SENIOR TRUST

2020 Annual Report
Senior Trust Retirement Village Listed Fund

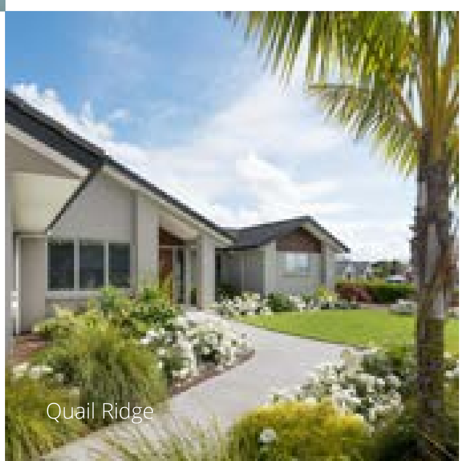

Quail Ridge


Whitby Lakes


The Grove


The Grove

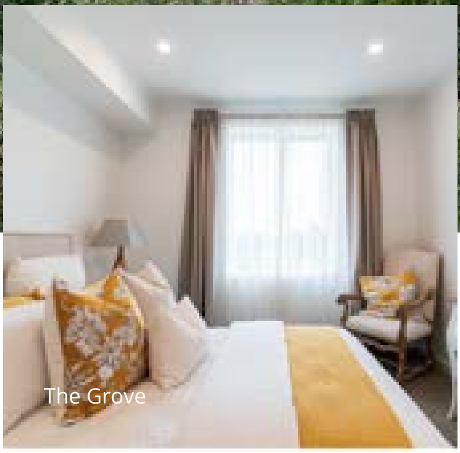

Whitby Lakes


Quail Ridge

Contents

This 2020 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.


Whitby Lakes


The Grove


Roys Bay

Letter From The Board

Dear Unitholder,

Welcome to the Senior Trust Retirement Village Listed Fund ("the Fund") 2020 Annual Report. We are pleased to report that during the year the Fund continued its track record of exceeding the long term targeted distribution rate of 6% pre-tax per annum.

The Fund's commercial objectives include delivering the targeted return while maintaining the Net Asset Value per Unit, which is reported at $1.01 as at 31 March 2020. The Fund has succeeded in meeting the objectives by lending to carefully selected, well located and soundly run retirement villages,.

The Fund is due to mature no later than 11 March 2021 ("Maturity Date"). In order to continue to provide a strong return, our focus now switches to managing the receipt of loan repayments by the borrowers with the return of capital to Unitholders. The Manager previously communicated it's approach of undertaking early redemption of Units in the Fund, on a pro-rata basis, commencing in 2020 and concluding on (or before) the Maturity Date. The redemption price will be Net Asset Value per Unit as at the relevant date on which the Unit is redeemed.

We consider this approach is in the best interests of our Unitholders, as opposed to depositing repaid loan monies in the bank, earning a low rate of interest.

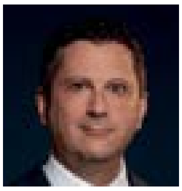
The impact of Covid-19 on the retirement village industry has, in our opinion, been mitigated by the Governments decision to "go early and go hard". We consider that the retirement village industry fundamentals remain intact. The demographic wave of 'baby boomers' seeking to live in retirement villages continues to grow and this long term demand underpins the sector. As Retirement villages generate long term cash flows they have the potential to structure their expansion programmes to reflect prevailing economic conditions. The Government has classified the Retirement Village sector an essential service enabling the industry to adequately staff villages to deliver the required care for residents. The operators we lend to have taken the appropriate measures to control village environments and protect residents.

We are pleased to report the independent valuations obtained for each of the villages we lend to as part of 31 March 2020 year-end audit process have all been within the stated 60% lending to security requirement. This key target was maintained, even though the independent registered valuer's reports took into account the impact of Covid-19 and the short term uncertainty this has created.

Senior Trust looks forward to continuing to deliver a consistent, reliable and attractive return to our investors.

We thank you for your investment support,

The Board




Scott Lester, Director


Joseph van Wijk, Independent Director


Neville Brummer, Independent Director

Quail Ridge

Palm Grove

Whitby Lakes

Key Highlights
Year Ended 31 March 2020

Reported Revenue

$4.7m

Net Profit

$2.2m

Loans To

Geographically Diversified

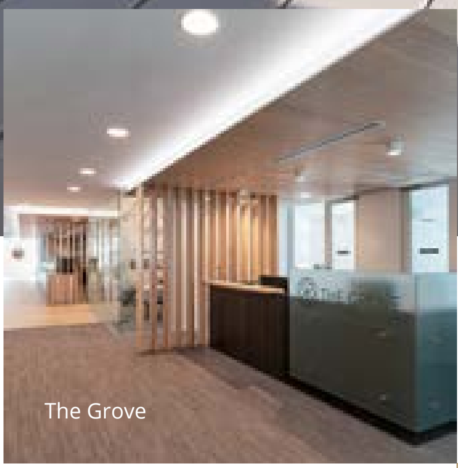
well located, soundly run retirement village developments

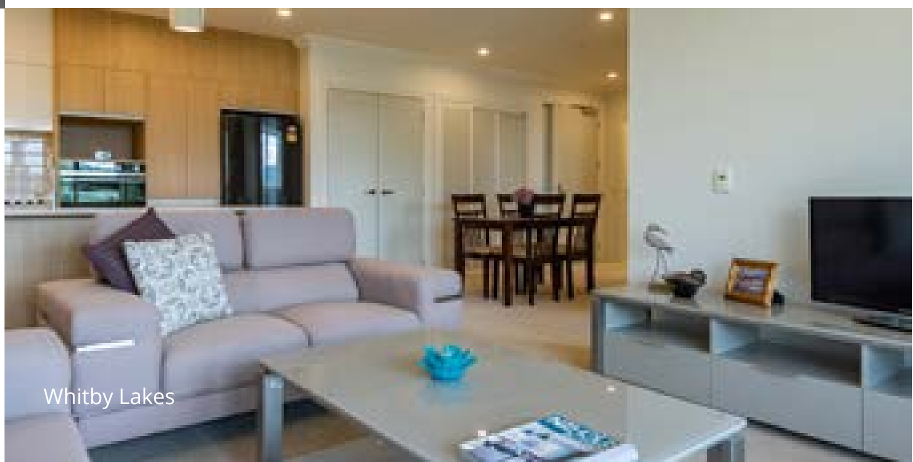
Distributions

6.5%

(pre-tax) per annum


Whitby Lakes


The Grove


Whitby Lakes

Specialist Lender to The Retirement Village Industry

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.

Our key objectives are to protect Unitholders' capital and provide a consistent, reliable and attractive return at or better than the Targeted Distribution Rate.

Loan activity:

Quail Ridge Country Club Limited
Kerikeri
Facility Limit: $14m

Palm Grove Partnership
Orewa, Auckland
Facility Limit: $3.5m

Hauraki Village Limited
Paeroa
Facility Limit: $0.9m, Fully Repaid

Whitby Village (2009) Ltd
Wellington
Facility Limit: $19m

Roys Bay Estate Ltd
Wanaka
Facility Limit: $14m

Arrowtown Lifestyle Retirement Village
Arrowtown
Facility Limit: $9m, Fully Repaid

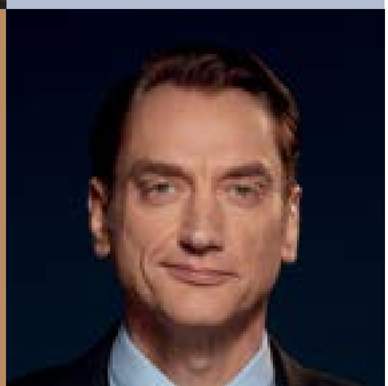
Our Board and Management Team

Scott Lester
Executive Director

Clive Jimmieson
Head of Compliance

Neville Brummer
Independent Director

John Jackson
Executive Director
(Senior Trust Capital)



