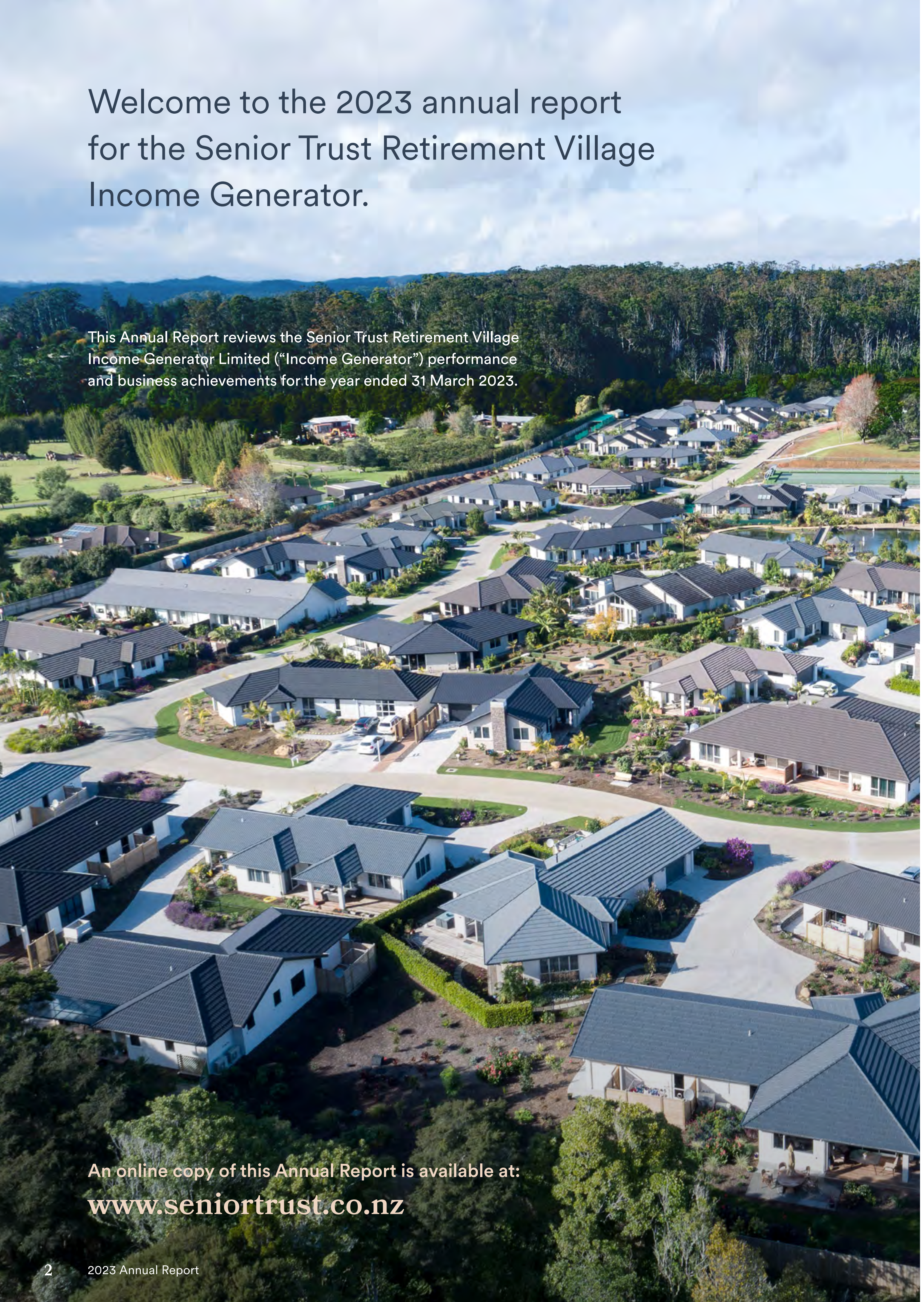
Senior Trust
BUILDING WEALTH & WELLBEING

MANAGEMENT TEAM
20+ YEARS
INDUSTRY EXPERIENCE

2023 ANNUAL REPORT

A YEAR OF MEASURED GROWTH



Welcome to the 2023 annual report for the Senior Trust Retirement Village Income Generator.

This Annual Report reviews the Senior Trust Retirement Village Income Generator Limited ("Income Generator") performance and business achievements for the year ended 31 March 2023.

An online copy of this Annual Report is available at:
www.seniortrust.co.nz

Contents

SENIOR TRUST RETIREMENT VILLAGE INCOME GENERATOR LIMITED

This 2023 Annual Report is a concise summary of our activities and financial position. All figures are expressed in New Zealand currency unless otherwise stated. Revenues and expenses are recognised exclusive of Goods and Services Tax.

THE OPPORTUNITY:

An investment in premium senior living

Invest in the booming retirement village sector:

7% RETURN

Targeted per annum, pre-tax distribution rate, paid quarterly.

PIE FUND

OUR INVESTORS REAP THE BENEFITS OF OUR EXPERIENCE AS SPECIALIST LENDERS TO THE RETIREMENT VILLAGE SECTOR.

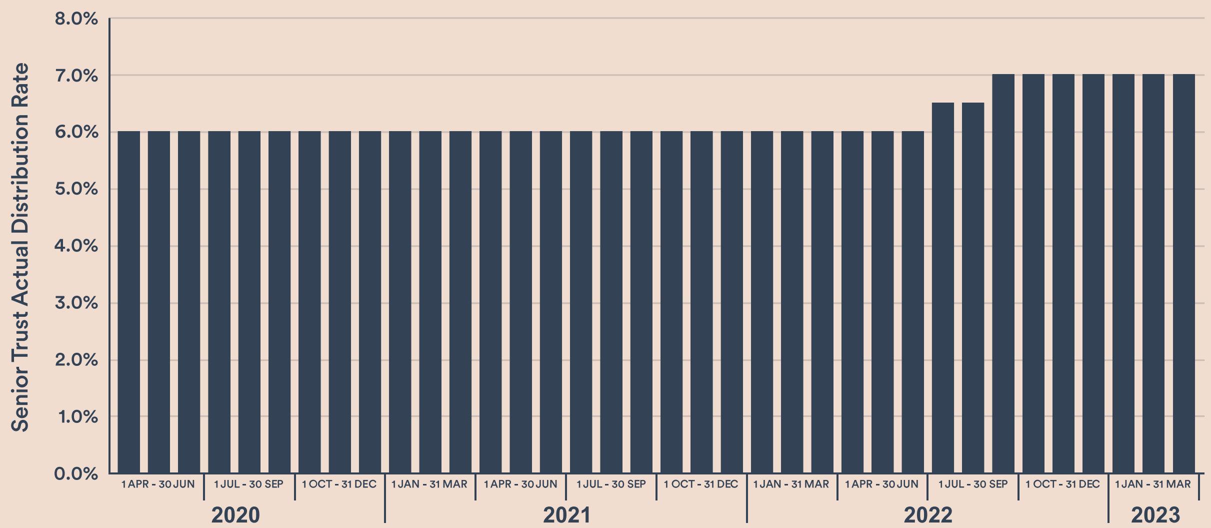
Driven by New Zealand's housing shortage, ageing population and growing, ongoing need for new retirement facilities, its a proven strategy that enables much needed quality housing, helping senior New Zealanders live more comfortable lives.

- Proven track record of attractive, consistent returns
- Potential to cash in on minimum 30 days notice
- Access to unique investment, easy online entry, $1000 minimum
- $189 million 31 Mar 2023 — Total nationwide portfolio facility limit
- Mortgage-backed, bricks & mortar security

STABLE CAPITAL, STEADY INCOME.

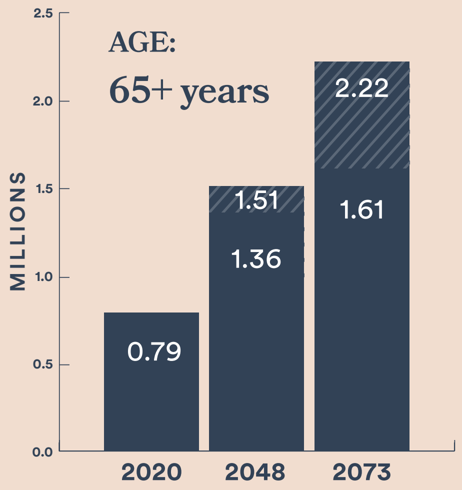
As demonstrated in the graph below, our ability to provide consistent, attractive returns while effectively managing risk is thanks to the experience and capability of our people. The team's specific expertise and stability is our unique point of difference.

Performance Track Record



MEETING AN INEVITABLE DEMAND

NZ Population projections*



KEY: Figures show estimated range, based on 90% probability.

***SOURCE:** https://www.stats.govt.nz/information-releases/national-population-projections-2020base2073

The thriving senior living sector is New Zealand's largest supplier of new dwellings and contributes significantly to easing the shortage of new housing.

According to Statistics New Zealand, the population demographic aged 65+ is forecast to almost double by 2048. This presents unique investment opportunities.

A large proportion of this population is, or will be retiring, with an increased life expectancy. Further population growth in the 65+ demographic drives increased development activity.

Lending to the thriving senior living sector is secured by bricks and mortar assets, with a stable long-term outlook and a proven track record of generating attractive investor income.

> *Despite a decade of significant growth, New Zealand's thriving retirement sector is still struggling to keep pace with demand from an ageing population*.*

*JLL NZ's 10th annual Retirement Villages and Aged Care Report - reported by Voxy 19 July 2022.

MANAGEMENT TEAM 20+ YEARS INDUSTRY EXPERIENCE

We acknowledge the responsibility of managing your investment and are focused on delivering a consistent, reliable and attractive return, while protecting your capital.

Letter from the Board

Welcome to the Senior Trust Retirement Village "Income Generator" 2023 Annual Report.

Dear Shareholder,

We're pleased to report that the Income Generator has maintained its track record of predictable and measured growth despite a turbulent backdrop.

While markets have been impacted by measures taken to manage inflation, the economic fallout from the war in Ukraine and the resulting impact of COVID, we continue to deliver consistent attractive returns and capital stability.

The retirement village sector enjoys steady growth, thanks to an ageing population driving demand. As a specialist lender in this sector, our aim is to leverage our management team's decades of experience and proven investment principles for the benefit of our Shareholders.

Thank you to the many investors who attended our recent in-person nationwide investor briefings, which revealed investors desire for predictability. This aligns with our objective and is at the forefront of our commitment to investors. Our focus is on delivering measured growth which has been the prevailing theme of our year.

We continue to experience strong demand for funds from villages and therefore are pleased to report that the Income Generator has significantly expanded its loan portfolio.

As of 31 March 2023, the Income Generator had mortgage-backed lending facilities to nine retirement villages and aged care facilities throughout New Zealand.

We have loan agreements with these villages and the interest earned supports our track record of superior returns.

