

The New Zealand Council of the
New Zealand Labour Party Inc

Group Performance Report

for the year ended 31 December 2024



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Entity information

<i>Legal name of entity</i>	The New Zealand Labour Party Incorporated	
<i>Entity identifiers</i>	NZ Business Number - 9429047844483 Incorporated Society Registration Number - 50021380	
<i>Entity type</i>	Incorporated Society	
<i>Entity's purpose or mission</i>	Labour exists to improve the lives of New Zealanders by implementing progressive solutions to public policy issues. We do this by electing competent people to Parliament and local government, who we expect to govern according to our party's principles, policies, and values.	
<i>Entity structure</i>	A Governing Council which then encompasses a Head Office, 72 Electorate committees, approx 175 branches, six regions, several hubs and sectors and two property holding entities.	
<i>Entity's governance arrangements</i>	Our Council is made up of 26 members of the Party - some appointed, others elected. Some decisions are delegated to the General Secretary. Some decisions require voting by the membership at annual conference/congress.	
<i>Other entities controlled by the entity</i>	<i>Legal Name</i> Labour Party Properties Incorporated * Labour Party Properties Ltd *	<i>Entity Identifier</i> NZBN - 9429042655831 NZBN - 9429031583565
* These entities are included in the Group Financial Statements and listed here along with their own unique business identifiers.		
<i>Entity's reliance on volunteers and donated goods or services</i>	Like all political organisations, Labour relies heavily on volunteer supporters and party members. Party members take on almost all our internal leadership and governance roles, while both supporters and members support our MPs in their communities and participate in election campaign activity. We do not typically receive donated goods or services, other than the labour of our volunteers.	

Approval of Group Performance Report

The New Zealand Council of the New Zealand Labour Party Incorporated are pleased to present the approved Group Performance Report including the historical financial statements for the year ended 31 December 2024.

Approved by

Signature Jill Day
Name Jill Day
Position President
Date 15/8/2025

Signature Rob Salmond
Name Rob Salmond
Position General Secretary
Date 15/8/2025

The accompanying notes form part of and should be read in conjunction with this Group Performance Report

Statement of Service Performance

Party objectives

From NZLP Constitution (1.3), the Party's objectives are:

- (a) *To elect competent men and women to Parliament and local bodies through free elections for the purpose of giving effect to Party policy and principles;*
- (b) *To build and sustain an economy which can attract and retain the intelligence, skills and efforts of all citizens;*
- (c) *To ensure the just distribution of the production and services of the nation for the benefit of all the people;*
- (d) *To promote and protect the freedoms and welfare of all New Zealand citizens; and*
- (e) *To educate the public in the principles and objectives of democratic socialism and economic and social co-operation.*

Key activities

Public support

Objective

We seek to persuade as many citizens as possible to support Labour's progressive vision for the country and our policy proposals in pursuit of that vision.

Measures

Current year

The best measure against this target is our party vote performance at a General Election.

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At other times, a good measure is Labour's support in published scientific opinion polls.

[Polling average 29.5% \(December / Wikipedia\)](#)

Policy

Objective

We seek to promote relevant, high-quality policies that address the issues citizens need us to address and that promote our progressive values.

Measures

Current year

As our goal is about a quality policy offer rather than the volume of our policy offer, assessments of achieving this goal are necessarily subjective. The best measure of achieving this goal lies in our public support measures above.

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We track a secondary quantitative measure available in non-election years that summarises the volume of new policy proposals agreed by our Annual Conferences. (We hold a Congress instead of an Annual Conference in an election year.)

368 policies approved for possible inclusion

Financial capacity

Objective

We seek to raise sufficient funds to pay for our day-to-day activities and also to pay every three years for a competitive general election campaign.

Measures

Current year

In non-election years, the most appropriate measure of progress against this objective is to compare our income with our operating expenditure, which indicates whether we are successfully saving for the next election campaign.

