HOROWHENUA NEW ZEALAND TRUST

Annual Report

FY 2025/2026

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Message from the Chair

Tēnā koutou katoa

This has been a milestone year for the Horowhenua New Zealand Trust, and I am proud to share some of what we have achieved together. The highlight of the year was the completion and opening of Te Pūtahi Ora. This purpose-built health and wellbeing hub on Durham Street brings general practice, radiology, pharmacy and physiotherapy services together under one roof. The Trust's $1.5 million investment in the build and development is the most significant in its history, and we believe it will benefit Horowhenua for many years to come.

Te Pūtahi Ora is the result of genuine partnership. It was designed and built by local firm Homestead Construction and shaped with input from Muaūpoko Tribal Authority, who also gifted its name, which reflects the hub's role as a meeting place for health and wellbeing. We are grateful for the significant contributions from the community, and I particularly want to thank Eastern and Central Community Trust (ECCT) and HDC for their support in bringing this project to life.

Economic development remains at the heart of our mission. The Trust's subsidiary, The Horowhenua Company Limited (THCL), delivers economic development services for Horowhenua District Council, and it achieved strong results in a challenging economic year. THCL facilitated $11.4 million in capital investment supporting 55 jobs, actively engaged 122 businesses, and delivered 24 business events attended by 1,092 participants. With construction of the Ō2NL expressway well advanced, THCL worked with the Ō2NL Alliance to establish a Business-to-Business Supplier Portal. There are now 126 verified Horowhenua businesses on the project's supplier register, and around $13.1 million in local procurement has been generated. With work on Ō2NL now under way, Horowhenua is entering a period of major change, and it is vital that local businesses and communities are ready to benefit from it.

That is why advocacy has been an important part of our work this year. Following the Government's announcement of its local government reform programme, the Trust wrote to Horowhenua District councillors and to the Ministers of Local Government and Regional Economic Development, asking that local economic development funding be protected in any council

amalgamation. We will continue to speak up for Horowhenua businesses whenever we believe it matters for the community.

Not every ambition was realised this year. Project Lift, our bid to the Social Investment Agency to support young people in our community, was shortlisted as one of seven from over 170 applications, but a final funding agreement could not be reached. While we are disappointed, supporting our young people remains a priority for the Trust.

Distributions were more modest this year, as the Trust chose to direct its capital towards the development of Te Pūtahi Ora. During the 2025/26 financial year, we approved $20,000 in grants. Pasifika for Tomorrow received $10,000 towards a Pasifika Fale at Levinable, the inclusive playground at Lincoln Place Reserve. St Vincent de Paul Society received $10,000 to ensure local families had food support over the Christmas period. Both organisations do outstanding work, and we are proud to support them.

With Te Pūtahi Ora complete, the Trust is now reviewing its focus. Over the coming year, we will concentrate on promoting economic development, reviewing our distributions strategy, exploring further property opportunities and advocating for business interests in the district.

I would like to acknowledge Jo Mason, who stepped down as a trustee after being elected as a Horowhenua District councillor. Jo served on the Board from 2023 to 2025 and brought valuable insight and energy to our work. We thank her for her contribution and wish her every success in her new role.

I would also like to acknowledge Cam Lewis, who stepped down from his governance roles with THCL and HDL. We thank Cam for his valuable contribution and commitment over many years and wish him all the best for the future.

Finally, my thanks go to my fellow trustees, the boards and teams of our subsidiaries, and all our partners for their commitment to Horowhenua. I look forward to building on this year's achievements together.

Nāku noa, nā

Antony Young

Chair, Horowhenua New Zealand Trust

The Trustees

The Horowhenua New Zealand Trust (hereinafter "the Trust" or "HNZT") is governed by a dedicated Board of Trustees who provide strategic oversight and ensure the Trust remains focused on delivering long-term benefits for the people and communities of Horowhenua.



Antony Young



Ron Turk



Piri-Hira Tukapua



Stuart Pescini



Troy Hobson



Rebecca Kilsby-Halliday

Who is the Horowhenua New Zealand Trust?

The Trust was established in 2018 by members of the business community who saw the opportunity for an independent organisation that could bridge the gap between community, Council and business, working to create positive and lasting outcomes for the Horowhenua community.

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 on the areas they believed could make the biggest difference to Horowhenua.

At the Trust's core are trustees with business, civic or community backgrounds rooted in Horowhenua. We seek to bring this expertise together to help drive better outcomes for the community.

We work alongside others to identify opportunities and support solutions, bringing together the right people and resources and partnering with the right organisations to create meaningful impact across the district.

In 2023, the Trust was granted registered charity status with Charities Services.

Our Strategy

Our strategy remains, and will always be, centred on our core mission: to improve economic and social outcomes for Horowhenua.