During the year we were pleased to announce increases to the distribution rate which enabled our investors to continue to enjoy premium returns. The recent valuation reports also demonstrate that the retirement villages we lend to have shown resilience as a stable asset.

We have grown in a disciplined manner. Over the past few years, the Manager of the Income Generator has expanded its team to ensure it has the resources required to manage the growth in our loan book effectively. Our Investor Care team has also grown to ensure that we continue to deliver a personal and timely response when required.

Looking forward, the Income Generator continues to actively identify well-located, premium villages and assess loans which adhere to our rigorous investment criteria. Our specific expertise and long involvement in the senior living sector means we have built solid, established relationships with professional partners in this area.

We thank you for your interest and entrusting your capital with us.

John Jackson
EXECUTIVE DIRECTOR

Scott Lester
EXECUTIVE DIRECTOR

Meet the team

This year saw us grow our highly experienced team to ensure we can meet the current and future needs of our valued investors.

Our ability to provide consistent, attractive returns while effectively managing risk is thanks to the experience and capability of our people. The team's stability and specific expertise serves our investors well, as they have an inherent understanding of the senior living sector.

Our long involvement in the sector has enabled us to establish solid relationships. These professional partners also provide sector specific services and expertise that help us deliver on behalf of our investors.

John Jackson
EXECUTIVE DIRECTOR

A real passion for the sector, adviser, manager of securities and director in the retirement village and commercial property sectors since 1998. **Length of service: 13 years**

Scott Lester
EXECUTIVE DIRECTOR

Was Executive Director of the Senior Trust Retirement Village Listed Fund, (listed NZX). In-depth understanding of retirement village funding, the financial sector and its regulatory landscape. **Senior Trust length of service: 8 years**

MANAGEMENT TEAM
20+ YEARS
INDUSTRY EXPERIENCE

Leveraging our collective, specialist experience for shareholder benefit.

Clive Jimmieson
HEAD OF OPERATIONS & COMPLIANCE

A former Chartered Accountant, has held a variety of senior roles in General Management, Finance, Marketing and Strategic planning, in both public and private businesses in New Zealand and Australia. **Length of service: 10 years**

Alex Ceban
COMMERCIAL MANAGER

Finance specialist with 10+ years international experience, joining Senior Trust from PwC. Well versed in external auditing, financial planning and analysis. **Length of service: 3.5 years**

Pratthana Rachu
ACCOUNTANT

Bachelor's Degree majoring in Business Accounting. Extensive first hand commercial experience, owning and managing a number of businesses. **Length of service: 3.5 years**

Grant Barnett
HEAD OF FINANCE

Extensive finance and accounting background, with listed multinational public and private companies and 15 years in the NZ State Health sector. **Length of service: 1.5 years**

Clifford Kerr-Phillips
LOAN MANAGER

Wide ranging and extensive experience in corporate and institutional banking in areas of finance, credit assessment and portfolio management with a 35+ year track record in the banking Industry. Appointed to meet the expanding needs of the Group. **Length of service: joined 2022**

Alberta O'Regan
REGISTRY SERVICES MANAGER

Previously with Link Market Services. Brings share registry and investor relationship experience, along with E-Business Administration and Accounting/Business Management System qualifications. Customer-focussed ethic from managerial roles here and in Ireland. **Length of service: joined 2022**

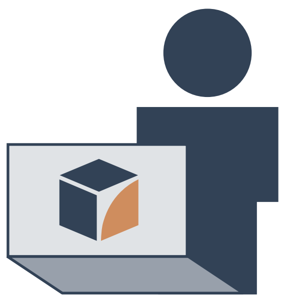
Key highlights

> *We are pleased to report a year of significant growth which has enabled us to increase our return to Shareholders. This further builds on the strong growth from the previous year and we consider that we are well positioned to maintain our track record of delivering attractive returns.*
>
> Scott Lester, EXECUTIVE DIRECTOR

	31 MARCH 2022	31 MARCH 2023
distribution rate increase	Distribution paid at targeted rate of **6.0%** (PRE-TAX) PER ANNUM	Board increases Distribution Rate at targeted rate of **7%** (PRE-TAX) PER ANNUM
loan facilities	**8 loans** Retirement villages meeting our strict loan criteria **$121m** TOTAL FACILITY LIMIT	**9 loans** Multiple loan increases with existing villages **$189m**

business growth

investor care focus & portal investment

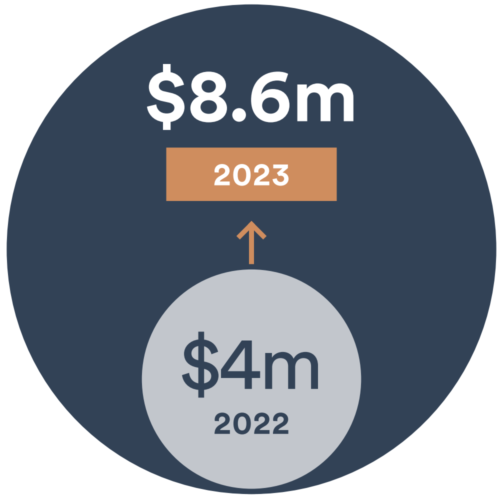


expanded team to match business growth

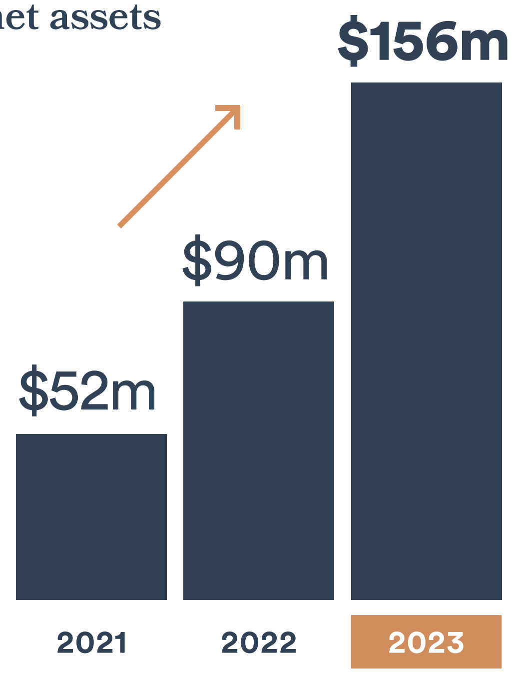
investor base increase

A YEAR OF MEASURED GROWTH

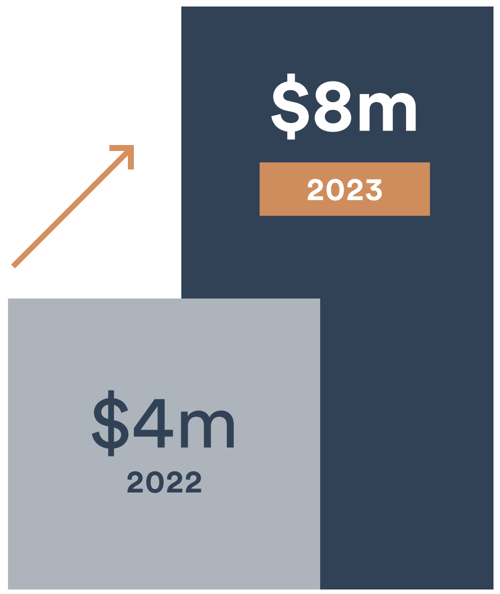
gross distributions to shareholders



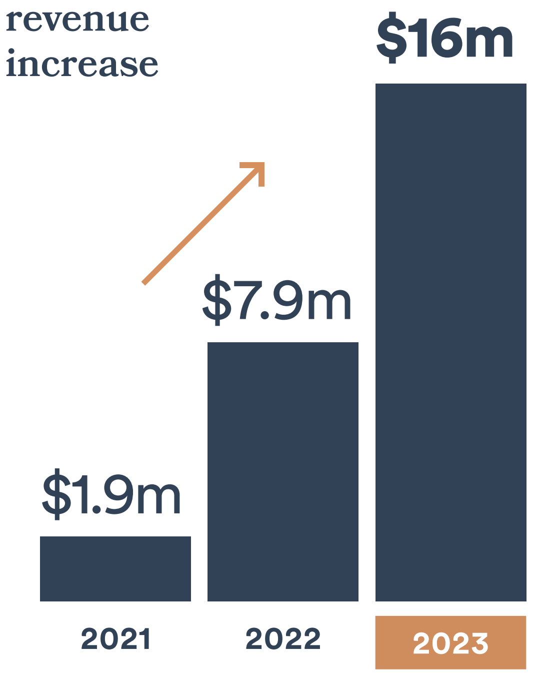
net assets



profit



revenue increase



*Note: Figures as at 31 March.
Some figures have been rounded for clarity.

Investor care focus

With automation and self-service on the rise, we are making a conscious effort to buck that trend and ensure you can speak to a human for support or assistance, should you need to. At the same time, we recognise that digital competency has increased and there is a growing demand for accessibility and convenience.

To keep up with demand, we're continuing to develop and improve the experience of our Investor Portal. As well as keeping up with the latest technology developments and increased security upgrades, we have added more capability for investors to self manage if they choose to, while ensuring there is direct access to support from our Registry and Operations team.

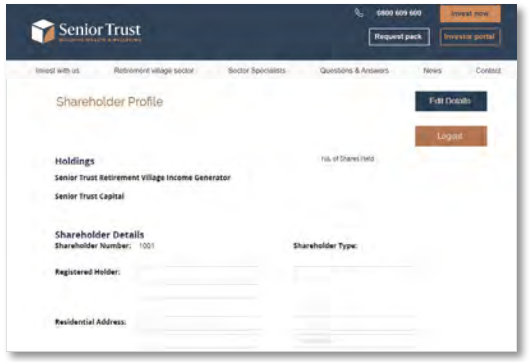
Expanding the team

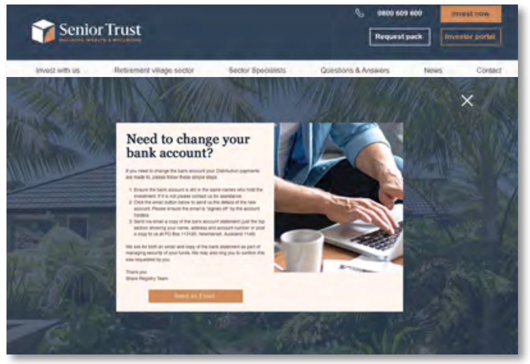
Due to the increased investor base and general business growth, we have expanded our team. This ensures our investor care engagement and response levels are maintained and constantly improving, with a broader range of skills being added to the team.

This year we welcomed Clifford and Alberta who bring Corporate and Institutional banking experience, as well as share registry, investor relationship and business management systems to assist with the expanding needs of the Group.

Investor portal

Our aim is for our investors to be able to interact simply and safely with Senior Trust and have 24/7 access to their details.





