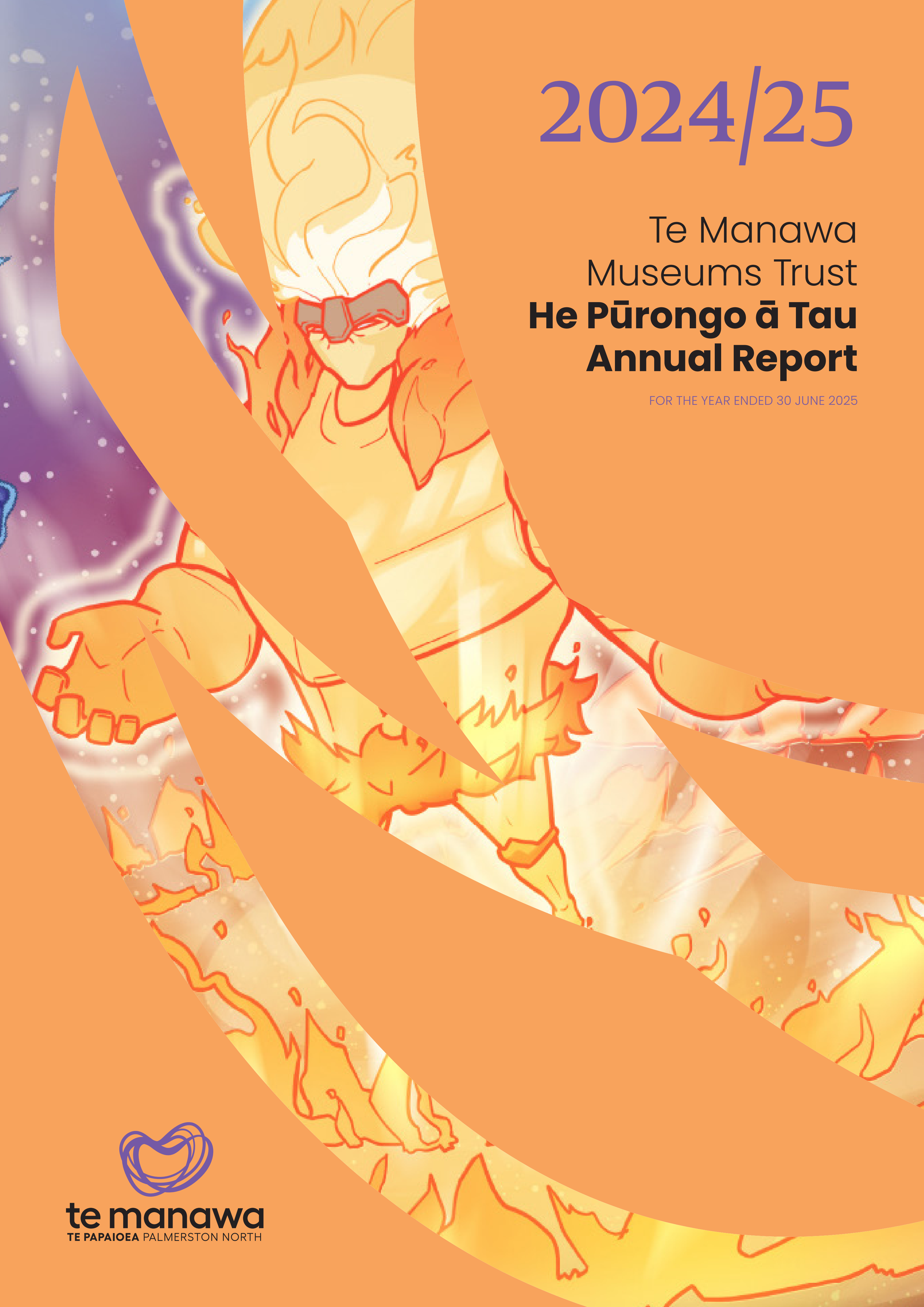

2024/25

Te Manawa Museums Trust
He Pūrongo ā Tau Annual Report

FOR THE YEAR ENDED 30 JUNE 2025

te manawa
TE PAPAIOEA PALMERSTON NORTH

Te Manawa acknowledges Rangitāne o Manawatū Settlement Trust and the people of Rangitāne. We are thankful for the ongoing guidance of mana whenua and are grateful for the continued support of Palmerston North City Council, the people of Palmerston North City, Manawatū, and our founding partners.

The 12-month report encompasses activity undertaken in the period 1 July 2024 – 30 June 2025 and reports against agreed objectives as set in the annual Statement of Intent.

"Whakatō ngā kakānō o te ao marama, kia puawai."
Plant the seeds of tomorrow through the stories that we share.

Strategic objectives:

- **Innovative experiences that engage visitors**
- **Enhanced learning and development**
- **A collaborative and future-focused organisation**

Baseline progress:

Performance Measures	24/25 Target	Status	Comment
Visitation Baseline (Physical visits to the Te Manawa complex)	131,000	146,900	112%
Online engagement	97,200	253,537	261%
External revenue target	$668,200	$695,839	104%
Visitor Satisfaction	95%	99%	104%

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1. **Innovative experiences that engage visitors**

Performance Measure	Status	Comments
Continue to grow partnership with mana whenua to support Rangitānenuiarawa.	Achieved	Discussions held with Rangitāne around the refresh of the Te Rangi Whenua gallery. New lighting installed in the gallery, new cases for objects and cloak displays added. Te Manawa meets regularly with Te Whiri Kōkō iwi leadership group at PNCC. Engaging with Rangitāne o Manawatū Settlement Trust/Cultural Trust, upholding the Te Rangimārie Marae document principles of an enduring relationship.
Work with Rangitāne to weave Te Ao Māori into the Science Centre development.	Ongoing	Rangitāne o Manawatū has been fully engaged with from the implementation of the Science Centre project. It will be co-designed with iwi and representatives will be engaged across governance and delivery aspects of the project to ensure Mātauranga Māori runs alongside the fundamental science narratives.
Continue to engage with and enable participation by the city's less-represented communities (NOA programme, MIAB, Tamariki exhibition space).	Achieved	27 sessions of NOA and 23 Museum in a Box activities have been delivered.
Engage with representatives for the sensory diverse as part of Science Centre development.	Achieved	Have continued conversations with representatives from neurodiverse community following engagement with a multi-sensory experience centre in Christchurch.
Support PNCC Cultural Events – Waitangi Day, Diwali, Chinese New Year.	Achieved	Te Manawa was the venue for the Multicultural Council and PNCC City Welcome on 6 September.

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		Te Manawa event staff attended Waitangi Day with a presence to engage visitors with Museum activities. Te Manawa helps promote, and attends/has presence at City Cultural events, shares these through its social channels and provides promotion for PNCC events on its digital screens throughout the Museum and Art Gallery.
Engage visitors with on-site activities and public programmes based around cultural celebrations such as Matariki and Local History Week/Heritage Month.	Achieved	Cosmodome holiday programmes offered during Puanga/Matariki with a focus on astronomy. Participation in Local History Week/ Heritage Month with events on site including collections tours and Mina McKenzie Memorial Lecture.
Implement the establishment of Te Manawa's ongoing Science Function through Stage 1 - the education space. Funding dependent.	Achieved	Stage 1 has commenced with special drawings and initial funding applications completed.
Continue to develop partnership and collaboration opportunities.	Achieved	Partnered with New Zealand Portrait Gallery Te Pūkenga Whakaata to co-curate and exhibit *Robyn Kahukiwa: Tohunga Mahi Toi.* Work with UCOL students on designs for children's activity materials and videography for Tourism New Zealand. Established the Fair Art prize with the Eileen Fair Estate. Worked with The Suter Art Gallery and Makers 101 to develop He *Momo Nā te whānau: The Second Aotearoa Jewellery Triennial* which is touring to Waikato after being exhibited at Te Manawa. Partnered with Otago Museum to host the display Solar Tsunamis for free. Partnered with Waikato Museum to share freighting costs for the 2026 tourer Air Playground, coming from Victoria Museum in Melbourne.

