

New Zealand Labour Party Inc

Group Performance Report

for the year ended 31 December 2025



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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 Two property holding entities are managed by directors and members.	
<i>Entity's governance arrangements</i>	Our Council has 23 members of the Party - 1 appointed, 22 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>	<i>Entity Identifier</i>
	Labour Party Properties Incorporated *	NZBN - 9429042655831
	Labour Party Properties Ltd *	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 (the "Council") are pleased to present their report of New Zealand Labour Party Inc (the "Party") and its controlled entities together referred as (the "Group"), incorporating the Group Performance Report including the historical financial statements and the Independent auditor's report thereon, for the financial year ended 31 December 2025.

Approved by

Signature 

Name Jill Day

Position President

Date 25 June 2026

Signature 

Name Rob Salmond

Position General Secretary

Date 25 June 2026

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

The best measure against this target is our party vote performance at a General Election. At the most recent general election in 2023, Labour received 26.9% of the party votes, which gave us 34 seats in Parliament.

	<u>2025</u>	<u>2024</u>
At other times, a good measure is Labour's support in published scientific opinion polls.	Polling average 33.0% (December / Wikipedia)	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

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

	<u>2025</u>	<u>2024</u>
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.)	634 policies approved for possible inclusion	368 policies approved for possible inclusion

After policies are agreed by our Annual Conference, they proceed as possible manifesto inclusions to be considered by Labour's Policy Council, followed by a joint meeting of our caucus and our NZ Council. This is a rigorous and democratic process of refinement that results in some but not all of the agreed proposals being reflected in Labour's election manifesto.

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

	<u>2025</u>	<u>2024</u>
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.	Group level surplus \$875.4K	Group level surplus \$630.7K

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 whether our operating deficit is at a sustainable level given our asset base and previous operating surpluses.

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

	<u>2025</u>	<u>2024</u>
Measuring candidate quality is necessarily subjective, so we do not track a dedicated "candidate quality" measure.	No election, so no Parliamentary candidacies.	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.	97.1% fill-rate in our key internal leadership positions.	97.5% fill-rate in our key internal leadership positions.

Statement of Financial Performance

for the year ended 31 December 2025

	<i>Note</i>	2025 \$000	2024 \$000
Income			
Donations, koha, bequests & fundraising	1	2,941.5	1,876.9
Membership fees and subscriptions	1	117.0	180.1
Revenue from commercial activities	1	347.1	245.1
Interest, dividends and other investment revenue	1	202.7	315.6
Other revenue		83.3	50.0
Total Operating Income		3,691.6	2,667.7
Expenses			
Expenses related to fundraising	2	163.6	132.5
Employee remuneration and other related expenses	2	954.6	821.9
Volunteer related expenses		43.9	10.6
Expenses related to commercial activities	2	129.7	168.1
Other expenses related to service delivery	2	1,283.5	715.0
Other expenses	2	141.6	151.7
Total Operating Expenses		2,716.9	1,999.8
Surplus		974.7	667.9
Taxation expense	5	99.3	37.2
Surplus after taxation		875.4	630.7

Statement of Financial Position

as at 31 December 2025

	Note	2025 \$000	2024 \$000
Current Assets			
Cash and bank accounts	3	1,426.3	1,372.4
Short-term deposits	3	122.1	277.6
Debtors and prepayments	3	187.8	270.9
Inventory	3	14.1	15.0
Taxation receivable	5	-	48.1
Term deposits	3	4,556.8	2,802.9
		<u>6,307.1</u>	<u>4,786.9</u>
Non-Current Assets			
Property, plant and equipment	7	3,159.2	3,439.6
Investments	8	1,799.7	1,808.7
Longer-term deposits	3	-	243.0
		<u>4,958.9</u>	<u>5,491.3</u>
Total Assets		11,266.0	10,278.2
Current Liabilities			
Creditors and accrued expenses	4	250.7	209.5
Employee costs payable	4	127.7	100.8
Taxation Payable	5	66.6	-
Other current liabilities	4	26.1	14.2
		<u>471.1</u>	<u>324.5</u>
Non-Current Liabilities			
Loans	6	0.2	18.4
Other non-current liabilities	4	1,031.2	974.9
		<u>1,031.4</u>	<u>993.3</u>
Total Liabilities		1,502.5	1,317.8
Net Assets		9,763.5	8,960.4
Equity			
Accumulated surpluses or (deficits)	9	9,124.1	8,254.3
Revaluation reserves	9	639.4	706.1
		<u>9,763.5</u>	<u>8,960.4</u>