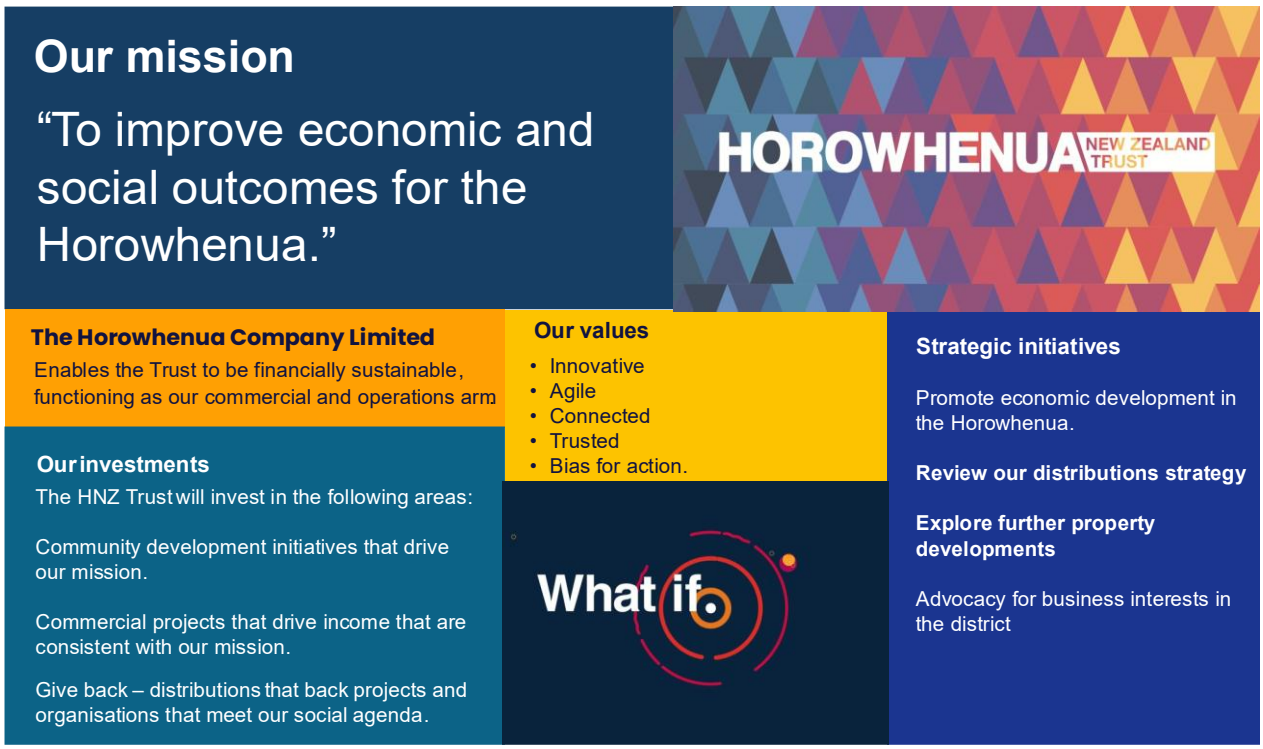
The Horowhenua NZ Trust invests its resources and capital in three areas:

- **Community development:** initiatives that advance our mission.
- **Commercial projects:** income-generating projects that are consistent with our mission.
- **Giving back:** distributions that support projects and organisations aligned with our social objectives.

The completion of Te Pūtahi Ora, the health and wellbeing building development in central Levin, represents a significant investment for the Trust, and the Trust is now reviewing its focus. For now, its core focus are:

- Promoting economic development in Horowhenua.
- Reviewing our distributions strategy.
- Exploring further property developments and opportunities.
- Advocating for business interests in the district.

Some of these activities are delivered directly by the Trust, while others are delivered through its subsidiaries, The Horowhenua Company Limited (THCL) and Horowhenua Developments Limited (HDL).



Advocacy

The Trust sees a role it plays is speaking on behalf of the Horowhenua when it matters. As an independent organisation bridging community, Council and business, we advocate on issues where we believe the interests of the district's businesses and wider community are at stake.

This year, following the Government's announcement of its Head Start pathway for simplifying local government, the Trust wrote to Horowhenua District Councillors, and separately to the Ministers of Local Government and Regional Economic Development, about protecting local economic development funding under any council amalgamation.

While the Trust supports sensible local government reform, we raised concerns that amalgamation could have unintended consequences if local economic development funding is not explicitly protected. Horowhenua is in a period of significant growth and transition. The district grew 10.3% between 2018 and 2023, Levin is expected to absorb around 5,500 additional dwellings by 2040, and the Ō2NL expressway will change travel patterns through Levin and Foxton. Within a larger council structure, there is a real risk that local funding and priorities could be diverted toward larger centres with greater population and political influence.