Alex ceban
Head of Finance

Joseph van Wijk
Independent Director

Corporate Governance

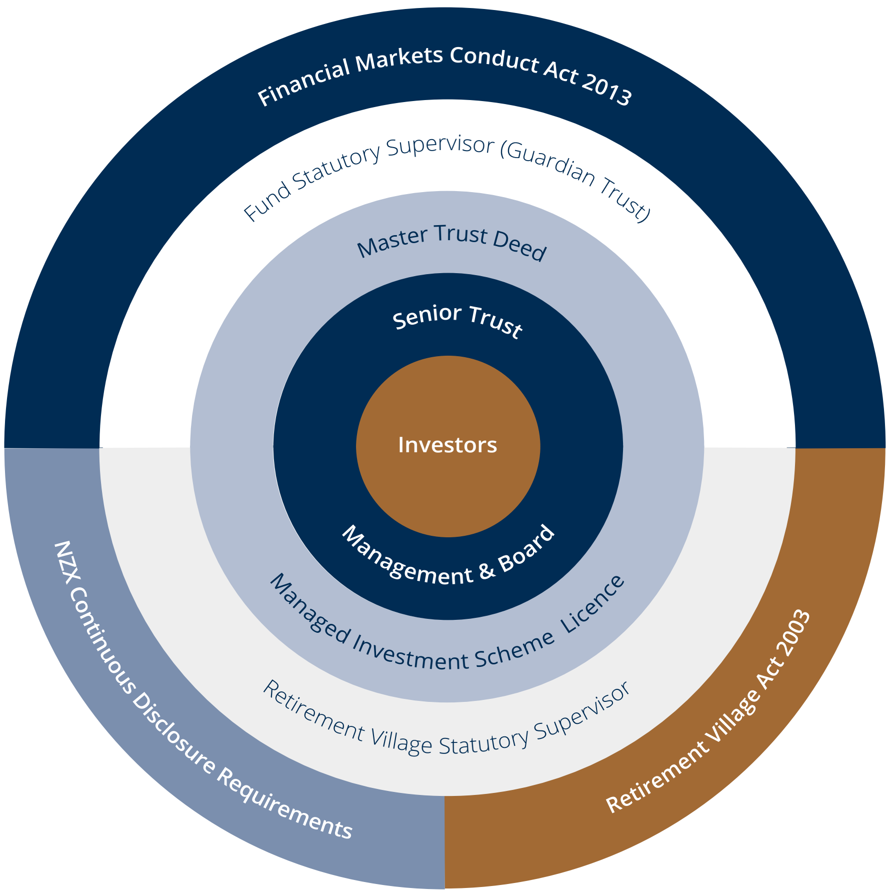
Corporate governance is the system by which entities are directed and controlled. It influences how an organisation's sets it's values, achieves objectives, assesses and monitors risk and strengthens performance. The Board considers that strong governance and a high degree of transparency are critical factors in delivering on our objectives and maintaining the confidence of our stakeholders.

The Board's corporate governance framework is designed to adhere to best practice and ensures that lending decisions are undertaken on a commercial basis. The governance framework is structured to take into account both the Financial Markets Conduct Act 2013 and the NZX Corporate Governance Code.

On a regular basis, the Board reviews the governance structure to ensure that it remains relevant and delivers the outcomes expected.

The Fund also engages a supervisor, The New Zealand Guardian Trust Company Limited ("Guardian Trust"). Guardian Trust's role includes overseeing the management and administration of the Fund to ensure compliance with the governing documents.

In respect to the wider regulatory environment, where our borrowers are a registered retirement village they are required to adhere to the Retirement Village Acts 2003.




Quail Ridge


The Grove


Whitby Lakes

Senior Trust Retirement Village Listed Fund

Financial Statements

For The Year Ended 31 March 2020

Quail Ridge

SENIOR TRUST RETIREMENT VILLAGE LISTED FUND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

TABLE OF CONTENTS

BUSINESS DIRECTORY

IRD number	117-982-076
Nature of business	Investment
Registered office	Foley Hughes Level 1, 20 Beaumont Street Freemans Bay Auckland, 1110
Directors (Manager)	Joseph van Wijk Scott Daniel Lester Neville Brummer
Supervisor	The New Zealand Guardian Trust Company Limited
Manager	Senior Trust Management Limited
Bankers	Bank of New Zealand
Auditors	William Buck Audit (NZ) Limited
Accountants	Baker Tilly Staples Rodway Auckland Limited

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Senior Trust Retirement Village Listed Fund (the Fund), which comprise the statement of financial position as at 31 March 2020, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders 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 Fund as at 31 March 2020, 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 Fund in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (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 Fund.

Emphasis of Matter

We draw attention to Note 1(a) in the financial statements, which states that the financial statements have been prepared on a realisation basis as the maturity date of the Fund is 11 March 2021, or earlier at the Manager discretion. Our opinion is not modified in respect of this matter.

CHARTERED ACCOUNTANTS
& ADVISORS

Level 4, 21 Queen Street
Auckland 1010, New Zealand
PO Box 106 090
Auckland 1143, New Zealand
Telephone: +64 9 366 5000
williambuck.co.nz

William Buck Audit (NZ) Limited

William Buck

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. In addition to the matter described in the Emphasis of Matter section above, we have determined the matter described below to be the key audit matter to be communicated in our report.

CARRYING VALUE OF LOANS RECEIVABLE	
Area of focus **Refer also to Notes 1, 3 and 9**	**How our audit addressed it**
The Fund has significant Loans Receivable with five parties totalling $38,323,032. The two largest significant individual balance being: Quail Ridge Country Club Limited $13,848,726 Whitby Village (2009) Limited $11,884,249 Receivables are required to be carried at their recoverable amount. The recoverability of the Loans receivable requires management judgement and continuous monitoring.	Our audit procedures included: — A review of all the underlying loan agreements, to ensure that all aspects have been accounted for correctly — Review and consideration of the early repayment clauses and whether any had been triggered — Review of the Managers' 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 — Assessing the adequacy of the Fund's disclosures in respect of the transactions

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

The Manager is responsible for the other information. The other information comprises the information included in the annual report, 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.

Managers' Responsibilities

The directors of the Manager 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 Manager determines 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 Manager is responsible on behalf of the Fund for assessing the Fund'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 Manager either intends to liquidate the Fund 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/standards-for-assurance-practitioners/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 Fund's Unitholders, as a body. Our audit work has been undertaken so that we might state to the Fund's Unitholders 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 Fund and the Fund's Unitholders, 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

Date 12 June 2020

SENIOR TRUST RETIREMENT VILLAGE LISTED FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 $	2019 $
Revenue and other income			
Interest income	4	4,693,394	4,457,507
Revenue from contracts with customers	4	–	129,126
		4,693,394	**4,586,633**
Less: expenses			
Administration and compliance expense	5	(1,644,748)	(1,653,324)
		(1,644,748)	(1,653,324)
Profit before income tax expense		**3,048,646**	**2,933,309**
Income tax expense	6	(853,621)	(821,326)
Net profit		**2,195,025**	**2,111,983**
Other comprehensive income for the period		–	–
Total comprehensive income		**2,195,025**	**2,111,983**
Earnings per unit			
Unaudited basic earnings per unit after tax (cents)	12	5.1	5.3
Unaudited diluted earnings per unit after tax (cents)	12	5.1	5.3

The accompanying notes form part of these financial statements.

SENIOR TRUST RETIREMENT VILLAGE LISTED FUND
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	Note	2020 $	2019 $
Current assets			
Cash and cash equivalents	7	5,446,876	4,796,610
Receivables	8	381,210	451,305
Finance receivables	9	38,323,032	13,517,497
Prepayments		7,957	7,310
Deferred tax assets	6	9,262	-
Total current assets		**44,168,337**	**18,772,722**
Non-current assets			
Finance receivables	9	-	25,530,004
Deferred tax assets	6	-	8,264
Total non-current assets		**-**	**25,538,268**
Total assets		**44,168,337**	**44,310,990**
Current liabilities			
Payables	10	914,789	907,127
Current tax liabilities		279,917	261,425
Total current liabilities		**1,194,706**	**1,168,552**
Total liabilities		**1,194,706**	**1,168,552**
Net assets attributable to Unitholders		**42,973,631**	**43,142,438**
Units	11	42,472,878	42,843,442
Retained earnings		500,753	298,996
Net assets attributable to Unitholders		**42,973,631**	**43,142,438**

Signed in accordance with a resolution of the Manager.

Scott Lester, Director

Neville Brummer, Independent Director

Dated this 12th day of June, 2020

The accompanying notes form part of these financial statements.

SENIOR TRUST RETIREMENT VILLAGE LISTED FUND
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE YEAR ENDED 31 MARCH 2020

	Units $	Retained earnings $	Total equity $
Balance as at 1 April 2018	34,026,413	86,197	34,112,610
Total comprehensive income for the period	-	2,111,983	2,111,983
Transactions with Unitholders:			
Allotted investor units	8,817,029	-	8,817,029
Distribution to Unitholders	-	(1,899,184)	(1,899,184)
Total transactions with Unitholders	8,817,029	(1,899,184)	6,917,845
Balance as at 31 March 2019	42,843,442	298,996	43,142,438
Balance as at 1 April 2019	42,843,442	298,995	43,142,437
Total comprehensive income for the year	-	2,195,025	2,195,025
Transactions with Unitholders:			
Redemption of investor units	(370,564)	-	(370,564)
Distribution to Unitholders	-	(1,993,267)	(1,993,267)
Total transactions with Unitholders	(370,564)	(1,993,267)	(2,363,831)
Balance as at 31 March 2020	42,472,878	500,753	42,973,631

The accompanying notes form part of these financial statements.