STAGE TWO - PORTAL DEVELOPMENT UPDATES

1. Increased capability

- access and amend personal details
- ability to view investment details online for all investments
- view history of allotments and distributions

2. Direct, responsive communication

Through the portal you have direct access to the Registry and Operations Team for quick, specific and responsive engagement in a safe and secure way.

3. View, download and print key documents

Direct Credit Advices, Annual Tax Certificates, Allotment Certificates from the investor portal. This service enables investors to obtain records directly when needed for their files, tax returns, sending to their accountants.

4. Simple dividend reinvestment option

Senior Trust has introduced the option for investors to reinvest their Quarterly Dividend Distribution using their existing details.

Increasing number of investors choosing the dividend reinvestment option.

For those wishing to take up this option please email us on: **registry@seniortrust.co.nz** to request. You can elect to reinvest or pay out each quarter provided we are advised three days before the end of the Quarter.

STABILITY DESPITE IMPACTED MARKETS

Unlike some other industries, the senior living investment sector, has proven to be resilient and stable through recent economic turmoil.

Invest in the booming retirement village sector:

7% RETURN

Targeted per annum, pre-tax distribution rate, paid quarterly.

PIE FUND

Proven demand and ongoing sector stability

According to JLL, New Zealand's thriving retirement sector is still struggling to keep pace with demand from an ageing population, presenting a continued need to ensure a supply of much needed quality housing for senior New Zealanders.

FACTORS DRIVING DEVELOPMENT

retiring baby boomers

New Zealand housing shortage

Increased demand for lending activity

village lifestyle popularity increase

longer life expectancy

As well as the inevitable 'top heavy' 65+ baby boomer demographic, Statistics New Zealand are also projecting longer life expectancy rates.

The housing shortage is still an issue, with many stalled residential housing developments, natural disaster rebuilds and increasing post-COVID immigration.

We are continuing to see the popularity of premium retirement villages, with increasing demand from New Zealand's wealthiest population cohort.

Well-designed villages support healthy ageing by providing increased safety and security, helping to facilitate strong social connections for mental well-being and fixed costs helping to manage the rising cost of living.

These converging wider economic and societal factors continue to drive increased development activity in this sector, making secured brick and mortar mortgages to the retirement village and aged care sector attractive for investors, while helping Kiwis to live more comfortable lives.

Delivering consistency and predictability

Measured rate increases

Delivering disciplined distribution rate increases to our investors.

6% RETURN

6.5% RETURN
1 JUL 2022

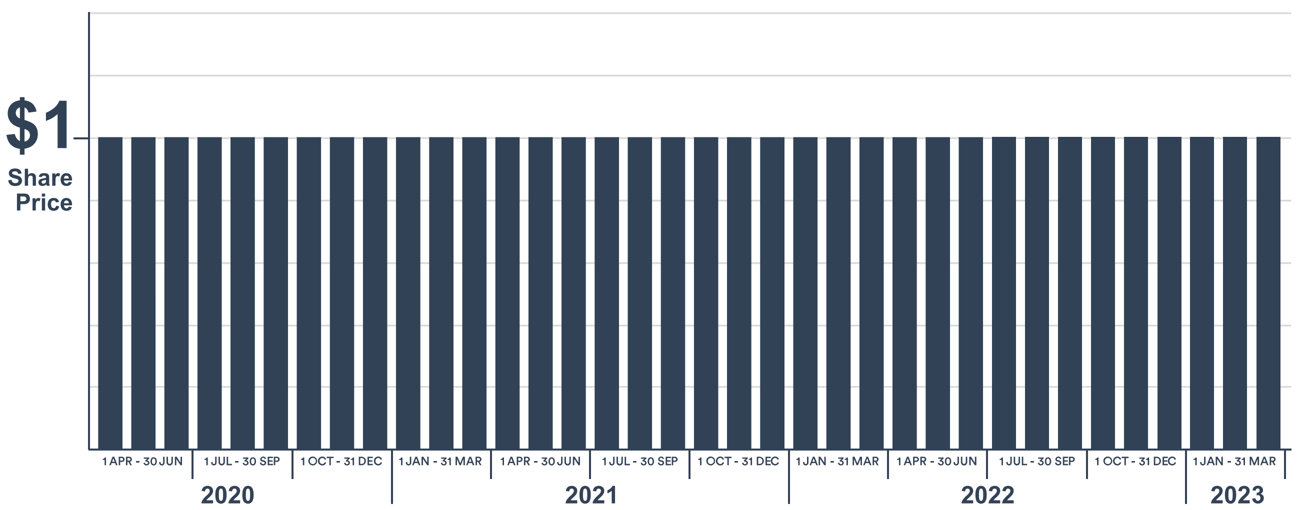
7% RETURN
1 SEP 2022

We were pleased to announce distribution rate increases this financial year. This has enabled our investors to enjoy premium returns, with independent valuation reports demonstrating the retirement villages we lend to have shown resilience as a stable asset.

Focus on maintaining a consistent share price

We are also proud of mitigating risk and maintaining a consistent $1 share price, through otherwise volatile markets:

SENIOR TRUST INCOME GENERATOR SHARE PRICE



OUR OBJECTIVE - PREDICTABILITY

Our recent in-person, nationwide investor briefings revealed investors desire for predictability.

This aligns with our objective of delivering measured growth and is at the forefront of our commitment to investors.

Protecting your investment

Hands-on management, no middle man

Lending exclusively to the senior living sector for more than 20 years, Senior Trust's management team has been instrumental in funding the building and expansion of quality retirement villages throughout New Zealand.

We are hands-on custodians of your capital.

We directly manage and monitor village performance following our proven investment process that has evolved over the past two decades to protect your investment:

1. Review lending opportunities
2. Well structured loan agreements
3. Continual loan monitoring
4. Regular on site inspections
5. Protecting interests

Stringent lending criteria

Applying our specialist sector experience, we've developed stringent lending criteria that protects our investors' returns and contributes to high standards of senior living properties. We focus on carefully selected, financially committed operators, delivering high quality villages in sought after, demographically proven locations, with a nationwide spread. Protection of investor return is paramount - we offer security and tangibility of bricks and mortar investment.

- maximum 75% lending limit
- financially committed borrowers
- proven demand premium locations
- mortgage-backed security

A conservative, measured approach that has seen us deliver consistent, attractive returns.

Experienced network of specialist expertise

Our investors not only benefit from our depth of expertise, but also an extensive network of trusted relationships built over the past twenty years that help us maintain our proven track record and deliver on behalf of our investors.

Our specially selected specialists have proven 'industry specific' experience, meaning a tight, skilled and responsive team supporting our delivery of results.

Independent Valuers	Finance Consultants	Legal
Accountancy	Senior Trust BUILDING WEALTH & WELLBEING	Technology
Quantity Surveyors	Independent Valuers	Investor Communication

Strong corporate governance

Senior Trust Board and Management are committed to strong corporate governance, maintaining the highest ethical standards and operating with integrity in a highly regulated environment.

Where the operators we invest in are registered retirement villages, they are also required to adhere to the Retirement Village Act 2003.

The senior living sector is orderly and well-regulated, with a proven investment track record.

2023 snapshot

TOTAL PORTFOLIO FACILITY LIMIT
$189m
as at 31 March 2023

QUAIL RIDGE COUNTRY CLUB
FACILITY LIMIT:
$27m
Quail Ridge Country Club, Kerikeri

THE GROVE OREWA
FACILITY LIMIT:
$10m
Palm Grove Partnership, Orewa, Auckland

Orewa Sands RETIREMENT LIVING
FACILITY LIMIT:
$44m
Forest Glen Ltd Partnership, Orewa, Auckland

THE BOTANIC SILVERDALE
FACILITY LIMIT:
$33m
The Botanic Ltd Partnership, Silverdale Auckland

LONGRIDGE COUNTRY ESTATE
FACILITY LIMIT:
$26.5m
Longridge Country Estate, Paeroa

Ranfurly Manor
FACILITY LIMIT:
$6.5m
Ranfurly Manor No.1 Ltd, Feilding

The Income Generator operates exclusively within the retirement village and aged care sector, in order to capitalise on the continued expanding demand for quality senior housing in New Zealand.

The Senior Trust management team has built up significant expertise funding retirement villages throughout New Zealand. Our investment philosophy is that soundly-run, well located retirement villages and aged care facilities provide the opportunity for investment that generates a regular return backed by solid assets.

STONEY CREEK ESTATE
FACILITY LIMIT:
$13m
Stoney Creek Estate Ltd, Wanaka

AMBERLEY COUNTRY ESTATE
FACILITY LIMIT:
$17m
Amberley Ltd Partnership, Amberley

Aurum on Clutha LIFESTYLE VILLAGE
FACILITY LIMIT:
$12m

Key:

2022 LOAN CONTRACTS

SENIOR TRUST MANAGEMENT TEAM TRACK RECORD OF LENDING

*Aurum on Clutha facility fully repaid April 2023

DEMAND FROM AN AGEING POPULATION

18,000

The number of new retirement village units needed in less than ten years to house New Zealand's ageing population.*

*JLL Retirement Village Market Forecast. Stuff, 9th July 2020

Financial statements

Contents

Company directory

IRD number	130-975-348
Nature of business	Investment
Registered office	Foley Hughes Level 1, 20 Beaumont Street Freemans Bay Auckland, 1110
Directors	John Llewelyn Jackson Scott Daniel Lester
Manager	Senior Trust Management Limited
Bankers	Bank of New Zealand
Auditors	William Buck Audit (NZ) Limited
Accountants	Baker Tilly Staples Rodway Auckland Limited

Directors' report

The Directors present their report together with the financial report of Senior Trust Retirement Village Income Generator Limited for the year ended 31 March 2023 and auditor's report thereon.

Directors' names
The names of the Directors in office at any time during or since the end of the year are:

John Llewelyn Jackson appointed 20 December 2019

Scott Daniel Lester appointed 20 December 2019

The Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Results
The profit of the Company for the year amounted to $8,311,763.

Review of operations
The Company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

Principal activities
The Company was incorporated to lend money in the form of loans to the entities that own Villages and Aged Care Facilities.

No significant change in the nature of these activities occurred during the year.

Distributions paid, recommended and declared
Distributions of $6,971,948 were made during the financial year.

No recommendation has been made for the payment of a dividend.

Audit fees
Audit fees of $42,550 were paid and/or accrued during the year.

Directors' remuneration and other benefits
John Jackson received a salary of $36,000 during the year.

Scott Lester received a salary of $36,000 during the year.

Interests
No Director has given notice to the Company of an interest in any transaction with the Company. No Director has sought authorisation to use Company information.

Donations
The Company made no donations during the period.

