NEW PLYMOUTH PIF GUARDIANS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

NEW PLYMOUTH PIF GUARDIANS LIMITED

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NEW PLYMOUTH PIF GUARDIANS LIMITED
COMPANY DIRECTORY

Directors:	Graham Ansell *(Chair)* Michelle Tsui Sarah Vrede Mark Weenink Grant Hassell *(appointed 1 April 2026)*
Shareholder:	New Plymouth District Council
Registration details:	Company number 1102498
Registered office:	New Plymouth District Council Civic Chambers Liardet Street New Plymouth
Auditors:	The Audit Office on behalf of the Auditor-General
Fully Outsourced Agent:	Mercer New Zealand Limited (Mercer)
Bankers:	Westpac Banking Corporation PO Box 91 New Plymouth
Solicitors:	Simpson Grierson PO Box 2402 Wellington

NEW PLYMOUTH PIF GUARDIANS LIMITED

STATUTORY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2026

NATURE OF INTEREST	COMPANY
Graham Ansell	
Director	New Plymouth PIF Guardians Limited
Director	BNZ Investment Services Limited
Director	BP Pacific Investments Limited
Director, Investment Committee Member	Harbour Asset Management Limited
Director *(ceased 31 December 2025)*	National Provident Fund
Director	PSS Trustees Limited
Investment Committee Member	Ngāti Whātua Ōrākei Whai Rawa Limited Investment Committee
Michelle Tsui	
Director	New Plymouth PIF Guardians Limited
Director	Annuitas Management Limited
Director	ASB Community Trust Limited
Director	Foundation North Grants Limited
Director	National Provident Fund
Board Member	Government Superannuation Fund Authority
Investment Committee Member	Todd Family Office
Nominating Committee Member	Waikato-Tanui Group Investment Committee
Nominating Committee Member	NZ Superannuation Fund
Trustee	Community Leisure Charitable Trust
Trustee	Foundation North
Trustee	The Marianne Caughey Smith-Preston Memorial Rest Homes Trust
Sarah Vrede	
Director	New Plymouth PIF Guardians Limited
Director *(ceased 31 December 2025)*	Government Superannuation Fund Authority
Chief Executive *(ceased 14 August 2025)*	New Zealand Financial Markets Association Incorporated
Mark Weenink	
Director	New Plymouth PIF Guardians Limited
Director / Beneficial shareholding	Escalate Investments Limited
Director / Beneficial shareholding	MBW Advisory Limited
Director	Brookview Development Limited
Director	Ethify Limited
Director	Generate Funds Limited
Director	Generate Funds NZ Limited
Director	Generate Holdco Limited
Director	Generate Investment Holdings Limited
Director	Generate Investment Management Limited
Director	Gocio Limited

NEW PLYMOUTH PIF GUARDIANS LIMITED

STATUTORY INFORMATION (continued)
FOR THE YEAR ENDED 30 JUNE 2026

NATURE OF INTEREST	COMPANY
Mark Weenink cont.	
Director	GXL Royalties Limited
Director	Integria Healthcare (New Zealand) Limited
Director	Integria Healthcare Limited
Director	Integria NZ Limited
Director	LLD Limited
Director	Long Bay Communities Limited
Director	Long Bay Farming Limited
Director	Long Bay Village Limited
Director	Marokopa Drilling Limited
Director	NEL Farms Limited
Director	Nova Energy Limited
Director	Nova Generation Limited
Director	Okura Holdings Limited
Director	Onviser Limited
Director	Serendipity Bees Limited
Director	Stonefields Communities Limited
Director	Stonefields Developments Limited
Director *(ceased 5 February 2026)*	Sunergise International Limited
Director	TEC (New Zealand) Limited
Director	Tio (NZ) Limited
Director	Todd Capital Limited
Director	Todd Digital Limited
Director	Todd Energy International Limited
Director	Todd Energy Limited
Director	Todd Forestry Investments Limited
Director	Todd Forests Limited
Director	Todd Land Holdings Limited
Director	Todd Minerals Limited
Director	Todd Offshore Limited
Director	Todd Petroleum Australia Limited
Director	Todd Petroleum Mining Company Limited
Director	Todd Pohokura Limited
Director	Todd Property Group Limited
Director	Todd Property Land Development Limited
Director	Todd Property Ormiston Town Centre Limited
Director	Todd Property Pegasus Town Limited
Director	Todd Property Stonefields Apartments Limited
Director	Todd Property USA Limited
Director	Todd Sisson (NZ) Limited
Director	Todd Technologies Limited
Director	TPM Financial Services Limited
Director	TSL Methanol Limited
Director	World’s Edge Investment Management NZ Limited
General Counsel	Todd Corporation Group
Grant Hassell	
Director	New Plymouth PIF Guardians Limited
Director	Consolidated Motor Distributors Nominees Limited
Director	Katem Investments Limited
Director	PSS Trustees Limited
Director	Unisaver Limited

