

Performance Report

Hawke's Bay Foundation
For the year ended 31 December 2024

Prepared by Epplett & Co Limited

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Entity Information

Hawke's Bay Foundation

For the year ended 31 December 2024

Legal Name of Entity

Hawke's Bay Foundation

Entity Type and Legal Basis

Registered Charity

Registration Number

CC28009

Entity's Purpose or Mission

From Trust Deed: "To carry out every charitable purpose in New Zealand whether relating to the relief of poverty, the advancement of education, the advancement of religion, or any other purpose beneficial to the community, and: a) in all its activities shall provide a public benefit; but b) none of its activities shall result in any private benefit or profit to any individual person".

In practice, the Hawke's Bay Foundation encourages giving throughout the region to build assets and resources for the future generations of the Hawke's Bay community and provides a simple and long lasting way for individuals, families or corporations to leave legacies for local causes.

Entity Structure

The Board of Trustees consists of not less than five and not more than twelve Trustees. Three Trustees are appointed as follows: one Trustee is appointed jointly by the Mayors of the Napier City Council and Hastings District Council; one by the President of the Hawke's Bay branch of the NZ Law Society; one who shall be a current member of Chartered Accountants Australia and New Zealand or any successor organisation. The Trust Deed provides maximum terms of office and Trustees must retire at the Annual General Meeting held immediately before the expiration of their relevant maximum term. The Foundation is managed on a day to day basis by three part time employees, supported by independent contractors and voluntary Trustees.

Main Sources of Entity's Cash and Resources

Donations, bequests and investment income form the main sources of income for the Foundation. Sponsorship in the form of cash, goods and services are also received towards operating costs.

Main Methods Used by Entity to Raise Funds

The main method of raising funds is through informing and encouraging the Hawke's Bay community to support the Community Foundation concept.

Entity's Reliance on Volunteers and Donated Goods or Services

All Trustees are volunteers. Various individuals and organisations support the Foundation through sponsored goods and services such as rent, financial accounting and audit. Where these can be quantified they are included in the notes to these financial statements.

Additional Information

The Foundation's commencing capital of \$1m was donated by ten Cornerstone contributors each contributing or pledging \$100,000 in 2012.



Physical Address

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Hastings 4122.

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Hastings 4159

Contact Details

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Email: info@hawkesbayfoundation.org.nz

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Approval of Financial Report

Hawke's Bay Foundation

For the year ended 31 December 2024

The Trustees are pleased to present the approved financial report including the historical financial statements of Hawke's Bay Foundation for year ended 31 December 2024.

APPROVED



Kevin Callinicos

Trustee / Chair

Date 5.5.25


~~Andrew Casiday~~

JAMES WRIGHT

Trustee

Date 5.5.25

Statement of Service Performance

Hawke's Bay Foundation

For the year ended 31 December 2024

Description of Entity's Outcomes

Hawke's Bay Foundation is a community foundation established to benefit the Hawke's Bay region. Its vision is to have a thriving Hawke's Bay community, achieved through its purpose of improving the wellbeing of the Hawke's Bay community by growing an enduring fund.

Generous individuals and organisations donate money to Hawke's Bay Foundation which is invested in perpetuity and the returns on that investment are distributed to charitable purposes. This is mostly across the Hawke's Bay region but beyond at a donor's discretion. Hawke's Bay Foundation's outcomes are:

- To increase the number and value of funds established and under management thereby increasing all types of giving to charitable purposes across a range of causes.
- That donors, prospective donors and supporters recognise Hawke's Bay Foundation as a trusted leader in all aspects of philanthropy with specialist knowledge about the needs of the Hawke's Bay community.
- That Hawke's Bay Foundation is considered to be a respected, accessible, and strategic grant maker.
- That Hawke's Bay Foundation is structured to be ready for growth & operationally sustainable to ensure the perpetuity of Hawke's Bay Foundation.