Signed in accordance with a resolution of the board of directors, dated 7 July 2023

Director: ____________________
SCOTT DANIEL LESTER

Director: ____________________
JOHN LLEWELYN JACKSON

WilliamBuck
ACCOUNTANTS & ADVISORS

Senior Trust Retirement Village Income Generator Limited

Independent auditor's report to the Shareholders

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Senior Trust Retirement Village Income Generator Limited (the Company), which comprise the statement of financial position as at 31 March 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2023, and of its financial performance and its cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with Professional and Ethical Standard 1 (*International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Auckland | Level 4, 21 Queen Street, Auckland 1010, New Zealand
Tauranga| 145 Seventeenth Ave, Tauranga 3112, New Zealand
+64 9 366 5000
+64 7 927 1234
info@williambuck.co.nz
www.williambuck.com

SENIOR TRUST RETIREMENT VILLAGE INCOME GENERATOR LIMITED NZCN: 7861299

WilliamBuck
ACCOUNTANTS & ADVISORS

Loan Recoverability

Area of focus - Refer also to Note 10	How our audit addressed it
The Company has significant Finance Receivable with ten parties, totalling $176.2m. The largest four loans total $121.6m (69%). There is a significant risk over recoverability of these loans, and this requires management judgement and continuous monitoring. The valuation of these assets has a direct impact on the Comprehensive Income and Equity of the Company and accordingly we have given specific audit focus and attention to this area.	Our audit procedures included: - A review of all the underlying loan agreements, to ensure that all aspects of the loans have been accounted for correctly; - Review and consideration of the early repayment clauses and whether any had been triggered; - Review of the Directors' credit assessment; - Review of the collateral value of the security over the loans and determined the adequacy of the LVR's and other factors; - Review of independent valuations completed on the underlying retirement villages provided as security. - We also assessed the adequacy of the Company's disclosures in respect of the transactions.

Information Other than the Financial Statements and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Annual Report on pages 2 -22 , but does not include the financial statements and our auditor's 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 our 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 we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

William Buck
ACCOUNTANTS & ADVISORS

Directors' Responsibilities

The directors are responsible on behalf of the entity for the preparation of financial statements that give a true and fair view in accordance with New Zealand equivalents to International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company'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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:

https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-2/

This description forms part of our independent auditor's report.

The engagement director on the audit resulting in this independent auditor's report is Darren Wright.

Restriction on Distribution and Use

This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state to the Company's shareholders 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 Company and the Company's shareholders, as a body, for our audit work, for this report or for the opinions we have formed.

William Buck

William Buck Audit (NZ) Limited
Auckland

7 July 2023

Statement of profit or loss and other comprehensive income for the year ended 31 March 2023

	Note	2023 $	2022 $
Revenue and other income			
Interest income	4	16,112,852	7,944,059
Other income	4	151,791	20,108
		16,264,643	7,964,167
Less: expenses			
Administration and compliance expenses	5	(6,534,459)	(3,674,887)
Finance costs	5	(1,418,421)	(310,973)
		(7,952,880)	(3,985,860)
Income tax expense	6	-	-
Profit for the year		8,311,763	3,978,307
Other comprehensive income for the year		-	-
Total comprehensive income		8,311,763	3,978,307
Earnings per share			
Basic and diluted earnings per share (cents)	15	6.4	5.7

The accompanying notes form part of these financial statements.

Statement of financial position as at 31 March 2023

	Note	2023 $	2022 $
Current assets			
Cash and cash equivalents	7	1,419,803	4,926,977
Receivables	9	2,289,203	846,302
Finance receivables	10	24,771,661	-
Prepayments		43,921	19,342
Total current assets		28,524,588	5,792,621
Non-current assets			
Finance receivables	10	151,465,501	91,849,986
Intangible assets	11	101,248	-
Total non-current asset		151,566,749	91,849,986
Total assets		180,091,337	97,642,607
Current liabilities			
Payables	12	4,041,336	2,108,204
Unallotted subscriptions		-	776,339
Borrowings	13	-	5,000,000
Total current liabilities		4,041,336	7,884,543
Non-current liability			
Borrowings	13	20,000,000	-
Total non-current liabilities		20,000,000	-
Total liabilities		24,041,336	7,884,543
Net assets		156,050,001	89,758,064
Equity			
Share capital	14	156,524,955	89,905,295
Accumulated losses		(474,954)	(147,231)
Total equity		156,050,001	89,758,064

Signed in accordance with a resolution of the board of directors, dated 7 July 2023

Director: SCOTT DANIEL LESTER

Director: JOHN LLEWELYN JACKSON

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 31 March 2023

	Note	Share capital $	Retained earnings / (Accumulated losses) $	Total equity $
Balance as at 1 April 2021		51,719,256	6,554	51,725,810
Profit for the year		-	3,978,307	3,978,307
Total comprehensive income for the year		-	3,978,307	3,978,307
Transactions with shareholders in their capacity as owners:				
Net proceeds from shares issued	14	38,186,039	-	38,186,039
Distribution to shareholders		-	(3,314,704)	(3,314,704)
Tax paid or accrued on behalf of shareholders	6	-	(817,388)	(817,388)
Total transactions with shareholders in their capacity as owners		38,186,039	(4,132,092)	34,053,947
Balance as at 31 March 2022		89,905,295	(147,231)	89,758,064
Balance as at 1 April 2022		89,905,295	(147,231)	89,758,064
Profit for the year		-	8,311,763	8,311,763
Total comprehensive income for the year		-	8,311,763	8,311,763
Transactions with owners in their capacity as owners:				
Net proceeds from shares issued	14	66,619,660	-	66,619,660
Distribution to shareholders		-	(6,971,948)	(6,971,948)
Tax paid or accrued on behalf of shareholders	6	-	(1,667,538)	(1,667,538)
Total transactions with owners in their capacity as owners		66,619,660	(8,639,486)	57,980,174
Balance as at 31 March 2023		156,524,955	(474,954)	156,050,001

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 31 March 2023

	Note	2023 $	2022 $
Cash flow from operating activities			
Interest received from customers		10,320,011	7,532,603
Payments to suppliers		(5,902,684)	(3,201,202)
Interest paid		(1,418,421)	(318,100)
PIE tax paid on behalf of unitholders	6	(1,371,854)	(709,317)
Net cash provided by operating activities	8	1,627,052	3,303,984
Cash flow from investing activities			
Payment for intangible assets		(120,322)	-
Net loans advanced to Retirement Villages		(79,986,236)	(43,411,217)
Net cash used in investing activities		(80,106,558)	(43,411,217)
Cash flow from financing activities			
Proceeds from share issue		65,792,321	37,492,035
Proceeds from unallotted subscriptions		-	776,339
Proceeds from borrowings		15,000,000	4,800,000
Distributions to shareholders		(5,819,989)	(2,830,435)
Net cash provided by financing activities		74,972,332	40,237,939
Reconciliation of cash and cash equivalents			
Cash at beginning of the financial year		4,926,977	4,796,271
Net increase / (decrease) in cash held		(3,507,174)	130,706
Cash and cash equivalents at end of financial year	7	1,419,803	4,926,977

The accompanying notes form part of these financial statements.

Notes to the financial statements for the year ended 31 March 2023

NOTE 1: Statement of Significant Accounting Policies

These financial statements are for Senior Trust Retirement Village Income Generator Limited ('the Company').

The Company is domiciled and incorporated in New Zealand and registered under the Companies Act 1993. The Company is a FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013.

The Company's business activity is to invest and to provide secured lending to retirement villages and aged care facilities.

The Company is a for-profit entity for the purpose of complying with New Zealand Generally Accepted Accounting Practice ("NZ GAAP").

The financial statements were authorised for issue by the Board of directors of the Company on 7 July 2023.

The following are the material accounting policies adopted by the Company in the preparation and presentation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation of the financial statements

Statement of compliance

The financial statements of the Company have been prepared in accordance with NZ GAAP. They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS") and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. These financial statements also comply with International Financial Reporting Standards ("IFRS"). The Company is designated as Tier 1 for financial reporting purposes.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Significant accounting estimates and judgements

The preparation of the financial statements requires the use of certain estimates and judgements in applying the Company's accounting policies. Those estimates and judgements significant to the financial statements are disclosed in Note 2 to the financial statements.

(b) Going concern

The 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.

Current macro and economic conditions

The current macro and micro economic conditions are an evolving situation. These conditions, which include rising interest rates, rapidly rising inflation, skills shortages, global supply chain disruptions, and challenging international conditions, continue to have a significant impact on energy prices, as well as financial markets across the globe. The current adverse macro and micro economic conditions mentioned have lowered overall economic activity and confidence which in turn has resulted in significant volatility and instability in financial markets and economic uncertainty.

Consequently, there has been an increase in the level of inherent uncertainty in the critical accounting estimates and judgements applied by Management in the preparation of these financial statements.

It is not possible to estimate the full impact of the current macro and micro economic conditions. As at the date of the signing of these financial statements, all reasonably known and available information with respect to the current adverse macro and micro economic conditions has been taken into consideration in the critical accounting estimates and judgements applied by Management, and all reasonably determinable adjustments have been made in preparing these financial statements. The Company continues to monitor developments and initiate plans to mitigate adverse impacts and maximise opportunities.

(c) Functional and presentation currency

The financial statements are presented in New Zealand dollars which is the Company's functional and presentation currency. All amounts have been rounded to the nearest dollar unless otherwise indicated.

Notes to the financial statements for the year ended 31 March 2023

Note 1: Statement of Significant Accounting Policies (continued)

(d) Goods and services tax (GST)

The Company is not registered for Goods and Services Tax (GST) and consequently all components of the financial statements are stated inclusive of GST where appropriate.

(e) Income tax

From 7 April 2020, the Company qualified as and elected to become a portfolio tax rate entity ("PTRE") under the portfolio investment entity ("PIE") regime. Under the PIE regime, the Company attributes all of the taxable income of a PTRE to shareholders in accordance with their proportional interest in the Company and as such tax payments made on behalf of shareholders are treated as distributions.

(f) Revenue and other income

Interest income

Interest income is recognised in the statement of profit or loss and other comprehensive income as it accrues and is measured in accordance with the effective interest method. The effective interest method calculates the amortised cost of a financial asset and allocates the interest income over the relevant period. The calculation includes all fees received that are an integral part of the effective interest rate. The interest income is allocated over the life of the instrument and is measured for inclusion in profit or loss by applying the effective interest rate to the instrument's amortised cost.

Other income

Other income is recognised as it is earned.

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, short-term deposits with an original maturity of three months or less held at call with financial institutions, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(h) Intangible assets

Separately acquired intangible assets

Separately acquired intangible assets are recognised at cost and amortised over their estimated useful lives commencing from the time the asset is available for use. The amortisation method applied to an intangible asset is consistent with the estimated consumption of economic benefits of the asset. Subsequent to initial recognition, separately acquired intangible assets are measured at cost, less accumulated amortisation (where applicable) and any accumulated impairment losses.

Share management software is amortised over 5 years.

(i) Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance date. Borrowings are analysed in accordance with the borrowing policy of the Company.

(j) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

Classification of financial assets

Financial assets recognised by the Company are subsequently measured in their entirety at either amortised cost or fair value, subject to their classification and whether the Company irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income (FVtOCI) in accordance with the relevant criteria in NZ IFRS 9.