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Financial capacity (continued)

Measures (continued)

Current year

In election years, the best measure of our medium-term success sits in our ability to mount a financially competitive election campaign without placing our asset base at undue risk, measured by assessing our declared election spending against our competitors and by assessing wither our operating deficit is at a sustainable level given our asset base and previous operating surpluses.

Group level surplus
\$631K

Supporter capacity

Objective

We seek to build a committed corps of committed supporters who volunteer their time and other resources to help Labour pursue our public support, policy, and financial capacity objectives above. Our supporters include our party members. In addition to our formal members, we have many other people who actively support us without paying a membership fee. Supporters can assist in multiple ways, most prominently during General Election campaigns but also at other times, including formal activities like participating in voter contact campaigns, leaflet drops, and party and public meetings, as well as informal ways like talking with their friends and family about the future of the country in a way that promotes Labour's values and policies.

Measures

As our objective rests in part on persuading existing supporters to deepen their engagement, as well as persuading passive supporters to become active, raw numbers of volunteers is a potentially misleading measure.

We do track additional metrics such as party membership numbers and volume of direct voter contacts in election years, but the political sensitivity around these figures means we do not report them publicly.

Leadership development

Objective

We seek to recruit quality candidates to be leaders within our party. This includes external leadership positions such as a Member of Parliament, and internal leadership positions such as leading a Labour Electorate Committee.

Measures

Current year

Measuring candidate quality is necessarily subjective, so we do not track a dedicated "candidate quality" measure.

No election, so no
Parliamentary
candidacies.

We do track quantitative measures such as the number of expressions of interest we receive each election cycle for a Parliamentary candidacy, and the vacancy rate of our key internal leadership positions on our New Zealand Council and our Labour Electorate Committees.

97.5% fill-rate in our key
internal leadership
positions.

Statement of Financial Performance

for the year ended 31 December 2024

	Note	2024 \$000
Income		
Donations, koha, bequests & fundraising	1	1,876.9
Membership fees and subscriptions	1	180.1
Revenue from commercial activities	1	245.1
Interest, dividends and other investment revenue	1	315.6
Other revenue		50.0
Total Operating Income		2,667.7
Expenses		
Expenses related to fundraising	2	132.5
Employee remuneration and other related expenses	2	821.9
Volunteer related expenses		10.6
Expenses related to commercial activities	2	168.1
Other expenses related to service delivery	2	715.0
Other expenses	2	151.7
Total Operating Expenses		1,999.8
Surplus/(deficit)		667.9
Taxation expense	5	37.2
Surplus/(deficit) after taxation		630.7

The accompanying notes form part of and should be read in conjunction with this Group Performance Report

Statement of Financial Position

as at 31 December 2024

	Note	2024 \$000
Current Assets		
Cash and bank accounts	3	1,372.4
Short-term deposits	3	277.6
Debtors and prepayments	3	270.9
Inventory	3	15.0
Taxation receivable FY24	5	48.1
Term deposits	3	2,802.9
Other current assets	3	-
		<u>4,786.9</u>
Non-Current Assets		
Property, plant and equipment	7	3,439.6
Investments	8	1,808.7
Longer-term deposits	3	243.0
		<u>5,491.3</u>
Total Assets		10,278.2
Current Liabilities		
Creditors and accrued expenses	4	209.5
Employee costs payable	4	100.8
Other current liabilities	4	14.2
		<u>324.5</u>
Non-Current Liabilities		
Loans	6	18.4
Other non-current liabilities	4	974.9
		<u>993.3</u>
Total Liabilities		1,317.8
Net Assets		8,960.4
Equity		
Accumulated surpluses or (deficits)	9	8,254.3
Revaluation reserves	9	706.1
		<u>8,960.4</u>

The accompanying notes form part of and should be read in conjunction with this Group Performance Report

Statement of Cash Flows

as at 31 December 2024

2024
\$'000

Cash flow from Operating Activities

Operating Receipts

Donations, koha, bequests & fundraising	1,876.9
Membership fees and subscriptions	180.1
Revenue from commercial activities	245.1
Interest, dividends and other investment revenue	381.9
Other revenue	50.0
Total receipts	2,734.0

