



Horowhenua New Zealand Trust



ANNUAL REPORT 2023-24



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Introduction from the Chair

Tēnā koutou

Welcome to the 2024 Annual Report for the Horowhenua New Zealand Trust.

This year we celebrate six years in operation. Over this period we have firmly established ourselves as a key contributor in the wider Horowhenua area. In this year, we were certified as a registered charitable trust that give us greater ability to serve our community and bring further transparency of our organisation.

Our mission is to play a role to improve economic and social conditions for residents of Horowhenua. We do this by effectively partnering, investing and supporting local business, local community organisations and our local Council.

Highlights for this year include the appointment of three new Trustees who bring a wealth of experience: They are Stuart Pescini, Troy Hobson and Rebecca Kilsby-Halliday. We thank retiring Trustee, Te Aroha Jennings for her contributions.

Our work extends to advocacy for Ō2NL. This included submissions in support of the resource consent application by NZTA presented at the environment court in October 2023. The message we delivered was, “we’re here to represent the 18,000 drivers who use this road every day. The Ō2NL Expressway is not just a road; it’s a lifeline”.

We continue our focus on stimulating local business enterprise through the work by The Horowhenua Company as the economic development agency for the district. The agility and focus of our team has directly led to an increase in the visibility and engagement across our business community. We are proud of our performance and the value of the economic development services delivered since 2021.

Nāku, nā
Antony Young
Chair of Horowhenua New Zealand
Trust



Horowhenua New Zealand Trust



Who are we

The Trust was created in 2018 by members of the business community that saw the opportunity for an independent organisation that could bridge the gap between community, Council and business, working to help Horowhenua realise its potential.

With the unanimous backing of the elected members of the Horowhenua District Council and key members of the business community, the Horowhenua New Zealand Trust was born.

The Trustees set about focusing resources on the areas that they believed would make the biggest difference to Horowhenua.

Within each of these areas we work alongside others to find opportunities and support solutions by bringing together the right people, with the right resources and partnering with the right enterprises.

Our mission

“To improve economic and social outcomes for the Horowhenua.”

What if.



The Horowhenua Company Limited

Enables the Trust to be financially sustainable, functioning as our commercial and operations arm.

HOROWHENUA NEW ZEALAND TRUST

Our investments

The HNZ Trust will invest in the following areas:

Community development initiatives that drive our mission.

Commercial projects that drive income that are consistent with our mission.

Give back – distributions that back projects and organisations that meet our social agenda.

Active Strategic Partners
Horowhenua District Council
Ministry of Business, Innovation and Employment
Business Kāpiti Horowhenua

Our Strategy

The Trust has a clear mission to improve the economic and social wellbeing of the residents of Horowhenua. We have developed the following strategies to focus our efforts to where we think they will make the biggest impact. Some of the activities to achieve these are delivered directly by the Trust, while others are delivered via the Trust subsidiaries – the Horowhenua Company Limited (THCL) and Horowhenua Developments Limited (HDL).

We review our strategy regularly to ensure we are focussed on what is most important now. The current strategies we are working to are:

Invest - Community development Investments to deliver on our purpose

To invest through our subsidiaries in a way that enables us to operate the Trust efficiently. Maintain a minimum funding pool for annual distribution to community purposes. Grow the funding pool over time and further our purpose and mission.

Fund - Funding community-led initiatives that matter

We distribute grants to community initiatives that align with the Trusts Charitable Purposes and Distribution Policy.

Advocate - Advocating for Horowhenua's prosperity

We advocate on behalf of the Horowhenua Community, including its business sector, to secure better outcomes and settings that enable economic and social prosperity.

Support - Supporting businesses and community to do and be better

We support the business sector to grow, optimise, navigate challenges, collaborate and learn together. We provide insights and advice to Council, the community and business around economic development trends, challenges and opportunities.

Promote - Promoting Horowhenua as a great place to live, invest and do business

We promote the Horowhenua to encourage new business formation, investment and growth.

Charitable Status

A significant milestone was achieved in May 2023, when the Trust was recognised as having charitable status. This means that the Trust is able to continue its work for the community alongside other charitable organisations, and over time, to develop and expand its Trust Fund to have a bigger impact for the residents of Horowhenua.

Our Trustees

FOUNDING MEMBERS



Antony Young - Chair

Antony spent 20 years in New York, London and Asia leading media and communication firms before settling in the Horowhenua. He advises companies on digital and media strategy; is a board member of Business Kāpiti Horowhenua; and previously co-owned a local blueberry farm.



Ron Turk

More than fifty years ago, Ron Turk and his family moved to Foxton where they founded their successful poultry business, Turk's Poultry. Since then, Ron has helped transform a small egg business into a prosperous company employing almost 270 people.



Larry Ellison

The Ellisons have owned a number of service stations throughout the Horowhenua and in 2000 started Rural Fuel, an award winning business which distributes fuel to farmers around the lower North Island. Larry loves all things agriculture and is involved in dairy farms.



Jo Mason - joined 2023

Jo has a background in leadership, management, and governance with a focus on achieving best practice through a collaborative leadership style. She has a Bachelor of Applied Management and previously worked in the Social Service sector regionally and is a former elected member of the Horowhenua District Council, completing 3 terms.