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Statement of Cash Flows

as at 31 December 2025

	2025 \$000	2024 \$000
Cash flow from Operating Activities		
Operating Receipts		
Donations, koha, bequests & fundraising	2,941.5	1,876.9
Membership fees and subscriptions	117.0	180.1
Revenue from commercial activities	347.0	245.1
Interest, dividends and other investment revenue	229.0	381.9
Other revenue	83.3	50.0
Total receipts	3,717.8	2,734.0
Less Operating payments		
Expenses related to fundraising	(163.6)	(132.5)
Employee remuneration and other related expenses	(927.6)	(883.0)
Volunteer related expenses	(43.9)	(10.6)
Expenses related to commercial activities	(85.6)	(176.3)
Other expenses related to service delivery	(1,194.5)	(632.6)
Other expenses	(62.3)	(117.2)
Total Payments	(2,477.5)	(1,952.2)
Net cash flows from operating activities	1,240.3	782.0
Cash Flow from Other Activities		
Cash was received from		
Sale of property, plant and equipment	177.2	580.0
Sale of investments	282.0	274.0
Cash was applied to		
Acquisition of property, plant and equipment	(32.7)	(18.9)
Acquisition of investments	(1,598.5)	(1,399.2)
Repayment of loans from other parties	(14.4)	(32.5)
Net cash flow from other activities	(1,186.4)	(596.6)
Net Increase/(Decrease) in Cash	53.9	185.4
Bank Accounts and Cash		
Opening Cash	1,372.4	1,187.0
Net change in cash for the period	53.9	185.4
Closing Cash	1,426.3	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.

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 has been valued as identified in a specific accounting policy below. The financial statements are presented in New Zealand dollars (NZ\$000) and all values are rounded to the nearest NZ\$000, 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 rates have been determined based on Management's assessment of the asset's useful life, as follows:

Buildings	40 or 50 years	Straight Line
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

Particular Accounting Policies (continued)

(c) Property, Plant and Equipment (continued)

Items of property, plant and equipment are capitalised when they 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.

Valuations for both land and buildings are based on the most recent valuation provided by Quotable Value. 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 advance.

MP Contributions

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

Membership Fees

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

Rent

Rent from Parliamentary Services is recognised on a straight-line basis over the lease term.

Particular Accounting Policies (continued)

(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.

Notes to the Financial Statements

1 ANALYSIS OF REVENUE

Category	Analysis	\$000	\$000
		2025	2024
Donations, koha, bequests and other general fundraising activities	Donations	2,529.4	1,615.4
	Bequests	30.6	35.7
	Events	381.5	224.1
	Other donations, koha, bequests and other general fundraising activities	-	1.7
	Total	2,941.5	1,876.9
Membership fees and subscriptions	Memberships	117.0	113.2
	Other membership fees and subscriptions	-	66.9
	Total	117.0	180.1
Revenue from commercial activities	Property rentals	128.9	131.4
	Sale of goods	53.1	54.4
	Contracted services	61.3	27.6
	Market revenue	89.4	27.4
	Other revenue from commercial activities	14.4	4.2
	Total	347.1	245.1
Interest, dividends and other investment revenue	Interest	202.3	175.8
	Investments	0.4	139.8
	Other interest, dividend and other investment revenue	-	-
	Total	202.7	315.6

2 ANALYSIS OF EXPENSES

Category	Analysis	\$000	\$000
		2025	2024
Expenses related to fundraising	Event costs	163.6	129.1
	Other expenses related to fundraising	-	3.4
	Total	163.6	132.5
Employee remuneration and other related expenses	Staffing	823.9	714.8
	Other employee related expenses	130.7	107.1
	Total	954.6	821.9
Expenses related to commercial activities	Cost of sales	95.8	31.3
	Other expenses related to commercial activities	33.9	136.8
	Total	129.7	168.1
Other expenses related to service delivery	Accommodation expenses	86.3	83.9
	Accounting and audit	132.0	105.5
	Banking costs	52.9	40.9
	By-election expenses	48.3	-
	Conference expenses	136.5	84.9
	General election expenses	376.8	23.3
	Governance	107.2	103.1
	Legal	7.1	14.7
	Local body expenses	107.2	-
	Software	148.3	182.4
	Other expenses related to service delivery	80.9	76.2
	Total	1,283.5	715.0
Other expenses	Depreciation and loss on disposal of assets	79.6	107.6
	Vehicle related expenses	7.6	8.9
	Other expenses	54.4	35.2
	Total	141.6	151.7