Less Operating payments

Expenses related to fundraising	(132.5)
Employee remuneration and other related expenses	(883.0)
Volunteer related expenses	(10.6)
Expenses related to commercial activities	(176.3)
Other expenses related to service delivery	(632.6)
Other expenses	(117.2)
Total Payments	(1,952.2)

Net cash flows from operating activities

782.0

Cash Flow from Other Activities

Cash was received from

Sale of property, plant and equipment	580.0
Sale of investments	274.0

Cash was applied to

Acquisition of property, plant and equipment	(18.9)
Acquisition of investments	(1,399.2)
Repayment of loans from other parties	(32.5)

Net cash flow from other activities

(596.6)

Net Increase/(Decrease) in Cash

185.4

Bank Accounts and Cash

Opening Cash	1,187.0
Net change in cash for the period	185.4
Closing Cash	1,372.4

Statement of Accounting Policies

Basis of preparation

The Group Performance Report has been prepared in accordance with the XRB's Tier 3 (NFP) Standard. The entity is eligible to apply these requirements as it does not have public accountability and has total annual expenses of less than \$5,000,000. All transactions in the performance report are reported using the accrual basis of accounting. These Statements are prepared under the assumption that the entity will continue to operate for the foreseeable future.

The Group Performance Report has been prepared without prior-year comparative information. Per Appendix C: Transition, of the XRB's Tier 3 (NFP) Standards, The Group identifies as "Transitional Group 4: Other Entities", which are defined as "entities that have been operating prior to the current financial year, and in the previous financial year followed other accounting standards (for example, NZ IFRS PBE or Old GAAP), or have not followed any accounting standards issued by the External Reporting Board (XRB) or the New Zealand Accounting Standards Board of the XRB.

In all prior years Special Purpose financial statements were prepared for both NZ Labour Party Inc and Labour Party Properties Ltd. The previous financial statements for both entities are attached, including previous accounting policies. This is the first year of consolidation and the first year of reporting for the other organisations that exist within the Party.

Basis of consolidation

The Group Performance Report has been prepared by adding together like items of assets, liabilities, equity, revenue, expenses and cash flows of entities in the group on a line-by-line basis. All intragroup balances, transactions, revenues and expenses are eliminated on consolidation.

The Group Performance Report has been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidation of an entity begins from the date when the Party obtains control of the entity and ceases when the Party loses control of the same entity.

Control over an entity is determined when the Party has exposure, or rights, to variable benefits from its involvement with the entity and has the ability to affect the nature or amount of those benefits through its power over the other entity. The Party considers all relevant facts and circumstances in assessing whether it has power over another entity.

All subsidiaries have a reporting date of 31 December.

Measurement Base

The Group Performance Report has been prepared on the historical cost basis, except for the revaluation of assets held by a third party, which is has been valued as identified in a specific accounting policy below. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

Particular Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Council.

(a) Trade and Other Receivables

Trade and other receivable are recognised initially at fair value, less an allowance for any uncollectable amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

(b) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(c) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost or fair valuation less accumulated depreciation and accumulated impairment losses.

Depreciation has been calculated using the maximum rates permitted by the Inland Revenue as follows:

Computer Equipment	20-50%	Straight Line & Diminishing Value
Motor Vehicles	25-30%	Straight Line
Office Equipment	20-26.4%	Diminishing Value
Plant & Equipment	6.5-40%	Diminishing Value
Renovations	5-25%	Straight Line & Diminishing Value
Software	16.67%	Straight Line

Items of property, plant and equipment are capitalised which meet the capitalisation criteria, i.e. assets expected to provide benefit over one year, and exclude any items of routine repairs and maintenance in nature.

At each reporting the Council assesses whether there is an indication that an asset may be impaired. If there is an indication of impairment the carrying value of assets are adjusted to the recoverable amount.