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Develop and implement at least two public programmes related to our collection.	Achieved	Some highlights include: Tours for Local Heritage Month, International Museums Day, and Mid-Winter treat (Santa's Cave). *The Active Eye* Floor Talk + Q&A. *Local Sport Stories*, Manawatū Skating Club event.
Continue to promote and add 1000 items to Collections Online.	Achieved	3919 items added since 1 July 2024 - a total of 11,129 collection objects now viewable online. (includes 2054 items from Peter Bush Archive).
Develop and deliver a balanced, exciting and frequently changing programme of local, national and international exhibitions.	Achieved	We opened 18 exhibitions, of particular note are: *Sunlight:Ihi Komaru* (revamp of interactive exhibition developed in house) *Call Me Maybe*, the display of local telecommunications history *Tohunga Mahi Toi* by Robyn Kahukiwa (national art show feat collection and art society collection works) *Manawatu Now: Local Artists Current Practice* (feat local artists) *Te Puna O Te Atua* (feat local artists) *Mina Mackenzie: Keeping the Taonga Warm* (feat collection objects) *Feminine Abstract* (National art show feat collection and art society works) *Reframing the Active Eye* (Art Society Collection) *Solar Tsunamis* – Touring exhibition from Otago Museum

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2. Enhanced learning and development

Performance Measure	Status	Comments
Implement at least one secondary school level learning programme based on consultation with local schools.	Achieved	Water Quality programme developed for Freyberg High School Year 11 geography and science classes.
Provide free education programmes to schools within the Palmerston North and Manawatū District Council boundaries.	Achieved	Te Manawa has provided 84 free education programmes to school groups (3270 students) within the Palmerston North and Manawatū District Council boundaries.
Seek external revenue to assist in cost of education programmes.	Achieved	Sponsorship of the Cosmodome by Yorb (for naming rights). UCOL Grant. ELC contract has been extended through to 31 December 2026.
4,000 students will participate in ELC Learning programmes.	Achieved	Te Manawa Museum exceeded its ELC 2024 target with 4107 students participating (funding reporting based on calendar year). 4286 students have participated in ELC learning programmes from 1 July 2024 – 30 June 2025 with another 2,481 students participating in self-led programmes.
Develop robust and engaging public programmes based around exhibitions and galleries.	Achieved	Some highlights include: • “Science Alive” event • Art Gallery Seasonal Celebration August 2024 • Sports/Club Day: Manawatū Skating Club • “Ada Lovelace – Woman in STEM” panel discussion • “Santa Paws” event • *Robyn Kahukiwa : Tohunga Mahi Toi* and associated talks and tours, including Baby Bites for caregivers with babies Mina McKenzie display opening • *Manawatū Now* “Last Light Date Night” event

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		• Local Heritage Month family activity centered on telephones • *Sunlight* VR headset family programmes • *Solar Tsunamis* – “Parawhenua Kōmaru Starlab” Screenings • Curator and/or artist discussions for every art exhibition • Weaving demonstrations by Te Whatu Raranga ō Highbury Weavers • “Mid-Winter Treat” *Santas Cave*
Deliver at least 20 staffed public programmes.	Achieved	30 staffed holiday programme activities delivered. 57 public programmes were delivered by staff and in collaboration with the community (see some examples above) Two teacher PD sessions related to exhibitions – *Robyn Kahukiwa* and *Sunlight*.

3. A collaborative and future-focused organisation

Performance Measure	Status	Comments
Demonstrate continued commitment to the principles Te Tiriti o Waitangi.	Achieved	Peter Te Rangi and Terry Hapi serve as Rangitāne representatives on the Te Manawa Trust Board. Commitment to Rangitāne o Manawatū Settlement Trust/Cultural Trust to being an active partner in the Science Centre development from start to finish.
Implement kaupapa Māori strategy developed in 2023/24.	Achieved	Regular waiata sessions for staff, increasing cultural practice at openings and events. Staff development with participation in Rākau course by Then Histories of Pamutana at Te Rangimarie Marae. Matariki staff event held for the first time to foster fellowship, knowledge and understanding

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		CEO regularly attends hui with members of Te Whirikōkō iwi leadership group via PNCC and has begun hui with RoMST/CT.
Continue collaborations with whānau, hapū & iwi to bring Toi Māori exhibitions to Te Manawa.	Achieved	*Tohunga Mahi Toi* by Robyn Kahukiwa *Te Puna O Te Atua* *Matatau 2024* *Mina McKenzie: Keeping the taonga warm*
Work with PNCC to reflect the diversity of Palmerston North in the membership of the Board.	Achieved	Continues as per usual agreement.
Research and identify a community and / or prominent community members and plan an oral history project.	Achieved	Researched oral history projects for Mina McKenzie: Keeping the taonga warm and also the Tōtaranui historic homestead. Planned schedule of podcast topics, secured equipment and identified future talent to develop and deliver a programme of content in 2026
Collaborate with founding societies on one new initiative with each to grow support for Te Manawa and generate donations.	Achieved	Science Centre development with Science Centre Inc and Science Centre Trust. *Look.See.Think.Feel* tours with Art Society (engaging their membership) Local history week/heritage month activities: Mina McKenzie Memorial Lecture with Museum Society.
Continue to strengthen relationship with NZRM through the Peter Bush archive project and related activities.	Achieved	Ongoing documentation of the Peter Bush collection, which went live online in June 2025. Continue to provide access to the collection in partnership with the Rugby Museum. Collaborated with NZRM, Property Brokers, Sport Manawatū and the Manawatū Business Chamber on the Peter Bush Fundraising Auction in August.

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Implement the Te Manawa Revenue Strategy with a focus on philanthropic and sponsorship contributions against strategic targets, such as a sustainable Science Centre development.	Achieved	Potential sponsors have been identified, and grants applied for. Senior Managers met with Sponsorship Advisor Jenni Giblin director of Funding HQ to formulate a targeted plan to seek funds for the Science Centre Development. Funding campaign and funding implementation document has been completed for the Science Centre development. Funding applications have been submitted to Grass Roots, Lions Foundation, CNZ Helping Hands, Te Paerangi National Services, CET and Science Centre Trust
Adopt the Tourism NZ 'Tiaki' promise – a commitment to care and respect for our natural world.	Achieved	Have identified several areas where commitments to environmental sustainability are prioritised as listed on the Te Manawa website.
Foster sustainable behaviours.	Achieved	The 'Tiaki' promise encourages both staff and visitors to think and act sustainably. Te Manawa has diverted more 225.22kg or 9.0m^3 of paper from landfill through the paper-towel recycling programme. Coffee grounds and food waste is composted for use in the Biodiversity Garden. Recycling bins are provided for both visitors and staff.
Reduce paper use by 50% and implement processes and systems to become paper-light.	Achieved	Have transitioned finance and payroll systems to cloud-based digital systems. Internal documents and forms now digital, with greater emphasis on staff intranet to communicate information and provide easy access to important documents that are no longer printed.
Prioritise the re-use of materials and furniture in exhibition development.	Achieved	Old exhibition cases have been repurposed to allow for ongoing

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		rotation of collection-based displays in *Manawatū journeys*, including Local Sports Stories and Mina Mackenzie. Plinths and vitrines being re-used for temporary art exhibitions.
Reduce carbon emissions from Te Manawa activities by 10%.	Achieved	Reduced printing (paper use), electric vehicle, emphasis on recycling and reusing materials, and LED lighting is contributing to reductions. The reduction in printing has contributed to a decrease in carbon emissions by 29% (note, the periods measured exclude July, August and September as there was no comparative data prior to Oct 2023).
Work with PNCC and external funders towards a new, purpose-built, energy efficient and sustainable Te Manawa complex.	Achieved	Discussions continue, Te Manawa participates as part of the steering group for the Civic & Cultural Precinct.
Ongoing collaboration with tertiary partners through at least one exhibition or event annually.	Achieved	*Toioho ki Āpiti, Matatau* exhibition with Massey University (November), *Nova Arte: Bachelor of Creative Media Expo*, UCOL student showcase.
Research and develop a report that shows the requirements needed for the Art Gallery to host high-quality contemporary exhibitions and provide museum standard level of care for collections and loaned items.	Achieved	Report submitted to PNCC.