SENIOR TRUST RETIREMENT VILLAGE LISTED FUND

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 $	2019 $
Cash flow from operating activities			
Interest received from borrowers		4,713,489	4,339,832
Receipts from customers - registry income		-	64,126
Receipts from customers - other income		-	65,000
Payments to suppliers		(1,638,545)	(1,544,369)
Income tax paid		(836,128)	(683,118)
Net cash provided by operating activities	14(a)	**2,238,816**	**2,241,471**
Cash flow from investing activities			
Net loans (advanced to) / proceeds from retirement villages		585,542	(10,020,844)
Proceeds from Manager		138,927	104,195
Net cash used in investing activities		**724,469**	**(9,916,649)**
Cash flow from financing activities			
Proceeds from units allotted	8	50,000	7,376,380
Units withdrawn by unitholders		(370,564)	-
Unitholder distributions paid		(1,992,455)	(1,788,874)
Net cash provided by / (used in) financing activities		**(2,313,019)**	**5,587,506**
Reconciliation of cash and cash equivalents			
Cash at beginning of the financial year		4,796,610	6,884,282
Net increase / (decrease) in cash held		650,266	(2,087,672)
Cash and cash equivalents at end of financial year	**7**	**5,446,876**	**4,796,610**

The accompanying notes form part of these financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are for Senior Trust Retirement Village Listed Fund (the 'Fund').

The Fund is a unit trust established by deed dated 11 September 2015 between Corporate Trust Limited (Trustee) and Senior Trust Management Limited (Manager). On 23 November 2015, Corporate Trust Limited retired as Trustee and The New Zealand Guardian Trust Company Limited was appointed as the new Trustee. The Unit Trust has a maturity date no later than 11 March 2021.

The Fund is a for-profit entity for the purpose of complying with New Zealand Generally Accepted Accounting Practice.

The Fund's principal business activity is to make loans secured over mortgages of retirement villages and aged care facilities and to invest in any debt security issued by a New Zealand registered bank or any other rated institution that has a credit rating of at least BBB from Standard & Poor's (or an equivalent rating from another internationally recognised rating agency).

The Fund is listed on the New Zealand Stock Exchange (NZX) and is a FMC reporting entity for the purpose of the Financial Markets Conduct Act 2013.

The units in the Fund were issued in reliance on the exclusion for offers of the financial product of the same class as quoted financial products in Clause 19 of Schedule 1 of the Act. As a result of relying on that exclusion, the Manager is not required to issue a Product Disclosure Statement for the offer of Units in the Fund.

The financial statements were authorised for issue by the Manager of the Fund on 12 June 2020.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation of the financial statements

Statement of compliance
The financial statements of the Fund have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("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 financial statements have been prepared in accordance with the requirements of Part 7 of the Financial Markets Conduct Act 2013 and the NZX Main Board Listing Rules.

Measurement base - realisation basis and not a going concern
These financial statements have been prepared on a realisation basis as the maturity date of the fund is 11 March 2021 or any earlier date at the Manager's sole discretion. As a result of the Fund ceasing to be a going concern the Fund has reviewed its assets and concluded that net realisable value is equivalent to the carrying value. It is the intention of the Manager to continue to operate the Fund until the maturity date. At that time the intention is that all units will be fully redeemed based on the net assets of the Fund, at that time. To the extent the Manager determines to redeem units in the Fund prior to maturity, it will do so on a pro-rata basis so that all unitholders are treated equally. The Fund is expected to incur only nominal expenses for the wind up and as such these have not been accrued.

The Manager of the Fund, Senior Trust Management Limited has been appointed the Manager of a new offer, Senior Trust Retirement Village Income Generator Limited ("STRVIG"), which opened on 27 January 2020. The Fund, is intending to redeem units commencing in, and progressing through, 2020 and concluding on (or before) the 11 March 2020 (Maturity Date). The Manager strongly expects that in excess of $20m of funds currently invested in the Fund will, at redemption, be invested in the STRVIG. The Manager is also forecasting that the STRVIG will raise new capital during 2020. STRVIG was established to lend money in the form of loans to entities that own and operate Retirement Villages and Aged Care Facilities and is considering using these funds to provide loans to some or all of the Loans Receivable outlined in Note 9.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Functional and presentation currency

The financial statements are presented in New Zealand dollars which is the Fund's functional and presentation currency.

(c) Goods and services tax (GST)

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

(d) Income tax

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognised for temporary differences at the applicable tax rates when the assets are expected to be recovered or liabilities are settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Due to the wind-up of the Fund all temporary tax differences will be utilised in the next year.

(e) Revenue and other income

Interest income
Refer note 1(f).

Registry income
Registry income relates to fees payable by a unitholder when they subscribe for units in the Fund. There are no goods or services to be provided to the unitholder. Revenue is recognised when the units are allotted to the unitholder.

Other income
Other income is recognised as it is earned.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments

Classification
The Fund classifies its financial instruments as amortised cost.

Financial assets
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets consist of trade and other receivables, finance receivables and cash and cash equivalents.

Measurement
At initial recognition, the Fund measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Cash and cash equivalents - Cash and cash equivalents include cash on hand and at banks.

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.

Interest income
Interest income is recognised in the profit or loss using 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 and loss by applying the effective interest rate to the instruments amortised cost.

Impairment
An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (Continued)

Impairment (Continued)
The Fund assesses on a forward looking basis the expected credit losses associated with its finance receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 3(a) details how the Fund determines whether there has been a significant increase in credit risk. If there has been a significant increase in credit risk then lifetime expected credit losses are recognised. If there has not been a significant increase in credit risk then 12 months expected credit losses are recognised.

For other receivables, the Fund applies the simplified approach permitted by NZ IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, other receivables have been grouped based on shared credit risk characteristics and the days past due.

Financial liabilities
Financial liabilities include trade payables and other creditors.

Financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Financial liabilities are classified as current liabilities unless the Funds has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

(g) Units

Units are classified as equity. Incremental costs, net of tax, directly attributable to the issue of new units are deducted from the proceeds of the issue and are shown in net assets attributable to Unitholders.

Distributions on units are recognised in equity in the period which they are approved by the Manager.

(h) Segment reporting

The fund operates in one segment as an investment fund portfolio in New Zealand.

NOTE 2: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of management judgements, estimates and assumptions that affect reported amounts and the application of policies. In particular, significant management judgements and estimates have been exercised when reporting on the credit risks and quality of loans and the Fund's forecast liquidity. The estimates and associated assumptions are based on the historical experiences of the Manager and various other factors that are believed to be reasonable including forecasts of future conditions. However, as with most account balances, their value is subject to variation with market fluctuations.

Significant estimates relate to impairment of loans. The provision is based on assumptions about risk of default and expected loss rates. The Fund uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Fund'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).

The Manager reviews each loan against its internal risk matrix.

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

In addition the Manager 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 (2019: nil).

NOTE 3: FINANCIAL RISK MANAGEMENT

The Fund is exposed to a variety of 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 Manager. The Directors of the Manager review and agree policies for managing each of the risks identified above.

The Manager 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.

NOTE 3: FINANCIAL RISK MANAGEMENT (CONTINUED)

The Fund holds the following financial instruments:

	2020 $	2019 $
Financial assets – amortised cost		
Cash and cash equivalents	5,446,876	4,796,610
Receivables	381,210	451,305
Finance receivables	38,323,032	39,047,501
	44,151,118	44,295,416
Financial liabilities – amortised cost		
Payables	914,789	907,127
	914,789	907,127

(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 Fund to credit risk consist primarily of cash, finance receivables and other receivables.

The Manager performs credit evaluations on all borrowers requiring advances. The Manager requires collateral or other security to support loans and advances, as set out in the Fund's Information Memorandum and Statement of Investment Policy and Objectives. The Directors of the Manager review all loans and any overdue loans are assessed on a regular basis.

The Manager reviews each loan against its internal risk matrix.

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

NOTE 3: FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit Risk (Continued)

In particular, the Manager takes 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.
- Restricting the term of loans to the Maturity Date of the Fund where practicable, and ensuring any loans comply with the Fund'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. In addition, if a retirement or aged care operator requires refinancing in order to repay the loan and was unsuccessful in securing refinancing, this may impact the ability to meet the targeted distribution rate or pay the principal back when due.
- Reviewing valuation reports
- Reviewing current economic conditions
- Ensuring 60% LVR restriction.
- As required by the Trust Deed, 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 statement of financial position and notes to financial statements.

The Manager 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.

As a result of undertaking the procedures outlined above finance receivables are considered to have low credit risk.

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 (2019: nil).

NOTE 3: FINANCIAL RISK MANAGEMENT (CONTINUED)

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 counter party 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 as standard grade.

Collateral and Other Credit Enhancements
The amount and type of collateral required depends on an assessment of the credit risk of the counter party. 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.

All loans, with the exception of the loan to Whitby Village (2009) Limited and Palm Grove Partnership, are currently secured by first mortgage advances over retirement villages subject to a first ranking encumbrance registered in favour of the statutory supervisor.