New Trustees joined 2024



Stuart Pescini

Stuart has been involved in the real estate industry since 1986, being a business partner at Harcourts Team Group Realty until 2022 having recently passed the batten on to new owners. He has developed vast experience in residential, commercial and the rural field, and is adept at managing and developing highly effective teams.



Troy Hobson

Troy has over 25 years' experience in the finance and banking industry in both NZ and the UK dealing with complex financial instruments, as well as an established executive leadership career in agribusiness management, and governance of iwi farming and commercial property interests.



Rebecca Kilsby-Halliday

Rebecca has a Bachelor of Applied Science (Agriculture & Rural Valuation). Rebecca is a dedicated member of the Horowhenua rural community with diverse business interests that encompass dairy, sheep and beef farming, as well as an apple cider orchard. Additionally, she manages a rental housing portfolio in Levin.

Retired 2024



Te Aroha Jennings

We thank Te Aroha Jennings for her work as Trustee from 2020- 2023. She retired from the Trust in June 2024.

How we are structured

Our structure fosters collaboration, innovation and efficiency. Always with a focus on creating lasting positive change in both the economy and the well-being of our communities.

Our structure includes commercial operations, partnerships and strategic joint ventures. This allows us to be more agile and performance driven, enabling us to take on large-scale impact projects to benefit the district.

The Horowhenua New Zealand Trust established The Horowhenua Company (THCL) in 2018 as a wholly owned, limited liability company.

It has a Board of appointed directors. Horowhenua Development Limited (HDL) is the development arm of THCL. In 2023 THCL bought out Electra's shareholding in HDL allowing it to now be a fully owned subsidiary of THCL.

Our current structure



Our People

THCL and HDL are governed by four independent directors and one Trustee director, who are appointed by the Trust.

The directors are:

THE THCL/HDL DIRECTORS



Brendan Duffy - Chair



Sarah Everton



Philip Harper



Cam Lewis



Ron Turk

THE HOROWHENUA COMPANY LTD STAFF



Catriona Finau McKay
CEO



Melissa Hanson



Hendrix Warren



Renee Cohen



Vicki Timpson



Rachel Mason

Our Achievements

The Trust achieves its purposes both through its own direct action but also through its subsidiaries.

THCL is the economic development agency for Horowhenua, delivering a range of services including business networking, business advice and support, research, workforce development and attracting inward investment.

HDL is the development arm of the Trust, undertaking commercial property developments that will catalyse further investment or fill gaps in community or social infrastructure.



Trust Activities Advocacy



Ōtaki to North Levin - Expressway

Highlighting Horowhenua as the key connection between Wellington and the Central North Island. The stretch of road between Ōtaki and North of Levin has long been an accident hotspot and the cause of congestion on State Highway 1.

The Government recognised the serious failings of this stretch of road, and began the process of identifying a preferred corridor for an expressway that would run from Ōtaki to North of Levin. Construction for this highway begins in 2025.

Our long running campaign – began with advocacy for O2NL and its benefits for safety and industrial opportunities for the regions. The Trust engaged NZTA, interviewed affected local residents, lobbied and met with the Transport Minister and opposition transport spokespersons, ran a public campaign “Build Our Road,” and captured the interest of the local and national media.

The advocacy for Ō2NL continued with submissions in support of the resource consent application by NZTA with our chair presenting in the environment court in October 2023. The message delivered was “we’re here to represent the 18,000 drivers who use this road every day. The Ō2N Expressway is not just a road; it’s a lifeline”.

Industrial Land

The Trust made a submission to LTP (Long Term Plan) of Horowhenua District Council in May 2024. The Trust's submission was to bring forward planned zoning of industrial land to speed up inward investment. Now is the time for action. "Let's not miss this invaluable opportunity to shape the future of our district. By expanding industrial zones, we're not just building businesses; we're building better lives for our community".

If we don't move now, we will miss valuable opportunity. We know that commercial development is crucial in attracting investment, for jobs and growth to our district. And our district has the track record to do it.

Distributions Update: Children's Emergency Room Opens

In 2022, The Horowhenua New Zealand Trust distributed \$50,000 towards a Children's Emergency Department within Palmerston North Hospital. The facility was official unveiled on 20 September 2024 by the Palmerston North Hospital Foundation with HNZ Trustees in attendance. It provides a separate fit-for-purpose waiting and treatment area for tamariki and their whanau, designed to meet their physical and emotional needs.

It includes five beds, a kitchenette, baby-changing facilities, toys, child-friendly spaces and a range of furniture and distraction tools to cater for a range of developmental stages, disabilities, illnesses and injuries.



Children's Emergency Room Opens

According to Palmerston North Hospital officials, children from the Horowhenua make up nearly 30% of the children's emergency care admissions. This specially designed space is an important part of providing the right urgent medical care for children, away from the trauma, noise and at times frightening setting of the general Emergency Department.

Horowhenua New Zealand Trust trustee Larry Ellison said this space will make a real difference to Horowhenua families who's only access to ED services is at Palmerston North Hospital.

Photos courtesy of Health NZ



Mayoral Business Hall of Fame

The Horowhenua New Zealand Trust, with the support of Horowhenua District Council, wanted to recognise the achievements of some true icons in the district.