NATURE OF INTEREST	COMPANY
Grant Hassell cont.	
Director	Westpac New Zealand Staff Superannuation Scheme Trustee Limited
Director, LIT	Local Government Superannuation Trustee Limited
Director, LIT	Shell New Zealand Pensions Limited
Director, LIT	Toyota New Zealand Group Pension Plan
Trustee	Hunt For Good Trust

Shareholding by directors

The Directors do not hold any interest in the shares of New Plymouth PIF Guardians Limited (the Company, NPG).

Insurance arrangements

The Directors have resolved to and have entered into a Directors and Officers Combined Indemnity insurance policy to a level they consider appropriate, given the size of the Company, to provide investment services.

Dividend recommendation

The Directors do not recommend the payment of a dividend in relation to the year ended 30 June 2026.

Changes in accounting policy

There were no changes in accounting policies during the year ended 30 June 2026.

Shares issued

The Company has 1,000 shares on issue as at 30 June 2026 (2024/25:1,000).

Statutory information

There have not been any changes in the nature of the Company’s business during the year ended 30 June 2026.

There were no donations made by the Company during the year ended 30 June 2026.

NEW PLYMOUTH PIF GUARDIANS LIMITED

STATEMENT OF SERVICE PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2026

PERFORMANCE TARGETS

The performance of NPG will be assessed against the terms in the Governance Deed, the Statement of Intent and industry benchmarks as detailed in the Statement of Investment Policies and Objectives. Below are the key performance measures.

Benchmarks for NPG Financial Performance

NPG is operated on a full cost recovery basis and is therefore budgeted to operate at a nil net cost. The sum below reflects its expected management costs, which are charged to New Plymouth District Council (the Council).

Financial Performance

Year Ended 30 June 2026	2025/26 Actual $000	2025/26 Budget $000
Revenue	286	385
Costs	286	385
Net profit	-	-
Net profit after tax to average shareholder funds	Nil	Nil

Benchmarks for PIF Performance

	2025/26 Actual $m	2025/26 Budget $m
Release Payment	12.5	12.2
Closing Balance of Fund	458.3	412.2

Total Portfolio Return

A prime focus for the Council is to ensure that returns from the PIF are at a level that meets its objectives for the fund. The total return on the portfolio (net of all costs) measured on a rolling five-year basis is currently a target of 3.3 per cent per annum plus NZ inflation (as measured by the Consumers Price Index).

Assessment: Actual return net of costs was 17.1% for the 12-month period to 30 June 2026. The total return of the portfolio for the past five years is 9.2% p.a. which is 1.5% above the rolling five-year target.

The year to 30 June 2026 was another period of strong investment performance for the Fund. The Fund's growth assets, comprising Overseas Shares, Emerging Markets, Private Equity and Alternatives, all produced double-digit returns. The March and June quarters proved volatile times for these asset classes, however. Markets experienced significant falls in March on the back of uncertainties relating to the US/Iran conflict but recovered strongly by the June year end.

Once again, the strong nominal investment returns have meant the Fund has remained ahead of its five-year rolling target of CPI + 3.3%, important for maintaining the long-term real value of the Fund while providing consistent release payments to Council.

PERFORMANCE TARGETS (CONTINUED)

Market Comparison
The portfolio has two distinct categories of assets:

Equities / fixed income and cash comprising $278.3m
The return on this proportion of the portfolio is targeted to be 0.50% per annum above the weighted average benchmark, before fees. NPG will measure and report on these securities quarterly, annually and on a rolling five-year basis.

Assessment: The total gross return on these securities for the 12-month period to 30 June 2026 was 19.8% which was 0.1% better than the benchmark of 19.7%.