SENIOR TRUST RETIREMENT VILLAGE INCOME GENERATOR LIMITED NZCN: 7861299

Notes to the financial statements for the year ended 31 March 2023

Note 1: Statement of Significant Accounting Policies (continued)

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified as subsequently measured at amortised cost, FVtOCI or fair value through profit or loss (FVtPL) on the basis of both:

(a) the Company's business model for managing the financial assets; and

(b) the contractual cash flow characteristics of the financial asset.

Financial assets consist of finance receivables, other receivables and cash and cash equivalents. The Company classifies its financial instruments as amortised cost.

Classification of financial liabilities

Financial liabilities classified as held-for-trading, contingent consideration payable by the Company for the acquisition of a business, and financial liabilities designated at fair value through profit or loss (FVtPL), are subsequently measured at fair value.

All other financial liabilities recognised by the Company are subsequently measured at amortised cost.

Financial liabilities include trade payables and other creditors.

Finance receivables

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a finance receivable that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Impairment of financial assets

Financial assets are tested for impairment by applying the 'expected credit loss' impairment model.

The Company applies the simplified approach under NZ IFRS 9 to measuring the allowance for credit losses for receivables from contracts with customers, contract assets and lease receivables. Under the NZ IFRS 9 simplified approach, the Company determines the allowance for credit losses for receivables from contracts with customers, contract assets and lease receivables on the basis of the lifetime expected credit losses of the financial asset. Lifetime expected credit losses represent the expected credit losses that are expected to result from default events over the expected life of the financial asset.

For all other financial assets subject to impairment testing, when there has been a significant increase in credit risk since the initial recognition of the financial asset, the allowance for credit losses is recognised on the basis of the lifetime expected credit losses. When there has not been an increase in credit risk since initial recognition, the allowance for credit losses is recognised on the basis of 12-month expected credit losses. '12-month expected credit losses' is the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The gross carrying amount of a financial asset is written off (i.e., reduced directly) when the counterparty is in severe financial difficulty and the Company has no realistic expectation of recovery of the financial asset. Financial assets written off remain subject to enforcement action by the Company. Recoveries, if any, are recognised in profit or loss.

(k) Dividends payable

Dividend distributions to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividend are approved by the Company's Directors.

(l) Unallotted subscriptions

Deposits received from investors where subscriptions are yet to be finalised, are recognised as a liability in the statement of financial position.

(m) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

Notes to the financial statements for the year ended 31 March 2023

NOTE 2: Significant Accounting Estimates and Judgements

In the preparation of these financial statements, Management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions 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. Actual results may differ from the estimates, judgements and assumptions made.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Information about significant areas of estimation uncertainty that have the most significant effect on the amount recognised in the financial statements is outlined below:

(a) Applicability of the going concern basis of accounting

Whilst the current macro and micro economic conditions have lowered overall economic activity and confidence (as previously described in note 1(b)), Management have assessed and determined that the Company's application of the going concern basis of accounting remains appropriate. Management has applied judgement, having undertaken the responses and considerations described in note 1(b) to reaffirm the Company's application of the going concern basis of accounting remains appropriate.

(b) Impairment of financial assets

The provision is based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer note 3(a).

Management reviews each loan against its internal risk matrix.

The categories that are assessed include liquidity, any management issues and security.

In addition Management considers:

- whether all payments have been made as and when they were due.
- that covenants have not been breached.
- the latest valuation report and other relevant information.
- sales, construction, security and any changes to management personnel.
- the retirement village market.

Impairment of loans has been estimated as nil (2022: nil).

Notes to the financial statements for the year ended 31 March 2023

NOTE 3: Financial Risk Management

The Company is exposed to the following financial risks comprising:

(a) Credit risk

(b) Liquidity risk

(c) Interest rate risk

Primary responsibility for identification and control of financial risks rests with the Directors of the Company. The Directors of the Company review and agree policies for managing each of the risks identified above. There is no foreign exchange risk.

Management uses different methods to measure and manage different types of risks to which it is exposed. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Company holds the following financial instruments:

	2023 $	2022 $
Financial assets		
Amortised cost		
Cash and cash equivalents	1,419,803	4,926,977
Receivables	2,289,203	846,302
Finance receivables	176,237,162	91,849,986
	179,946,168	97,623,265
Financial liabilities		
Amortised cost		
Payables	4,041,336	2,108,204
Borrowings	20,000,000	5,000,000
	24,041,336	7,108,204

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Financial instruments that subject the Company to credit risk consist primarily of cash, finance receivables and other receivables and financial assets.

Management performs credit evaluations on all borrowers requiring advances. Management requires collateral or other security to support loans and advances, as set out in the Company's product disclosure statement. Management review all loans and any overdue loans at the monthly board meeting and any overdue loans are assessed on a regular basis.

Management reviews each loan against its internal risk matrix.

The categories that are assessed include liquidity, any management issues and security. In particular, Management take the following steps to manage this risk:

- Focusing on lending to operators with a track record of proven performance and who have a material stake in the entity.
- Undertaking extensive due diligence including assessing credit risk and the nature of any prior ranking securities.
- Ensuring any loans comply with the Company's lending criteria.
- Closely monitoring the performance of the entity and loan repayments.
- Refinancing the term of the loan, or enforcing our loan, if necessary. Refinancing a loan carries its own risks in that the possibility of future default increases.
- Reviewing valuation reports.
- Reviewing current economic conditions.
- Ensuring maximum of 75% LVR restriction.

All cash and cash equivalents are held with a New Zealand registered bank.

Maximum exposure to credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date of recognised financial assets is the carrying amount of those assets, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to financial statements.

Management considers finance receivables to be low credit risk when they have a low risk of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term. To measure the expected credit losses, finance receivables have been grouped based on shared credit risk characteristics relating to arrears and loan to value ratio.

Notes to the financial statements for the year ended 31 March 2023

NOTE 3: Financial Risk Management (continued)

After undertaking the procedures outlined above and including reviewing credit risk characteristics relating to arrears, the loan to value ratio and considering forward-looking information on economic factors affecting the ability of borrowers to settle finance receivables there is no provision for impairment of financial assets (2022: nil).

Credit quality per class of financial assets

Exposures to credit risk are graded by an internal risk grade mechanism. High grade represents the strongest credit profile where a potential loss is least likely. Substandard grade represents the weakest credit profile where a potential loss is most likely. Standard grade represents the mid range credit profile where the directors believe a potential loss is unlikely. Past due loans are those where a counterparty has failed to make a payment when contractually due. Individually impaired loans are those where some potential loss is expected.

Cash and cash equivalents are designated as high grade and all other financial assets have been designated between standard and high grade.

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are implemented regarding the acceptability of types of collateral and valuation parameters.

Management monitors the market value of collateral, requests additional collateral in accordance with the underlying agreement, and monitors the market value of collateral obtained during its review of the adequacy of the allowance for impairment losses. An independent valuation sought by a registered valuer prior to entering into the loan and then on an annual basis thereafter. In addition, quantity surveyors may also be provided during a development in order to substantiate work in progress amounts in a valuation.

Risk concentrations of the maximum exposure to credit risk

Concentrations of credit risk exist if a number of counterparties are involved in similar activities and have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

The Company has concentration risk as its assets are concentrated in a small number of loans, in a specific sector of the retirement village and aged care industry.

The Directors manage, limit and control concentrations of credit risk, in particular, to individual retirement village and geographic location by monitoring on an ongoing basis and subject to annual or more frequent review, when considered necessary. However the Directors do not allocate asset investment to specific geographic areas but focus on the demographic demand within the catchment area for each retirement village.

The Company has 98% (2022: 95%) of its total assets as loans receivable from 9 entities (2022: 8 entities). The loans to Quail Ridge Country Club, Longridge Village Limited Partnership and Amberley Limited Partnership have first ranking registered mortgages, subject to a first ranking encumbrance registered in favour of the Statutory Supervisor. The loans to Clyde Limited Partnership and Stoney Creek GCO Limited have first ranking registered mortgages. The loans to Palm Grove Partnership and Ranfurly Manor No: 1 Limited have a second ranking registered mortgages, subject to a first ranking encumbrance registered in favour of the Statutory Supervisor. The loan to Forest Glen Limited Partnership has a second ranking registered mortgage. The loan to The Botanic Limited Partnership has a second ranking registered mortgage, subject to a first ranking encumbrance registered in favour of the Statutory Supervisor. Each loan is significant to the Company.

Management closely monitors each loan, does regular site visits to the retirement villages and receives regular sales and financial reports.

The table below shows the maximum exposure to credit risk for finance receivables by geographical region:

		2023 $	2022 $
Auckland		81,155,488	20,096,451
Rest of North Island		56,993,540	45,914,768
South Island		38,088,134	25,838,767
	10	176,237,162	91,849,986

Notes to the financial statements for the year ended 31 March 2023

NOTE 3: Financial Risk Management (continued)

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company's intention is to maintain sufficient funds to meet its commitments based on historical and forecasted cash flow requirements. Management's intention is to actively manage lending and borrowing portfolios to ensure net exposure to liquidity risk is minimised. The exposure is reviewed on an ongoing basis from daily procedures to monthly reporting as part of the Company's liquidity management process.

Maturity analysis

The tables below present contractual undiscounted cash flows payable to the Company for financial instruments and unrecognised loan commitments based on contractual maturity (which is the same as expected maturity, refer to note 10 early repayment clauses).

	On demand $	0-12 months $	1-5 years $	Total contractual cash flows $	Carrying amount $
31 March 2023					
Cash and cash equivalents	1,419,803	-	-	1,419,803	1,419,803
Receivables	2,289,203	-	-	2,289,203	2,289,203
Finance receivables	-	42,527,916	188,179,044	230,706,960	176,237,162
Payables	(4,041,336)	-	-	(4,041,336)	(4,041,336)
Borrowings	-	(1,282,466)	(22,713,562)	(23,996,028)	(20,000,000)
Net maturities	(332,330)	41,245,450	165,465,482	206,378,602	155,904,832
31 March 2022					
Cash and cash equivalents	4,926,977	-	-	4,926,977	4,926,977
Receivables	846,302	-	-	846,302	846,302
Finance receivables	-	10,516,438	113,783,870	124,300,308	91,849,986
Payables	(2,108,204)	-	-	(2,108,204)	(2,108,204)
Borrowings	-	(5,021,164)	-	(5,021,164)	(5,000,000)
Net maturities	3,665,075	5,495,274	113,783,870	122,944,219	90,515,061

The Company intends to make loans and advances subsequent to the reporting date from the available cash and cash equivalents of the Company. Lending opportunities are regularly assessed which ensure the funds are allocated in a timely manner, and until such time as the loan is made the funds will remain lodged in a non-interest bearing bank account.