We asked that any assessment of an amalgamation proposal include safeguards for Horowhenua, including:

- Protected local economic development funding for at least the first five to ten years after amalgamation.
- A Horowhenua Growth Impact Assessment as part of any amalgamation proposal.
- Transparent reporting on how much funding is raised from and reinvested in Horowhenua.
- Local representation safeguards so that Horowhenua business people retain meaningful influence.
- A five-year review point to assess whether the new structure is delivering fair outcomes for Horowhenua.

As we noted in our letters, we are not seeking to slow reform. We are seeking to ensure that reform is durable, fair and trusted by the communities it affects.

This work builds on the Trust's track record of advocacy for the district, including our support for the Ō2NL build and for the rezoning of land for commercial development. We will continue to advocate for Horowhenua businesses wherever we believe it is important for the community.

Project Lift

Project Lift was an ambitious initiative to secure funding from the newly formed Social Investment Agency to support young people in our community facing economic or social challenges. It was to be delivered in partnership with local schools, iwi and community agencies.

The Trust led the funding bid, which was shortlisted as one of seven organisations nationally from more than 170 applications showing the challenges in the Horowhenua.

However, a final funding agreement could not be reached with the Social Investment Agency, and Project Lift will not proceed.

We thank the Social Investment Agency for considering our proposal. While we are disappointed that funding was not secured on this occasion, supporting our young people remains an important area of focus for the Trust.



Te Pūtahi Ora

Te Pūtahi Ora was completed and opened in October 2025, marking a major milestone for HNZT and Horowhenua Developments Limited (HDL). Developed and owned by HDL, the approximately $7 million purpose-built health and wellbeing facility on Durham Street represents a significant investment in Horowhenua's health infrastructure. It brings together four healthcare providers under one roof: Taitoko Health, Canopy Radiology, KCP Physiotherapy and Berry's Pharmacy.

The facility supports 47 jobs and has strengthened access to a range of primary healthcare services locally. Demand has been strong, with Taitoko Health's General Practice already reaching capacity, demonstrating the need for this investment in local health services.

Designed and built by local firm Homestead Construction, Te Pūtahi Ora was shaped with input from Muaūpoko Tribal Authority. The building and landscaping reflect the whenua, local identity and a shared aspiration to create a welcoming place for everyone. The name Te Pūtahi Ora, gifted by Muaūpoko, reflects the hub's role as a meeting place for health and wellbeing.

HNZT provided $1.5 million in financing towards the development, the largest financial commitment made by the Trust to date. Te Pūtahi Ora will continue to support improved access to healthcare and wellbeing services for Horowhenua residents for years to come.



Te Pae o Tararua | Ōtaki to North of Levin

The Horowhenua Company Ltd (THCL) continues to work with NZTA Waka Kotahi and Alliance partners to help Horowhenua businesses understand, prepare for and participate in opportunities arising from Te Pae o Tararua | Ōtaki to north of Levin.

During 2025/26, THCL delivered four business-readiness workshops attended by 227 people. These covered tender readiness, environmental requirements, and health and safety, giving local businesses and contractors practical information about working on a major infrastructure project.

The secondment of a Local Business Interface Manager into the project at 0.5 FTE in January 2026 marked a significant increase in THCL's active involvement. Drawing on THCL's knowledge of the local business network, the role strengthened communication between businesses and project teams and provided a clearer picture of the barriers affecting local participation. A consistent theme was uncertainty about procurement processes and concern that businesses were missing suitable opportunities.

Working with the Alliance, THCL designed and established the Business-to-Business Supplier Portal. The portal gives businesses better visibility of work packages relevant to their capabilities and provides a more consistent way to receive information across both Alliances. At 30 June 2026, the supplier register included 126 verified Horowhenua businesses.

Alliance reporting for 2025/26 recorded approximately $13.1 million in verified local procurement. THCL's role was to improve business readiness, connect suitable suppliers with project opportunities and provide intelligence about capability gaps, while procurement and supplier decisions remained the responsibility of the Alliances.

The work completed during the year established a stronger foundation for local participation as construction activity increased. Looking ahead, THCL will continue to identify capability needs and provide targeted support, with a

particular focus on business sustainability and resilience. This will help local businesses carry the capability, experience and relationships developed through Ō2NL into future work beyond the construction period.



Distributions

During the Financial Year 2025/2026, the Trust approved $20,000 in grants, to two organisations:

- Fa'atili foe moe Le A'e- Pasifika for Tomorrow $10,000
- Society of St Vincent de Paul (Levin Conference) $10,000

Also, a $20,000 donation from Geoff Kane was directed through the Horowhenua New Zealand Trust to the Farm Track Working Project. The community-led project aims to develop approximately 50 kilometres of recreational walking and cycling routes across Horowhenua.