	2024	2023
Description and Quantification of the Entity's Outputs		
New Donor funds established	5	4
Community Group Funds established	1	1
New Bequests Confirmed (Representing Future Donations)	2	2
Total Endowment Funds	63	58
Number of Community Groups that receive funding.	65	60
Number of supporters receiving Foundation communications, including newsletter	1,250	1,200
Endowment Fund Capital Donations Received during the period	888,493	3,729,662
Total Endowment Funds Under Management*	11,575,859	9,741,866
Funds Distributed		
Tagged Distributions of Foundation Funds	53,927	49,428
Unrestricted Distributions from Foundation Funds	238,268	117,186
Distributions reinvested in the endowment fund at donor's request	25,388	74,271
Distributions of Pass Through Funds	248,354	3,403,305
Distributions of Tindall Foundation Funds	74,092	64,092
Total Funds Distributed	640,029	3,708,282

*These financial statements must be read in conjunction with the accompanying notes and audit report.



Statement of Financial Performance

Hawke's Bay Foundation

For the year ended 31 December 2024

	NOTES	2024	2023
Revenue			
Donations, fundraising and other similar revenue	1	1,247,970	7,391,321
Revenue from providing goods or services	1	-	250
Interest, dividends and other investment revenue	1	1,613,902	528,781
Total Revenue		2,861,872	7,920,352
Expenses			
Expenses related to public fundraising	2	130,587	123,590
Volunteer and employee related costs	2	78,128	44,573
Costs related to providing goods or service	2	100,471	86,574
Grants and donations made	2	640,029	3,708,283
Other expenses	2	5,036	816
Total Expenses		954,252	3,963,836
Surplus/(Deficit) for the Year		1,907,620	3,956,516



These financial statements must be read in conjunction with the accompanying notes and audit report.

Statement of Financial Position

Hawke's Bay Foundation

As at 31 December 2024

	NOTES	31 DEC 2024	31 DEC 2023
Assets			
Current Assets			
Bank accounts and cash	3	284,494	1,720,444
Debtors and prepayments	3	10,750	-
Total Current Assets		295,244	1,720,444
Non-Current Assets			
Property, Plant and Equipment	5	9,894	7,861
Investments	3	11,991,269	8,881,854
Total Non-Current Assets		12,001,163	8,889,715
Total Assets		12,296,407	10,610,159
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	12,970	22,513
Other current liabilities	4	-	211,829
Total Current Liabilities		12,970	234,342
Non-Current Liabilities			
Other non-current liabilities	4	1,253	97,704
Total Non-Current Liabilities		1,253	97,704
Total Liabilities		14,223	332,046
Total Assets less Total Liabilities (Net Assets)		12,282,184	10,278,113
Accumulated Funds			
Accumulated surpluses or (deficits)		209,547	197,119
Reserves		12,072,637	10,080,994
Total Accumulated Funds		12,282,184	10,278,113

Trustee

Date

Trustee

Date



These financial statements must be read in conjunction with the accompanying notes and audit report.

● Exchange rates used to convert foreign currency into NZD are shown below. Rates are provided by XE.com unless otherwise stated.

• 31 Dec 2024

-  0.905131 AUD (Australian Dollar)
-  0.540185 EUR (Euro)
-  0.562920 USD (United States Dollar)



These financial statements must be read in conjunction with the accompanying notes and audit report.

Statement of Cash Flows

Hawke's Bay Foundation For the year ended 31 December 2024

	2024	2023
Cash Flows from Operating Activities		
Cash was Received from:		
Donations, Fundraising and other similar receipts	2,450,697	7,294,958
Fund Management Fees	7,409	6,659
Interest, dividends and other investment receipts	383,669	292,643
Cash was Applied to:		
Administration Expenses	307,056	267,690
Donations or grants paid	644,711	3,629,329
Total Cash Flows from Operating Activities	1,890,008	3,697,241
Cash Flows from Investing and Financing Activities		
Cash was Received from:		
Receipts from sale of share investments	3,262,314	340,527
Receipts from funds under management	696	9,781
Receipts from Term Investments	207,588	-
Capital contributed from owners or members	1	-
Cash was Applied to:		
Payments to funds under management	212,525	250
Payments to purchase share investments	5,792,987	3,031,970
Payments to acquire Fixed Assets	7,069	8,418
Payments to Term & Bond Investments	786,512	399,907
Pass Through Distn Reserve	1	-
Total Cash Flows from Investing and Financing Activities	(3,328,495)	(3,090,238)
Net Increase/(Decrease) in Cash	(1,438,487)	607,004
Bank Accounts and Cash		
Opening cash	1,720,444	1,113,440
Net change in cash for period	(1,438,487)	607,004
Effect of exchange rate changes on cash	2,537	-
Closing cash	284,494	1,720,444

These financial statements must be read in conjunction with the accompanying notes and audit report.



