties	(765)	(1,088)
Movement in deferred tax	(860)	(923)
Gain on business acquisition	(927)	–
Loss on valuation of revalued of land and buildings	3,028	–
CHANGES IN OPERATING ASSETS AND LIABILITIES		
- Trade and other receivables and other assets	(3,155)	(2,414)
- Inventories	15	(180)
- Trade and other payables and other liabilities	7,130	1,172
- Current tax	(1,759)	(692)
- Refundable Occupation Right Agreements	(4,849)	1,364
Net cash provided by operating activities	4,037	9,877

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Liabilities arising from financing activities are liabilities for which cash flows are, or will be, classified as 'cash flows from financing activities' in the statement of cash flows.

<i>In thousands of New Zealand dollars</i>	Share Capital	Borrowings	Lease Liabilities	Total
BALANCE AS AT 1 APRIL 2022	51,732	30,000	142,543	224,275
- Proceeds from bank borrowings	–	56,169	–	56,169
- Repayment of bank borrowings and lease liabilities	–	–	(2,554)	(2,554)
Total changes from financing cash flows	–	56,169	(2,554)	53,615
Non-cash changes				
- Financing of the Matamata Business acquisition	5,000	11,518	–	16,518
- Shares issued to employees and service providers	57	–	–	57
- Dividend reinvestment plan	24	–	–	24
- Remeasurements	–	–	18,685	18,685
- Disposals	–	–	(37,144)	(37,144)
Balance as at 31 March 2023	56,813	97,687	121,530	276,030
BALANCE AS AT 1 APRIL 2021	5,932	27,212	184,305	217,449
- Proceeds from issue of share capital	48,229	–	–	48,229
- Share issue transaction costs	(2,429)	–	–	(2,429)
- Proceeds from bank borrowings	–	2,788	–	2,788
- Repayment of bank borrowings and lease liabilities	–	–	(3,868)	(3,868)
Total changes from financing cash flows	45,800	2,788	(3,868)	44,720
Non-cash changes				
- Remeasurements	–	–	794	794
- Disposals	–	–	(38,688)	(38,688)
Balance as at 31 March 2022	51,732	30,000	142,543	224,275