Pasifika for Tomorrow

Funding provided: $10,000

The Trust proudly supported Pasifika for Tomorrow with a grant towards the next stage of Levinable, an inclusive, accessible playground at Lincoln Place Reserve in Levin. This helped fund the next stage of contributing to materials for the build of a Pasifika Fale. The Fale will be an open sided structure with a roof that provides a space for community gatherings, and ceremonies.

Through programmes that foster education, cultural identity, leadership and community connection, Pasifika for Tomorrow continues to create opportunities that strengthen individuals, families and the wider Horowhenua community. The Trust recognises the important role the organisation plays in supporting positive social outcomes and is pleased to contribute towards its continued success.



St Vincent de Paul Society

Funding provided: $10,000

Over the 2025 Christmas period, a $10,000 grant from HNZT helped ensure Horowhenua families in need did not go without essential food support during one of the most challenging times of the year.

The funding enabled St Vincent de Paul Society volunteers to respond quickly and compassionately to food requests at a time when many agencies traditionally close or operate with reduced capacity. The grant directly supported food purchases, allowing volunteers to continue weekly food orders and meet urgent needs throughout the Christmas and New Year period.

The Trust values the organisation's commitment to supporting vulnerable people and helping build stronger, more resilient communities:

"The Horowhenua NZ Trust's $10,000 Christmas food grant played a vital role in bridging a critical gap, ensuring compassion, dignity, and practical help remained available when it was needed most. It is a powerful example of how targeted funding, strong partnerships, and dedicated volunteers can make a meaningful difference in the lives of local families." – Ron Turk



THCL & HDL Highlights

During 2025/26, THCL continued to support economic growth across Horowhenua through business support, investment facilitation, capability development, strategic partnerships and initiatives designed to strengthen the district's economy.

THCL actively engaged with 122 local businesses, delivered 24 business events attended by more than 1,000 people, and helped facilitate $11.4 million in capital investment across projects where THCL and HDL played an active role.



As part of its focus on building business capability, THCL completed 70 business assessments to identify opportunities for growth and connect businesses with appropriate support. As a result, 36 businesses, involving 57 people, invested in training and development across strategy, leadership, governance, marketing, operations, finance, sustainability and business resilience. This represented a combined capability investment of $88,300, including $52,258 invested directly by participating businesses.

Investment facilitation also delivered tangible outcomes during the year. The $11.4 million in capital investment supported 55 jobs and generated approximately $774,105 in annual income. THCL also managed six development enquiries representing approximately $1.35 million in potential investment.

A significant focus was helping local businesses benefit from the Ōtaki to north of Levin (Ō2NL) Expressway, with 126 verified Horowhenua businesses on the supplier opportunities register and approximately $13.1 million in verified local procurement generated.

THCL also led the development of the Levin Town Centre – Retail Transformation Strategy, supported by detailed analysis of the town centre. An audit identified 246 occupied businesses and 38 vacant premises, representing a 12.6% vacancy rate. This work established a measurable baseline and six-monthly monitoring framework to track changes in the town centre and inform future initiatives.



Economic intelligence was another important area of THCL's work, with improved economic monitoring, investment and performance reporting, and evidence-based advice supporting Council and wider decision-making. THCL also recorded 277 business communications during the year, alongside a more coordinated approach to newsletters, website content, media, social media and business storytelling.

Beyond individual projects and businesses, THCL continued to play an important regional leadership and coordination role, bringing together Council, iwi, businesses, education providers, government agencies and regional partners to share information, identify opportunities and support coordinated economic development activity across Horowhenua.

A major milestone for HDL was the completion and opening of Te Pūtahi Ora, the new Health & Wellbeing Hub in Levin, in October 2025. HDL delivered and owns the approximately $7 million purpose-built facility. Developed to improve access to primary healthcare for Horowhenua's growing population, the purpose-built facility brings four health services together under one roof, as well as supporting 47 verified jobs.

During 2025/26, THCL reviewed and further developed the Get-Go programme, working with Horowhenua's three colleges and local employers to prepare a more coordinated approach to connecting rangatahi with workplaces and career pathways. This work laid the foundation for a 22-week pilot delivered after the reporting period. Since year-end, 88 individual students and 21 employers have participated in workplace visits, career talks, interviews and other work-readiness activities.

Together, THCL and HDL's work during the year contributed to building a stronger, more connected and resilient Horowhenua economy, while laying the foundations for future investment and growth.