Whitby Village (2009) Limited and Palm Grove Partnership are currently secured by second mortgage advances over the retirement village, and are subject to a first ranking encumbrance registered in favour of the statutory supervisor.

NOTE 3: FINANCIAL RISK MANAGEMENT (CONTINUED)

Risk concentrations of the Maximum Exposure to Credit Risk
Concentrations of credit risk exist if a number of counter parties 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 fund 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 Manager manages, limits and controls 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.

99.6% (2019: 99.3%) of the Fund's loans are to the retirement village industry and 0.4% (2019: 0.7%) are to the Fund's Manager.

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

	2020 **$**	**2019** **$**
Auckland	3,592,646	3,731,574
Rest of North Island	25,732,975	26,574,567
South Island	8,997,411	8,741,361
	38,232,032	39,047,501

(b) Liquidity risk

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

The Fund'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 Fund's liquidity management process.

Finance receivables are due to be repaid prior to the wind up of the Fund. The Manager regularly assesses each loan against its internal risk matrix and assesses liquidity. The Manager anticipates all finance receivables will be repaid by the due date, prior to the wind up of the Fund.

Net assets attributable to Unitholders will be due for repayment when the fund matures on 11 March 2021 or any earlier date at the Managers discretion.

NOTE 3: FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (Continued)

Maturity analysis

The tables below present contractual undiscounted cash flows payable to the Fund for financial instruments and unrecognised loan commitments based on contractual maturity (which is the same as expected maturity, refer to note 9 early repayment clauses).

Year ended 31 March 2020	On demand $	0 -12 months $	1-2 years $	Total contractual cash flows $	Carrying amount $
Cash and cash equivalents	5,446,876	-	-	5,446,876	5,446,876
Receivables	381,210	-	-	381,210	381,210
Finance receivables	-	42,323,433	-	42,323,433	38,323,032
Payables	(914,789)	-	-	(914,789)	(914,789)
Net maturities	**4,913,297**	**42,323,433**	**-**	**47,236,730**	**43,236,329**
Year ended 31 March 2019					
Cash and cash equivalents	4,796,610	-	-	4,796,610	4,796,610
Receivables	451,305	-	-	451,305	451,305
Finance receivables	-	17,380,175	28,210,365	45,590,540	39,047,501
Payables	(907,127)	-	-	(907,127)	(907,127)
Net maturities	**4,340,788**	**7,380,175**	**28,210,365**	**49,931,328**	**43,388,289**

(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 only financial instruments that expose the Fund to interest rate risk are cash and cash equivalents. Any change in the bank interest rate would appear to be minimal in the current market and would have no marked effect on profit or equity.

Interest rates on finance receivables are fixed rates so are not subject to rate change.

The Fund'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:

NOTE 3: FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Interest rate risk (Continued)

2020 **Financial instruments**	**Interest bearing $**	**Non-interest bearing $**	**Total carrying amount $**	**Weighted average interest rate**
Financial assets				
Cash and cash equivalents	5,446,876	-	5,446,876	0.1 %
Receivables	-	381,210	381,210	NA
Finance receivables	38,323,032	-	38,323,032	11.8 %
	43,769,908	381,210	44,151,118	

2020 **Financial instruments**	**Interest bearing $**	**Non-interest bearing $**	**Total carrying amount $**	**Weighted average interest rate**
Financial liabilities				
Payables	-	914,789	914,789	NA

2019 **Financial instruments**	**Interest bearing $**	**Non-interest bearing $**	**Total carrying amount $**	**Weighted average interest rate**
Financial assets				
Cash and cash equivalents	4,796,610	-	4,796,610	1.5 %
Receivables	-	451,305	451,305	NA
Finance receivables	39,047,501	-	39,047,501	11.8 %
	43,844,111	451,305	44,295,416	

2019 **Financial instruments**	**Interest bearing $**	**Non-interest bearing $**	**Total carrying amount $**	**Weighted average interest rate**
Financial liabilities				
Payables	-	907,127	907,127	NA

No other financial assets or financial liabilities are expected to be exposed to interest rate risk.

NOTE 3: FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Fair values compared with carrying amounts

The fair value of financial assets and financial liabilities approximates their carrying amounts as disclosed in statement of financial position and notes to financial statements.

(e) Priority of creditors' claims in the event of the company liquidating or ceasing to trade

The Fund has not granted any person any security interest in any of its property so there would be no priority of creditors' claims in the event of the Fund liquidating or ceasing to trade. All creditors would rank equally.

	2020 $	2019 $
NOTE 4: REVENUE AND OTHER INCOME		
Revenue from financial instruments		
Interest income		
Whitby Village (2009) Limited	1,642,091	1,562,240
Palm Grove Partnership	510,819	464,273
Quail Ridge Country Club Limited	1,378,220	1,269,341
Roys Bay Estate Limited	1,112,520	612,621
Arrowtown Lifestyle Retirement Village Joint Venture	-	461,126
Hauraki Village Limited	-	17,451
Senior Trust Management Limited	15,552	26,499
Bank	34,192	43,956
	4,693,394	4,457,507
Revenue from contracts with customers		
Registry income	-	64,126
Other income	-	65,000
	-	177,068
	4,693,394	4,586,633

Disaggregation of revenue from contracts with customers
The Fund derives registry income from the transfer of services at a point in time. Registry income is charged to Unitholders when subscribing for units to cover the fees charged by NZX and other subscription costs.

The fund operates in one geographical area – New Zealand.

	2020 $	2019 $
NOTE 5: OPERATING PROFIT		
Profit before income tax has been determined after:		
Administration and compliance expense		
- Administration expenses	43,170	45,571
- Compliance expenses	97,009	198,499
- Management fees (refer note 13)	1,470,299	1,383,789
- Trustee fees	34,270	25,465
	1,644,748	1,653,324
Remuneration of auditors for:		
William Buck Audit (NZ) Limited		
Audit and assurance services		
- Audit of the financial statements	23,000	23,000

Trustee's Fees

The Trustee's remuneration for carrying out the Trustee's functions in relation to the Fund is an annual fee agreed from time to time between the Manager and the Trustee. Until agreed otherwise, the Trustee's fee is $28,750 (2019: $25,465) per annum. The Trustee's fee accrues from day to day and is payable by the Trustee out of the assets of the Fund quarterly within 14 days of each Distribution Date. In addition, the Trustee is entitled to charge special fees for services of an unusual or onerous nature outside the Trustee's regular services. There is no limit to the amount of special fees that may be charged.

The Trustee charged a further fee of $5,520 (2019: nil) during the year relating to the review of a specific transaction.

The Trustee's annual fee cannot be increased unless agreed with the Manager and provided the Trustee gives 3 months' notice of the increase to all Unitholders. There is no maximum amount for the Trustee's fee.

	2020 $	2019 $
NOTE 6: INCOME TAX		
(a) Components of tax expense		
Current tax	854,619	822,676
Deferred tax	(998)	(1,350)
	853,621	821,326
(b) Prima facie tax payable		
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Prima facie income tax payable on profit before income tax at 28.0% (2019: 28.0%)	853,621	821,326
Income tax expense attributable to profit	853,621	821,326
(c) Deferred tax		
Deferred tax relates to the following:		
Deferred tax assets		
The balance comprises:		
Accruals	9,262	8,264
Net deferred tax assets	9,262	8,264
(d) Imputation credit account		
Balance at beginning of the year	84,668	100,999
Movement	60,755	(16,331)
Balance at end of the year	145,423	84,668
NOTE 7: CASH AND CASH EQUIVALENTS		
Applications account	-	331,429
Funding account	5,373,168	4,465,111
Current Account	73,708	70
	5,446,876	4,796,610

Cash and cash equivalents are short term funds held with New Zealand registered banks. The funding bank account is held by the Supervisor, The New Zealand Guardian Trust, on behalf of the Fund. The funding account bears interest at 0.1% (2019: 1.5%) per annum. The current account is non interest bearing. The application bank account was closed during the year.

	2020 $	2019 $
NOTE 8: RECEIVABLES		
CURRENT		
Accrued interest	378,386	395,794
Other receivables		
Accrued interest - Senior Trust Management Limited	2,824	5,511
Funds receivable	-	10,000
	2,824	55,511
	381,210	451,305

Funds receivable
In the prior year, at reporting date $50,000 was receivable from an investor and the funds were held at Link Market Services - registry provider to the fund. This was non-interest bearing and unsecured. The money was received by the Fund on 23 April 2019.