Private Equity / Alternative Assets comprising $180m
These assets are illiquid, are largely not traded on markets and are valued infrequently. Therefore, performance cannot be compared to benchmark returns on a short-term basis. NPG will report on the performance of these securities annually.

Assessment: The return for the 12-month period to 30 June 2026 from private equity and alternative assets was 13.7%.

Reporting

Provide a quarterly report to the shareholder covering activities undertaken by the Company, and the performance of and significant issues relating to the Perpetual Investment Fund. The report will provide the information outlined in the Governance Deed.

Assessment: Quarterly reports have been provided throughout the year with information provided as per the Governance Deed.

Timely response
Provide investment advice within one month to the shareholder on any significant developments that may have an impact on either the income stream to the Council or the value of the Council's PIF.

Assessment: Information has been provided by the Directors in a timely manner throughout the year. Mercer provided monthly reports to the shareholder during the year.

NEW PLYMOUTH PIF GUARDIANS LIMITED

PERPETUAL INVESTMENT FUND

Summary of Investment Performance for the year ended 30 June 2026

Release payment target	**2026**		**2025**	
	Actual $m	**Budget $m**	**Actual $m**	**Budget $m**
Release payments	12.5	12.2	12.1	11.8

Closing Fund balance target	**2026**		**2025**	
	Actual $m	**Budget $m**	**Actual $m**	**Budget $m**
Mercer Managed Assets	458.3	412.2	403.9	363.7

MAINTAIN PIF WITHIN STRATEGIC ASSET ALLOCATION (SAA) TARGET

Asset Allocation %	**Allowable Range**	**Actual as at 30 June 2026**	**SAA 2026 target**	**As at 30 June 2025**
Global equities				
- Developed Market equities	25 - 55%	36.7%	40.0%	33.5%
- Emerging markets equities	0 - 10%	5.5%	5.0%	4.9%
Private equity	10 - 25%	21.5%	17.5%	25.4%
Alternative assets	10 - 25%	17.8%	17.5%	17.2%
Total Growth Assets	*60 - 95%*	*81.5%*	*80.0%*	*81.0%*
Fixed income	5 - 25%	15.0%	15.0%	14.7%
Cash	0 - 20%	3.5%	5.0%	4.3%
Total Income Assets	*5 - 40%*	*18.5%*	*20.0%*	*19.0%*
Total	**100%**	**100%**	**100%**	**100%**

NEW PLYMOUTH PIF GUARDIANS LIMITED

PERPETUAL INVESTMENT FUND

Annual Performance Summary for the year ended 30 June 2026

NPG is a Council Controlled Organisation which monitors and directs the investment of the Council's Perpetual Investment Fund managed by Mercer in accordance with the Statement of Investment Policy and Objectives.

Service Performance Indicators

	Achieved 2026	Achieved 2025
Manage the PIF as per agreement	YES	YES
Provide timely advice as requested	YES	YES
Provide regular quarterly reports to the Council	YES	YES
Operate within financial budget	YES	YES
Provide Statement of Intent to the Council	YES	YES
Provide six monthly reports to the Council and public	YES	YES
Provide prior year annual report to public within statutory deadlines	YES	YES

For the year ended 30 June 2026 the Company provided its annual report to the public within 90 days of year end.

NEW PLYMOUTH PIF GUARDIANS LIMITED

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2025/26 Actual $	2025/26 Budget $	2024/25 Actual $
Revenue				
Advisory management fees *(non-exchange)*	3a	285,670	385,267	276,652
Interest revenue *(exchange)*		13	-	392
Total revenue		**285,683**	**385,267**	**277,044**
Expenses				
Directors' fees	4	194,180	231,352	180,000
Other expenses	5	91,503	153,915	97,044
Total expenses		**285,683**	**385,267**	**277,044**
Surplus/(deficit) before tax		**-**	**-**	**-**
Income tax expense		-	-	-
Surplus/(deficit) after tax		**-**	**-**	**-**
Other comprehensive revenue and expense		-	-	-
Total comprehensive revenue and expense		**-**	**-**	**-**
Attributable to New Plymouth District Council – 100%		-	-	-

Explanations of major variances against budget are included in note 2.