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COVID-19

Our staff routinely interact with members of the public in busy spaces. Covid-19 requires significant mitigation strategies to manage the additional pressure placed on maintaining base staffing levels. Strategies include isolating from other teams (working from home), managing scheduling to accommodate disruption (such as teams falling ill at the same time), and increased hygiene awareness in the workplace. While we live with Covid-19 in our society, it should be noted that this highly infectious illness compromises our delivery of service and can cause disruption and delays to our calendar of activity if not carefully managed.

Summary

Te Manawa Museums vision of “planting the seeds of tomorrow” has never been more pertinent than in these past twelve months when the focus of our activities has squarely been on the sustainability of our operations.

Improving our operational flexibility and transparency, coupled with the revitalisation of our service offerings have seen some major projects undertaken this year. These include the implementation of new financial systems with robust planning processes in place to manage our resources across the board, and to empower our people to deliver our mission with efficiency and responsiveness.

During the first six months of the 2024/25 financial year, we hosted several important and stunning art exhibitions. Developed in partnership with the NZ Portrait Gallery, the *Robyn Kahukiwa*: *Tohunga Mahi Toi* exhibition showcased a powerful collection of Robyn’s work spanning her lifetime. Robyn sadly passed away this year and we acknowledge her with great aroha and respect. We are pleased that the touring of this exhibition has enabled other regions to appreciate her work, her activism and her take on our world.

Feminine Abstract brought together 14 artists, with each of these women exploring the realm of abstraction through their unique lens. Featuring large, inspiring works, this show was a significant installation for the Gallery. Also significant was the return of *The Active Eye* exhibition, a collection of works from the Te Manawa collection on show again, 50 years after its ground-breaking – and somewhat contentious – debut as the very first photography exhibitions in Aotearoa New Zealand.

Sunlight – Iho Kōmaru, was our premium science-based offering this year. A Te Manawa-developed product, it was re-opened in late September, and has had more than 35,000 visitors. Its interactive experiences have once again proven to be very popular, providing engaging and educational content for visitors of all ages.

Sunlight – Iho Kōmaru is of course a precursor to the development of a new Science Centre to be based in the current Te Awa exhibition space. Te Manawa has secured over a third of the funding needed to deliver the most significant refresh seen in the Museum since the 2011 redevelopment.

In October, we completed the first major change and redesign of part of our heritage gallery in several years. The new display, *Call Me Maybe*, features a selection of phones from our collection, spanning the decades from the 1880s to the present.

In February we installed a heritage display honouring the contribution Mina McKenzie, the Museum’s inaugural director, has made to the cultural landscape of Aotearoa New Zealand. Mina was a pioneer and her spirit lives on in the people she touched and inspired throughout her professional career. This refresh, too, is a precursor to a larger project planned for the future.

The popularity of our learning programmes saw Te Manawa exceed its 2024 target set by the Ministry of Education for ELC funding. Our team is highly responsive to exhibitions on the floor, developing specific learning programmes related to the *Sunlight – Iho Kōmaru* and *Robyn Kahukiwa: Tohunga Mahi Toi* exhibitions. There has been an increase in secondary school visits, and the entire student population of Palmerston North Intermediate Normal School participated in our Flooding and Erosion programme.

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Te Manawa values and honours its on-going partnership with tangata whenua, Rangitāne. With the purchase of three tall cases for Te Rangi Whenua gallery, we have been able to display kākahu and other traditional cloaks from our collection. These cloaks, including korowai and kahu huruhuru, are taonga of great importance, offering visitors a unique opportunity to connect with and appreciate the heritage, culture, and artistry involved.

The huge task of archiving the Peter Bush collection has begun, and to date, 19,098 photos have now been catalogued with 8310 of these also digitised. With support from the Bush Family, the Peter M Acland Foundation, the New Zealand Rugby Museum and our sponsors, we have raised a significant sum to help fund the ongoing care and preservation of Peter's work. With the launch of www.peterbush.co.nz we have made more than 2000 images available to the public.

Additionally, more than 1800 items were added to the collections online catalogue, with a total of 9074 objects from the Te Manawa collection able to be viewed online at http://collection.temanawa.co.nz.

We are in the process of expanding our storytelling to further engage our communities and visitors with the collections we hold. Research has been undertaken on oral history projects for Mina McKenzie and also the Tōtaranui historic homestead, which has reached its 150-year milestone.

The current financial environment has made it challenging to forecast and grow our external revenue. We have had some success with funding grants, with further discussions underway to secure targeted funding for our major projects. Our strengthened relationships have seen in-kind sponsorship contributions that have significantly helped in this area also. Every effort will be key in ensuring the sustainability, continuity and, importantly, quality of the services that we provide.

Those services include the staging of engaging and ever-changing exhibitions, education programmes, public events, talks, tours, community collaborations and the ongoing care and preservation of one of the largest public collections of art and heritage in a regional museum in Aotearoa New Zealand.

Te Manawa has a large, varied and ambitious mandate that drives our activity. We are grateful for the continued support of Palmerston North City Council, who recognise the value opportunities and challenges that cultural organisations face, and who have been generous and encouraging of our efforts.

Our gratitude goes to our fellow Council Controlled Organisations -- the Globe Theatre and the Regent on Broadway; the New Zealand Rugby Museum; Manawatū District Council; Manawatū Chamber of Commerce; Sport Manawatū; Massey University; UCOL; and our many supporters and sponsors.

Our dedicated Trustees and team of professionals have proven their talent, resourcefulness and resilience during a period of major changes that has required us to refine the way we work and be open to any and all new opportunities that make that work possible in both the short and long-terms. Sincere thanks go to Adrian van Dyk who stepped down as Chair and from the Trust Board in March.

Museums have always been about the future. Through the stories we preserve and the knowledge we share, we empower future generations to understand where they come from, who they are, and what they can become.

"Mā mua ka kite a muri, mā muri ka ora a mua.
Those who lead give sight to those who follow, those who follow give life to those who lead."

Ngā mihi

Geoffrey B. Jameson
Interim Chair

Susanna Shadbolt
Chief Executive

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Te Manawa Museums Trust

Statement of Comprehensive Revenue and Expense
For the Year Ended 30 June 2025

	Note	Actual 2025 $	Budget 2025 $	Actual 2024 $
OPERATING REVENUE				
PNCC Operating Grant	4	3,833,599	3,833,599	3,756,570
MDC Operating Grant	4	20,000	20,000	20,000
Interest Revenue	4	40,778	48,000	58,125
Other Operating Revenue	3, 4	510,875	678,786	556,600
Total Revenue	4	**4,405,252**	**4,580,385**	**4,391,295**
OPERATING EXPENDITURE				
Employee Expenses	5	3,037,383	3,022,582	2,572,000
Other Operating Expenses	6	1,169,929	1,285,143	1,299,918
Depreciation and Amortisation Expense	7	315,899	267,240	278,295
Loss/(Gains) on Disposal of Property, Plant and Equipment		-	-	1,086
Impairment of Property, Plant and Equipment		-	-	0
Total Operating Expenditure	2	**4,523,211**	**4,574,965**	**4,151,299**
Net Surplus/(Deficit) before Movement in Collection Assets		**(117,959)**	**5,420**	**239,996**
Movement in Collection Assets				
Revenue from				
Recognition of Donated Collection Assets	4	124,186	-	11,830
Recognition of Custodial Collection Assets	4	-	-	29,863
		124,186	-	41,693
less Expense from :				
Derecognition of Custodial Collection Assets		-		19,128
Derecognition of Owned Collection Assets		10	-	-
		10	**-**	**19,128**
Total Net Movement in Collection Assets		**124,176**	**-**	**22,565**
TOTAL REVENUE		**4,529,438**	**4,580,385**	**4,432,987**
TOTAL EXPENSE		**4,523,221**	**4,574,965**	**4,170,427**
Net surplus/(deficit) for the period		**6,217**	**5,420**	**262,561**
Other Comprehensive Revenue and Expense				
Revaluation of Owned Heritage Collection Assets		822,194	-	-
Revaluation of Custodial Heritage Collection Assets		367,539	-	-
Revaluation of Owned Art Collection Assets		-	(2800)	-
Revaluation of Custodial Art Collection Assets		-	-	-
Other Comprehensive Revenue and Expense for the Period	19	1,189,733	(2800)	-
Total Comprehensive Revenue and Expense for the Period		**1,195,950**	**2,620**	**262,561**

The accompanying accounting policies and notes form an integral part of these financial statements.