	2020 $	2019 $
NOTE 9: FINANCE RECEIVABLES		
CURRENT		
Amounts receivables from:		
- Palm Grove Partnership	3,453,719	3,453,719
- Quail Ridge Country Club Limited	13,848,726	9,924,851
- Senior Trust Management Limited	138,927	138,927
- Whitby Village (2009) Limited	11,884,249	-
- Roys Bay Estate Limited	8,997,411	-
	38,323,032	13,517,497
NON CURRENT		
Amounts receivables from:		
- Whitby Village (2009) Limited	-	16,649,716
- Roys Bay Estate Limited	-	8,741,361
- Senior Trust Management Limited	-	138,927
	-	25,530,004

NOTE 9: FINANCE RECEIVABLES (CONTINUED)

Senior Trust Management Limited

The loan to Senior Trust Management Limited, the Fund Manager, expires on 14 January 2021 and is to be repaid the earlier of maturity of the Fund or 14 January 2021. The loan earns interest at a rate of 8% per annum.

The loan shall be repaid in 20 equal quarterly instalments, or earlier at the managers discretion, being sufficient to fully repay the loan by no later than 14 January 2021. Accrued interest on the outstanding balance of the loan is payable on each quarterly repayment date. The first repayment date was 14 April 2016; thereafter payments are to be made every 3 months on 14th of the month until 14 January 2021 when any outstanding loan and interest shall be repaid in full.

The loan is secured by Senior Trust Management Limited assigning to Senior Trust Retirement Village Listed Fund by way of security all of its right, title and interest to all amounts payable to Senior Trust Management Limited as management fees pursuant to the Master Trust Deed or the Establishment Deed.

Whitby Village (2009) Limited

The loan to Whitby (2009) Limited (Whitby) was amended in November 2018 to increase the maximum amount available for drawdown from $15,000,000 to $19,000,000. The loan expires 28 February 2021 and earns interest at 11.0% per annum.

The Borrower is considering a number of options in respect to repaying the Fund in full by the expiry date of the loan. These include raising new capital and / or the engagement of another funder.

The Fund has a second ranking mortgage behind a bank, which is also subject to a first ranking encumbrance registered in favour of the statutory supervisor.

Repayment clauses:
(a) Prepayment from sales - Subject to the terms of the facility agreements, with the exception of sales of existing occupancy licenses, borrowings outstanding from time to time shall be reduced from 100% of the net proceeds (including deposits) of sale of occupation licences or lease in connection with the Property or the Development (subject to earlier repayment being required under the terms of the Agreement and without prejudice to the Lender's rights under the Security Documents). In certain circumstances, the BNZ bank also has the right to retain any sales proceeds.

(b) Final repayment - The loan is to be repaid in full on the expiry date of 28 February 2021.

Fees are not charged on undrawn facilities.

The loan securities are as follows:
- registered all obligations second mortgage over the village property subject to a first ranking encumbrance registered in favour of the statutory supervisor
- general security agreement from Whitby Village (2009) Limited
- unlimited guarantee and indemnity from Whitby Lakes (2014) Limited and
- unlimited guarantee and indemnity from Twenty Twenty Property Partners Limited

NOTE 9: FINANCE RECEIVABLES (CONTINUED)

Whitby Village (2009) Limited (Continued)

The BNZ Bank has the following security:

- registered all obligations first mortgage over the village property subject to a first ranking encumbrance registered in favour of the statutory supervisor
- Guarantee for the amount of $6,100,000 plus interest and costs from Whitby Lakes (2014) Limited
- Guarantee for the amount of $6,100,000 plus interest and costs from Twenty Twenty Property Partners Limited
- Security Sharing and Priority Deed

The estimated collateral value of the security over the loan is $45.8 million (2019: $56.0 million) based on a valuation at 31 March 2020 performed by a registered valuer. Including all prior ranking security (the BNZ Bank prior ranking debt of $11.9 million (2019: $12.2 million)), this represents a LVR of 52% (2019: 52%). The valuation was determined by quantifying the interest in the underlying freehold asset expressed as the Operator's interest subject to the terms of occupancy between the operators and residents.

Valuation of the Operator's interest in the village has been performed based on a discounted cash flow methodology where the projected gross income is reduced by actual and forecasted non recoverable costs. 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 14.25% (2019: 14.0%). Other assumptions used by the valuer include current unit pricing, turnover of units, growth rates and non recoverable expenses and income and expense flows. In addition to the Operator's interest of $41.5 million (2019: $44.2 million) the valuation consists of unsold primary stock (apartments), basement car parks and development land.

In light of Covid-19 it has been necessary for the valuer to review and adjust certain key assumptions utilised in the valuation reports to reflect recent macro events. There has been no change to unit pricing as at 31 March 2020 as a result of Covid-19. The valuer has reflected extended vacancy periods between current residents on resale for the villa units. For the apartments where the recycle profile is immature and still developing, there has been no adjustment. There has been an increased allowance for Operator funded village subsidies. Also a softening of the short term growth rates in the first two years of the cashflow before reflecting a rebound to a normalised growth forecast. There has been an increase in the Target IRR from pre-Covid-19 by 25 basis points to 14.25%. The value has maintained their terminal yield at the end of the 20 year cashflow forecast, maintaining their longer-term view of the sector.

The credit quality of the loan is estimated by the directors of the Manager and is considered to be high grade based on their current 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 (2019: nil).

NOTE 9: FINANCE RECEIVABLES (CONTINUED)

Palm Grove Partnership

The loan to Palm Grove Partnership is considered a related party transaction. STC Orewa Limited is a partner in the Palm Grove Partnership and is a wholly owned subsidiary of Senior Trust Capital Limited. Senior Trust Capital Limited is associated to Senior Trust Retirement Village Listed Fund as Senior Trust Capital Limited has common shareholders with its Manager, Senior Trust Management Limited. The Manager's sole shareholders are John Jackson and Dadrew Trustees Limited, of which John Jackson, the Executive Director of Senior Trust Capital, is the sole shareholder.

These loans are Permitted Related Party Transactions under Section 174 of the Financial Market Conduct Act 2013 as the loans provided to Palm Grove Partnership are on arm's length terms. Palm Grove Partnership and Senior Trust Retirement Village Listed Fund are connected only by these loans and each party is acting in its own best interest.

On 27 November 2019 the loan agreement was varied to amend the loan expiry date from 30 November 2019 to 30 November 2020. The loan earns interest at a rate of 14.75% per annum and is expected to be repaid in full.

It is expected that Palm Grove Partnership will repay the Fund in full by the expiry date of the loan, through the engagement of another funder.

In the prior year the loan with Palm Grove Partnership was restructured. Prior to restructure the Fund had a first ranking mortgage over Palm Grove Partnership's property subject to the statutory supervisor's first ranking encumbrance. Subsequent to restructure the Fund has a second ranking mortgage over Palm Grove Partnership's property subject to the statutory supervisor's first ranking encumbrance.

In the prior year the Fund received loan redocumentation income of $65,000. There were no other changes to the terms of the loan.

The BNZ Bank has the following security:

- First ranking registered mortgage over the property granted by the Borrower in favour of the Senior Lender (ranking only behind a first ranking encumbrance registered in favour of the statutory supervisor.)
- General security agreement from Aegis Orewa Limited, STC Orewa Limited, Orewa Village Limited and Senior Trust Capital Limited
- Limited guarantee and indemnity from Aegis Orewa Limited
- Guarantee for the amount of $3,620,000 plus interest and costs from Alexander Foster
- Guarantee for the amount of $14,480,000 plus interest and costs from Senior Trust Capital Limited
- Unlimited intercompany guarantee from STC Orewa Limited and Orewa Village Limited
- Deed of assignment by way of security over construction contracts
- Security Sharing and Priority Deed
- Deed of subordination

NOTE 9: FINANCE RECEIVABLES (CONTINUED)

Palm Grove Partnership (Continued)
Senior Trust Capital Limited has third mortgage security over the land on which the Palm Grove Retirement Village is situated in Orewa, which is subject to a first ranking encumbrance registered in favour of the statutory supervisor.

Repayment clauses:
(a) Subject to the rights of any registered prior encumbrancee and with their prior consent, the Moneys Owed outstanding from time to time shall (unless, on a case by case basis the Lender approves in writing the release of the relevant sums to the Borrower to assist with funding the Development, or unless otherwise agreed in writing by the Manager in its discretion) be reduced by the Borrower from 100% of the net proceeds of sale (including deposits paid) of all or any part of, or Interest in, the Property, including but not limited to any occupation licenses in connection with the Property or the Development (subject to earlier repayment being required under the terms of this Agreement and without prejudice to the Lender's rights under the Security Documents). Net proceeds in this clause means gross sale proceeds, less reasonable legal costs in relation to the sale and market related real estate commissions as are unpaid if approved In writing by the Manager.

(b) At any time after the first Drawdown Date the Borrower may prepay to the Lender the whole or any part of the loan in multiples of $500,000 on giving not less than 1 days' prior written notice to the Manager with a copy to the Lender. The Borrower further undertakes and agrees to pay to the Lender on each Interest Payment Date a prepayment fee calculated at $5,000 per month for each prepayment multiple of $500,000 received by the Lender in respect of the period from the date of the prepayment to the Expiry Date. A certificate from the Manager as to the rate or amount of the prepayment fee payable pursuant to this Agreement shall be conclusive and binding upon the Borrower except in the case of manifest error or fraud. Amounts prepaid may be redrawn in accordance with the terms of the loan agreement.