The accompanying notes form part of these financial statements.

NEW PLYMOUTH PIF GUARDIANS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026

	2025/26 Actual $	2025/26 Budget $	2024/25 Actual $
Balance at 1 July	**-**	-	**-**
Total comprehensive revenue and expense	-	-	-
Balance at 30 June	**-**	-	**-**

The accompanying notes form part of these financial statements.

NEW PLYMOUTH PIF GUARDIANS LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	2025/26 Actual $	2025/26 Budget $	2024/25 Actual $
Current assets				
Cash and cash equivalents	6	29,021	29,431	32,286
Related party receivable from the Council	3b	40,414	46,956	35,286
Tax receivable		2,251	2,250	2,246
GST receivable		-	888	9
Total current assets / Total assets		**71,686**	**79,525**	**69,827**
Current liabilities				
Creditors and other payables	7	41,686	49,525	39,827
Related party advance from the Council	3c	30,000	30,000	30,000
Total current liabilities / Total liabilities		**71,686**	**79,525**	**69,827**
NET ASSETS		**-**	**-**	**-**
Equity				
Accumulated funds		-	-	-
Share capital	8	-	-	-
TOTAL EQUITY		**-**	**-**	**-**

Explanations of major variances against budget are included in note 2.

The accompanying notes form part of these financial statements.

Chair ………………………………………………………..

Date 21 September 2026…………………

Director ………………………………………………………..

Date 21 September 2026…………………

NEW PLYMOUTH PIF GUARDIANS LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2025/26 Actual $	2025/26 Budget $	2024/25 Actual $
Cash flows from operating activities				
Receipts from NPDC		280,542	379,811	275,705
Interest received		8	-	283
Payments to suppliers, employees and directors		(283,824)	(368,721)	(267,447)
Goods and services tax (net)		9	(76)	454
Net cash from operating activities		**(3,265)**	**11,014**	**8,995**
Cash flows from financing activities		-	-	-
Cash flows from investing activities		-	-	-
Net cash from financing and investing activities		**-**	**-**	**-**
Net (decrease)/increase in cash and cash equivalents		(3,265)	11,014	8,995
Cash and cash equivalents at 1 July		32,286	18,417	23,291
Cash and cash equivalents at 30 June	6	**29,021**	**29,431**	**32,286**

The accompanying notes form part of these financial statements.

NEW PLYMOUTH PIF GUARDIANS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1 STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

The Company is a wholly owned subsidiary of the New Plymouth District Council (the Council, NPDC) and is a Council-Controlled Organisation as defined in section 6 of the Local Government Act 2002. The Company is incorporated and domiciled in New Zealand.

Rather than making a financial return, the primary objective of the Company is to provide advisory services to the Council in relation to the Council's Perpetual Investment Fund (PIF) and other equity investments, when requested. Accordingly, the Company designates itself as a Public Benefit Entity (PBE) and applies Tier 2 PBE Accounting Standards. These standards are based on International Public Sector Accounting Standards (IPSAS), with amendments for the New Zealand environment.

The financial statements of the Company are for the year ended 30 June 2026. The financial statements were authorised for issue by the Board on 21 September 2026.

STATEMENT OF COMPLIANCE

These financial statements have been prepared:

- In line with New Zealand Generally Accepted Accounting Practice (NZ GAAP), the Local Government Act 2002 (LGA).
- In line with PBE Accounting Standards with reduced disclosure requirements (Tier 2). The Company qualifies as Tier 3 but elects to report under Tier 2 reporting on the basis that it is not publicly accountable and is not considered large under the PBE accounting standards.
- On a going concern basis and the accounting policies have been applied consistently throughout the period.
- On a historical cost basis.
- In New Zealand dollars (functional and reporting currency), rounded to the nearest dollar.

CHANGES IN ACCOUNTING POLICIES

There have been no new or revised accounting standards, interpretations and amendments effective during the period which have a material impact on the Company's accounting policies or disclosures.

NEW PLYMOUTH PIF GUARDIANS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Revenue
Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised in the period which the Company provides the related services.

Interest Income
Interest income is recognised using the effective interest method.

Goods and services tax (GST)
All items in the financial statements are stated exclusive of GST, except billed receivables and payables which include GST. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to the Inland Revenue Department (IRD) is included as part of the receivables or payables in the Statement of Financial Position.