The Trust arranged the installation of a permanent Horowhenua Business Hall of Fame board located in the main foyer of the Horowhenua District Council building.

The Horowhenua Business Hall of Fame Laureate honour is bestowed once a year to a local business leader whose accomplishments and influence on our community are palpably felt. Each year, a panel of dedicated individuals, brought together in confidence, collaborates to aid Mayor Wanden and Business Kāpiti Horowhenua in identifying these outstanding individuals.





THE HOROWHENUA
COMPANY LTD

THCL Economic Development Agency



Highlights - Business Engagements

A key component of economic development is understanding the broader environment, monitoring trends and identifying opportunities for the overall benefit of the Horowhenua economy by informing, whether by promoting speakers or workshops, or creating networking opportunities.



750 People

1

Attended Business
Networking and Speaker
Information Events



HON. MP CHRIS BISHOP VISIT

2

Over 150 people
representing business and
community leaders attended



Women in Business Luncheons

3

Networking and quarterly
luncheon series attended
by 152 women



Foxton Breakfasts

4

Business Networking and HDC Supported Speaker Events attended by 70 stakeholders



Levin Town Centre

5

Town Centre retailers forum and discussion information event attended by 90 stakeholders including retailers



Employers Workshop

6

Employers Hiring and Information training workshop attended by 12 businesses



70

BUSINESSES

\$31,800 in combined funding
from RBP support

Regional Business Partnership

The Regional Business Partnership (RBP) programme is an MBIE funded programme that provides co-funding opportunities for small to medium enterprises for business capability development.

Until March 2023, this programme was delivered remotely from Palmerston North with annual engagements in the Horowhenua of around 15 per year.

As part of the retender of this contract, THCL negotiated to sub-contract RBP delivery in the Horowhenua.

THCL now employs a dedicated Business Growth Advisor to work with Horowhenua SME's. Since March 2023, a total of 70 local businesses have participated in the RBP, receiving a combined funding amount of \$31,800 to support their business development.

This funding facilitated 21 co-funded training initiatives, demonstrating a strong commitment to enhancing the capabilities and competitiveness of small and medium-sized enterprises (SMEs) in the region.

Research

In 2023, THCL undertook a study to assess the opportunities for the district that can be anticipated following the completion of the O2NL roading project. By looking at and talking to Councils, EDA's and businesses in other towns and districts in the North Island that have been bypassed or had major roading changes.

THCL has been able to identify a number of areas where significant inward investment can be anticipated, and is now working closely with the Horowhenua District Council to support a number of their key initiatives (such as the Levin Town Centre, Foxton Futures and integrated growth planning) with insights and learnings gleaned from other areas.

1200

Year 10 Students have
attended the Annual Futures
Day

Get-Go

For 5 years THCL has delivered Get-Go, a programme to connect young people in Horowhenua with the range of careers opportunities available in our district.

Effective economic development requires a sustained focus on workforce development to be successful. THCL successfully completed the Get-Go project, funded by MBIE through the Provincial Growth Fund (PGF). This initiative has played an important role in enhancing youth employment and skills development within the region. During the term of the project (1 June 2020 – 30 November 2023), Get-Go enabled 113 job placements as well as developing and implementing a work-ready framework for college aged students.

Working in partnership with our three Colleges – Horowhenua, Waiopahu and Manawatu, THCL developed the work ready framework which sets out a range of activities and events that bring employers and the future workforce together.

The flagship event, Futures Day, takes all year 10 students from our three colleges and provides them with hands-on experiences of a range of different workplaces over a single day. 2024 saw the largest ever Futures Day with 8 employers and 400 students taking part, together with teachers and student leaders.

The programme also includes in school business presentations, work ready interview practice, and targeted “snapshot” visits for small groups of senior students for a more in-depth look at a business.

Get-Go is guided by a Reference Group, with representatives from horticulture, manufacturing and civil engineering sectors, together with the three principals and iwi to shape and ensure the programme is agile and responsive to the needs of both employers and our rangatahi.

The HDL logo is displayed in a large, bold, black sans-serif font.

HOROWHENUA
DEVELOPMENTS
LIMITED

The background of the slide features a photograph of a modern, multi-story commercial building with large glass windows and a dark facade. The building is situated in an open area with a paved parking lot in the foreground. A dark blue SUV is parked on the left side of the lot, and a red car is partially visible on the far left. The sky is overcast with grey clouds. A large, semi-transparent dark blue rectangular overlay covers the left and center portions of the image, serving as a background for the text.

HDL Horowhenua Developments Ltd

A yellow Komatsu wheel loader is the central focus of the image, positioned in an industrial or construction environment. The loader is shown from a front-three-quarter perspective, highlighting its large tires, protective cage, and the 'KOMATSU' branding on its side. The background is slightly blurred, showing other industrial structures under a grey, overcast sky. The overall tone of the image is professional and industrial.

Enterprise Drive Development

Horowhenua Developments Ltd started as the development project arm with Enterprise Drive. HDL is the development arm of the Trust, undertaking commercial property developments that will catalyse further investment or fill gaps in community or social infrastructure.

The philosophy behind the development of Enterprise Drive was centred around catalysing investment in the area rather than solely focusing on maximising profits for HDL. This approach set HDL apart from other developers by prioritising collaboration, partnerships, and the overall economic development of the region.