Statement of Accounting Policies

Hawke's Bay Foundation

For the year ended 31 December 2024

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

The entity is not registered for GST. Therefore all amounts are stated inclusive of GST (if any).

Income Tax

Hawke's Bay Foundation is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Revenue

Revenue is recognised on an accruals basis.

Property, Plant & Equipment

Property, plant and equipment are recognised at cost less aggregate depreciation. Depreciation has been calculated using the maximum permitted for taxation purposes. The following rates are used: Office Equipment 39.6% - 60%.

Investments

Share Investments

The fair value of the share investments has been determined by reference to their quotes prices at the reporting date. All share investments are publicly traded on stock exchanges in New Zealand and Australia. Gains and losses are recorded within Investment revaluation.

Term Investments

Term Investments are measured at amortised cost using the effective interest method.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument in another entity.

Financial instruments are comprised of cash and cash equivalents, term investments, share investments, accounts payables, unused donations and grants with conditions, and other current liabilities.

Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition, except for those carried at fair value through surplus or deficit, which are measured at fair value.



These financial statements must be read in conjunction with the accompanying notes and audit report.

Financial assets and financial liabilities are recognised when the reporting entity becomes a party to the contractual provisions of the financial instrument.

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the entity transfers the financial asset to another party without retaining control or substantial all risks and rewards of the asset. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Subsequent measurement of financial assets

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, and fair value through surplus or deficit (FVTSD).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Trust's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through surplus or deficit, irrespective of the business model.

The Trust's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

(i) Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of financial performance.

This category includes managed funds which the Trust had not irrevocably elected to classify at fair value through other comprehensive revenue and expense (FVOCRE).

After initial recognition the financial assets in this category are measured at fair value with gains or loss on re-measurement recognised in surplus or deficit.

(ii) Financial Assets at amortised cost

Financial assets at amortised cost are non-derivative financial assets or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, are subsequently measured at amortised cost using the effective interest method (EIR) and are subject to impairment. Gains and losses are recognised in surplus or deficit when the asset is derecognised, modified, or impaired.

The Trust's bank accounts and cash, including term deposits that are not part of the Trust's managed funds are categorised as financial assets at amortised cost.

Subsequent measurement of financial liabilities

Trade payables and other borrowings are subsequently measured at amortised cost using the effective interest method.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year. Comparative amounts have been reclassified where necessary to be consistent within the current period.



These financial statements must be read in conjunction with the accompanying notes and audit report.

Tier 2 PBE Accounting Standards Applied

The Trustees have adopted the following Tier 2 PBE Accounting Standards in the preparation of these accounts:

- PBE IPSAS 28 Financial Instruments: Presentation
- PBE IPSAS 41 Financial Instruments
- PBE IPSAS 30 Financial Instruments: Disclosure

The impact of the adoption is to revalue investments to market value at balance date, refer to the policy on financial instruments



These financial statements must be read in conjunction with the accompanying notes and audit report.

Notes to the Performance Report

Hawke's Bay Foundation

For the year ended 31 December 2024

	2024	2023
1. Analysis of Revenue		
Donations and other similar revenue		
Donations - Community Impact Fund	37,100	77,686
Donations - Administration Costs	37,446	118,614
Donations - Named Fund	851,393	3,651,977
Donations - Pass Through	151,904	3,415,746
Endowment Admin Fee, Donor Club and Corporate Partnership Sponsorship	96,034	63,206
Tindall Donation Funds Released	74,092	64,092
Total Donations and other similar revenue	1,247,970	7,391,321
Revenue from providing services		
Fund Management Fees - MTG	-	250
Total Revenue from providing services	-	250
Interest, dividends and other investment revenue		
Interest Received	73,367	92,695
Dividends Received	326,769	199,948
Investment Revaluation	1,203,737	251,198
Unrealised Foreign Currency Gains/(Losses)	10,029	(15,060)
Total Interest, dividends and other investment revenue	1,613,902	528,781
	2024	2023
2. Analysis of Expenses		
Expenses related to public fundraising		
Marketing & Promotion	20,168	12,594
Development/Communications	110,419	110,996
Total Expenses related to public fundraising	130,587	123,590
Volunteer and employee related costs		
Employment Expenses - Administration/Finance	78,128	44,573
Total Volunteer and employee related costs	78,128	44,573
Costs related to administration		
Accounting/ Bookkeeping	16,842	5,279
CFNZ Subscriptions	4,034	2,829
General & Office Expenses	2,965	4,180
Insurance	3,232	2,844
Investment/ Custodian Fees	42,975	40,478
IT Expenses	4,348	3,501
Rent	14,231	15,560
Repairs & Maintenance	1,169	-
Software Support & Hosting Fees	4,178	3,992
Telephone	1,111	288