The net GST paid to, or received from the IRD, including GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of cash flows.

Budget figures
The budget figures are those approved by the Directors in the Statement of Intent at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements. Note that budget figures in the Statement of Intent have been rounded to the nearest thousand dollars, whereas the financial statements present these figures to the nearest dollar.

Rounding differences
Some totals in the financial statements may not add to the sum of their parts due to rounding cents to the dollar.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements, the Company has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the actual results. Estimates and assumptions are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There have been no estimates and/or assumptions that have a significant risk of causing a material adjustment to the value of assets and liabilities, with the next financial year.

2 MAJOR BUDGET VARIATIONS

	2025/26 Actual $	2025/26 Budget $	Variance $	Comments
Statement of Comprehensive Revenue and Expense				
Management fees	285,670	385,267	(99,597)	Management fee revenue is charged at a level required to fully offset expenditure incurred by the Company. Due to variances in actual expenditure against budgeted amounts, as discussed below, management fees required for the year were less than budgeted.
Directors' fees	194,180	231,352	(37,172)	Budgeted fees assumed a fifth director was employed for 6 months as part of succession planning for the board, whereas in actuality a fifth director was only employed for 3 months (from 1 April 2026).
Audit fees	14,838	16,200	(1,362)	The Audit Office reduced their audit fee for the current year, compared to a budgeted inflationary increase.
Directors' expenses	4,536	16,000	(11,464)	Fewer board meetings were held during the year than forecast, some of which were also held online, thereby further reducing actual expenses.
Consulting and other expenses	9,504	55,000	(45,496)	Consultants were underutilised during the financial year relative to the budget.
Insurance	12,625	16,715	(4,090)	Annual insurance premium reduced for the current year due to a change in insurer.
Statement of Financial Position				
Related party receivable from the Council	40,414	46,956	(6,542)	Due to variances in actual expenditure against budgeted amounts, as discussed above, management fees charged for June 2026 were less than forecast.
GST receivable	-	888	(888)	Actual payables and associated GST receivable at year end were lower than forecast due to budgeted consultants not being utilised prior to year end.
Creditors and other payables	41,686	49,525	(7,839)	

3 RELATED PARTIES

Accounting policy
Debtors and other receivables are recorded at face value less an allowance for expected credit losses over the lifetime of these assets.

As the sole shareholder, the Council is deemed to be a related party of the Company.

(a) Transactions between the Company and the Council during the financial year

For the year ended 30 June 2026, transactions between the two parties consisted of:

- Accounting and governance services provided by the Council to the Company of $50,000 (2024/25: $50,000).
- Advisory services provided to the Council by the Company of $285,670 (2024/25: $276,652).
- The amount payable for NPDC services at 30 June 2026 was $12,500 (2024/25: $12,500).

No debts between the parties were written off or forgiven and no transactions between the parties took place at nil or nominal value.

(b) Related party receivable from the Council

The related party receivable from the Council is non-interest bearing. As such, the carrying value approximates its fair value. The total balance of $40,414 (not past due) is all non-exchange revenue (2024/25: $35,286 not past due).

(c) Advance from the Council

During the 2015/16 financial year the Council advanced the Company $60,000 to be repaid at a future date. The Company repaid $20,000 during 2017/18. During the 2021/22 financial year, the Company repaid a further $10,000. The cash flow funding does not incur interest on the principal.

4 REMUNERATION

Key management personnel comprises the Board of Directors.

	2025/26 Actual $	2024/25 Actual $
Directors' fees		
G Ansell	61,320	60,000
M Tsui	40,880	40,000
S Vrede	40,880	40,000
M Weenink	40,880	40,000
G Hassell	10,220	-
Total directors' fees	**194,180**	**180,000**
Full time equivalents	**5**	**4**

Due to the difficulty in determining the full-time equivalents for directors, the full-time equivalent figure is taken as the number of directors.

NEW PLYMOUTH PIF GUARDIANS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)

5 OTHER EXPENSES

	2025/26 Actual $	2024/25 Actual $
Audit fees for financial statements (The Audit Office)	14,838	15,088
Directors’ travel and expenses	4,536	4,553
Consulting costs and other professional services fees	9,401	10,344
Insurance	12,625	16,989
Overheads and other general expenses	103	70
NPDC services - accounting	45,000	45,000
NPDC services - governance	5,000	5,000
Total other expenses	**91,503**	**97,044**

6 CASH AND CASH EQUIVALENTS

Accounting policy
Cash and cash equivalents includes cash on hand and deposits held at call with banks with original maturities of three months or less.