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Te Manawa Museums Trust
Statement of Changes in Equity
For the Year Ended 30 June 2025

	Note	Actual 2025 $	Budget 2025 $	Actual 2024 $
Equity as at 1 July		**21,358,194**	**21,358,194**	**21,095,633**
Comprehensive Revenue and Expense				
Net Surplus / (Deficit) for the Period		6,217	5,420	262,561
Other Comprehensive Revenue and Expense		1,189,733	(2,800)	-
Total Comprehensive Revenue and Expense		1,195,950	2,620	262,561
Equity as at 30 June	**8**	**22,554,144**	**21,363,614**	**21,358,194**

The accompanying accounting policies and notes form an integral part of these financial statements.

Te Manawa Museums Trust

Statement of Financial Position
As at 30 June 2025

	Note	Actual 2025 $	Budget 2025 $	Actual 2024 $
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	9	113,371	203,398	439,529
Receivables from Non-Exchange Transactions	10	9,536	12,032	15,647
Receivables from Exchange Transactions	11	1,807	8,309	430
Prepayments		18,060	25,019	28,749
Short Term Deposits	12A	554,486	584,980	814,712
Inventories	13	19,594	25,257	19,504
Total Current Assets		716,854	858,995	1,318,571
NON CURRENT ASSETS				
Financial Assets	12B	120,000	-	
Intangible Assets	17	34,125	-	2,826
Property, Plant and Equipment	18	1,005,733	1,367,092	1,047,301
Collection Assets	19	21,412,971	20,126,894	20,017,900
Total Non-Current Assets		22,572,829	21,493,986	21,068,027
TOTAL ASSETS		**23,289,683**	**22,352,981**	**22,386,598**
LIABILITIES				
CURRENT LIABILITIES				
Payables under Exchange Transactions	14	298,903	413,419	425,817
Deferred Non -Exchange Revenue	15	119,734	118,771	239,888
Provisions		-	-	-
Employee Benefit Liabilities	16	316,901	457,177	362,699
Total Current Liabilities		735,538	989,367	1,028,404
NON CURRENT LIABILITIES				
Employee Benefit Liabilities	16	-	-	-
Total Non-Current Liabilities		-	-	-
TOTAL LIABILITIES		735,538	989,367	1,028,404
NET ASSETS		**22,554,144**	**21,363,614**	**21,358,194**
TRUST EQUITY				
Contributed Capital		145,565	145,465	145,565
Retained Earnings		10,261,705	10,509,037	10,310,706
Asset Revaluation Reserves		11,414,421	10,230,805	10,224,689
Specific Reserves		721,580	478,307	666,363
Endowment Funds		10,873	-	10,873
TOTAL TRUST EQUITY	8	**22,554,144**	**21,363,614**	**21,358,194**

The breakdown of Equity in the budget column of the Balance Sheet varies from the breakdown in the Statement of Intent of Intent in that Contributed Capital and Retained Earnings as shown in Balance Sheet correspond to the Trust Equity and Retained Surplus current year set out in the forecast financial statements submitted with the Statement of Intent.

Trustee Trustee Date:

The accompanying accounting policies and notes form an integral part of these financial statements.

Te Manawa Museums Trust

Statement of Cash Flows
For the Year Ended 30 June 2025

	Note	Actual 2025 $	Budget 2025 $	Actual 2024 $
Cash flows from operating activities				
PNCC grant		3,833,599	3,833,599	3,756,570
Interest received		46,889	48,000	52,992
Receipts from other revenue		409,475	759,886	710,677
Payments to suppliers		(1,333,634)	(1,526,311)	(1,163,181)
Payments to employees		(3,011,868)	(3,022,583)	(2,482,731)
Interest paid		-	-	-
Goods and services tax (net)		(24,062)	-	1,449
Net cash inflow/(outflow) from operating activities		**(79,601)**	**92,591**	**875,776**
Cash flows from investing activities				
Proceeds from Investments		814,712	-	685,364
Donation for Endowment Fund		0	-	0
Proceeds from sale of assets		0	-	2,436
Purchase of intangibles assets		(34,500)	-	0
Purchase of property, plant and equipment		(271,131)	(273,000)	(555,011)
Purchase of collection assets		(81,152)	(60,000)	(19,783)
Purchase of Investments		(674,486)	-	(814,712)
Net cash inflow/(outflow) from investing activities		**(246,557)**	**(333,000)**	**(701,706)**
Cash flows from financing activities				
Proceeds from borrowing		-	-	-
Repayment of borrowings		-	-	-
Net cash inflow/(outflow) from financing activities		**-**	**-**	**-**
Effect of foreign exchange rates on cash		-	-	-
Net (decrease)/increase in cash and cash equivalents		(326,158)	(240,409)	174,070
Cash and cash equivalents at the beginning of the year		439,529	443,807	265,459
Cash and cash equivalents at the end of the year	**9**	**113,371**	**203,398**	**439,529**

The accompanying accounting policies and notes form an integral part of these financial statements.

Te Manawa Museums Trust
Notes to the Financial Statements
For the Year Ended 30 June 2025

1 **Statement of Accounting Policies**

Reporting entity

Te Manawa Museums Trust (the Trust) is a charitable trust incorporated in New Zealand under the Charitable Trusts Act 1957 and is domiciled in New Zealand. The Trust is controlled by Palmerston North City Council and is a Council Controlled Organisation as defined under section 6 of the Local Government Act 2002, by virtue of the Council's right to appoint more than 50% of the Board of Trustees.

The Trust was incorporated on 20 August 1999. From that date, the Trust assumed responsibility for art works and heritage assets transferred to its care but held on behalf of others. From 1 July 2000 the Trust commenced leasing the premises and managing the institution under agreements entered into with the Palmerston North City Council. The principal place of business is 326-336 Main Street, Palmerston North.

The primary objective of the Trust is to provide interactive experience in art, science and history through acquiring, conserving, researching, developing, communicating and exhibiting material evidence of people and their environment, rather than making a commercial return. Accordingly, the Trust has designated itself as a public sector public benefit entity for the purposes of Public Benefit Entity Accounting Standards (PBE Standards), in accordance with the Financial Reporting Act (2013).

The financial statements of the Trust are for the year ended 30 June 2025 and were approved by the Board of Trustees on DATE.

Basis of Preparation

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of Compliance

The financial statements of the Trust have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The Trust is a Tier 2 entity and the financial statements have been prepared in accordance with and comply with PBE Standards RDR.The Trust is eligible and has elected to apply PBE Standards RDR because its expenses are less than $30 million and it does not have public accountability as defined by XRB A1 Application of the Accounting Standards Framework.

Measurement Base

The measurement basis applied is historical cost, modified by the revaluation of collection assets as identified in this summary of significant accounting policies. The accrual basis of accounting has been used unless otherwise stated.

Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar.
The functional currency of the Trust is New Zealand dollars (NZ$).

Standards issued and not yet effective and not early adopted

There are no Standards and amendments that have been issued but are not yet effective and that have not been early adopted and that are relevant to the Trust.

New or amended standards adopted

2022 Omnibus Amendments to PBE Standards, Issued June 2022

The 2022 Omnibus Amendments issued by the External Reporting Board (XRB) include several general updates and amendments to several Tier 1 and Tier 2 PBE accounting standards, effective for reporting periods starting 1 January 2023. The Trust has adopted the revised PBE standards, and the adoption did not result in any significant impact on the Trust's financial statements.

Other changes in Accounting Policies

There have been no other changes in accounting policies applied by the Trust.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue

Revenue is measured at fair value of consideration received or receivable.
Revenue may be derived from either exchange or non-exchange transactions.

Revenue from Non-exchange transactions

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. In non-exchange transactions, the Trust either receives value from or gives value to another party without directly giving or receiving approximately equal value in exchange.

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm's length commercial transaction between a willing buyer and willing seller. Many of the services that the Trust provides for a fee are charged at below market value as they are subsidised by Palmerston North City Council operational grant, sponsorship, government/non-government grants. Other services operate on a cost recovery or breakeven basis and are not considered to reflect a market return. Most of the Trust's revenue is therefore categorised as non-exchange.