HOROWHENUA NEW ZEALAND TRUST

Financial Statements

Horowhenua New Zealand Trust Group

Consolidated

Performance Report

For the Year Ended 30 June 2026

Contents of Consolidated Performance Report

Horowhenua New Zealand Trust Group
For the year ended 30 June 2026

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Entity Information

Horowhenua New Zealand Trust Group
For the year ended 30 June 2026

Groups's Purpose or Mission

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

Group's Type and Legal Basis

	Legal Basis	Registration Number	Registration Date	Shareholder
The Controlling Entity				
Horowhenua New Zealand Trust	Charitable Trust	2705851	31/05/2018	
	Charity	CC61387	29/05/2023	
The Controlled Entities				
The Horowhenua Company Limited	Company	7074114	16/10/2018	Horowhenua New Zealand Trust (100%)
Horowhenua Developments Limited	Company	7552396	21/09/2019	The Horowhenua Company Limited (100%)

Group Structure

The Controlling Entity has a controlled entity, 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 controlled entity, Horowhenua Developments Limited. During the 2024 year the ownership changed from 75% to 100%. 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 seven staff to undertake the economic and youth workforce development aspects of the Group activities. The Horowhenua Company Ltd also provides administrative support to the Group and provides resource to Horowhenua Developments Ltd to undertake property development projects.

Governance Arrangements

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 six Trustees, all of whom are volunteers. One Trustee is elected as Chair by the other Trustees. The Trust employs a part-time secretary.

Main Sources of Group's Cash and Resources

The Trust's cash resources are primarily derived from dividends and donations provided by its controlled entity, The Horowhenua Company Ltd. These funds are in turn generated from the profits of Horowhenua Developments Ltd. Administrative support for the Trust is provided under a service level agreement with The Horowhenua Company Ltd, alongside the services of an independently contracted Trust Secretary.

The Horowhenua Company Ltd generates revenue through contracts for service to deliver a range of economic development initiatives and youth workforce programmes across the district. It also earns interest income from retained earnings held on term deposit. The Company employs seven staff to carry out these activities.

Horowhenua Developments Ltd currently has no active trading revenue, other than interest earned on retained earnings held on term deposit. This reflects its focus during the year on feasibility studies and business case development for the proposed Health and Wellbeing Hub. Administrative and corporate support for Horowhenua Developments is provided by The Horowhenua Company Ltd under a service level agreement.

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Entity Information - continued

Horowhenua New Zealand Trust Group
For the year ended 30 June 2026

Group's Reliance on Volunteers and Donated Goods or Services:

All Trustees are volunteers and do not receive any compensation for their time.
No other volunteers or donated goods or services in the Group

Trustees

Antony Young (Chair)
Morton (Stuart) Pescini
Rebecca Kilsby- Halliday
Ronald Turk
Troy Hobson
Piri-Hira Tukapua

Physical Address

8A Bath Street, Levin 5510

Postal Address

PO Box 2403, Levin 5540

Bank

Bank of New Zealand

Website

www.thcl.nz/hnz-trust/

Accountants

Colbert Cooper Limited
21 Bristol Street
Levin 5510
Horowhenua Kapiti

Auditors

BDO Manawatu Audit Limited
32 Amesbury Street
Palmerston North

BDO MANAWATU Marked for Identification Purposes AUDIT

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

Report on the Consolidated Performance Report

Opinion

We have audited the consolidated performance report of Horowhenua New Zealand Trust ("the Trust") and its controlled entity/entities (together, "the Group"), which comprises the entity information, the consolidated statement of service performance, the consolidated statement of financial performance, and consolidated statement of cash flows for the year ended 30 June 2026, the consolidated statement of financial position as at 30 June 2026, and the consolidated statement of accounting policies and other explanatory information.

In our opinion:

- the accompanying consolidated performance report presents fairly, in all material respects:
  - the entity information for the year ended 30 June 2026;
  - the consolidated financial position of the Group as at 30 June 2026, and its consolidated financial performance, and consolidated cash flows for the year then ended
  - the consolidated statement of service performance for the year ended 30 June 2026, in that the service performance information is appropriate and meaningful and prepared in accordance with the Group's measurement bases or evaluation methods

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

Basis for Opinion

We conducted our audit of the consolidated statement of financial performance, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of accounting policies, and notes to the consolidated performance report in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"), and the audit of the entity information and consolidated statement of service performance in accordance with New Zealand Auditing Standard 1 (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 Consolidated 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 Trust or its controlled entities.

Responsibilities of The Trustees for the Consolidated Performance Report

The Trustees are responsible for:

- The preparation, and fair presentation of the consolidated performance report in accordance with the Tier 3 NFP Standard.
- The selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present a consolidated statement of service performance that is appropriate and meaningful in accordance with the Tier 3 NFP Standard.
- The preparation and fair presentation of the consolidated statement of service performance in accordance with the Group's measurement bases or evaluation methods, in accordance with the Tier 3 NFP Standard.
- The overall presentation, structure and content of the consolidated statement of service performance in accordance with the Tier 3 NFP Standard.
- Such internal control as The Trustees determine is necessary to enable the preparation of a 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 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 economic decisions of users taken on the basis of this consolidated performance report.