Notes to the financial statements for the year ended 31 March 2023

NOTE 3: Financial Risk Management (continued)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

The Company is not exposed to fluctuations in market interest rates. It does not receive interest on cash and cash equivalents and interest rates on finance receivables are fixed rates so are not subject to rate change.

The Company's exposure to interest rate risk in relation to future cash flows and the weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Interest bearing $	Non-interest bearing $	Total carrying amount $	Weighted average interest rate
31 March 2023				
Financial instruments				
Financial assets				
Cash and cash equivalents	-	1,419,803	1,419,803	N/A
Receivables	-	2,289,203	2,289,203	N/A
Finance receivables	176,237,162	-	176,237,162	10.9 %
	176,237,162	3,709,006	179,946,168	
Financial liabilities				
Payables	-	(4,041,336)	(4,041,336)	N/A
Borrowings	(20,000,000)	-	(20,000,000)	7.75 %
	(20,000,000)	(4,041,336)	(24,041,336)	
31 March 2022				
Financial instruments				
Financial assets				
Cash and cash equivalents	-	4,926,977	4,926,977	N/A
Receivables	-	846,302	846,302	N/A
Finance receivables	91,849,986	-	91,849,986	10.8%
	91,849,986	5,773,279	97,623,265	
Financial liabilities				
Payables	-	(2,108,204)	(2,108,204)	N/A %
Borrowings	(5,000,000)	-	(5,000,000)	5.15 %
	(5,000,000)	(2,108,204)	(7,108,204)	

Notes to the financial statements for the year ended 31 March 2023

NOTE 4: Revenue and Other Income

	Note	2023 $	2022 $
Interest income			
The Botanic Limited Partnership		2,695,779	-
Forest Glen Limited Partnership	17	3,110,713	1,473,307
Roy's Bay Estate Limited		722,038	1,747,442
Ranfurly Manor No: 1 Limited		698,750	526,308
Palm Grove Partnership	17	763,304	370,402
Quail Ridge Country Club Limited		2,667,032	2,061,738
Clyde Limited Partnership		1,014,578	631,835
Amberley Limited Partnership		1,158,202	354,665
Senior Trust Equity Limited Partnership (Te Kauwhata)		-	182,258
Longridge Village Limited Partnership		2,279,484	596,104
Stoney Creek GCO Limited		1,002,972	-
		16,112,852	7,944,059
Other income			
Procurement fee income		132,000	-
Other income		19,791	20,108
		151,791	20,108

NOTE 5: Operating Profit

	Note	2023 $	2022 $
Profit for the year has been determined after:			
Finance costs			
- Borrowing costs		1,182,226	147,886
- Bank charges		236,195	163,087
		1,418,421	310,973
Administration and compliance expense			
- Administration expenses		2,104,575	1,133,224
- Compliance expenses		448,392	381,469
- Management fees	17	3,890,418	2,088,194
- Director fees	16	72,000	72,000
- Amortisation		19,074	-
		6,534,459	3,674,887
Remuneration of auditors for:			
William Buck Audit (NZ) Limited			
Audit and assurance services		42,550	41,990

Notes to the financial statements for the year ended 31 March 2023

NOTE 6: Pie Taxation Payable on Behalf of Shareholders

	Note	2023 $	2022 $
PIE tax liability			
Profit before PIE tax per statement of profit or loss		8,311,763	3,978,307
Opening balance		240,488	132,417
Taxation (at prescribed investor rates)		1,667,538	817,388
PIE tax paid on behalf of unitholders		(1,371,854)	(709,317)
PIE tax liability	12	536,172	240,488

From 7 April 2020 the Company qualified as, and elected to become a multi-rate PTRE under the PIE regime. Under the PIE regime, for financial reporting purposes, income is effectively taxed in the hands of shareholders and therefore the Company has no tax expense or deferred tax assets or liabilities.

NOTE 7: Cash and Cash Equivalents

	Note	2023 $	2022 $
Transactions account		1,256,712	4,150,887
Applications account		163,091	776,090
		1,419,803	4,926,977

NOTE 8: Cash Flow Information

	Note	2023 $	2022 $
Reconciliation of cash flow from operations with profit before PIE tax per statement of profit or loss			
Profit before PIE tax per statement of profit or loss		8,311,763	3,978,307
PIE tax paid on behalf of unitholders		(1,371,854)	(709,317)
Adjustments and non-cash items			
Amortisation		19,074	-
Changes in operating assets and liabilities			
Increase in receivables and prepayments		(5,817,421)	(426,291)
Increase in payables		485,490	461,285
Cash flows from operating activities		1,627,052	3,303,984

Notes to the financial statements for the year ended 31 March 2023

NOTE 9: Receivables

	Note	2023 $	2022 $
CURRENT			
Accrued interest		2,238,203	846,302
Amounts receivable from:			
Senior Trust Management Limited	17	51,000	-
		2,289,203	846,302

NOTE 10: Finance Receivables

	Note	2023 $	2022 $
CURRENT			
Amounts receivable from:			
Stoney Creek GCO Limited		13,036,050	-
Clyde Limited Partnership		11,735,611	-
		24,771,661	-
NON CURRENT			
Amounts receivable from:			
Forest Glen Limited Partnership	17	38,155,488	18,533,951
Roy's Bay Estate Limited		-	11,981,766
Ranfurly Manor No:1 Limited		6,500,000	5,000,000
Palm Grove Partnership	17	10,000,000	1,562,500
Quail Ridge Country Club Limited		26,696,634	22,217,339
Clyde Limited Partnership		-	7,238,037
Amberley Limited Partnership		13,316,473	6,618,964
Longridge Village Limited Partnership		23,796,906	18,697,429
The Botanic Limited Partnership		33,000,000	-
		151,465,501	91,849,986

Notes to the financial statements for the year ended 31 March 2023

NOTE 10: Finance Receivables (continued)

Impairment

The credit quality of the loans are estimated by the directors and are considered to be between standard grade and high grade based on their current knowledge. After undertaking the procedures outlined in note 3(a) including reviewing credit risk characteristics relating to arrears and loan to value ratio (LVR) and consideration of future looking events no provision for impairment is considered necessary (2022: none).

Forest Glen Limited Partnership

The loan to Forest Glen Limited Partnership (the Borrower), which allows for a maximum facility of $44,000,000 (2022: $22,400,000), expires no later than 31 May 2028 (2022: 31 March 2025). The loan earns interest at a rate of 11.00% per annum (2022: 11.00%).

The loan was to assist with re-financing of mortgage debt and to assist with funding the proposed development of a retirement village.

The loan securities are as follows:

- Second-ranking registered mortgage over the village property 488 & 496c Hibiscus Coast Highway granted by Coastal Properties Orewa Forest Glen Limited;
- First ranking registered mortgage over 31 Forest Glen granted by Coastal Properties Orewa Glen Limited;
- General security agreement granted by Coastal Properties Orewa Forest Glen Limited.
- General security agreement granted by Senior Trust GP (STGP) Limited.
- Guarantee from Coastal Properties Orewa Forest Glen Limited and STGP Limited.

The collateral value of the security over the loans to Forest Glen Limited Partnership is estimated at $64.2 million (2022: $30 million) (excluding GST). Including all prior ranking security, Cressida Capital One Limited $2 million (2022: $2 million) this represents a LVR of 64% (2022: 68%). The fair value of the collateral was based on a valuation performed by a registered valuer Eyles McGough as at 31 March 2023 (2022: Eyles McGough, 31 March 2022).

Valuation of the Operator's interest has been performed based on a discounted cash flow methodology whereby the future cash flows expected to be generated from the Operator's interest have been discounted to the valuation date at a discount rate reflecting the risk of the Operator's interest. Significant assumptions used by the valuer include a discount rate of 15% (2022: 15%). Other assumptions used by the valuer include timing of future resales, level of occupancy of existing and future residents, the ingoing contribution price, resale value of units.

The credit quality of the loan is estimated by the directors of the Company and is considered to be high grade based on their knowledge and their consideration of future looking events. After undertaking the procedures outlined in note 3(a) including reviewing credit risk characteristics relating to arrears and loan to value ratio, no provision for impairment is considered necessary.

Forest Glen Limited Partnership is a related party of the Company. See Note 17.

Roy's Bay Estate Limited

The loan to Roy's Bay Estate Limited (the Borrower) was fully repaid on 5 August 2022 and allowed for a maximum facility of $14 million. The Company charged the default interest rate of 16.75% per annum being the interest rate of 11.75% plus 5% since 21 December 2021. On this date, the Company wrote to inform the Borrower that an Event of Default has occurred under the Term Loan Agreement, due to the second mortgagee issuing a notice of demand for repayment under their loan facility. The amount repaid included the penalty interest incurred.

The loan securities were as follows:

- All obligations first ranking registered mortgage granted by the Borrower over the Land (including the Clubhouse once a separate title for the Clubhouse has been issued).
- All obligations general security agreement granted by the Borrower.
- Guarantees granted in respect of the obligations of the Borrower by Anthony Hannon and Catherine Hannon as trustees of the Hannon Investment Trust, Sym Trustee Limited as trustee of Sym Trust, Christopher Holmes and Victrust Corporate Trustee Limited as trustees of the Victoria Trust, Anthony Hannon and Christopher Holmes.

The physical property used as security over the loans is now used as security over the loan to Stoney Creek GCO Limited who are the new owners of the property.

SENIOR TRUST RETIREMENT VILLAGE INCOME GENERATOR LIMITED NZCN: 7861299

Notes to the financial statements for the year ended 31 March 2023

NOTE 10: Finance Receivables (continued)

Ranfurly Manor No:1 Limited

The loan to Ranfurly Manor No:1 Limited allows for a maximum facility of $6.5 million (2022: $6.5 million) and expires no later than 30 October 2024. The loan earns interest at a rate of 10.75% per annum (2022: 10.75%). The facility has interest only repayments, with the Borrower having the flexibility to make 25% principal repayments at the end of years 2 and 3 of the term.

The loan securities are as follows:

- All obligations second ranking registered mortgage granted by the Borrower over Ranfurly Manor No:1 Limited and Nelson Street Resthome Limited.
- Ranfurly Manor No:1 Limited is also subject to a prior ranking encumbrance registered in favour of the Statutory Supervisor.
- Guarantees from Promisia Integrative Limited, Aged Care Holdings Limited, Nelson Street Resthome Limited and Ranfurly Manor Limited.

The collateral value of the security over all the loans to Ranfurly Manor No:1 is estimated at $29.9 million (2022: $27.6 million), excluding GST. Including all prior ranking security (Bank of New Zealand prior ranking debt of $8.4 million (2022: $9.1 million)) this represents an LVR of 50% (2022: 51%). The fair value of the collateral was based on a valuation performed by a registered valuer CBRE as at 31 March 2023 (2022: CBRE, 31 March 2022).

Valuation of the Operator's interest has been performed based on sales data, cost estimates, comparable sales and valuation calculations. The valuer has used a pre-tax discount rate of 16.5% (2022: 16.5%).