This includes PNCC grants, transfers from government/non-government entities, donations, donated/vested and custodial collection items, sponsorship, 'in kind' sponsorship, revenue from services supplied at subsidised price.

Specific accounting policies for major categories of revenue from non-exchange transactions are outlined below:

Grants

Grants received from PNCC are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the Trust's trust deed.

Revenues from non-exchange transactions with Council/other government/non-government entities are measured at fair value and recognised when the event occurs and the asset recognition criteria are met, if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Trust and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount if conditions of the grant are not met, deferred income is recognised instead of revenue, and recognised as revenue when conditions of the grant are satisfied.

Rendering of services

Revenue from the rendering of services is recognised when the transaction occurs to the extent that a liability is not also recognised. For these transactions the revenue is recognised by reference to the stage of completion of the transaction at the reporting date.

All revenues from rendering of services are non-exchange, with the exception of revenue from Venue Hire which is classified as exchange transaction.

Vested or donated physical assets

Where a physical asset is gifted to or vested in the Trust for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Such income is recognised when control over the asset is obtained, unless there is a use or return condition attached to the asset.

The fair value of vested or donated physical assets is determined by reference to the market value of comparable assets available.

'In Kind' Sponsorship

The Trust receives sponsorship 'in kind' by way of goods and services provided at discounted or nil charge. Where the fair value of these goods and services can be reliably measured, the income (and expense) is recognised as 'sponsorship - in kind' in the period in which the goods or services are received or there is a binding arrangement to receive the goods.

Volunteer Services

Volunteer services received are recognised as revenue or expenditure in cases where the Trust can reliably measure the fair value of the services received.

Revenue from Exchange transactions

Sales of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Trust.

Interest Income

Interest income is recognised using the effective interest method.

Advertising Costs

Advertising costs are expensed when the related service has been rendered.

Borrowing Costs

Interest expense is recognised using the effective interest rate method. All borrowing costs are expensed in the period in which they are incurred.

Depreciation and amortisation

Depreciation of property, plant and equipment and amortisation of intangible assets are charged on a straight-line basis over the estimated useful life of the associated assets.

Leases

Finance Leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Trust will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit over the lease term as an integral part of the total lease expense.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are presented within borrowings as a current liability in the statement of financial position.

Debtors and other receivables

Short term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). The Trust applies the simplified ECL model of recognising lifetime ECLs for short-term receivables. In measuring ECLs, short-term receivables have been assesssed on a collective basis because they possess shared credit risk characteristics.They have then been grouped based on the days past due. A provision is then made based on historical credit isssues, and adjusted for any expected forward factors specific to individual debtors. Short -term receivables are written off when there are no expectations of recovery such as the debtor being in liquidation or the receivable being more than six months overdue.

Other Financial Assets

Other financial assets are initially recognised at fair value.They are then classified as , and subsequently measured under, the following categories:

• amortised cost:

•fair value through other comprehensive revenue and expense (FVTOCRE): and

•fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset at initial recognition unless it has been designated at FVTSD, in which case it is recognised as surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Trust's policy for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal outstanding and is held where the Trust's objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held where the Trust's objective is to collect the contractual cash flows and sell the financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD.

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL).

Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits.

Inventories
Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at cost (using the FIFO method), adjusted, when applicable, for any loss of service potential.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost (using the FIFO method) and net realisable value.

The amount of any write-down for the loss of service potential or from cost to net realisable value is

recognised in the surplus or deficit in the period of the write-down.

Property, Plant and Equipment
Items of property, plant and equipment are stated at historical or deemed cost, less accumulated depreciation and impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Additions
The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

Any net proceeds earned while bringing an asset into use and relevant costsarerecognised in surplus or deficit rather than being deducted from the asset cost recognised.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are presented net in the surplus or deficit.

Work in Progress
All assets constructed by Trust are initially recorded as work in progress. Work in progress is recognised at cost less impairment and it is not depreciated. Upon completion, these assets are transferred to their relevant asset class and depreciation commences.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised as an expense as they are incurred.

(a) Furniture, Equipment and Exhibits

Furniture, equipment and exhibits (excluding art and heritage collections) are valued at cost less accumulated depreciation and impairment losses.

Depreciation

Assets are depreciated on a straight-line basis at rates that will write off their cost less any estimated residual value over the expected useful life of the asset. The useful lives of major classes of assets have been estimated as follows:

Computer Hardware	1 to 5 years
Exhibitions	2 to 10 years
Furniture & Fittings	3 to 10 years
Leasehold Improvements	4 to 10 years
Office Equipment	4 to 10 years
Plant and Equipment	4 to 20 years

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

(b) Collection Assets

As the Heritage Collection and Art Collection assets are intended to have an indefinite life, they are held in trust in perpetuity for the benefit of the public.

The Heritage Collection and Art Collection have not been depreciated, as it is the Trust's policy to maintain the collections in their current state, in accordance with the Trust's Collection Policies.

All additions to the Heritage and Art Collection are recorded at cost. These additions will be revalued in accordance with the Trust's Valuation Policy. Donated objects are recorded at fair value, or depreciated replacement cost, or nil value if considered unrealisable or irreplaceable.

Custodial Collection Assets are objects within the Heritage and Art Collections not formally owned by the Trust, where the Trust has assumed all the rights and obligations of ownership. Within the Heritage Collection this is limited to items on loan for an indefinite period, excluding works on loan from other Museums and Cultural organisations. In relation to the Art Collection, the nature of artworks and anecdotal evidence suggests that there is a high likelihood of request for return of loaned assets, irrespective of the loan period, therefore only items on loan from the Te Manawa Art Society Inc. are recognised as custodial assets. These assets are held and maintained by the Trust by agreement with the owners.

Revaluation

The Art and Heritage Collections assets are revalued to fair value as determined from market -based evidence by an independent valuer.The collections are valued with sufficient regulartity to ensure that their carrying amount does not differ materially from fair value, and at least every three years for Art Collection Assets and at least every five years for Heritage Collection assets.

All other asset classes are carried at depreciated historical cost.

Accounting for Revaluations

The results of revaluing are credited or debited to an asset revaluation reserve. Where this results in a debit balance in the asset revaluation reserve, this balance is charged to the surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in a previous year surplus or deficit, will be recognised first in the surplus or deficit up to the amount previously expensed, and then credited to the revaluation reserve.

Intangible Assets

Recognition and measurement

Intangible assets are initially measured at cost, except for Intangible assets acquired through non-exchange transactions (measured at fair value).

All of the Trust's intangible assets are subsequently measured in accordance with the cost model, being cost (or fair value for items acquired through non-exchange transactions) less accumulated amortisation and impairment, except for the items which are not amortised and instead tested for impairment such as Intangible assets with indefinite useful lives, or not yet available for use. The Trust has no intangible assets with indefinite useful lives.

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with development and maintenance of the Trust's website are recognised as an expense when incurred.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in surplus or deficit as incurred.

Amortisation

Amortisation is recognised in surplus or deficit on a straight-line basis over the estimated useful lives of each amortisable intangible asset. Amortisation begins when the asset is available for use and ceases at the date that the asset is disposed of.

The estimated useful lives are as follows:

Software	1 to 7 years
Website	

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Impairment of property, plant and equipment and intangible assets

For the purpose of impairment of Property, plant and equipment and intangible assets, which are carried at cost less accumulated depreciation and impairment losses, the Trust classifies its items of property plant and equipment and intangibles as non-cash generating assets, as these are not held

with the primary objective of generating a commercial return, but rather for service delivery purposes and to deliver to Trust's public benefit objectives. Property, plant, and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use for non-cash-generating assets

For Trust's non-cash generating assets, value in use is determined based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash-generating assets is the present value of expected future cash flows. The Trust does not currently hold property plant and equipment and intangible assets in this category.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

Creditors and Other Payables

Short-term creditors and other payables are measured at the amount payable.

Borrowings

Borrowings are initially recognised at their fair value plus transaction costs, if any. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Trust has an unconditional right to defer settlement of the liability for at least 12 months after balance date or if the borrowings are not expected to be settled within 12 months of balance date.