(c) Remaining payments - Subject to (b) above, if the Borrower prepays part of the loan then interest will continue to accrue at the interest rate on the remaining unpaid balance of the moneys owed and interest and the balance of the moneys owed will otherwise be payable at the times and in the manner as provided for in the loan agreement.

(d) Final repayment - The loan is to be repaid in full on the expiry date of 30 November 2020.

The loan securities are as follows:
- Second ranking mortgage over the property subject to a first 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
- limited guarantee and indemnity from AOL Holdings Limited
- Specific agreement over shares from AOL Holdings Limited

NOTE 9: FINANCE RECEIVABLES (CONTINUED)

Palm Grove Partnership (Continued)
The estimated collateral value of the security over the loan is $27.5 million (2019: $19.6 million), consisting of $27.5 million (2019: $8.7 million) based on a valuation at 31 March 2020 performed by a registered valuer and $nil (2019: $10.9) based on a Quantity Surveyors estimate of work in progress. Including all prior ranking security (the BNZ Bank prior ranking debt of $12.3 million (2019: $6.4 million)), this represents a LVR of 57% (2019: 50%). The valuation was determined by quantifying the interest in the underlying freehold asset expressed as the Operator's interest subject to the terms of occupancy between the operators and residents and the value of the work in progress by a quantity surveyor.

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 15.25% (2019: 16.0%). Other assumptions used by the valuer include current unit pricing, turnover of units, growth rates and non recoverable expenses and income and expense flows. In addition to the Operator's interest of $7.3 million (2019: $3.2 million) the valuation consists of unsold primary stock (apartments), basement car parks and development land (2019: development land).

In light of Covid-19 it has been necessary for the valuer to review and adjust certain key assumptions utilised in the valuation reports to reflect recent macro events. There has been no change to unit pricing as at 31 March 2020 as a result of Covid-19. The valuer has reflected extended vacancy periods between current residents on resale for the villa units. For the apartments where the recycle profile is immature and still developing, there has been no adjustment. There has been an increased allowance for Operator funded village subsidies. Also a softening of the short term growth rates in the first two years of the cashflow before reflecting a rebound to a normalised growth forecast. There has been an increase in the Target IRR from pre-Covid-19 by 25 basis points to 15.25%. The value has maintained their terminal yield at the end of the 20 year cashflow forecast, maintaining their longer-term view of the sector.

The credit quality of the loan is estimated by the directors of the Manager and is considered to be high grade based on their current 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 (2019: nil).

Quail Ridge Country Club Limited
A new loan agreement was signed with Quail Ridge Country Club Limited (Quail Ridge) on 25 June 2019. Quail Ridge has a loan facilities totaling $14,000,000. Interest is charged at 11.25% per annum and the loan is repayable by 28 February 2021. In the prior year Quail Ridge had the following loan facilities:
- $2,000,000 that expires no later than 30 June 2019 and earns interest at a rate of 10.25% per annum
- $11,000,000 that expires no later than 30 June 2019 and earns interest at a rate of 12.25% per annum
- $1,000,000 that expires no later than 30 June 2019 and earns interest at a rate of 10.25% per annum

Quail Ridge has agreed terms with the Senior Trust Retirement Village Income Generator (which is also managed by Senior Trust Management Limited, the Funds manager) to refinance the facility in full by the expiry date of the loan.

NOTE 9: FINANCE RECEIVABLES (CONTINUED)

Quail Ridge Country Club Limited (Continued)

Repayment clauses:

(a) Prepayment from sales - Subject to the terms of the Security Sharing and Priority Deed and the Term Loan Agreement, borrowings outstanding from time to time shall be reduced from 100% of the net proceeds (including deposits) of sale of occupation licences or lease in connection with the Property or the Development (subject to earlier repayment being required under the terms of the Agreement and without prejudice to the Lender's rights under the Security Documents).

(b) Final repayment - The loan is to be repaid in full on the expiry date of 28 February 2021.

The loan securities are as follows:

- by first ranking mortgage over the property situated at 6 Karaka Drive, Kerikeri subject to a first ranking encumbrance registered in favour of the statutory supervisor
- by first ranking mortgage over the property situated at 82 Rainbow Falls Road, Kerikeri
- general security agreement from Kerikeri Falls Investments Limited
- unlimited guarantee and indemnity from Donald James Cottle, Jill Noeline Cottle and Kerikeri Falls Investments Limited

The collateral value of the security over the loans is $24.0 million (2019: $24.3 million) which represents a LVR of 58% (2019: 41%). The fair value of the collateral was based on a valuation performed by a registered valuer dated 31 March 2020. The valuation was determined by quantifying the interest in the underlying freehold asset expressed as the Operator's interest subject to the terms of occupancy between the operators and residents.

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% (2019: 14%). Other assumptions used by the valuer include average resale period, growth rates, refurbishment costs and estimated selling expenses.

In light of Covid-19 it has been necessary for the valuer to review and adjust certain key assumptions utilised in the valuation reports to reflect recent macro events. The valuer noted that the current Covid-19 event is likely to see a decline in the volume of sales and possibly a reduction in prices if there are a number of forced sales. In terms of growth rate projections, in the valuers opinion, the development will be established over a reasonably long period of time, between ten and fifteen years depending on demand. Having regard to the current state of the market, the valuer would expect no growth for one year and only modest growth over the development period to the order of 2.25% per annum compounded. These projections will more than likely relate closely to the long term performance of the residential real estate market and particularly to the affordability of potential incoming residents to the village.

The credit quality of the loan is estimated by the directors of the Manager and is considered to be high grade based on their current 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 (2019: nil).

NOTE 9: FINANCE RECEIVABLES (CONTINUED)

Roys Bay Estate Limited
A loan agreement with Roys Bay Estate Limited (Roys Bay) commenced 3 December 2018. The maximum drawdown is $14,000,000. The loan earns interest at a rate of 12.5% per annum and expires no later than 28 February 2021.

Roys Bay are currently in discussions with the Senior Trust Retirement Village Income Generator (which is also managed by Senior Trust Management Limited, the Funds manager) to refinance the facility in full by the expiry date of the loan.

Repayment clauses:
(a) Prepayment from sales - Subject to the terms of the Security Sharing and Priority Deed and the Term Loan Agreement, borrowings outstanding from time to time shall be reduced from 100% of the net proceeds (including deposits) of sale of occupation licences or lease in connection with the Property or the Development (subject to earlier repayment being required under the terms of the Agreement and without prejudice to the Lender's rights under the Security Documents).

(b) Final repayment - The loan is to be repaid in full on the expiry date of 28 February 2021.

The loan securities are as follows:
- by first ranking mortgage over the property subject to a first ranking encumbrance registered in favour of the statutory supervisor
- general security agreement from Roys Bay Estate Limited
- unlimited guarantee and indemnity from Anthony Charles Russell Hannon and Christopher Alan Holmes

The collateral value of the security over the loans is $17.0 million (2019: $16.8 million), excluding GST, which represents a LVR of 53% (2019: 52%). The fair value of the collateral was based on a valuation performed by a registered valuer dated 31 March 2020.

Valuation of the Operator's interest has been performed based on sales data, cost estimates, comparable sales and valuation calculations.

In light of Covid-19 it has been necessary for the valuer to review and adjust certain key assumptions utilised in the valuation reports to reflect recent macro events. The valuer noted the current Covid-19 event is likely to see a decline in the local economy and a slowdown in sales. The Wanaka and Queenstown areas will be impacted by a decline in visitor numbers which will impact on the retail and accommodation sectors. The valuer has used a discount rate of 14.5% which is comparable with the 31 March 2019 valuation report. The potential current value of the 20 units in Stage 1 (as if complete) has been reduced this year in line with the valuers view of the market.

The credit quality of the loan is estimated by the directors of the Manager and is considered to be high grade based on their current 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 (2019: nil).

NOTE 10: PAYABLES

	2020 $	2019 $
CURRENT		
Unsecured liabilities		
Trade creditors	518	2,123
Sundry creditors and accruals		
Accrued distribution to investors	496,889	496,077
Accrued expenses	417,382	408,927
	914,789	907,127

NOTE 11: TRUST FUNDS

Issued and paid-up units		
Capital as yet unallocated / (overallocated)	42,472,878	42,843,442

Units are issued at the issue price. The issue price of a unit is the net asset value per unit as at the relevant valuation date on which the units are issued. All units have a common maturity date on 11 March 2021. On maturity, the Fund will be wound up and net assets will be distributed to Unitholders. Units are not redeemable by the holders. The manager has the right to redeem units in accordance with the offer documents. To the extent the Manager determines to redeem units in the Fund, it will now do so on a prorata basis so that all unitholders are treated equally.