Land and Buildings are stated at rateable valuation. Buildings are not depreciated as the Council have formed a view that the carrying value of the buildings is not less than their fair value. Where the fair value of buildings exceeds the carrying value, the depreciable value is nil.

Valuations for both land and buildings are based on the most recent valuation provided by the local council for rateable purposes. Where properties are revalued, the change in the valuation is recognised as an asset revaluation reserve, unless the revaluation results in a carrying value below cost in which case the movement is expensed.

(d) Revenue

Revenue is measured at the fair value of consideration received or receivable, and is recognised on the following basis:

Affiliation Fees

Affiliation fees are recognised on an accruals basis.

Annual Conference

Conference income is recognised on an accrual basis when an invoice has been issued.

Donations

Donations including those recognised as Victory for Labour are recognised fully in the period it is received.

Fundraising

Fundraising, which includes General and By-Election revenue are recognised fully in the period it is received.

Interest

Interest is recognised as it accrues, using the effective interest method.

Levy

Levies are recognised in the period levies are struck. Levies received which relate to the next period are considered as income in

MP Contributions

MP Contributions are recognised in the period to which they relate on an accrual basis.

Particular Accounting Policies (continued)

(d) Revenue (continued)

Membership Fees

Membership subscriptions are recognised fully in the period they are received.

Rent

Rent from Parliamentary Services is recognised fully in the period it is received.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis.

(f) Employee Entitlements

Employee entitlements to salaries and wages, annual leave and other benefits are recognised when they accrue to employees.

(g) Goods and Services Tax

With the exception of trade payables and trade receivables, all items are stated exclusive of Goods and Services Tax.

(h) Income Tax

The income tax expense recognised for the year is the estimated liability for the Group.

(i) Operating Leases

Operating lease payments are recognised as an expense in the period the amounts are payable.

(j) Assets held by third party (held on behalf)

Assets held on behalf include an investment fund owned by an associated Trust. There is a memorandum of understanding (MOU) between the entities regarding the management and profit sharing of this investment. The investment fund is recognised as a non-current asset with a corresponding liability to the associated Trust.

(k) Financial Assets and Liabilities

When a financial asset or financial liability is recognised initially, it is measured at its original cost.

Subsequently the financial liability is measured at amortised cost.

Financial assets are measured at amortised cost (unless there is objective evidence of impairment in which case the asset is recognised net of impairment) except for investments, which are held at fair value.

Tier 2 PBE Accounting Standards Applied

The Group has opted up to Tier 2 accounting standards to prepare consolidated financial statements. The consolidated financial statements include all entities controlled by NZLP as at balance date and transactions are recognised and disclosed in accordance with PBE IPSAS 35.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year.

Notes to the Financial Statements

1 ANALYSIS OF REVENUE

		\$000
Category	Analysis	Current year
Donations, koha, bequests and other general fundraising activities	Donations	1,615.4
	Bequests	35.7
	Events	224.1
	Other donations, koha, bequests and other general fundraising activities	1.7
	Total	1,876.9
Membership fees and subscriptions	Memberships	113.2
	Other membership fees and subscriptions	66.9
	Total	180.1
Revenue from commercial activities	Property rentals	131.4
	Sale of goods	54.4
	Contracted services	55.0
	Other revenue from commercial activities	4.2
	Total	245.1
Interest, dividends and other investment revenue	Interest	175.8
	Dividends	0.0
	Investments	139.8
	Other interest, Divident and other investment revenue	0.0
	Total	315.6