HDL's approach also encouraged locals to expand and enhance their own facilities, solidifying the Enterprise Drive Development and surrounding area as the go-to destination for industrial development.

By creating an environment that attracted other developers and businesses, HDL contributed to the expansion and growth of the local community.

PROJECT MILESTONES

2019

Project initiation with the purchase of land from HDC

Electra Joint Venture

2020

Crown purchases land for Archives NZ Repository

Thermosash consolidates & purchases additional land

2021

LT McGuinness and other businesses invest; site development commences

All lots sold

**Horowhenua
Developments Ltd
completes subdivision**

2022

LT McGuinness and other investors begin their developments

2023

Continued development and expansion, with ongoing economic benefits

44%

Of the land has been developed to date-Aug 2024



HIGHLIGHTS

\$30-40 million

Investments to date



7 new businesses

Have opened in Enterprise Drive



40-50 new jobs

Currently on the development



\$2.9 million

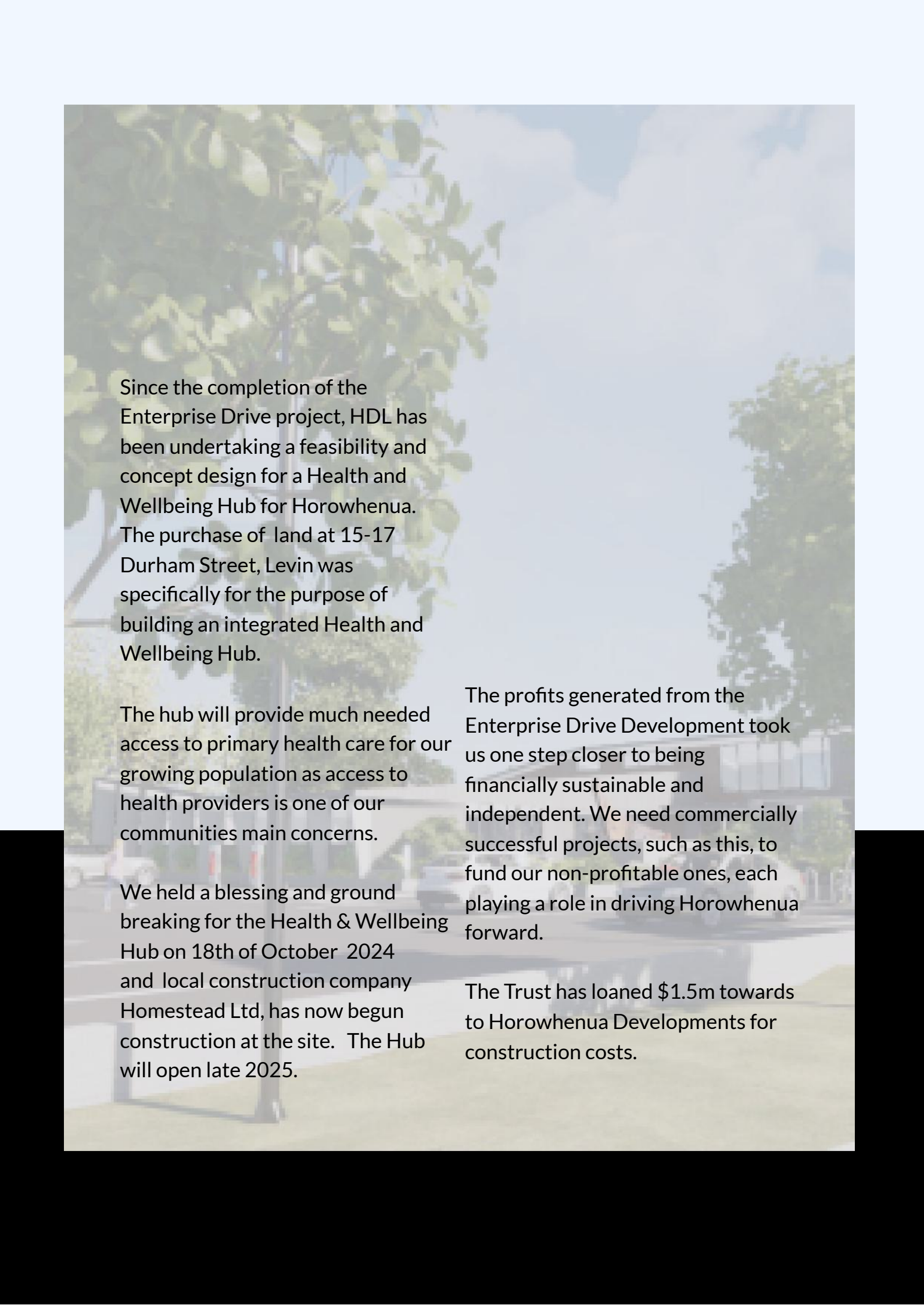
Capital Investment Grant for the
development





Community Development Project

Health & Wellbeing Hub



Since the completion of the Enterprise Drive project, HDL has been undertaking a feasibility and concept design for a Health and Wellbeing Hub for Horowhenua. The purchase of land at 15-17 Durham Street, Levin was specifically for the purpose of building an integrated Health and Wellbeing Hub.