3 ANALYSIS OF ASSETS

Category	Analysis	\$000	\$000
		2025	2024
Cash and short-term deposits	Bank accounts	1,426.3	1,372.4
	Short-term deposits	122.1	277.6
	Other cash and short-term deposits	-	-
	Total	1,548.4	1,650.0
Debtors and prepayments	Debtors	35.0	133.0
	Prepayments	20.6	83.9
	GST receivable	36.6	19.0
	Other debtors and prepayments	95.6	35.0
	Total	187.8	270.9
Inventory	Inventory	14.1	15.0
	Total	14.1	15.0
Taxation	Taxation receivable	-	48.1
	Total	-	48.1
Other current assets	Term deposits	4,556.8	2,802.9
	Other current assets	-	-
	Total	4,556.8	2,802.9

Notes to the Financial Statements (continued)

3 ANALYSIS OF ASSETS (continued)

Category	Analysis	\$000	\$000
		2025	2024
Property, plant and equipment	Real estate - commercial	3,074.3	3,349.7
	Other property, plant and equipment	84.9	89.9
	Total	3,159.2	3,439.6
Investments	Socially responsible mutual funds	1,799.7	1,808.7
	Other investments	-	-
	Total	1,799.7	1,808.7
Other non-current assets	Longer-term deposits	-	243.0
	Other non-current assets	-	-
	Total	-	243.0

4 ANALYSIS OF LIABILITIES

Category	Analysis	\$000	\$000
		2025	2024
Creditors and accrued expenses	Accruals	115.0	39.2
	Creditors	113.7	124.6
	Funds held on behalf	10.8	15.7
	GST payable	11.2	5.1
	Other creditors and accrued expenses	-	24.9
	Total	250.7	209.5
Employee costs payable	Employee entitlements	127.7	100.8
	Other employee costs payable	-	-
	Total	127.7	100.8
Other current liabilities	Bank borrowings - current portion	6.6	-
	Loan - current portion	0.8	11.6
	Other current liabilities	18.7	14.2
	Total	26.1	25.8
Loans	Bank borrowings - non-current portion	-	6.6
	Loans - non current portion	0.2	-
	Other loans	-	0.2
	Total	0.2	6.8
Other non-current liabilities	Funds advanced from associated independent trust	1,031.2	974.9
	Other non-current liabilities	-	-
	Total	1,031.2	974.9

5 TAXATION

	\$000	\$000
	2025	2024
Net assessable income	354.5	134.0
Non-profit deduction - section DV8	-	-1.0
Total taxable income	354.5	133.0
Income tax on taxable income	99.3	37.2
less provisional tax paid	-19.9	-58.7
less resident withholding tax paid	-12.8	-26.6
Income tax payable	66.6	-48.1

6 LOANS

2025	\$000		\$000
	Current portion	Non-current portion	Total
Bank Borrowings			
Term Lending - Banks Peninsula	-	-	-
Term Lending - Remutaka	6.6	-	6.6
Total	6.6	-	6.6

2024	\$000		\$000
	Current portion	Non-current portion	Total
Bank Borrowings			
Term Lending - Banks Peninsula	5.8	-	5.8
Term Lending - Remutaka	5.8	6.6	12.4
Total	11.6	6.6	18.2

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 was paid off in the first half of 2025.
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Remutaka	Term lending represents variable interest rate borrowing from Kiwibank in October 2011 to meet the working capital requirements. This property is due to be mortgage free during 2026.
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Notes to the Financial Statements (continued)

7 PROPERTY, PLANT AND EQUIPMENT

2025	\$000	\$000	\$000	\$000	\$000	\$000
	Land	Buildings	Renovations	Equipment	Motor Vehicles	Total
Opening carrying amount	2,161.2	1,188.8	-	76.6	13.0	3,439.6
Purchases	-	-	30.5	2.6	-	33.1
Disposals	-80.0	-90.0	-	-	-7.2	-177.2
Depreciation and impairment	-	-48.9	-	-28.4	-1.8	-79.1
Revaluation movements	-15.0	-41.8	-	-0.4	-	-57.2
Total	2,066.2	1,008.1	30.5	50.4	4.0	3,159.2