2 ANALYSIS OF EXPENSES

		\$000
Category	Analysis	Current year
Expenses related to fundraising	Event costs	129.1
	Other expenses related to fundraising	3.4
	Total	132.5
Employee remuneration and other related expenses	Staffing	714.8
	Other employee related expenses	107.1
	Total	821.9
Expenses related to commercial activities	Cost of goods	31.3
	Other expenses related to commercial activities	136.8
	Total	168.1
Other expenses related to service delivery	Accommodation expenses	83.9
	Accounting and audit	105.5
	Banking costs	40.9
	By-election expenses	0.0
	Conference expenses	84.9
	General election expenses	23.3
	Governance	103.1
	Legal	14.7
	Software	182.4
	Other expenses related to service delivery	76.2
	Total	715.0
Other expenses	Depreciation and loss on disposal of assets	107.6
	Vehicle related expenses	8.9
	Other expenses	35.2
	Total	151.7

3 ANALYSIS OF ASSETS

		\$000
Category	Analysis	Current year
Cash and short-term deposits	Bank accounts	1,372.4
	Short-term deposits	277.6
	Other cash and short-term deposits	0.0
	Total	1,650.0
Debtors and prepayments	Debtors	133.0
	Prepayments	83.9
	GST	19.0
	Other debtors and prepayments	35.0
	Total	270.9
Inventory	Inventory	15.0
	Total	15.0
Taxation	Taxation	48.1
	Total	48.1
Other current assets	Term deposits	2,802.9
	Other current assets	0.0
	Total	2,802.9

Notes to the Financial Statements (continued)

3 ANALYSIS OF ASSETS (continued)

\$000		
Property, plant and equipment	Real estate - commercial	3,349.7
	Other property, plant and equipment	89.9
	Total	3,439.6
Investments	Socially responsible mutual funds	1,808.7
	Other investments	0.0
	Total	1,808.7
Other non-current assets	Longer-term deposits	243.0
	Other non-current assets	0.0
	Total	243.0

4 ANALYSIS OF LIABILITIES

\$000		
Category	Analysis	Current year
Creditors and accrued expenses	Creditors	39.2
	Accruals	124.6
	GST	15.7
	Funds held on behalf	5.1
	Other creditors and accrued expenses	25.0
	Total	209.6
Employee costs payable	Employee entitlements	100.8
	Other employee costs payable	0.0
	Total	100.8
Other current liabilities	Other current liabilities	14.2
	Total	14.2
Loans	Loans - non-current portion	6.6
	Loans - current portion	11.6
	Other loans	0.1
	Total	18.4
Other non-current liabilities	Funds advanced from associated independent trust	974.9
	Other non-current liabilities	0.0
	Total	974.9

5 TAXATION

\$000	
	Total
Net assessable income	134.0
Non-profit deduction - section DV8	-1.0
Total taxable income	133.0
Income tax on taxable income	37.2
less provisional tax paid	-58.7
less resident withholding tax paid	-26.6
Income tax receivable	-48.1

6 LOANS

		\$000	\$000
Bank Borrowings		Current	Non-current
Term Lending - Banks Peninsula		5.8	0.0
Term Lending - Remutaka		5.8	6.6
	Total	11.6	6.6

Banks Peninsula

Term lending funds are borrowed at a variable interest rate from Kiwibank to fund the purchasing of the properties held by the Group. The mortgage is for a period of 15 years and commenced in May 2010. Due to a capital injection in 2024, this mortgage will be paid off in the first half of 2025.

Remutaka

Term lending represents variable interest rate borrowing from Kiwibank in October 2011 to meet the working capital requirements.

Notes to the Financial Statements (continued)

7 PROPERTY, PLANT AND EQUIPMENT

Current year	\$000	\$000	\$000	\$000	\$000	\$000
Asset Class	Opening Carrying Amount	Purchases	Disposals	Depreciation and Impairment	Revaluation Movements	Closing Carrying amount
Renovations	74.3	0.0	-70.2	-4.2	0.0	0.0
Land & Buildings	4,269.6	0.0	-497.1	0.0	-422.5	3,350.0
Motor vehicles	23.8	0.0	-6.0	-4.7	0.0	13.0
Office equipment	17.9	15.4	-3.9	-0.3	0.0	29.1
Other equipment	13.5	1.6	-2.6	-5.6	0.0	6.9
Computers	58.8	1.9	-0.2	-19.8	0.0	40.6
Total	4,457.9	18.9	-580.0	-34.6	-422.5	3,439.6