The hub will provide much needed access to primary health care for our growing population as access to health providers is one of our communities main concerns.

We held a blessing and ground breaking for the Health & Wellbeing Hub on 18th of October 2024 and local construction company Homestead Ltd, has now begun construction at the site. The Hub will open late 2025.

The profits generated from the Enterprise Drive Development took us one step closer to being financially sustainable and independent. We need commercially successful projects, such as this, to fund our non-profitable ones, each playing a role in driving Horowhenua forward.

The Trust has loaned \$1.5m towards to Horowhenua Developments for construction costs.

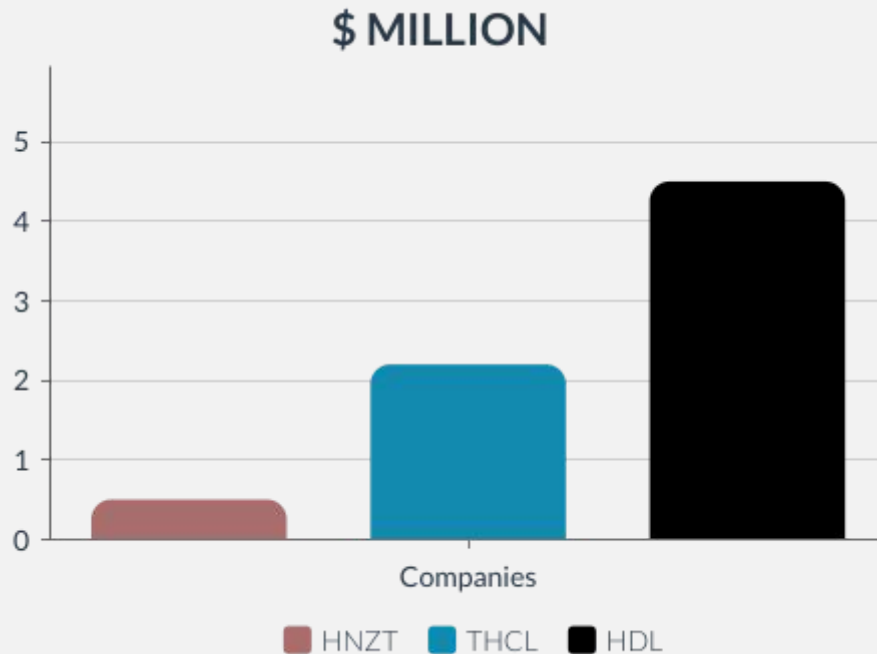


Financial Information

TRUST ASSETS

The Trust asset base is \$6.3 million - with the majority held as retained earnings in subsidiaries in order to fund future projects.

This graph shows the Group total financial make-up.



Philosophy for the Fund

The philosophy of the Trust is to take a long-term approach to creating assets that support achieving positive outcomes through a range of activities.

This includes:

Providing grants to community organisations that are making a difference and don't have access to funding through other channels.

Shareholder of THCL – essentially a social enterprise that delivers services to support the continued economic growth of Horowhenua and our business community.

Ultimate ownership of HDL – a development company that undertakes property development projects that generate additional inward investment, create jobs and raise the quality of amenities for people within Horowhenua – as well as returning profits to the Trust via THCL.

Horowhenua New Zealand Trust

Consolidated Performance Report

For the Year Ended 30 June 2024

Contents of Consolidated Performance Report

Horowhenua New Zealand Trust

For the year ended 30 June 2024

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Entity Information

Horowhenua New Zealand Trust
For the year ended 30 June 2024

Horowhenua New Zealand Trust is a charitable trust, incorporated under the Charitable Trust Act 1957.

Entity's Purpose or Mission

Horowhenua New Zealand Trust was established in 2018 with a mission to improve the economic and social outcomes of the people of the Horowhenua District.

Nature of Business

Social and Economic Development

Entity Structure

New Trustees are appointed by the existing Trustees based on registrations of interest from members of the community. Registrations of interest are accepted at all times. There are currently seven Trustees, all of whom are volunteers. During the year to 30 June 2024 there were six Trustees. One Trustee is elected as Chair by the other Trustees. The Trust employs a part-time secretary.

The Trust has a wholly owned subsidiary, The Horowhenua Company Ltd, which is governed by four independent directors appointed by the Trustees and one Trustee Director. The Horowhenua Company Ltd has a wholly owned subsidiary, Horowhenua Developments Limited. The directors of the Horowhenua Company Ltd also govern Horowhenua Developments Ltd and are appointed as directors of that company.

The Horowhenua Company Ltd employs six staff to undertake the economic and youth workforce development aspects of the Trust activities. The Horowhenua Company Ltd also provides administrative support to the Trust and provides resource to Horowhenua Developments Ltd to undertake property development projects.

Main Sources of Entity's Cash and Resources

The Trust's cash comes via dividends (2023) and donations (2024) from The Horowhenua Company Ltd.

Administrative support of the Trust is provided by The Horowhenua Company Ltd under a service level agreement; and an independent Trust secretary contracted directly by the Trust.

The Horowhenua Company Ltd receives revenue from contracts for service to undertake a range of economic development activities and work ready programmes within Horowhenua. The Horowhenua Company also receives some interest income from retained earnings on term deposit. The Horowhenua Company has six staff to undertake the activities of the Group.