The credit quality of the loan is estimated by the Directors of the Company and is considered to be very good based on their knowledge and their consideration of future looking events. After undertaking the procedures including reviewing credit risk characteristics related to arrears and loan to value ratio, no provision for impairment is considered necessary.

Palm Grove Partnership

The loan to Palm Grove Partnership allows for a maximum facility of $10 million (2022: $5 million) and expires no later than 23 March 2027 (2022: 23 March 2027). The loan earns interest at a rate of 11.00% per annum (2022: 11.00%).

The loan securities are as follows:

- All obligations second ranking registered mortgage granted by the Borrower over the land, which is also subject to a prior ranking encumbrance registered in favour of the Statutory Supervisor.
- General security agreement from Palm Grove Partnership, STC Orewa Limited and Orewa Village Limited;
- Guarantee and indemnity from STC Orewa Limited and Orewa Village Limited.

The collateral value of the security over all the loans to Palm Grove Partnership is estimated at $50 million (2022: $26.6 million), excluding GST. Including all prior ranking security (Bank of New Zealand prior ranking debt of $10 million (2022: $10 million)) this represents a LVR of 70.11% (2022: 43%) (taking into account the prior year debt). The fair value of the collateral was based on a valuation performed by a registered valuer CBRE as at 31 March 2023 (2022: CBRE, 31 March 2022). The fair value of the collateral contains $41.2 million (2022: $6.6 million) of work in progress which is based on a cost report prepared by Barnes Beagley Doherr, a construction cost management company.

Valuation of the Operator's interest has been performed based on a discounted cash flow methodology whereby the future cash flows expected to be generated from the Operator's interest have been discounted to the valuation date at a discount rate reflecting the risk of the Operator's interest. Significant assumptions used by the valuer include a discount rate of 15% (2022: 14.5%). Other assumptions used by the valuer include current unit pricing, turnover of units, growth rates and non recoverable expenses and income and expenses flow. In addition to the Operator's interest of $8.3 million (2022: $9 million) the valuation consists of unsold primary stock (apartments) of $0.79 million (2022: $3.9 million) basement car parks of $0.4(2022: $0.4 million) and development land of $6.1 million (2022: $6.7 million).

The credit quality of the loan is estimated by the Directors of the Company and is considered to be high grade based on their knowledge and their consideration of future looking events. After undertaking the procedures outlined in note 3(a) including reviewing credit risk characteristics relating to arrears and loan to value ratio, no provision for impairment is considered necessary.

Palm Grove Partnership is a related party of the Company. See Note 17.

Notes to the financial statements for the year ended 31 March 2023

NOTE 10: Finance Receivables (continued)

Quail Ridge Country Club Limited

The loan to Quail Ridge Country Club Limited allows for a maximum facility of $27 million (2022: $25 million) and expires no later than 26 January 2025. The loan earns interest at a rate of 10.75% per annum (2022: 10.75%).

The loan securities are as follows:

- All obligations first ranking registered mortgage granted by the Borrower over the land, which is also subject to a prior ranking encumbrance registered in favour of the Statutory Supervisor.
- General security agreement from Quail Ridge Country Club Limited and Kerikeri Falls Investments Limited;
- Guarantee and indemnity from Quail Ridge Country Club Limited and Kerikeri Falls Investments Limited.

The collateral value of the security over all the loans to Quail Ridge Country Club Limited is estimated at $46.5 million (2022: $34.4 million), excluding GST, which represents a LVR of 57% (2022: 65%). The fair value of the collateral was based on a valuation performed by a registered valuer (Eyles McGough) as at 31 March 2023 (2022: CBRE, 31 March 2022).

Valuation of the operator's interest has been performed based on a discounted cash flow methodology whereby the future cash flows expected to be generated from the operator's interest have been discounted to the valuation date at a discount rate reflecting the risk of the Operator's interest. Significant assumptions used by the valuer include a discount rate of 15% (2022: 14.5%). Other assumptions used by the valuer include average price of Independent Living Units, occupancy periods, growth rates, and estimated disposal costs.

The credit quality of the loan is estimated by the Directors of the Company and is considered to be high grade based on their knowledge and their consideration of future looking events. After undertaking the procedures outlined in note 3(a) including reviewing credit risk characteristics relating to arrears and loan to value ratio, no provision for impairment is considered necessary.

Clyde Limited Partnership

The loan to Clyde Limited Partnership allows for a maximum facility of $12 million and expires no later than 26 February 2024. The loan earns interest at a rate of 10.75% per annum (2022: 10.75%). Subsequent to balance date, the loan was renewed 28 April 2023.

The loan securities are as follows:

- All obligations first ranking registered mortgage over 74 Mutton Town Road, 84 Mutton Town Road, 86 Mutton Town Road and 98 Mutton Town Road which are all subject to a prior ranking encumbrance registered in favour of the Statutory Supervisor;
- General security agreement from the Borrower;
- Conditional all obligations guarantees from Ostex Corporation Limited, Houlahan Enterprises Limited and Foster Family Trust.

The collateral value of the security over all the loans to Clyde Limited Partnership is estimated at $20.5 million (2022: $16.8 million), excluding GST, which represents a LVR of 57% (2022: 43%). The fair value of the collateral was based on a valuation performed by a registered valuer Colliers dated 31 March 2023 (2022: Eyles McGough, 18 February 2022).

Valuation of this residential development site is based on the discounted cash flow methodology (2022: sales comparison approach and hypothetical subdivision approach). Significant assumptions used by the valuer include a discount rate of 17%. Other assumptions used by the valuer include individual unit market values, selldown periods, estimated occupation and individual market growth rates.

The credit quality of the loan is estimated by the Directors of the Company and is considered to be very good based on their knowledge and their consideration of future looking events. After undertaking the procedures outlined in note 3(a) including reviewing credit risk characteristics relating to arrears and loan to value ratio, no provision for impairment is considered necessary.

Amberley Limited Partnership

The loan to Amberley Limited Partnership allows for a maximum facility of $17 million (2022: $10.4 million) and expires no later than 30 March 2026. The loan earns interest at a rate of 11.25% per annum (2022: 10.25%).

The loan securities are as follows:

- All obligations first registered mortgage over 175 Carters Road, Amberley which is also subject to a prior ranking encumbrance registered in favour of the Statutory Supervisor;
- General security agreement from the Borrower;
- All obligations guarantees from Bartells Family Trust and Timothy Stephen Lawrence Bartells.

SENIOR TRUST RETIREMENT VILLAGE INCOME GENERATOR LIMITED NZCN: 7861299

Notes to the financial statements for the year ended 31 March 2023

NOTE 10: Finance Receivables (continued)

The collateral value of the security over all the loans to Amberley Limited Partnership is estimated at $22.4 million (2022: $13 million), excluding GST, which represents a LVR of 59% (2022: 51%). The fair value of the collateral was based on a valuation performed by a registered valuer (Eyles McGough) dated 31 March 2023 (2022: Eyles McGough, 31 March 2022).

Valuation of this residential development site has been performed based on a combination of the discounted cash flow and sales comparison methodology (2022: based on a discounted cash flow methodology). The significant assumptions used by the valuer in this methodology include a discount rate of 14.5% (2022: 14.5). Other significant assumptions include average resale period, sale price growth rates, refurbishment costs and estimated selling expenses.

The credit quality of the loan is estimated by the Directors of the Company and is considered to be very good based on their knowledge and their consideration of future looking events. After undertaking the procedures outlined in note 3(a) including reviewing credit risk characteristics relating to arrears and loan to value ratio, no provision for impairment is considered necessary.

Longridge Village Limited Partnership

The loan to Longridge Village Limited Partnership, allows for a maximum facility of $26.5 million and expires no later than 30 September 2026. The loan earns interest at a rate of 10.25% (2022: 10.25%).

The loan securities are as follows:

- All obligations first registered mortgage over 44 Waimarei Avenue, Paeroa and Norwood Road, Paeroa, subject to first ranking encumbrances in favour of the Statutory Supervisor.

The collateral value of the security over all the loans to Longridge Village Limited Partnership is estimated at $36.2 million (2022: $31.6 million), excluding GST, which represents a LVR of 65.76% (2022: 59%). The fair value of the collateral was based on a valuation performed by a registered valuer (Eyles McGough) dated 31 March 2023 (2022: Eyles McGough, 31 March 2022).

Valuation of the operator's interest has been performed based on a discounted cash flow methodology whereby the future cash flows expected to be generated from the operator's interest have been discounted to the valuation date at a discount rate reflecting the risk of the Operator's interest. Significant assumptions used by the valuer include a discount rate of 14.5% (2022: 14.5%). Other assumptions used by the valuer include average resale period, sale price growth rates, refurbishment costs and estimated selling expenses.

The credit quality of the loan is estimated by the Directors of the Company and is considered to be very good based on their knowledge and their consideration of future looking events. After undertaking the procedures outlined in note 3(a) including reviewing credit risk characteristics relating to arrears and loan to value ratio, no provision for impairment is considered necessary.

The Botanic Limited Partnership

The loan to The Botanic Limited Partnership, entered into on 31 May 2022, allows for a maximum facility of $33 million and expires no later than 30 June 2026. The loan earns interest at a rate of 9.75% per annum for the period commencing on the first Drawdown Date, and at a rate determined by the Lender plus a margin of 3.75% per annum for each subsequent 12 month period. On 21 October 2022, the term loan agreement was amended with the loan earning interest at a rate of 10.75% per annum for the period commencing on the 20 October 2022, and at a rate determined by the Lender plus a margin of 3.75% per annum for each subsequent 12 month period.

The loan securities are as follows:

- All obligations second ranking registered mortgage granted by the Borrower over the land, which is also subject to a prior ranking encumbrance registered in favour of the Statutory Supervisor and Hibiscus Limited;
- General security agreement from The Botanic Limited Partnership;
- Guarantee and indemnity from Senes Botanic Limited and KC & ME RV Investments Limited.

The collateral value of the security over all the loans to The Botanic Limited Partnership is estimated at $120.2 million, excluding GST. Including a ANZ loan facility of $25.7 million, this represents a LVR of 48.86%. The fair value of the collateral was based on a valuation performed by a registered valuer, CBRE dated 31 March 2023. The fair value of the collateral contains $63.1 million of work in progress which is based on cost reports prepared by Barnes Beagley Doherr, a construction cost management company.

Notes to the financial statements for the year ended 31 March 2023

NOTE 10: Finance Receivables (continued)

Valuation of the retirement village has been performed using a combination of the direct comparison and discounted cash flow methodology. Significant assumptions used by the valuer include a discount rate of 15.5%. In addition to the Operator's interest of $14.8 million the valuation consists of commercial development land of $5.9 million and retirement village development land of $36 million.

The credit quality of the loan is estimated by the Directors of the Company and is considered to be very good based on their knowledge and their consideration of future looking events. After undertaking the procedures outlined in note 3(a) including reviewing credit risk characteristics relating to arrears and loan to value ratio, no provision for impairment is considered necessary.