	2020		2019	
	Number	$	Number	$
(a) Units				
Opening balance	42,836,350	42,843,442	34,026,413	34,026,413
Units issued/(redeemed):				
	(367,233)	(370,564)	8,809,937	8,817,029
At reporting date	42,469,117	42,472,878	42,836,350	42,843,442

Capital management

When managing capital, management's objective is to ensure the Fund continues to maintain optimal returns to Unitholders and benefits for other stakeholders.

The Fund's policy is to target a 6% pre-tax distribution rate subject to maintaining the capital of the Fund. In order to maintain or adjust the capital structure the Fund may adjust the distribution rate. The Fund's strategy has remained unchanged from the previous year.

NOTE 12: EARNINGS PER UNIT

	2020 cents	2019 cents
Cents per unit		
Basic earnings per unit after tax	5.1	5.3
Diluted earning per unit after tax	5.1	5.3

The Fund's policy is a target distribution rate of 6% p.a. before tax subject to maintaining the capital of the Fund. Unitholders receive cash distributions net of tax however distributions are fully imputed.

Basic earnings per unit is calculated as profit after tax divided by the weighted number of issued units for the year.

Diluted earnings per unit is calculated as profit after tax divided by the weighted number of units plus any deferred units which are expected to be issued after balance date.

If basic earnings per unit and diluted earnings per unit were calculated using profit before tax then the results would be 7.2 (2019: 7.3) cents and 7.2 (2019: 7.3) cents respectively.

	2020 $	2019 $
Reconciliation of earnings used in calculating earnings per unit		
Profit attributable to the unitholders of the Fund used in calculating earnings per unit	2,195,025	2,111,982
Weighted average number of units used as the denominator		
Weighted average number of units used as the denominator in calculating basic earnings per unit	40,632,882	40,084,618
Weighted average number of units and potential units used as the denominator in calculating diluted earnings per unit	40,632,882	40,084,618

	2020 $	2019 $
NOTE 13: RELATED PARTY TRANSACTIONS		
(a) Amounts due from/(to) Senior Trust Management Limited		
Finance receivables	138,927	277,854
Interest receivable	2,824	5,511
Management fees accrued and payable	(366,296)	(364,835)

Senior Trust Management Limited is the Manager of the Fund. Management fees charged by Senior Trust Management Limited are calculated on a weekly basis at an amount equal to 3% plus GST per annum of the aggregate issue price of all units of issue.

(b) Amounts due from/(to) Palm Grove Partnership		
Finance receivables	3,453,719	3,453,719
Interest receivable	43,266	43,266

STC Orewa Limited is a partner in the Palm Grove Partnership and is a wholly owned subsidiary of Senior Trust Capital Limited. Senior Trust Capital Limited is associated to Senior Trust Retirement Village Listed Fund as Senior Trust Capital Limited has common shareholders with its Manager, Senior Trust Management Limited. The Manager's sole shareholders are John Jackson and Dadrew Trustees Limited, of which John Jackson, the Executive Director of Senior Trust Capital, is the sole shareholder.

(c) Transactions with Senior Trust Management Limited		
Interest received	15,552	26,498
Recharge expenses paid	-	3,826
Management fees paid	1,470,299	1,383,789
(d) Transactions with Palm Grove Partnership		
Interest received	510,819	464,273
Redocumentation income	-	65,000

(e) Transactions with key management personnel

Key management personnel are the directors of the Manager. There were no transactions with key management personnel during the year. Key management personnel hold a total of 11,300 (2019: 11,300) units in the Fund at the reporting date.

The Fund has no employees.

NOTE 14: CASH FLOW INFORMATION

	2020 $	2019 $
(a) Reconciliation of cash flow from operations with profit after income tax		
Profit from ordinary activities after income tax	2,195,025	2,111,983
Changes in operating assets and liabilities		
Increase in receivables	20,095	(117,675)
Increase in other assets	(647)	(108)
Increase in payables	6,850	109,063
Increase in income tax payable	18,491	139,558
Increase in deferred tax asset	(998)	(1,350)
Cash flows from operating activities	2,238,816	2,241,471

NOTE 15: CAPITAL AND LEASING COMMITMENTS

There are no material capital commitments at the reporting date (2019: nil).

NOTE 16: CONTINGENT LIABILITIES

The Fund has no contingent liabilities at year end (2019: nil).

NOTE 17: GLOBAL PANDEMIC OF CORONAVIRUS DISEASE 2019

On 11 March 2020, the World Health Organization declared an ongoing global outbreak of a novel coronavirus, known as ‘coronavirus disease 2019’ (‘COVID-19’), as a pandemic. In response, the New Zealand Government has implemented a range of public health and social measures to prevent and contain the transmission of COVID-19 and economic responses to provide financial stimulus and welfare support to mitigate the economic impacts of the COVID-19 pandemic.

The public health and social measures implemented include restrictions on all non-essential movement, closure of all non-essential businesses and schools. Under these measures, the Fund has been able to undertake its normal business activities in the ordinary course of business.

Whilst the COVID-19 pandemic and measures implemented have lowered overall economic activity, the Fund’s earnings, cash flow and financial position have not been severely impacted since the outbreak began and up to the date of the signing of these financial statements.

In response to the COVID-19 pandemic, and the measures implemented to contain the transmission of COVID-19, Management has:

Implemented appropriate health and safety responses to ensure the continuity and compliance of its business operations under all levels of the public health and social measures implemented.

Undertaken an analysis of its forecast cashflows for 12 months from the date of signing these financial statements. This analysis includes the consideration of reasonably possible changes in key forecast assumptions.

Actively seek and implement cost saving measures where possible to manage the variable costs of the Fund and to actively merge the Fund's current and expected cash resources.

Assessed the impact of the COVID-19 pandemic on the valuation of the Funds's financial and non-financial assets (i.e. assessed for indicators of impairment). Specifically, Management has considered the financial impact on the following item:

(a) The provision for expected credit losses has been assessed on a forward looking basis for its finance receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. If there has been a significant increase in credit risk then lifetime expected credit losses are recognised. If there has not been a significant increase in credit risk then 12 months expected credit losses are recognised. Due to the potential impact of COVID-19 pandemic on the Fund's receivables management considered an overlay to its historical loss ratios to reflect the expected economic environment over the lifetime of the trade receivables recorded at 31 March 2020. Management reviewed each receivable balance and determined no change to the expected loss ratio was required.

The Fund has cash and cash equivalents available, (as at 31 March 2020, $5.4 million), which provides sufficient operating cashflows for the Fund's immediate requirements.

As at the date of the signing these financial statements, it is not possible to estimate the impact of the COVID-19 pandemic's short and long-term effects. As such, it is not practicable to provide any further quantitative or qualitative estimate of the potential impact of this outbreak on the Fund at this time.

These financial statements have been prepared based upon conditions existing at the end of the reporting period, 31 March 2020, and considering those events occurring subsequent to that date (up to the date of the signing of these financial statements), that provide evidence of conditions that existed at the end of the reporting period. As the outbreak of COVID-19 pandemic occurred before 31 March 2020, its impacts are considered an event that is indicative of conditions that arose prior to reporting period. Accordingly, as at the date of the signing of these financial statements, all reasonably known and available information with respect to the COVID-19 pandemic, has been taken into consideration and all reasonably determinable adjustments have been made in preparing these financial statements.

NOTE 18: EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to reporting date, on 14 May 2020, the New Zealand Government eased restrictions relating to the COVID-19 global pandemic, refer note 17, to allow a staggered approach to resuming non-essential movement and reopening of non-essential businesses and schools. From 8 June 2020 the New Zealand Government essentially lifted all rules and restrictions on New Zealand business however border restrictions remain in place. The Fund has been able to continue to undertake its normal business activities in the ordinary course of business.

There has been no other matter or circumstance, which has arisen since 31 March 2020 that has significantly affected or may significantly affect:

(a) the operations, in financial years subsequent to 31 March 2020, of the Fund, or
(b) the results of those operations, or
(c) the state of affairs, in financial years subsequent to 31 March 2020, of the Fund.

Senior Trust Retirement Village Listed Fund
2020 Annual Report

Details of the Scheme

The Scheme is the Senior Trust Retirement Village Listed Fund ("Fund") which is a managed investment scheme. The Manager of the Scheme is Senior Trust Management Limited. The supervisor of the Scheme is The New Zealand Guardian Trust Company Limited.

The offer of Units in the Scheme were made under the exclusion for offers of financial products of the same class as quoted financial products in clause 19 of Schedule 1 of the FMCA. This means that there is no product disclosure statement for the Scheme. However, the Manager has issued an Information Memorandum which contains important information about the investment. The most recent Information Memorandum (29 March 2019) can be located on the Disclose register at www.companies.govt.nz/disclose, scheme number SCH10491 and on the company website www.seniortrust.co.nz.