These financial statements must be read in conjunction with the accompanying notes and audit report.

	2024	2023
Travel, workshop/ seminar attendance costs	2,102	2,025
Vehicle Exps	3,282	5,599
Total Costs related to administration	100,471	86,574
Grants and donations made		
Distributions - HBF	317,583	240,885
Distributions - Pass Through	248,354	3,403,305
Distributions - Tindall Funds	74,092	64,092
Total Grants and donations made	640,029	3,708,283
Other expenses		
Depreciation Expense	5,036	816
Total Other expenses	5,036	816
	2024	2023

3. Analysis of Assets

Bank accounts and cash

BNZ Cheque Account	43,319	196,563
BNZ Pass Through Account	1,501	-
BNZ Distributions Account	15,467	-
Petty Cash Account	141,278	205

Jarden Cash Management Account

Jarden Cash - Operating Funds	-	5,077
Jarden Cash - Operating Term Deposit	-	102,276
Jarden Cash Management A/c - AUD	-	133,507
Jarden Cash Management A/c - EUR	-	5,994
Jarden Cash Management A/c - NZD	-	862,871
Jarden Cash Management A/c - USD	-	202,121
Total Jarden Cash Management Account	-	1,311,846

Craig Cash Management Account

Craigs USD Account	4,242	-
Craigs AUD Account	12,225	-
Craigs EUR Cash account	74	-
Craigs NZD Cash Account	66,388	-
Total Craig Cash Management Account	82,929	-



These financial statements must be read in conjunction with the accompanying notes and audit report.

	2024	2023
Jarden Cash Management Account - MTG		
Jarden Cash Management - MTG	-	211,829
Total Jarden Cash Management Account - MTG	-	211,829
Total Bank accounts and cash	284,494	1,720,444
Debtors and prepayments		
Accounts Receivable	10,750	-
Total Debtors and prepayments	10,750	-
Investments		
Other non-current assets		
Bonds & Term Deposits Investments	981,200	402,458
Share Investments	11,010,069	8,479,396
Total Other non-current assets	11,991,269	8,881,854
Total Investments	11,991,269	8,881,854

	2024	2023
4. Analysis of Liabilities		
Creditors and accrued expenses		
Accounts Payable	12,970	22,513
Total Creditors and accrued expenses	12,970	22,513
Other current liabilities		
MTG Funds Balance	-	211,829
Total Other current liabilities	-	211,829
Non-current liabilities		
Pass Through Distr Reserve	1,253	97,704
Total Non-current liabilities	1,253	97,704

5. Property, Plant and Equipment

Computer Equipment		
Computer Equipment	4,245	3,196
Accumulated Depreciation - Computer Equipment	(1,876)	(853)
Total Computer Equipment	2,369	2,343
Website Development		
Website Development	12,041	6,020
Accumulated depreciation - Website Development	(4,515)	(502)
Total Website Development	7,525	5,519
Total Property, Plant and Equipment	9,894	7,861



These financial statements must be read in conjunction with the accompanying notes and audit report.