Employee Entitlements

Short-term employee entitlements
Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned to, but not yet taken at balance date. Sick leave has not been included, as the amount of accumulated sick leave that is anticipated to be taken in future periods is not considered to be material.

Long-term employee entitlements
Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and

- the present value of the estimated future cash flows.

Provisions
A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in 'finance costs'.

Foreign currency transactions
PBE IPSAS 4.24,32 Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into NZ$ (the functional currency) using the spot exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Goods and Services Tax (GST)
All items in the financial statements are stated exclusive of Goods and Services Tax (GST), except for trade receivables and payables, which are stated on a GST inclusive basis. 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 receivables or payables in the statement of financial position.

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

Commitments and contingencies are disclosed exclusive of GST.

Income Tax
The Trust is exempt from Income Tax by virtue of its charitable status.

Equity
Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

- Trust's contributed capital;
- Retained earnings;
- Restricted reserves;
- Collections revaluation reserve;

Restricted reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Trust.

Restricted reserves include those subject to specific conditions accepted as binding by the Trust and which may not be revised by the Trust without reference to the Courts or a third party (i.e. endowment funds). Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by the Trust's decision. The Trust may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Trust.

Budget figures

The budget figures are derived from the Statement of Intent as approved by the Board 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 by the Board of Trustees in preparing these financial statements

Critical Accounting Estimates and Assumptions

In preparing these financial statements, the Trust has made estimates and assumptions concerning the future. These estimates and assumptions may differ from subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Property, Plant and Equipment Useful Lives and Residual Values

The Trust reviews the useful lives and residual values of its property, plant and equipment annually. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the Trust to consider a number of factors including the physical condition of the asset, expected period of use of the asset by the Trust, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset, therefore impacting on the depreciation expense recognised in the surplus or deficit and the carrying amount of the asset in the statement of financial position. The Trust minimises the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programmes;
- review of second hand market prices for similar assets; and
- analysis of prior asset sales.

The Trust has not made significant changes to past assumptions concerning useful lives and residual values.

Critical Judgements in applying the Trust's accounting policies

There have been no specific areas requiring management or Trustees to exercise critical judgement in applying the Trust's accounting policies for the period ended 30 June 2025.

Te Manawa Museums Trust
Notes to the Financial Statements
For the Year Ended 30 June 2025

2 Summary of Operating Expenses by Activity

	Actual 2025 $	Actual 2024 $
Finance and Administration		
Employees' Costs	771,120	685,384
Other Operating Costs:	761,358	655,267
	1,532,478	**1,340,651**
Collections and Curatorial		
Employees' Costs	693,166	500,081
Other Operating Costs:	189,906	142,815
	883,071	**642,896**
Exhibitions		
Employees' Costs	465,954	414,706
Other Operating Costs	101,784	285,488
	567,739	**700,194**
Education and Outreach		
Employees' Costs	307,825	334,084
Other Operating Costs	14,374	21,163
	322,198	**355,247**
Visitor Experience		
Employees' Costs	420,417	393,500
Other Operating Costs	11,487	65,743
	431,904	**459,243**
Marketing and Events		
Employees' Costs	378,901	244,244
Other Operating Costs	90,839	131,617
	469,740	**375,861**
Depreciation/Amortisation	315,899	278,295
Loss (Gain) on Disposals of Fixed Assets	0	1,086
Impairment of Fixed Assets	0	0
Total Operating Expenditure	**4,523,030**	**4,151,299**

3 Other Operating Revenue	Actual 2025 $	Actual 2024 $
From Exchange Transactions		
Merchandise / Shop	81,457	88,512
Venue Hire	7,454	11,402
Sundry Income, Public Programmes, Events and Activities	68,838	12,167
Other	-	42,724
Other Operating Revenue (from Exchange Transactions)	**157,748**	**154,804**
Community Grants	241,583	257,558
Donations - General	45,558	25,588
Education Programme Fees	5,161	11,460
Sponsorship	-	46,420
Hire of Education Kits	711	656
Ministry of Education ELC	60,114	60,114
Other Operating Revenue (from Non-Exchange Transactions)	**353,127**	**401,796**
Total Other Operating Revenue	**510,875**	**556,600**

4 Revenue Classification in accordance with PBE IPSAS:	Actual 2025		
Revenue from:	**Non-Exchange Transactions $**	**Exchange Transactions $**	**Total Revenue as per Statement of Comprehensive Revenue and Expense $**
Palmerston North City Council Operating Grant	3,833,599	-	3,833,599
Manawatu District Council Operating Grant	20,000	-	20,000
Interest Revenue	-	40,778	40,778
Other Operating Revenue *(refer Note 3 above)*	353,127	157,748	510,875
Subtotal Operating Revenue	**4,206,726**	**198,526**	**4,405,252**
Revenue from Donated/Custodial Collection Assets			
Recognition of Donated Collection Assets	124,186	-	124,186
Recognition of Custodial Collection Assets	-	-	-
Total Revenue classified as Revenue from:	**4,330,912**	**198,526**	**4,529,438**

	Actual 2024		
Revenue from:	Non-Exchange Transactions $	Exchange Transactions $	Total Revenue as per Statement of Comprehensive Revenue and Expense $
Palmerston North City Council Operating Grant	3,756,570	0	3,756,570
Manawatu District Council Operating Grant	20,000	0	20,000
Interest Revenue	-	58,125	58,125
Other Operating Revenue *(refer Note 3 above)*	401,796	154,804	556,600
Subtotal Operating Revenue	4,178,366	212,929	**4,391,295**
Revenue from Donated/Custodial Collection Assets			
Recognition of Donated Collection Assets	11,830	0	11,830
Recognition of Custodial Collection Assets	29,863	0	29,863
Total Revenue classified as Revenue from:	**4,220,058**	**212,929**	**4,432,987**

	Actual 2025 $	Actual 2024 $
5 Employee Expenses		
Salaries and Wages	2,976,353	2,472,260
Employer Contributions to Kiwisaver	82,262	67,031
Employee Entitlements Increase / (Decrease)	(21,232)	32,709
Total Employee Expenses	**3,037,383**	**2,572,000**

		Actual 2025	Actual 2024
6	**Other Operating Expenses**	**$**	**$**
	Fees to Audit New Zealand for audit of financial statements	83,871	69,558
	ACC	4,821	5,885
	Advertising & Promotion	72,769	114,263
	Bad Debts	-	-
	Collection Valuation Fees	14,100	2,150
	Computer & IT Support	51,820	60,014
	Communication/Social Media	-	5,957
	Contractors	94,768	219,180
	Cost of Sales - Merchandise	52,728	53,906
	Freight	11,276	18,059
	Foreign Exchange Loss	-	-
	Hire fees - Exhibitions	52,126	66,022
	Insurance - Material Damage	28,423	22,782
	Insurance - Collections	32,581	32,523
	Inventory Write Down	-	4,966
	Legal Fees	-	1,401
	Materials/Consumables	98,301	72,017
	Occupancy Costs	289,164	216,794
	Repairs & Maintenance	14,839	28,652
	Subscriptions	9,508	14,047
	Training & Travel	32,651	30,585
	Trust Board Remuneration	30,323	24,616
	Trust Board Expenses	2,061	2,597
	Operating Leases	38,691	47,912
	Other Operating Expenses	155,107	186,031
	Total Other Operating Expenses	**1,169,929**	**1,299,918**

		Actual 2025	Actual 2024
7	**Depreciation and Amortisation**	**$**	**$**
	Depreciation expense	312,698	274,781
	Amortisation expense	3,201	3,514
	Total Depreciation and Amortisation	**315,899**	**278,295**