2024	\$000	\$000	\$000	\$000	\$000	\$000
	Land	Buildings	Renovations	Equipment	Motor Vehicles	Total
Opening carrying amount	2,480.0	1,789.6	74.3	90.2	23.8	4,457.9
Purchases	-	-	-	18.9	-	18.9
Disposals	-	-497.1	-70.2	-6.8	-6.0	-580.1
Depreciation and impairment	-	-	-4.1	-25.7	-4.8	-34.6
Revaluation movements	-318.8	-103.7	-	-	-	-422.5
Total	2,161.2	1,188.8	-	76.6	13.0	3,439.6

8 INVESTMENTS

2025		\$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	1,808.7	-	-39.0	-	30.0	1,799.7
Total		1,808.7	-	-39.0	-	30.0	1,799.7

2024		\$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	-	-245.1	-	260.3	1,808.7
Total		1,793.5	-	-245.1	-	260.3	1,808.7

9 ACCUMULATED FUNDS

2025		\$000	\$000	\$000	\$000	\$000	\$000
Description		Accumulated Surpluses or Deficits	Restricted Reserves	Discretionary Reserves	Revaluation Reserves	Other Reserves	Total
Opening balance		8,254.3	-	-	706.1	-	8,960.4
Gain on amalgamation		-	-	-	-	-	-
Revaluation movements		-	-	-	-66.7	-	-66.7
Transfers from revaluation reserve due to disposal of assets		-5.6	-	-	-	-	-5.6
	<i>Sub-total</i>	<i>8,248.7</i>	<i>-</i>	<i>-</i>	<i>639.4</i>	<i>-</i>	<i>8,888.1</i>
Surplus/(Deficit)		875.4	-	-	-	-	875.4
Closing balance		9,124.1	-	-	639.4	-	9,763.5

2024		\$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	-	-	-	-	231.2
Revaluation movements		-	-	-	-422.5	-	-422.5
Transfers from revaluation reserve due to disposal of assets		287.0	-	-	-287.0	-	-
	<i>Sub-total</i>	<i>7,623.6</i>	<i>-</i>	<i>-</i>	<i>706.1</i>	<i>-</i>	<i>8,329.7</i>
Surplus/(Deficit)		630.7	-	-	-	-	630.7
Closing balance		8,254.3	-	-	706.1	-	8,960.4

10 COMMITMENTS AND CONTINGENCIES

2025				\$000	\$000
Commitment	Supplier	Timing	Explanation	1-5 years	5+ years
Commitment to lease or rent assets	Ricoh	Mar-26	Multi-function device	2.1	-
Commitment to lease or rent assets	CBRE	Sep-30	Level 24 Suite, Plimmer Towers, 2 Gilmer Terrace, Wellington	228.4	-

2024				\$000	\$000
Commitment	Supplier	Timing	Explanation	1-5 years	5+ years
Commitment to lease or rent assets	Ricoh	Mar-26	Multi-function device	10.4	-
Commitment to lease or rent assets	CBRE	Sep-30	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 (2024: Nil)					

Notes to the Financial Statements (continued)

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.

12 RELATED PARTY TRANSACTIONS

		\$000	\$000
		2025	2024
Key Management Personnel Compensation			
<i>Council Members</i>			
Remuneration	Other than the Party President, the other 21 elected council members are Party members who give their time voluntarily. The Party President's remuneration is included in the \$ figure below.	-	-
<i>Executive management team</i>			
Remuneration	3 people (including the Party President)	513.7	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 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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14 ABILITY TO CONTINUE OPERATING

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

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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 statement of financial position as at 31 December 2025, and the statement of financial performance and the 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 2025;
- the consolidated service performance for the year ended 31 December 2025 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 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 2025 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 statement of financial performance for the year ended 31 December 2025 is revenue from donations, koha and fundraising, amounting to \$2,941,500. 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 and compliance engagements in respect to donation returns. The firm has no other relationship with, or interest in, the Party.

Responsibilities of the Council for the consolidated performance report

The Council is responsible on behalf of the Party for:

- the preparation, and fair presentation of the consolidated performance report in accordance with applicable financial reporting framework;
- the selection 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

26 June 2026