6. Accumulated Funds

This Year	Capital contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	-	197,119	10,178,698	10,375,817
Surplus / (Deficit)	-	1,907,620		1,907,620
Transfer from Reserves	-	(1,895,192)	1,895,192	-
Use of Foundation Reserves for Operation	-			
Closing Balance	-	209,547	12,073,890	12,283,437

Last Year	Capital contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	-	133,471	6,285,830	6,419,301
Surplus / (Deficit)	-	3,956,516		3,956,516
Transfer from Reserves	-	(3,892,868)	3,892,868	-
Closing Balance	-	197,119	10,178,698	10,375,817

2024

2023

7. Breakdown of Reserves

Endowment Funds Capital Protection Reserve: This reserve comprises two elements: 1. An amount to preserve the real value of endowment fund capital against annual inflation. 2. A reserve to smooth the effects of market volatility reflected in unrealis	1,381,357	435,857
Distribution Reserve: Distributable Income - the amount of annual income allocated for distribution.	496,778	339,128
Pass Through Distribution Reserve: Funds donated with the intention that the funds be fully paid out to charitable purposes.	1,253	97,704
Endowment Funds Capital: Donated funds held in perpetuity.	10,194,502	9,306,009
Administration Funds: Funds held for the running of the Foundation and not held for charitable distribution purposes.	209,547	197,119
Total Breakdown of Reserves	12,283,437	10,375,817

8. Commitments

HB Foundation has entered into a lease agreement to rent premises at 209 Queen St E, Hastings for two years from 1 July 2022 at a cost of \$15,525pa. A Right of renewal was exercised extending the lease period to 30 June 2026.

9. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (Last Year - nil)



These financial statements must be read in conjunction with the accompanying notes and audit report.

	2024	2023
10. Goods or Services Provided to the Entity in Kind:		
Crowe New Zealand Audit Partnership - Audit services	12,000	11,000
Total Goods or Services Provided to the Entity in Kind:	12,000	11,000

11. Related Party Disclosures

Kevin Callinicos is a partner of Willis Legal. He is also a Trustee of Hawke's Bay Foundation.

Kevin provides legal services to Hawke's Bay Foundation at no cost.

In their personal capacity, Trustees may provide donations to Hawke's Bay Foundation

12. Events After the Balance Date

This Year: There were no significant events after balance date that impact these financial statements.

● Exchange rates used to convert foreign currency into NZD are shown below. Rates are provided by XE.com unless otherwise stated.

• 31 Dec 2024

-  0.905131 AUD (Australian Dollar)
-  0.540185 EUR (Euro)
-  0.562920 USD (United States Dollar)



These financial statements must be read in conjunction with the accompanying notes and audit report.

INDEPENDENT AUDITOR'S REPORT

To the Trustees of Hawke's Bay Foundation

Opinion

We have audited the performance report of Hawke's Bay Foundation (the Trust) which comprise the financial statements on pages 7 to 18 the statement of service performance on page 6 and the entity information on pages 3 to 4. The complete set of financial statements comprise the statement of financial position as at 31 December 2024, and the statement of financial performance and statement of cash flows for the year ended, and the statement of accounting policies and other explanatory information.

In our opinion, the accompanying performance report presents fairly, in all material respects:

- the entity information as at 31 December 2024;
- the financial position of the Trust as at 31 December 2024, and its financial performance and its cash flows for the year then ended; and
- the service performance of the Trust for the year ended 31 December 2024 in that the service performance information is appropriate and meaningful and prepared in accordance with the entity's measurement bases or evaluation methods

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the ISAs (NZ) and New Zealand Auditing Standard (NZ AS) 1 (Revised) *The Audit of Service Performance Information*. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of the Trust 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Trust.

Trustees' Responsibilities for the Performance Report

The Trustees are responsible on behalf of the Trust for:

- (a) the preparation and fair presentation of the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board;
- (b) the selection of elements/aspects of service performance measures and/or descriptions and measurement bases or evaluation methods that present service performance information that is appropriate and meaningful in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit);
- (c) the preparation and fair presentation of service performance information in accordance with the entity's measurement bases or evaluation methods, in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit);
- (d) the overall presentation, structure, and content of the service performance information in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit); and
- (e) such internal control as the Trustees determine is necessary to enable the preparation of the financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and NZ AS 1 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the performance report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting

estimates and related disclosures made by management.

- Obtain an understanding of the process applied by the entity to select its elements/aspects of service performance, performance measures and/or descriptions and the measurement bases or evaluation methods.
- Evaluate whether the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods present an appropriate and meaningful assessment of the entity's service performance in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions, events and elements/aspects of service performance in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Restriction on Use

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

A handwritten signature in blue ink that reads "Crowe".

Crowe New Zealand Audit Partnership
CHARTERED ACCOUNTANTS

Dated at Hastings this 5th day of May 2025