Horowhenua Developments Ltd has no current source of revenue other than interest on retained earnings on term deposit. This is because the company has been undertaking feasibility and business case development on a proposed Healthcare facility. The Horowhenua Company provides resource and administrative/corporate support to Horowhenua Developments through a service level agreement.

Trustees

Antony Young (Chair)
Joanna Mason
Larry Ellison
Morton (Stuart) Pescini
Rebecca Kilsby- Halliday
Ronald Turk
Troy Hobson
Te- Aroha Jennings (resigned 2/5/24)
Justine Street (resigned 28/7/23)

Accountants

Colbert Cooper Limited
275 Oxford Street
Levin 5510
Horowhenua Kapiti

Entity Information - continued

Horowhenua New Zealand Trust

For the year ended 30 June 2024

Auditors

BDO Manawatu Audit Limited

Bankers

Bank of New Zealand

IRD Number

126-332-769

Registered Charity Number

CC61387

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF HOROWHENUA NEW ZEALAND TRUST**

Report on the Consolidated Performance Report

Opinion

We have audited the consolidated performance report of Horowhenua New Zealand Trust and its subsidiaries (together "the Group"), which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 30 June 2024, the statement of financial position as at 30 June 2024, and the statement of accounting policies and notes to the performance report.

In our opinion:

- the statement of service performance provides information about:
 - What the Group is seeking to achieve over the medium to long term (i.e. its objectives); and
 - the significant activities the group has undertaken during the financial year in working towards these objectives.
- the accompanying consolidated performance report presents fairly, in all material respects:
 - the entity information for the year ended 30 June 2024;
 - the service performance for the year then ended; and
 - the financial position of the group as at 30 June 2024, and its financial performance, and cash flows for the year then ended

in accordance with the Tier 3 (Not-For-Profit) Standard issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the Group's statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report 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 International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ("ISAE (NZ) 3000 (Revised)"). 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 Group 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 Group.

Emphasis of Matter

We refer you to page 13 of the consolidated statement of accounting policies, which states that this is the first year the Group has prepared consolidated financial statements as required by Tier 3 (NFP) Standard. As such, the comparative information for the entities within the Group is available, in compliance with transitional provisions of the new standard. Our opinion is not qualified in respect of this matter.

Responsibilities of the Trustees for the Consolidated Performance Report

The Trustees are responsible for:

- a) Describing what the Group is seeking to achieve over the medium to long term and quantifying the significant activities the group has undertaken or what it has achieved during the financial year, to report in the statement of service performance;
- b) The preparation and fair presentation of the consolidated performance report on behalf of the group which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with the Tier 3 (Not-For-Profit) Standard issued by the New Zealand Accounting Standards Board; and

- c) Such internal control as the Trustees determine is necessary to enable the preparation of the consolidated performance report that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated Performance Report

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

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

- Identify and assess the risks of material misstatement of the consolidated 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 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated performance report, including the disclosures, and whether the consolidated performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

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.

Who we Report to

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

BDO Manawatu Audit Limited

BDO Manawatu Audit Limited
Palmerston North
New Zealand
20 November 2024

Consolidated Statement of Service Performance

Horowhenua New Zealand Trust
For the year ended 30 June 2024

Description of Entity's Outcomes

Advocacy: There were two focus areas this year – one was continuing the long running campaign in support of the Otaki to north of Levin (O2NL) expressway – a continuation of the 4 lane highway connecting Wellington to the western coast. This has been a project that has been a long time coming, and the Trust has been a strong champion for the safety improvements, and the social and economic benefits a modern reliable SH1 will have for Horowhenua. The Trust lodged a submission in support of the resource consent for the project and presented its submission to the Environment Court in October 2023 (O2NLhearings: Trust chairman pleads with Environment Court to progress SH1 Horowhenua Expressway - NZ Herald).

The second focus area was in respect of the Horowhenua District Council's long term plan. The Trust made a submission seeking Council to bring forward its plans for rezoning currently rural land to industrial land, to support the demand for new businesses to relocate to Horowhenua, bringing new jobs, new industries and supporting the growing population. The Trust presented that submission to a Council hearing in May 2024.

Distributions - Hall of Fame: the Trust (with the support of the Horowhenua District Council) erected a Hall of Fame noticeboard in the main foyer of the Council offices to celebrate those members of Horowhenua who have been recognised for their service to the economic well-being of the Horowhenua District through their business endeavors and support of the Horowhenua community.

Youth Workforce Development: through the economic development agency for Horowhenua (The Horowhenua Company Ltd) the work ready framework that has been developed with the three colleges of Horowhenua continued for the 4th year. The framework engages college-aged young people across Horowhenua in a range of activities that form connections with local employers and provide them hands on experiences of the range of workplaces within Horowhenua. In this financial year, over 500 students from aged 14-18 took part in these activities, with more than 15 employers involved.

Economic Development Activities: The Horowhenua Company Ltd also undertook a range of business networking activities to retain existing Horowhenua businesses, including the provision of economic data and information, connecting businesses to funding opportunities to enable them to increase their productivity, grow job numbers and skill levels, and supported businesses interested in relocating or establishing in Horowhenua.