A further description of the auditor's responsibilities for the audit of the consolidated performance report is located at the XRB's website at https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-17-1/

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Group's 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 Group and the Group's 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
9 November 2026

Consolidated Statement of Service Performance

Horowhenua New Zealand Trust Group
For the year ended 30 June 2026

Description of Medium to Long Term Objectives

Invest - Community development Investments to deliver on our purpose: To invest through our controlled entities 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.

Description of Key Activities

Advocacy: During FY2026, the Group continued to advocate for projects and planning decisions considered important to Horowhenua's growth. This included supporting our community and rangatahi with projects such as Project Lift and Get-Go.

The Group also advocated for strategic land use planning, particularly the need to accelerate the rezoning of rural land to industrial land. This work seeks to ensure Horowhenua can attract new industries, create jobs, and support its growing population.

Distributions: During FY2026, the Group made three community distributions totalling $40,000, in accordance with its Distribution Policy. The recipients were Farm Track, Pasifika for Tomorrow, and St Vincent de Paul.

Youth Workforce Development: During FY2026, the Group reviewed the Work Ready framework with the district's three colleges and local employers. The review identified the need for a dedicated coordinator to support the programme's future delivery. No rangatahi were recorded as participating in Work Ready activities during FY2026.

Economic Development Activities: During FY2026, the Group delivered 24 business engagement and information sessions. Activities included business networking and showcase events, providing economic data and insights, connecting businesses with funding opportunities, and assisting businesses considering establishing or relocating in Horowhenua.

Health and Wellbeing Hub: During FY2026, construction of the Health and Wellbeing Hub was completed, and the facility opened in October 2025 under the name Te Pūtahi Ora. The facility provides premises for health and wellbeing service providers in Horowhenua.

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Consolidated Statement of Service Performance (continued)

Horowhenua New Zealand Trust Group
For the year ended 30 June 2026

	Group 2026	Group 2025
Description and Quantification of the Group's Key Activities		
Advocacy - submissions made	2 Get-Go / SIA	1 Ō2NL Support
Distributions made	3	5
Distributions ($)	40,000	152,750
Youth Workforce Development - Number of Rangatahi that took part in work ready activities	0	500
Economic Development Activities - Business engagement / Information sessions held	24	22
Health Care Facility: FY24: Business Case Developed / Design Completed FY25: Construction Commenced late 2024; build underway with completion scheduled for October 2025 FY26: Completed and opened in October 2025 and named Te Pūtahi Ora		

This statement should be read in conjunction with the attached Statement of Accounting Policies, the Notes to the Performance Report and the Audit Report.

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Consolidated Statement of Financial Performance

Horowhenua New Zealand Trust Group
For the year ended 30 June 2026

Account	Notes	Group 2026	Group 2025
Revenue			
General Grants	1	125,000	-
Interest, dividends and other investment revenue		10,062	121,232
Donations, koha, bequests and other general fundraising activities		60,263	25,200
Government service delivery contracts		788,623	786,500
Non-Government contracts		27,131	1,629
Revenue from commercial activities		324,614	31,038
Other Revenue		65,546	11,591
Total Revenue		**1,401,239**	**977,190**
Expenses			
Employee remuneration and other related costs		849,526	831,042
Expenses related to commercial activities		552,211	358,718
Grants and donations made		40,300	148,417
Other expenses		236,318	12,946
Total Expenses		**1,678,355**	**1,351,123**
Surplus/(Deficit) for the Year		**(277,116)**	**(373,933)**
Income tax expense		-	-
Surplus/(Deficit) for the Year		**(277,116)**	**(373,933)**

This statement should be read in conjunction with the attached Statement of Accounting Policies, the Notes to the Performance Report and the Audit Report.

BDO MANAWATU Marked for Identification Purposes AUDIT

Consolidated Statement of Financial Position

Horowhenua New Zealand Trust Group
As at 30 June 2026

Account	Notes	Group 30 Jun 2026	Group 30 Jun 2025
Assets			
Current Assets			
Cash and cash equivalents		769,252	573,045
Debtors and Prepayments	2	45,858	52,739
GST		-	303,770
Tax Refund Due		2,617	39,368
Total Current Assets		**817,727**	**968,922**
Non-Current Assets			
Plant, Property & Equipment	3	7,382,077	5,752,751
Total Non-Current Assets		**7,382,077**	**5,752,751**
Total Assets		**8,199,804**	**6,721,673**
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	149,833	605,344
Deferred Revenue	5	5,460	110,435
Deposits in Advance		-	62,508
Employee costs payable		64,262	42,831
GST		5,981	-
Total Current Liabilities		**225,536**	**821,118**
Non-Current Liabilites			
Loan	6	2,350,830	-
Total Non-Current Liabilites		**2,350,830**	**-**
Total Liabilities		**2,576,366**	**821,118**
Total Assets less Total Liabilities (Net Assets)		**5,623,439**	**5,900,555**
Accumulated Funds			
Accumulated surpluses or (deficits)	7	5,088,804	5,365,920
Capital Reserves	7	534,635	534,635
Total Accumulated Funds		**5,623,439**	**5,900,555**

Signed by: Antony Young
389053A3900CA941

09/11/2026

Antony Young — Date

Signed by:
A6EE2A1532E4FB10

06/11/2026

Troy Hobson — Date

This statement should be read in conjunction with the attached Statement of Accounting Policies, the Notes to the Performance Report and the Audit Report.