	2025 $	2024 $
8 Equity		
Contributed Capital		
Balance at Beginning of Year	145,565	145,565
Capital Contribution	-	-
Balance at End of Year	**145,565**	**145,565**
Retained Earnings		
Balance at Beginning of Year	10,310,706	10,279,936
Net Surplus/(Deficit) for the year	6,217	262,561
Transfers to Retained Earnings from:		
Exhibition Development Reserve		-
Collection Development Fund		-
Transfers from Retained Earnings to:		
Endowment Fund	-	-
Collection Development Fund	(21,151)	
Exhibition Development Reserve	(34,067)	(231,790)
Balance at End of Year	**10,261,705**	**10,310,706**
Asset Revaluation Reserves		
Revaluation Reserve - Heritage Collection		
Balance at Beginning of Year	143,180	143,180
Revaluation Reserve on disposals		
Revaluation of Collection Assets	1,189,732	-
Balance at End of Year	**1,332,913**	**143,180**
Revaluation Reserve - Art Collection		
Balance at Beginning of Year	10,081,508	10,081,508
Revaluation Reserve on disposals	-	-
Revaluation of Collection Assets	-	-
Balance at End of Year	**10,081,508**	**10,081,508**
Total Asset Revaluation Reserves	**11,414,421**	**10,224,688**
Collection Development Fund		
Balance at Beginning of Year	14,229	14,229
Transfer from Retained Earnings	21,151	
Transfer to Retained Earnings	-	-
Balance at End of Year	**35,380**	**14,229**
Historic Building Maintenance Reserve		
Balance at Beginning of Year	22,081	22,081
Endowment for maintenance of historic		
Balance at End of Year	**22,081**	**22,081**
Exhibition Development Reserve		
Balance at Beginning of Year	630,051	398,261
Transfer from Retained Earnings	34,067	231,790

	2025	2024
Transfer to Retained Earnings	-	-
Balance at End of Year	**664,118**	**630,051**
Total Specific Reserves	**721,580**	**666,363**
Endowment Fund		
Balance at Beginning of Year	10,873	10,873
Transfer from Retained Earnings	-	-
Balance at End of Year	**10,873**	**10,873**
Total Equity	**22,554,144**	**21,358,195**

The breakdown of Equity in the budget column of the Balance Sheet varies from the breakdown in the of Intent in that Contributed Capital and Retained Earnings as shown in Balance Sheet correspond to the Trus Equity and Retained Surplus current year set out in the forecast financial statements submitted with the State

	2025	2024
9 Cash and Cash Equivalents	**$**	**$**
Cash at bank and on hand	113,371	293,549
Short Term Investment with maturity of three months or less	-	145,980
Total Cash and Cash Equivalents	**113,371**	**439,529**

The carrying value of cash at bank and short -term deposits with maturities less than three months approximates their fair value. The weighted average of interest rate applicable to cash and cash equivalents is 0.49% (2024: 3.16%)

There are no restrictions over any cash and cash equivalents held by the Trust.

	2025	2024
10 Receivables from Non-Exchange Transactions	**$**	**$**
Non - Exchange Receivables	-	-
Related Party Receivables	-	-
Provision for Doubtful Debts	-	-
Interest Receivable	9,536	15,647
Total Receivables from Non-Exchange Transactions	**9,536**	**15,647**

	2025	2024
11 <u>Receivables from Exchange Transactions</u>	**$**	**$**
Trade Receivables	1,807	430
Receivables from Exchange Transactions	**1,807**	**430**

Fair Value

The carrying value of Receivables from Exchange transactions approximates their fair value.

Impairment

Receivables written off during the period amounted to $nil (2024:$nil)

12 Investments

12A Short Term Deposits

	2025	2024
	$	**$**
Term deposit with maturity less than 12 months	554,486	814,712
	554,486	**814,712**

The carrying value of the short -term deposit approximates its fair value.
The term deposits have between a four to eight month maturity with interest rate from 3.5% to 4.90% (2024: 4.30% to 6.10%)

12B Non-Current Financial Assets

	2025	2024
	$	**$**
Term deposit with maturity more than 12 months	120,000	-
	120,000	**-**

The carrying value of the term deposit approximates its fair value.
The term deposit has a twenty-four month maturity with an interest rate of 4.00% (2024:nil).

	2025	2024
13 Inventories	**$**	**$**
Commercial Inventories – Items held for resale	19,594	19,504
Total Inventories	**19,594**	**19,504**

Inventory was written down during the period by $nil (2024: $4,825).
There were no reversals of previously written down inventory items (2024 :Nil).
There are no items of inventory pledged as security.

	2025	2024
14 Payables under Exchange Transactions	**$**	**$**
Trade Creditors	39,423	262,814
Related Party Payables (Note 22)	32,480	37,474
Accrued Expenses	87,498	70,193
GST Payable	68,187	40,864
Other Payables	71,315	-
Total Payables under Exchange Transactions	**298,903**	**425,817**

As at 30 June 2025, there is a credit card facility in place with Westpac for a limit of $10,000 (2024: limit of $10,000).
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.

	2025	2024
15 Deferred Non -Exchange Revenue		
Revenue Received in Advance	119,734	239,888
Total Deferred Non -Exchange Revenue	**119,734**	**239,888**

16 Employee Benefit Liabilities	**2025**	**2024**
Current Portion	**$**	**$**
Accrued Salaries and Wages	119,086	143,652
Annual Leave	173,526	195,895
Long Service Leave	24,289	23,152
Total Current Portion of Employee Benefit Liabilities	**316,901**	**362,700**
Non-Current Portion		
Long Service Leave	-	-
Total Employee Benefit Liabilities	**316,901**	**362,700**

17 Intangible Assets

	Website $	Software $	Work in Progress $	Total $
Cost				
At 1 July 2023	**10,000**	**88,534**	**-**	**98,534**
Additions - Purchased	-	-	-	-
Disposals/Work in Progress transferred to	-	(8,310)		(8,310)
At 30 June 2024	**10,000**	**80,224**	**-**	**90,224**
Additions - Purchased	-	34,500	-	34,500
Fully depreciated assets not transferred to Wiise	-	77,398	-	77,398
Disposals/Work in Progress transferred to Intangible Assets	-			-
At 30 June 2025	**10,000**	**37,326**	**-**	**47,326**
less Accumulated Amortisation and Impairment Losses				
At 1 July 2023	**10,000**	**81,581**	**-**	91,581
Amortisation Expense	-	3,514	-	3,514
Impairment	-	-	-	-
Accumulated Amortisation on Disposals	-	-7,697	-	(7,697)
At 30 June 2024	**10,000**	**77,398**	**-**	**87,398**
Amortisation Expense		3,201	-	3,201
Fully depreciated assets not transferred to Wiise	-	77,398	- -	77,398
Accumulated Amortisation on Disposals			-	-
At 30 June 2025	**10,000**	**3,201**	**-**	**13,201**
Carrying Amounts				
As at 30 June 2024 and 1 July 2024 -	0	2,826	-	2,826
As at 30 June 2025	**-**	**34,125**	**-**	**34,125**

There is no work in progress at balance date (2024: $nil)

There are no intangible assets pledged as security over the Trust's liabilities (2024: $nil).

18 Property, Plant and Equipment

	Computer Hardware	Exhibitions	Furniture & Fittings	Leasehold Improvement	Office Equipment	Plant & Equipment	Work in progress	Total
	$	$	$	$	$	$	$	$
Cost								
At 1 July 2023	186,897	2,027,301	527,697	405,756	20,783	1,191,808	76,050	4,436,292
Additions	27,668	96,988	48,105	32,341		353,153	354,015	912,270
Disposals/Work in Progress transferred to	-15,023	-12,426	-5,331			-3,683	-357,259	-393,722
At June 2024	**199,542**	**2,111,863**	**570,471**	**438,097**	**20,783**	**1,541,278**	**72,806**	**4,954,840**
Additions	5,638	101,885	45,055	-		50,866	207,980	411,424
Moved between Classes on upload to Wiise		14,282				-14,282		
Fully depreciated assets not transferred to Wiis	-116,481	-1,485,006	-411,070	-318,331	-20,278	-652,555		-3,003,723
Disposals/Work in Progress transferred to							-140,293	-140,293
At 30 June 2025	**88,699**	**743,024**	**204,456**	**119,766**	**505**	**925,306**	**140,493**	**2,222,248**
less Accumulated Depreciation and Impairment Losses								
At 1 July 2023	136,070	1,854,143	453,107	375,688	20,783	827,608	-	3,667,399
Depreciation Charge for the year	29,511	86,188	20,652	11,590	-	126,841	-	274,782
Impairment	-	-	-	-	-	-	-	-
less Accumulated depreciation on disposals	-14,455	-10,778	-5,599			-3,809	-	-34,641
At 30 June 2024	**151,126**	**1,929,553**	**468,160**	**387,278**	**20,783**	**950,640**	**-**	**3,907,540**
Depreciation Charge for the year	28,022	105,169	26,503	11,977	-	141,027		312,698
Fully depreciated assets not transferred to Wiis	-116,481	-1,485,006	-411,070	-318,331	-20,278	-652,555	-	-3,003,723
								-
Accumulated depreciation on disposals								-
At 30 June 2025	**62,667**	**549,716**	**83,593**	**80,924**	**505**	**439,112**	**-**	**1,216,515**
Carrying Amounts								
As at 30 June 2024 and 1 July 2024	48,416	182,309	102,311	50,819	-	590,638	72,806	1,047,299
As at 30 June 2025	**26,555**	**193,308**	**120,862**	**38,843**	**-**	**485,672**	**140,493**	**1,005,733**

No items of Property, Plant and Equipment are pledged as security as at 30 June 2025 (2024: $nil).