Health Care Facility: Horowhenua Developments Ltd continued its feasibility and design work on a proposed Health and Wellbeing Hub aimed at improving the range of and access to health services for residents within Horowhenua. Horowhenua Developments has acquired land for this purpose, and it is anticipated that a decision about commencing construction will be made before the end of the 2024 calendar year.

Account	Group 2024
Description and Quantification of the Entity's Outputs	
Number of Advocacy Submissions	2
Number of Distributions made	1
Distributions (\$)	1,903
Youth Workforce Development - Number of Rangatahi that took part	500
Economic Development Activities - Business engagement / Information sessions held	17
Health Care Facility:	
2024: Business Case Developed / Design Completed	

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited



Consolidated Statement of Service Performance (continued)

Horowhenua New Zealand Trust
For the year ended 30 June 2024

Description of Entity's Goals

Invest - Community development Investments to deliver on our purpose: To invest through our subsidiaries in a way that enables us to operate the Trust efficiently. Maintain a minimum funding pool for annual distribution to community purposes. Grow the funding pool over time and further our purpose and mission.

Fund - Funding community-led initiatives that matter: We distribute grants to community initiatives that align with the Trusts Charitable Purposes and Distribution Policy

Advocate - Advocating for Horowhenua's prosperity: We advocate on behalf of the Horowhenua Community, including its business sector, to secure better outcomes and settings that enable economic and social prosperity.

Support - Supporting businesses and community to do and be better: We support the business sector to grow, optimise, navigate challenges, collaborate and learn together. We provide insights and advice to Council, the community and business around economic development trends, challenges and opportunities.

Promote - Promoting Horowhenua as a great place to live, invest and do business: We promote the Horowhenua to encourage new business formation, investment and growth.

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited



Consolidated Statement of Financial Performance

Horowhenua New Zealand Trust

For the year ended 30 June 2024

Account	Notes	Group 2024
Revenue		
Donations, fundraising and other similar revenue		-
Interest, dividends and other investment revenue		256,208
Revenue from providing goods or services		762,106
Other Revenue		8,027
Total Revenue		1,026,341
Expenses		
Employee remuneration and other related costs		740,080
Costs related to providing goods or service		365,517
Grants and donations made		1,903
Other expenses		18,023
Total Expenses		1,125,523
Surplus/(Deficit) for the Year Prior to Minority Interest Adjustment and Tax		(99,183)
Income tax expense		7,377
Surplus/(Deficit) for the Year Prior to Minority Interest Adjustment		(91,806)
Less Minority Interest - 25% Horowhenua Developments Ltd		(9,056)
Surplus/(Deficit) for the Year		(100,862)

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

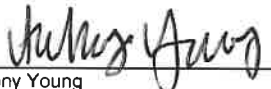

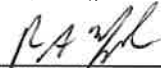
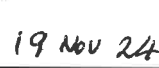


Consolidated Statement of Financial Position

Horowhenua New Zealand Trust

As at 30 June 2024

Account	Notes	Group 30 Jun 2024
Assets		
Current Assets		
Bank accounts and cash		1,571,723
Debtors and Prepayments	1	85,648
GST		33,583
Investments	2	3,291,219
Total Current Assets		4,982,173
Non-Current Assets		
Plant, Property & Equipment	3	1,518,716
Total Non-Current Assets		1,518,716
Total Assets		6,500,889
Liabilities		
Current Liabilities		
Creditors and accrued expenses		164,318
Employee costs payable		33,550
Tax Payable		28,533
Total Current Liabilities		226,402
Total Liabilities		226,402
Total Assets less Total Liabilities (Net Assets)		6,274,487
Accumulated Funds		
Accumulated surpluses or (deficits)	4	5,739,852
Capital Reserves	4	534,635
Total Accumulated Funds		6,274,487

	
Antony Young	Date
	
Ronald Turk	Date

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.



Consolidated Statement of Cash Flows

Horowhenua New Zealand Trust
For the year ended 30 June 2024

Account	Group 2024
Cash Flows from Operating Activities	
Cash was received from:	
Donations, fundraising and other similar receipts	-
Interest, dividends and other investment receipts	266,050
Revenue from providing goods or services	813,435
Total Cash was received from:	1,079,485
Cash was applied to:	
Employee related costs	(750,284)
Costs Related to Providing Goods and Services	(432,850)
Donations or grants paid	(1,903)
Other expenses	(19,703)
Net GST	(15,285)
Total Cash was applied to:	(1,220,025)
Net Cash Flows from Operating Activities	(140,540)
Cash Flows from Other Activities	
Cash was received from:	
Receipts from bonds returned	133,723
Total Cash was received from:	133,723
Cash was applied to:	
Payments to acquire property, plant & equipment	(120,354)
Payments to acquire investments	(2,216,163)
Total Cash was applied to:	(2,336,517)
Net Cash Flows from Other Activities	(2,202,794)
Net Increase/ (Decrease) in Cash	(2,343,334)
Cash Balances	
Cash and cash equivalents at beginning of period	3,915,056
Cash and cash equivalents at end of period	1,571,722
Net change in cash for period	(2,343,334)

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.



Consolidated Statement of Accounting Policies

Horowhenua New Zealand Trust
For the year ended 30 June 2024

Basis of Preparation

The Group has elected to apply Tier 3 (NFP) Standard on the basis that it does not have public accountability and has total annual expenses equal to or less than \$5,000,000. 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.