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Consolidated Statement of Cash Flows

Horowhenua New Zealand Trust Group
For the year ended 30 June 2026

Account	Group 2026	Group 2025
Cash Flows from Operating Activities		
Donations, koha, bequests and other general fundraising activities	60,263	25,200
General Grants	125,000	-
Government Service Delivery Contracts	788,623	786,500
Non Government Contracts	27,131	1,629
Interest, dividends and other investment receipts	10,062	155,709
Gross Sales related to commercial activities	143,569	28,773
Other revenue	65,546	11,591
Taxation Refund (Paid)	36,751	(67,901)
Employee remuneration and other related payments	(830,245)	(821,761)
Payments related to commercial activities	(1,028,270)	(288,573)
Donations or grants paid	(40,300)	(148,417)
Other expenses	(236,318)	(12,946)
Net GST	309,751	(270,185)
Total Cash Flows from Operating Activities	**(568,437)**	**(600,381)**
Cash Flows from Other Activities		
Receipts from sale of investments	-	3,353,727
Payments to acquire property, plant & equipment	(1,586,186)	(3,752,023)
Proceeds from Borrowing	2,350,830	-
Total Cash Flows from other activities	**764,644**	**(398,296)**
Net Increase/ (Decrease) in Cash	**196,207**	**(998,677)**
Cash Balances		
Cash and cash equivalents at beginning of period	573,045	1,571,722
Cash and cash equivalents at end of period	769,252	573,045
Net change in cash for period	**196,207**	**(998,677)**

This statement should be read in conjunction with the attached Statement of Accounting Policies, the Notes to the Performance Report and the Audit Report.

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Consolidated Statement of Accounting Policies

Horowhenua New Zealand Trust Group
For the year ended 30 June 2026

Basis of Preparation

The Group has elected to apply XRB's 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 for the last two annual reporting periods. All transactions in the Consolidated Performance Report are reported using the accrual basis of accounting. The Consolidated Performance Report is prepared under the assumption that the Group will continue to operate in the foreseeable future.

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

Interests in controlled entities

The Group has applied PBE IPSAS 35 Consolidated Financial Statements and PBE IPSAS 38 Disclosure of Interests in Other Entities, as required by Appendix D of the Tier 3 NFP Standard. The consolidated performance report incorporates the controlling entity and its controlled entities. All material inter-entity balances and transactions have been eliminated on consolidation.

Revenue Recognition

Grants are recognised as revenue when the funding has been received and the conditions attached to the grant have been meet. If there are unfulfilled conditions at balance date, the grant is recorded as a liability until those conditions are satisfied.

Interest and other investment income is recognised on an accrual basis.

Dividend income is recognised when received

Revenue from commercial activities and other income is recognised when the goods and services have been provided and it is probable that the economic benefits will flow to the entity.

Government service delivery contracts revenue is recognised when received and services performed.

Non government contracts revenue is recognised when received.

Debtors and Prepayments

Trade Receivables are recognised at estimated realisable value.

Creditors and Accrued Expenses

Trade Payables are recorded at their face value.

Cash and short-term deposits

Cash comprises cash at bank. 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.

Employee Costs Payable

Employee costs payable are short-term employee benefits (such as wages & salaries, accrued annual leave, fringe benefit tax) that are expected to be settled wholly within 12 months after the end of the reporting period.

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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.

For major construction projects, work in progress is recorded at cost and is not subject to depreciation while construction is ongoing. Upon completion of the project and when the asset is available for its intended use (eg, available for lease), the depreciation will commence.

Depreciation

Account	Method	Rate
Buildings	Diminishing Value	4%
Furniture & Fittings	Diminishing Value	16% - 25%
Motor Vehicles	Diminishing Value	26%
Land	Straightline	0%
Leasehold Alterations	Diminishing Value	10%
Office Equipment	Diminishing Value	16% - 67%
Website Development	Diminishing Value	50%

Treatment of 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 controlled entities 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.

Borrowings
Borrowings are initially recognised at the amount borrowed. They are subsequently measured at the outstanding principal amount, less repayments made. Interest and other borrowing costs are recognised as an expense when incurred.

Changes in Accounting Policies
There were no changes in accounting policies during the financial year ended 30 June 2026.