Stoney Creek GCO Limited

The loan to Stoney Creek GCO Limited, entered into on 5 August 2022, allows for a maximum facility of $13 million and expires no later than 5 May 2023. The loan earns interest at a rate of 11.75% per annum.

The loan securities are as follows:

- All obligations first ranking registered mortgage granted by the Borrower over the land;
- All obligations general security agreement granted by the Borrower.

The collateral value of the security over all the loans to Stoney Creek GCO Limited is estimated at $26 million, excluding GST, which represents a LVR of 50.14%. The fair value of the collateral was based on a valuation performed by a registered valuer Eyles McGough dated 31 March 2023.

Valuation of this residential subdivision site has been performed by completing an as-if complete estimate of the development and discounting the cashflows expected from the undeveloped land component. Significant assumptions used by the valuer include a discount rate of 15%.

The credit quality of the loan is estimated by the Directors of the Company and is considered to be very good based on their knowledge and their consideration of future looking events. After undertaking the procedures outlined in note 3(a) including reviewing credit risk characteristics relating to arrears and loan to value ratio, no provision for impairment is considered necessary.

NOTE 11: Intangible Assets

	Note	2023 $	2022 $
Share management software at cost		120,322	-
Accumulated amortisation and impairment		(19,074)	-
		101,248	-

(a) Reconciliations

Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year

Share management software at cost		
Opening balance	-	-
Additions	120,322	-
Amortisation expense	(19,074)	-
Closing balance	101,248	-

Notes to the financial statements for the year ended 31 March 2023

NOTE 12: Payables

	Note	2023 $	2022 $
CURRENT			
Trade creditors		1,267,585	861,310
Accrued distributions to investors		2,136,234	984,275
PIE tax liability	6	536,171	240,488
Accrued expenses		101,346	22,131
		4,041,336	2,108,204

NOTE 13: Borrowings

	Note	2023 $	2022 $
CURRENT			
Bank loans		-	5,000,000
NON CURRENT			
Bank loans		20,000,000	-

On 30 March 2022, the Bank of New Zealand loaned the Company $5,000,000. Interest was charged at 5.15% per annum and the loan matured on 29 April 2022.

Committed Cash Advance Facility was partially drawn down on 20 April 2022. The facility has a limit of $25,000,000, interest is charged at 7.75% and the advance matures on 31 December 2024. The facility is secured by all present and after acquired property of the Company.

NOTE 14: Share Capital

	2023 $	2022 $
Issued and paid-up capital		
Ordinary shares	156,524,955	89,905,295

	2023 Number	2023 $	2022 Number	2022 $
Ordinary shares				
Opening balance	89,905,295	89,905,295	51,719,256	51,719,256
Shares issued	66,619,660	66,619,660	38,186,039	38,186,039
At reporting date	156,524,955	156,524,955	89,905,295	89,905,295

Notes to the financial statements for the year ended 31 March 2023

Note 14: Share Capital (continued)

Shares issued

Shares have been issued under the terms of the continuous offer which opened on 27 January 2020 and has no end date. Under the terms of the share offer, Directors are not obliged to accept applications and can decide to suspend offering shares at any time.

The price at each Valuation Date will be the value of a share as determined by the Directors as fair and reasonable to the Company and the existing shareholders. The Company Value is a significant factor in respect to the determination of the Share Issue Price.

Rights of each type of share

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At shareholder meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Capital management

The Company's capital, from a management perspective, is its share capital and its Retained Earnings. The Company is not subject to externally imposed capital requirements. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to protect shareholders' capital and provide a return.

NOTE 15: Earnings per Share

	2023 $	2022 $
Cents per share		
Basic earnings per share after tax	6.4	5.7
Diluted earnings per share after tax	6.4	5.7

The Company's policy states that Targeted Distribution Rate on each Share is an amount equal to a before tax return on the Share Issue Price of each Share at a rate determined by the Board. Shareholders receive cash distributions net of tax however, distributions are fully imputed.

Basic earnings per share is calculated as profit divided by the weighted number of issued shares for the period. Diluted earnings per share is calculated as profit divided by the weighted number of shares plus any deferred shares which are expected to be issued after balance date.

	2023 $	2022 $
Reconciliation of earnings used in calculating earnings per share		
Profit attributable to the shareholders of the Company used in calculating earnings per share	8,311,763	3,978,307
Weighted average number of shares used as the denominator		
Weighted average number of shares used as the denominator in calculating basic earnings per share	129,249,629	69,236,176
Weighted unallotted shares issued after balance date	-	4,254
Weighted average number of shares and potential shares used as the denominator in calculating diluted earnings per share	129,249,629	69,240,430

Notes to the financial statements for the year ended 31 March 2023

NOTE 16: Key Management Personnel Compensation

	Note	2023 $	2022 $
Directors' remuneration and other benefits			
John Jackson		36,000	36,000
Scott Lester		36,000	36,000
	5	72,000	72,000

The names of Directors who have held office during the year are:

Name	Appointment / resignation details
John Jackson	appointed 20 December 2019
Scott Lester	appointed 20 December 2019

NOTE 17: Related Party Transactions

Senior Trust Capital Limited (STC)

STC is associated with the Company as STC has common shareholders with the Company's Manager, Senior Trust Management Limited (STML).

Senior Trust Management Limited (STML)

STML (Manager of the Company) and the Company are related as one of the Directors of the Company (John Jackson) is a beneficiary of the Dadrew Trust which is the sole shareholder of STML.

A management services agreement between the Company and STML was entered into on 8 January 2020. The agreement records the terms under which the STML provides investment, management and administrative services to the Company.

Forest Glen Limited Partnership (FGLP)

STC is a 50% limited partner of Forest Glen Limited. Forest Glen Limited Partnership was established in Nov-18 between STC Orewa Limited and Coastal Retirement Limited (each with a 50% interest).

Ascension Villages Limited Partnership (AVLP – previously Senior Trust Equity Limited Partnership)

AVLP is associated with the Company as the general partner of AVLP, STGP Limited, is managed by STML.

Palm Grove Partnership (PGP)

AVLP is a partner with an 80% shareholding, in the Palm Grove Partnership.

No related party balances have been written off or forgiven during the period (2022: nil).

	Note	2023 $	2022 $
(a) Transactions with related parties			
STC - Brokerage fees		(344,355)	(199,556)
STML - Management services expense	5	(3,890,418)	(2,088,194)
FGLP - Interest received	4	3,110,713	1,473,307
PGP - Interest received	4	763,304	370,402
AVLP - Interest received		-	182,258

The Company historically provided a loan to Senior Trust Equity Limited Partnership for $5.2 million. The loan was settled in the previous year with no balance owing at reporting date.

Notes to the financial statements for the year ended 31 March 2023

NOTE 18: Capital and Leasing Commitments (continued)

	Note	2023 $	2022 $
(b) Related party receivables			
FGLP - Finance receivable	10	38,155,488	18,533,951
PGP - Finance receivable	10	10,000,000	1,562,500
STML - Share repurchase	9	51,000	-

The Company offers an alternative means of exit for shareholders where STML has the ability (but not the right) to acquire shares from shareholders wishing to exit. The price at which STML may agree to repurchase shares will be the applicable Share Issue Price as at the date of the request or approval (not as at the date of buy back) and will be subject at all times to STML meeting all necessary approvals and governance requirements.

As at balance date, STML holds 68,491 shares in the Company (2022: 17,491 shares).

		2023 $	2022 $
(c) Other balances with related parties			
STC - Brokerage fees in accounts payable		(37,637)	(61,495)
STC - Interest accrued in accounts receivable		177,808	-
STC - Recharges accrued in accounts receivable		1,283	-
STML - Management services expenses in accounts payable and accrued		(1,143,703)	(619,974)
FGLP - Interest accrued in accounts receivable		651,295	-
PGP - Interest accrued in accounts receivable		93,425	4,238

NOTE 18: Capital and Leasing Commitments

There are no material capital or leasing commitments at reporting date (2022: nil).

NOTE 19: Contingent Liabilities

The Company has no contingent liabilities at reporting date (2022: nil).

NOTE 20: Events Subsequent to Reporting Date

The following transactions have occurred subsequent to reporting date:

The loan to Clyde Limited Partnership was fully repaid on 28 April 2023.

On 5 May 2023, a variation of term loan agreement was signed to increase the loan facility to Stoney Creek GCO Limited to $23 million, and to extend the facility to 29 February 2024.

On 24 May 2023, a variation of the term loan agreement was signed which increased the loan facility to Forest Glen Limited Partnership to $61 million.

During the first two months of the new financial year, the Company received $475,000 of non-interest related income as a result of negotiated fees pertaining to the cessation and renewals of loan facilities.

There has been no other matter or circumstance, which has arisen since 31 March 2023 that has significantly affected or may significantly affect:

(a) the operations, in financial years subsequent to 31 March 2023, of the Company, or

(b) the results of those operations, or

(c) the state of affairs, in financial years subsequent to 31 March 2023, of the Company.

Company directory

Senior Trust Retirement Village Income Generator Limited

Level 1, 20 Beaumont Street, Freemans Bay, Auckland, 1110

ATTENTION: John Jackson
TELEPHONE: 0800 609 600
EMAIL: info@seniortrust.co.nz

www.seniortrust.co.nz

MANAGER:

Senior Trust Management Limited

Level 1, 20 Beaumont Street, Freemans Bay, Auckland, 1110

ATTENTION: Scott Lester
TELEPHONE: 0800 609 600

COMPLAINTS CAN BE MADE TO:

Senior Trust Management Limited

Level 1, 20 Beaumont Street, Freemans Bay, Auckland, 1110

ATTENTION: Directors
TELEPHONE: 0800 609 600

Senior Trust Retirement Village Income Generator's offer number is OFR12802.

As a financial service provider registered under the Financial Service Providers (Registration and Dispute Resolution) Act 2008, we are a member of an approved dispute resolution scheme (registration number FSP709572).

The scheme is operated by Financial Services Complaints Limited (FSCL). There is no charge to you for using FSCL's services.

FSCL'S CONTACT DETAILS ARE:

Financial Services Complaints Limited

PO Box 5967, Lambton Quay, Wellington 6145

TELEPHONE: 0800 347 257
or (04) 472 FSCL (472 3725)
FAX: (04) 472 3727
EMAIL: info@fscl.org.nz

www.fscl.org.nz

There is no ombudsman to whom complaints about the Shares can be made.

"Over the past two decades of involvement in the industry, the most satisfying aspect has been the ability of our team to meet the expectations of our investors, through ups and downs."

John Jackson
EXECUTIVE DIRECTOR

Building wealth and wellbeing, to help Kiwis live more comfortable lives.

SENIOR TRUST RETIREMENT VILLAGE INCOME GENERATOR LIMITED

EMAIL info@seniortrust.co.nz

FREE CALL 0800 609 600

www.seniortrust.co.nz