The Scheme's latest financial statements and the auditor's report were lodged with the Registrar on 12 June 2020.

Description of the Scheme

The Fund makes loans to retirement and aged care operators. The loans made are used to establish new (or develop existing) retirement villages and aged care facilities. The loans made are secured by mortgages over the retirement villages' and aged care facilities' land and/or buildings. The Scheme was established under a master trust deed dated 19 October 2010 and an establishment deed dated 11 September 2015 (Deeds), with the provisions amended to meet the requirements of the Financial market Conducts Act 2013 on the 10 March 2016. The Fund was listed on the NZX Main Board on 3 December 2015.

The Fund closed on the 22 March 2019 as the maximum number of Units have been issued.

Information on Composition of the Scheme

> This Annual Report covers the accounting period from 1 April 2019 to 31 March 2020
> The number of managed investment products on issue at the start of the accounting period was 42,836,350
> The number of managed investment products on issue at the end of the accounting period was 42,469,117

Changes Relating to the Scheme

Material changes to the nature of the Scheme, the Scheme property, or the management of the Scheme over the accounting period are as follows:

- The Fund provided a loan facility of up to $14m to Quail Ridge Country Club ("the Borrower"). The expiry date of the loan was no later than 30 June 2019. The Fund refinanced the loan by entering into a new agreement with the Borrower. The maximum facility limit remains at $14m but the expiry date has been extended to no later than 28 February 2021. The Fund has first mortgage security, subject to a first ranking encumbrance registered in favour of the statutory supervisor.
- There was a related party transaction (as defined in section 173 of the FMCA) entered into during the accounting period. The related party is Senior Trust Capital, which is associated with the Fund as it has common shareholders with the Manager, being John Jackson and Dadrew Trustees Limited, of which John Jackson, the Executive Director of Senior Trust Capital, is the sole shareholder.

  The Fund provided a loan facility of up to $3.5m to Palm Grove Partnership ("the Borrower"). The expiry date of the loan which was no later than 30 November 2019 was varied to be no later than 30 November 2020. The maximum facility limit has not changed. The Fund has a second ranking mortgage behind a bank, which is also subject to a first ranking encumbrance registered in favour of the statutory supervisor.

- The Manager released to the market on 5 March 2020, that early engagement has commenced with both the Fund's borrowers and Unitholders. The intention is to begin redemption of Units in the Fund commencing in, and progressing through, 2020 and concluding on (or before) the Maturity Date. To the extent the Manager determines to redeem Units in the Fund, it will do so on a pro-rata basis so that all Unitholders are treated equally.

Financial Condition and Performance of the Scheme

As at 31 March 2020 the Scheme had current assets of $44,168,337 and non-current assets of $0 (total assets $44,168,337) and total liabilities of $1,195,706 (net assets $42,973,631).

As at 31 March 2019 the Scheme had current assets of $18,772,772 and non-current assets of $25,538,268 (total assets $44,310,990) and total liabilities of $1,168,552 (net assets $43,142,438).

During the accounting period, nil Units were issued and 367,233 Units were redeemed at the prevailing Net Asset Value per Unit. The redemptions decreased the scheme's assets.

As at 31 March 2020, total comprehensive income for the period was $2,195,025. Unitholder distributions paid were $1,992,455 over the period.

As at 31 March 2019, total comprehensive income for the period was $2,111,983. Unitholder distributions paid were $1,788,874 over the period.

The targeted return for the Scheme is 6% per annum pre tax which was paid quarterly. The Fund paid distributions at a rate of 6.50% (pre-tax) per annum. The annual distribution rate is quantified using the quarterly distribution rates.

You can find a copy of the Scheme's financial statements, including information on distributions made by the Scheme, on the Disclose register at www.companies.govt.nz/disclose, scheme number SCH10491.

Fees

For the year ending 31 March 2020, the following fees and expenses were charged in respect of the Scheme in dollars and as a percentage of Scheme assets for the period:

Fees and Expenses Description	($)	As a Percentage of Scheme Assets
Management Fees	1,470,299	3.33%
Compliance	97,009	0.22%
Administration	43,170	0.10%
Trustee Fees	34,270	0.08%
Total	**1,644,748**	**3.72%**

For the year ending 31 March 2019, the following fees and expenses were charged in respect of the Scheme in dollars and as a percentage of Scheme assets for the period:

Fees and Expenses Description	($)	As a Percentage of Scheme Assets
Management fees	1,383,789	3.12%
Compliance	198,499	0.45%
Administration	45,571	0.10%
Supervisor fees	25,465	0.06%
Total	**1,653,324**	**3.73%**

The Management Fees can be changed by Senior Trust Management Limited at any time on giving one month's notice to Unitholders.

The Supervisors Fees can be changed by agreement with the Manager on giving three months' notice to Unitholders. The Supervisors remuneration for carrying out the Supervisors functions in relation to the Fund is an annual fee agreed from time to time between the Manager and the Supervisor. Until agreed otherwise, the Supervisors fee is $28,750 (2019: $25,465) per annum. The Supervisor charged a further fee of $5,520 (2019: nil) during the year relating to the review of a specific transaction.

For more information in respect to the Fees, please refer to the Scheme's financial statements, on the Disclose register at www.companies.govt.nz/disclose, scheme number SCH10491.

Scheme Property

The following table contains a description of the assets of the Scheme as at 31 March 2020 and 31 March 2019 and their values.

	2020 $	2019 $
Current assets		
Cash and cash equivalents	5,446,876	4,796,610
Receivables	381,210	451,305
Finance receivables	38,323,032	13,517,497
Other assets	7,957	7,310
Deferred tax assets	9,262	0
Total current assets	**44,168,337**	**18,772,722**
Non-current assets		
Finance receivables	0	25,530,004
Deferred tax assets	0	8,264
Total non-current assets	**0**	**25,538,268**
Total assets	**44,168,337**	**44,310,990**

There has been a changes to the scheme property over the accounting period. The financial statements have been prepared on a realisation basis as the maturity date of the fund is 11 March 2021 or any earlier date at the Manager's sole discretion. It is noted that all finance receivables are therefore classified as a current asset. Cash and cash equivalents have increased over the period.

The net assets of the scheme as at 31 March 2020 equal $42,972,631

The net assets of the scheme as at 31 March 2019 equal $43,142,438

Changes to Persons Involved in the Scheme

The Manager appointed Alexandru Ceban as Head of Finance.

There were no changes to the Manager, Directors of the Manager or key personnel.

There were no changes to the Supervisor (The New Zealand Guardian Trust Company Limited), or any of its directors.

It is noted that an associated entity of the Manager, Senior Trust Capital Limited, provides certain services to the Manager under the terms of a Management Services Agreement (MSA).

You can find a copy of the MSA on the Disclose register at www.companies.govt.nz/disclose, scheme number SCH10491.

How To Find Further Information

Copies of documents relating to the Scheme, such as the Scheme's Deeds, statement of investment policy and objectives and the annual financial statements are available on the Disclose register at www.companies.govt.nz/disclose, scheme number SCH10491.

You have the right, free of charge during normal office hours, to inspect that part of the Unit register that relates to your Units on giving 5 working days' notice to the Manager.

You also have the right, free of charge, on giving 5 working days' notice and during normal office hours, to inspect a copy of the scheme's deeds, statement of investment policy and objectives and annual financial statements at our registered office, which is located at;

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

You can also obtain a copy free of charge by writing to us at PO Box 113120, Newmarket, Auckland.

Contact details and complaints

Manager:

Senior Trust Management Limited
Level 1, 20 Beaumont Street
Freemans Bay
Auckland, 1110
Attention: John Jackson
Telephone 0800 609 600

Supervisor:

The New Zealand Guardian Trust Company Limited
Level 6, 191 Queen St
PO Box 106-448
Auckland 1010
Telephone 09 909 5100

Unit registrar

Link Market Services
Level 11, Deloitte Centre
80 Queen Street
Auckland 1010
Telephone 09 375 5998

Complaints can be made to:

Senior Trust Management Limited
Level 1, 20 Beaumont Street
Freemans Bay
Auckland, 1110
Attention: Directors
Telephone 0800 609 600

or to:

The New Zealand Guardian Trust Company Limited
Level 15, 191 Queen St
PO Box 106-448
Auckland 1010
Telephone 09 909 5100

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 FSP146805). 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 347257 or (04) 472FSCL (472 3725)
Fax: (04) 472 3727
Website: www.fscl.org.nz
Email: info@fscl.org.nz.

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

Roys Bay

The Grove

Whitby Lakes

SENIOR TRUST

Senior Trust Retirement Village Listed Fund
c/o: Foley Hughes Level 1, 20 Beaumont Street
Freemans Bay, Auckland 1110
Freephone: 0800 609 600
Email: info@seniortrust.co.nz
www.seniortrust.co.nz