	2025/26 Actual $	2024/25 Actual $
Bank account - current	29,021	32,286
Total cash and cash equivalents	**29,021**	**32,286**

7 CREDITORS AND OTHER PAYABLES

Accounting policy
Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value. All amounts in creditors and other payables are assessed as exchange as these balances arose from transactions carried out on normal business terms.

	2025/26 Actual $	2024/25 Actual $
Related party payable to the Council	23,441	17,401
Audit fee accrual	14,838	15,088
Other payables	3,407	7,338
Total creditors and other payables	**41,686**	**39,827**

Related party payables to the Council includes reimbursement for Directors’ fees and other expenses paid by the Council totalling $10,941 (2024/25: $4,901).

8 SHARE CAPITAL

Share capital comprises 1,000 shares, all of which are issued but not fully paid (at $0 per share) (2024/25: 1,000 shares at $0 per share).

9 CAPITAL COMMITMENTS

There are no capital commitments at 30 June 2026 (2024/25: nil).

10 CONTINGENT ASSETS AND LIABILITIES

There are no contingent assets or contingent liabilities at 30 June 2026 (2024/25: nil).

11 FINANCIAL INSTRUMENTS

	2025/26 Actual $	2024/25 Actual $
Financial assets at amortised cost		
Cash and cash equivalents	29,021	32,286
Debtors and other receivables	40,414	35,286
Total financial assets at amortised cost	**69,435**	**67,572**
Financial liabilities		
Creditors and other payables	41,686	39,827
Related party advance	30,000	30,000
Total financial liabilities	**71,686**	**69,827**

12 EVENTS AFTER BALANCE DATE

There are no significant events after balance date.

The Audit Office
Te Mana Arotake

Independent Auditor's Report

To the readers of New Plymouth PIF Guardians Limited's financial statements and performance information for the year ended 30 June 2026

The Auditor-General is the auditor of New Plymouth PIF Guardians Limited (the Company). The Auditor-General has appointed me, Chris Webby, using the staff and resources of The Audit Office, to carry out the audit of the financial statements and performance information on his behalf.

Opinion

We have audited:

- the financial statements of the Company that comprise the statement of financial position as at 30 June 2026, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include material accounting policy information and other explanatory information on pages 11 to 19; and

- the performance information that consists of the statement of service performance for the year ended 30 June 2026 on pages 7 to 10.

In our opinion:

- the financial statements of the Company present fairly, in all material respects its financial position as at 30 June 2026 and its financial performance and cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

- the performance information accurately reports, in all material respects, the Company's actual performance compared against the performance targets and other measures adopted for the year ended 30 June 2026, and has been prepared, in material respects, in accordance with section 68 of the Local Government Act 2002 (the Act).

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the financial statements and performance information

The Board of Directors is responsible on behalf of the Company for preparing financial statements that are fairly presented and comply with Public Benefit Entity Standards Reduced Disclosure Regime. The Board of Directors is also responsible for preparing the performance information contained in the statement of service performance of the Company in accordance with the Act.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and performance information, the Board of Directors is responsible on behalf of the Company for assessing the Company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the Company or to cease operations, or there is no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and performance information, as a whole are 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and performance information.

For the budget information reported in the financial statements and performance information, our procedures were limited to checking that the information agreed to the Company's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We evaluate the overall presentation, structure and content of the performance information, including the disclosures, and assess whether the performance information achieves its statutory purpose of enabling the Company's readers to judge the actual performance of the Company against its objectives in its statement of intent.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Directors is responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and performance information consisting of statement of service performance, and our auditor's report thereon.

Our opinion on the financial statements and performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and performance information or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Company in accordance with the Auditor-General’s Auditing Standards, which incorporate the independence requirements of 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.

Other than in our capacity as auditor, we have no relationship with, or interests in, the Company.

Chris Webby
The Audit Office
On behalf of the Auditor-General
Palmerston North, New Zealand
21 September 2026