The Group has continued to prepare its financial statements in accordance with the Tier 3 (Not-for-Profit) Accounting Standard issued by the New Zealand Accounting Standards Board. The accounting policies have been applied consistently with those used in the prior financial year.

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Notes to the Consolidated Performance Report

Horowhenua New Zealand Trust Group
For the year ended 30 June 2026

1. Analysis of Revenue

General Grants	Group 2026	Group 2025
Eastern & Central Community Trust	100,000	-
Mowbary Family Trust	25,000	-
Total General Grants	**125,000**	**-**

2. Analysis of Assets

Debtors and Prepayments	Group 2026	Group 2025
Accounts Receivable	23,500	11,500
Accrued Income	1,563	-
Interest Receivable	-	-
Prepayments	20,795	41,239
Total Debtors and Prepayments	**45,858**	**52,739**

3. Property, Plant & Equipment

2026

Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Land	1,050,000				**1,050,000**
Building	4,673,787	1,725,778		101,486	**6,298,079**
Leasehold Alterations	5,572		5,572		-
Motor Vehicles	9,614			2,500	**7,114**
Furniture and fixtures	1,894	5,934		1,916	**5,912**
Office equipment	8,303	22,090	204	11,007	**19,182**
Website Development	3,581			1,791	**1,790**
Total	**5,752,751**	**1,753,802**	**5,776**	**118,700**	**7,382,077**

2025

Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Land	1,050,000				**1,050,000**
Building	433,412	4,240,375			**4,673,787**
Leasehold Alterations	6,191			619	**5,572**
Motor Vehicles	12,991			3,377	**9,614**
Furniture and fixtures	2,428			534	**1,894**
Office equipment	6,532	7,162	614	4,777	**8,303**
Website Development	7,162			3,581	**3,581**
Total	**1,518,716**	**4,247,537**	**614**	**12,888**	**5,752,751**

4. Creditors and accrued expenses

	Group 2026	Group 2025
Creditors	122,348	581,694
Accrued expenses	27,485	23,650
Total Creditors and accrued expenses	**149,833**	**605,344**

5. Deferred Revenue

	Group 2026	Group 2025
Income in Advance	5,460	10,435
Grants in Advance	-	100,000
Total Deferred Revenue	**5,460**	**110,435**

6. Loan

At 30 June 2026, the Group had a secured loan with Bank of New Zealand of $2,350,830 (2025: $nil). The loan is held by Horowhenua Developments Limited under a facility with a maximum limit of $3,000,000 and a maturity date of 20 March 2029.

At balance date, the facility was subject to a fixed interest rate of 5.79% per annum. The facility is secured by a General Security Agreement over the present and after acquired property of Horowhenua Developments Limited and mortgages over properties at 17 and 23 Durham Street, Levin.

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Notes to the Consolidated Performance Report

Horowhenua New Zealand Trust Group
For the year ended 30 June 2026

7. Accumulated Funds

	Group 2026	Group 2025
Accumulated surpluses or (deficits)		
Opening Balance	5,365,920	5,739,853
Current year surpluses or (deficits)	(277,116)	(373,933)
Total Accumulated surpluses or (deficits)	**5,088,804**	**5,365,920**
Capital Reserves		
Opening Balance	534,635	534,635
Total Capital Reserves	**534,635**	**534,635**
Total Accumulated Funds	**5,623,439**	**5,900,555**

8. 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. $67,500 was paid during the year (2025: $70,000).

Directors Fees	Group 2026	Group 2025
Brendan Duffy	30,000	30,000
Sarah Everton	10,000	10,000
Philip Harper	10,000	10,000
Ronald Turk	10,000	10,000
Cameron Lewis	5,000	10,000
Christopher Money	2,500	-
	67,500	70,000

9. Operating Lease Commitments

The Group relocated its office premises on 1 October 2025. The lease commenced on 1 October 2025 for an initial term of 3 years, with two rights of renewal of 3 years each. The annual rent is $43,140 plus GST.

Commitment - Explanation	Timing	Group 2026	Group 2025
Commitments to lease or rent assets	No late than one year	43,140	32,355
	Later than one year and not later than 5 years	54,069	98,982
Total		97,209	131,337

10. Capital Commitments

The Group had no outstanding capital commitments as at 30 June 2026 and has not entered into any capital commitments subsequent to that date (2025: Nil).

11. Contingent Liabilities

There group has no contingent liabilities as balance date (2025: Nil).

12. Events Occurring After Balance Date

There were no events that have occurred after the balance date that would have a material impact on the

13. Ability to Continue Operating

The Group will continue to operate for the foreseeable future.

14. Comparative Information

Certain comparative figures for the year ended 31 March 2025 have been reclassified to conform with the presentation and classification adopted in the current year. These reclassifications have no effect on the net surplus/(deficit), total assets, total liabilities, or net assets previously reported.

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