The accounting principles recognized as appropriate for the measurement and reporting of the Statement of Financial Performance and Statement of Financial Position on a historical cost basis are followed by the charitable trust, unless otherwise stated in the Specific Accounting Policies.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, excluding goods and services tax rebates and discounts, to the extent it is probable that the economic benefits will flow to the entity and revenue can be reliably measured.

Expense Recognition

Expenditure is measured at the fair value of the consideration paid or payable for the purchase of goods and services, excluding goods and services tax rebates and discounts, to the extent it is probable that the economic benefits will flow to the entity and expenditure can be reliably measured.

Trade Receivables

Trade Receivables are recognised at estimated realisable value.

Trade Payables

Trade Payables are recorded at their face value.

Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

Work in Progress (Health Hub)

Work in Progress is recognised at cost for the sections unsold as at balance date. Work in Progress (Health Hub) is recorded at cost.

Refundable Bond Deposit

This is to recognise the liability for bonds funded by Infrastructure Reference Group funding, and reimbursable upon receipt

Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Depreciation

Account	Method	Rate
Furniture & Fittings	Diminishing Value	16%-25%
Motor Vehicles	Diminishing Value	26%
Office Equipment	Diminishing Value	16% - 67%
Website Development	Diminishing Value	50%
Leasehold Alterations	Diminishing Value	10%

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.



Consolidated Statement of Accounting Policies - continued

Horowhenua New Zealand Trust
For the year ended 30 June 2024

Goods and Services Tax (GST)

The Group is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

The Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions. However the subsidiaries are subject to income tax and for those Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

Investments

Investments are recognised at cost.

Changes in Accounting Policies

As a result of obtaining tax-exempt status, the Trust will no longer recognise income tax expense in its financial statements. The following changes have been made to our accounting policies:

Income Tax Expense:

Prior to the change, the Trust recognised income tax expense based on taxable income. Wholly exempt from tax effective 1 July 2023, prior to this tax was accounted for using the taxes payable method.

Presentation and Disclosure:

This being the first year reporting as Tier 3 (NFP) Standard, the group has applied the transitional rules and not included comparatives for the prior year.

First Year of Consolidation:

This is the first year that the Group has prepared consolidated financial statements as required by Tier 3 (NFP) Standard.

Additional Disclosure

Election to adopt a Tier 2 PBE Accounting requirement - As per PBE Tier 3 paragraph A213 a disclosure is required for the election/opt up to apply a Tier 2 PBE accounting requirement.

As per Appendix D paragraph D1 - D5, preparing consolidated accounts falls under this requirement and therefore the trust must comply with an opt up to PBE IPSAS 35 and PBE IPSAS 34.

Consolidated Notes to the Performance Report

Horowhenua New Zealand Trust
For the year ended 30 June 2024

	Group 2024
1. Debtors and Prepayments	
Accounts Receivable	11,500
Interest Receivable	34,477
Prepayments	39,671
Total Debtors and Prepayments	85,648

	Group 2024
2. Investments	
BNZ Term Deposits	3,291,219
Total Investments	3,291,219

3. Property, Plant & Equipment

2024					
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Building Under Construction	1,365,256	118,156			1,483,412
Leasehold Alterations	6,879			688	6,191
Motor Vehicles	17,556			4,565	12,991
Furniture and fixtures	3,122			694	2,428
Office equipment	9,400	2,198	185	4,881	6,532
Website Development	22,396		8,071	7,163	7,162
Total	1,424,609	120,354	8,256	17,991	1,518,716

	Group 2024
4. Accumulated Funds	
Accumulated surpluses or (deficits)	
Opening Balance	5,840,714
Current Year surpluses or (deficits)	(100,862)
Total Accumulated surpluses or (deficits)	5,739,852
Capital Reserves	
Opening Balance	399,975
Gain on Aquisition	134,660
Total Capital Reserves	534,635
Total Accumulated Funds	6,274,487

5. Subsidiaries

The Group includes 100% owned subsidiary - The Horowhenua Company Limited and 100% owned subsidiary - Horowhenua Developments Limited. The 2023 year includes 100% owned subsidiary - The Horowhenua Company Limited and 75% owned subsidiary - Horowhenua Developments Limited. During the 2024 year The Horowhenua Company purchased the remaining 25% of Horowhenua Developments Limited.

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.



Consolidated Notes to the Performance Report - continued

Horowhenua New Zealand Trust

For the year ended 30 June 2024

6. Related Party Transactions

There were no transactions that were on terms and conditions that are likely to be different from the terms and conditions of transactions in similar circumstances, involving related parties during the year.

Significant transactions during the year to related parties were Directors' fees paid. \$70,000 was paid during the year.

7. Ability to Continue Operating

The Group will continue to operate for the foreseeable future.

8. Commitments

On the 1st of October 2021 THCL entered into a commitment to rent 8 Bath Street Levin and have exercised rights of renewals and committed to lease the premises until the 30th of September 2025. The annual rent is \$37,000 plus GST.

9. Contingent Liabilities

There group has no contingent liabilities as balance date.

10. Events Occurring After Balance Date

No significant events have occurred subsequent to balance date.

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