8 INVESTMENTS

Current year		\$000	\$000	\$000	\$000	\$000	\$000
Asset Class	Valuation Method	Opening Carrying Amount	Purchases	Withdrawal	Income	Gains/(Losses) or Impairment	Closing Carrying amount
Managed Fund Units	Fair value	1,793.5	0.0	-245.1	0.0	260.3	1,808.7
Total		1,793.5	0.0	-245.1	0.0	260.3	1,808.7

9 ACCUMULATED FUNDS

Current year	\$000	\$000	\$000	\$000	\$000	\$000
Description	Accumulated Surpluses or Deficits	Restricted Reserves	Discretionary Reserves	Revaluation Reserves	Other Reserves	Total
Opening balance	7,105.3			1,415.6		8,520.9
Gain on amalgamation	231.2			0.0		231.2
Revaluation movements	0.0			-422.5		-422.5
Transfers from revaluation reserve due to disposal of assets	287.0			-287.0		0.0
<i>Sub-total</i>	<i>7,623.6</i>	<i>0.0</i>	<i>0.0</i>	<i>706.1</i>	<i>0.0</i>	<i>8,329.7</i>
Surplus/(Deficit)	630.7					630.7
Closing balance	8,254.3	0.0	0.0	706.1	0.0	8,960.4

10 COMMITMENTS AND CONTINGENCIES

Commitment	Timing	Explanation	\$000 1-5 years	\$000 5+ years
Commitment to lease or rent assets	Mar-26	Ricoh Multi-function device	10.4	-
Commitment to lease or rent assets	Sep-30	CBRE Level 24 Suite, Plimmer Towers, 2 Gilmer Terrace, Wellington	219.2	32.9

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date

11 OTHER

Assets held on behalf of others

Labour Party Properties Limited and Labour Party Properties Incorporated hold properties on behalf of the associated LEC. There is a letter of understanding in place for each property setting out the expectations of both sides of said letter. There are no financial contractual obligations to pay either side, except in the case of sale or renovation of the property.

Labour Party Properties Incorporated holds an investment on behalf of the Former Onehunga Electorate Trust (FOET). There is a memorandum of understanding in place and the investment is repayable on demand.

Assets held as security

Labour Party Properties Limited holds one property that has a mortgage with Kiwibank. The property is held as security against this loan.

Notes to the Financial Statements (continued)

12 RELATED PARTY TRANSACTIONS

Key Management Personnel Compensation		
<i>Council Members</i>		\$000
Remuneration	Other than the Party President, all 21 elected council members are Party members who give their time voluntarily. The Party President's remuneration is included in the \$ figure below.	0
<i>Executive management team</i>		\$000
Remuneration	3 people (including the Party President)	521.7

Investment in Subsidiary
Labour Party Properties Limited acquired 120 shares in Norman Kirk House Ltd (NKHL) on 29 May 2010 for \$1. The net assets of NKHL were \$234,313 as at 31 March 2024. On 1 April 2024, NKHL was amalgamated with Labour party Properties Limited.

13 AMALGAMATION OF ENTITIES

Nature of Amalgamation
On 1 April 2024, NKHL and Labour Party Properties Limited amalgamated and retained the Labour Party Properties Limited name. This transaction has been accounted for as an amalgamation under PBE IPSAS 40 using the modified pooling of interests method.

Entities involved
Combining Entities: Norman Kirk House Limited and Labour Party Properties Limited
Resulting Entity: Labour Party Properties Limited (continuing entity)

Amalgamation date
The amalgamation was effective on 1 April 2024, which is the date the resulting entity obtained control of the combining operations.

Accounting treatment
The assets and liabilities of the combining entities were recognized at their carrying amounts as at the amalgamation date. No goodwill was recognized.

	\$000	\$000
Amounts recognized	Assets	Liabilities
Loan from Waikato BOP Regional Council (Labour entity also known as Region 2)		197.3
Interest accrued on loan		5.0
Taxation payable		5.6
Equity		234.3
Advance to Labour Party Properties	441.8	
Bank account	0.4	
Total	442.2	442.2

Nature and effect of forgiveness (subsequent to amalgamation)
The decision to forgive the Region 2 loan (after the amalgamation) was made by agreement between members of Region 2 executive and the members of the Finance, Audit and Risk committee, in the wider interests of the Labour Party as a whole.

14 EVENTS AFTER THE BALANCE DATE

There were no events that have occurred after the balance date that would have a material impact on the Group Performance Statement.
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15 ABILITY TO CONTINUE OPERATING

The Group will continue to operate for the foreseeable future.
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Independent Auditor's Report

Grant Thornton New Zealand Audit Limited
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215 Lambton Quay
P O Box 10712 Wellington 6140
T +64 4 474 8500
www.grantthornton.co.nz

To the Members of the New Zealand Council of the New Zealand Labour Party Incorporated

Report on the audit of the consolidated performance report

Opinions

We have audited the consolidated performance report of the New Zealand Council of the New Zealand Labour Party Incorporated (the "Party") and its controlled entities (the "Group") which comprise the consolidated financial statements on pages 6 to 15, the consolidated service performance information on pages 4 to 5, and entity information on page 2. The complete set of consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of financial performance, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

Unmodified opinion on the entity information and consolidated service performance information

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

- the entity information as at 31 December 2024; and
- the consolidated service performance for the year ended 31 December 2024 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 Reporting Requirements for Tier 3 Not-for-Profit Entities (Tier 3 (NFP) Standard) issued by the New Zealand Accounting Standards Board ("applicable financial reporting framework").

Qualified opinion on the consolidated financial statements

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the consolidated financial statements of the Group present fairly in all material respects the financial position of the Group as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with the applicable financial reporting framework.

Basis for Qualified Opinion

Included in the consolidated statement of financial performance for the year ended 31 December 2024 is revenue from donations, koha and fundraising, amounting to \$1,841,200. Control over donations, koha and fundraising revenue received prior to being recorded is limited, and there are no practical audit procedures to determine the effect of this limited control. This results in the completeness of this income being unable to be determined. Consequently, we were unable to determine whether any adjustments should be made to the reported amounts for donations, koha and fundraising revenue.

We conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the consolidated service performance information and entity information in accordance with the ISAs (NZ) and New Zealand Auditing Standard (NZ AS) 1 (Revised) *The Audit of Service Performance Information*. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 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 unmodified opinion on the entity information and service performance information and our qualified opinion on the consolidated financial statements.

Our firm carries out other assignments for the Party in the area of taxation, advisory and compliance engagements in respect to donation returns. The firm has no other relationship with, or interest in, the Party.

Emphasis of Matter

We draw attention to the Basis of preparation note on page 9 of the consolidated performance report, which describes that the Group's consolidated performance report has been prepared without comparative figures. Our Opinions are not modified in respect of this matter.

Responsibilities of the Council for the consolidated performance report

The Council of the Party is responsible on behalf of the Party for:

- the preparation, and fair presentation of the consolidated performance report in accordance with the applicable financial reporting framework;
- the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present service performance information that is appropriate and meaningful in accordance with the applicable financial reporting framework;
- the preparation and fair presentation of service performance information in accordance with the Group's measurement bases or evaluation methods, in accordance with the applicable financial reporting framework;
- the overall presentation, structure and content of the service performance information in accordance with the applicable financial reporting framework; and
- such internal control as the Council determines 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 Council is responsible 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 those charged with governance 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 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the 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 External Reporting Board's website at: <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-17-1/>

Restriction on use of our report

This report is made solely to the Party's members, as a body. Our audit work has been undertaken so that we might state to them those matters which we are required to state 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 Party and its members, as a body, for our audit work, this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Limited



Wellington

15 August 2025