19 Collection Assets

30 June 2025	Opening 1 July 2025	Acquisitions	Donated Collection	Revaluations	Deaccess	Closing 30 June 2025
Art						
Owned	6,508,535	81,152	119,864		-	6,709,551
Custodial	9,609,833			-		9,609,833
Total Art	**16,118,368**	**81,152**	**119,864**	**-**	**-**	**16,319,384**
Heritage						
Owned	2,823,489		4,322	822,194		3,650,005
Custodial	1,076,043		-	367,539		1,443,582
Total Heritage	**3,899,532**	**-**	**4,322**	**1,189,733**	**-**	**5,093,587**
Total Collection Assets	**20,017,900**	**81,152**	**124,186**	**1,189,733**	**-**	**21,412,971**

Owned Collection Assets	10,359,556
Custodial Collection Assets	11,053,415
Total Collection Assets 30 June 2025	**21,412,971**

30 June 2024	Opening Balance 1 July 2024	Acquisitions	Donated Collection	Revaluations	Deaccessions	Closing Balance 30 June 2024
Art						
Owned	6,488,752	19,783			-	6,508,535
Custodial	9,579,970		29,863			9,609,833
Total Art	**16,068,722**	**19,783**	**29,863**	**-**	**-**	**16,118,368**
Heritage						
Owned	2,813,855		10,744	-	(1,110)	2,823,489
Custodial	1,094,061		-	-	(18,018)	1,076,043
Total Heritage	3,907,916	-	10,744	-	(19,128)	3,899,532
Total Collection Assets 30 June 2024	**19,976,638**	**19,783**	**40,607**	**-**	**(19,128)**	**20,017,900**

Owned Collection Assets	9,332,024
Custodial Collection Assets	10,685,876
Total Collection Assets 2024	**20,017,900**

Valuation

Heritage Collection

The owned and custodial heritage collections were independently valued in June 2025 at $3,521,930 for the owned heritage collection, and $1,574,380 for the custodial heritage collection. The revaluation was undertaken by AON. The collection was valued based on fair value at the date of revaluation, by reference to price in an active market. The current book value has been revised accordingly.

Art Collection

Because the New Zealand art market has been bouyant over the last few years a re-valuation was carried out at 30 June 2023. The collection was valued by Art+Object based on fair value at the date of revaluation, by reference to price in an active market and comparison by the valuer to the value of similar items held in other institutions, as well as comparison with recent auction sales both nationally and internationally. A fair value assessment was conducted at 30 June 2025.

No Collection assets are pledged as security as at 30 June 2025 (2024: $nil).

20 Commitments

Lease of the premises from the Council – Period of Agreement

The Trust has a contract with Palmerston North City Council to lease the premises in which its activities are situated, effectively on a rent-free basis. The term of the lease has been renewed for a period of nine years, starting with 1 July 2018, with a variation to allow sub-leasing to New Zealand Rugby Museum subject to Palmerston North City Council consent.

Other Non- Cancellable Operating Leases as a lessee

The Trust leases property, plant and equipment/has non-cancellable operating contracts for service as part of the normal course of its business. The majority of these leases have a non-cancellable term between 12 and 48 months. The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	2025	**2024**
	$	**$**
Within 1 year	58,336	56,087
Within 1 – 2 years	58,336	3,544
Within 2 – 5 years	17,241	7,089
	133,913	**66,720**

	2025	**2024**
Capital Commitments	**$**	**$**
Capital expenditure contracted for at balance date but not yet incurred for property, plant and equipment:	**-**	**32,000**

The Trust had a commitment with Thyme Technologies for the installation of software amounting to $32,000 as at 30 Ju

21 Contingencies

The Trust Board has no contingent liabilities at 30 June 2025. (2024: $nil).

Related Party Transactions

22 Controlling Entity

The Trust is a Council Controlled Organisation, controlled by Palmerston North City Council (PNCC).
Te Manawa Museums Trust is a Council Controlled Organisation as defined in the Local Government Act 2002, accountable to the Palmerston North City Council. Under the Trust Deed the Board shall consist of not less than five or more than nine Trustees, of which Council may appoint up to five, Tangata Whenua may appoint up to two and the Board may co-opt up to two.

Transactions carried out with PNCC are as follows:	**2025**	**2024**
Received from PNCC	**$**	**$**
Operating Grant	3,833,599	3,756,570
Contribution to Art auction Operating expenses		
Items for Japanese Exhibition		
Venue Hire	-	-
Other	78	-
Purchased from PNCC		
Water Rates	4,804	3,068
Rental Vehicles	27,212	25,646
Hosting of Vernon Systems	5,000	5,000
Computer Support	27,189	21,000
Internet Usage	3,000	3,000
Telephone Support	18,043	22,266
Assets Purchased	959	15,156
Other Services	527	1,484
Electricity and gas	207,904	175,372
Owing to PNCC at 30 June 2025	32,480	37,474
Owing from PNCC at 30 June 2025	-	-

Te Manawa provided free venue hire to PNCC Library and Community services with a market value of nil
Disclosure of arms length transactions

PBE IPSAS 20 only requires disclosure for transactions that are not at arms length. Te Manawa has made extra disclosures for the sake transparency.
Water rates are paid at market rates and are disclosed for transparency purposes.
SLA Agreement for provision of IT services
While Te Manawa pays for this service (29k p/a), Te Manawa cannot establish that it was paid at arms length given that the service wa: provided due to the parent/ CCO relationship, e.g. Te Manawa did not go out to the market to tender for the service.

In addition to the above transactions, the premises occupied by The Trust are owned by Palmerston North City Council and effectively provided by Palmerston North City Council as an additional grant.The market value of this Grant/Rent is $1,094,233 . In addition, PNCC provides human resources advisory services free of charge to Te Manawa with a market price of $24,000.

(ii) Key Management Personnel

The Trust classifies its key management personnel into:
- Trustees in the Board of Trustees as the governing body
- Chief Executive and members of the Management Team

Members of the Management Team are employed as employees of the Trust, on normal employment terms.

The aggregate level of remuneration paid and number of persons (measured in "people" for the Trustees and "full time equivalent" (FTE's) for the members of the Leadership Team in each class of key management personnel is presented below:

	2025		2024	
	Remuneration	**Number of persons**	**Remuneration**	**Number of Persons**
Trustees	30,323	9	24,616	9
Management Team	631,175	4.88	702,462	5.7
Total Key Management Personnel Compensati	**661,498**		**727,078**	

(iii) Other Related Parties

Related Parties	**Goods/Services provided**	**Market Value of Goods Services**
Palmerston North City Council	Free Venue Use	$1962(2023/24: $2,808)
Earle Creativity Trust, TMCE S Shadbolt is a Trustee	Free Venue Use	$366(2023/24: $426)
Resonant Adrian van Dyk, TM Trust Board Chair (March 2025)	Free Venue Use	$340(2023/24:$nil)
Team Architect's Principal Darren Shadbolt, husband of the CEO	In kind Consultancy Services	$6,200(2023/24 $5,050)

23 Events After The Balance Sheet Date

There were no significant events after the balance sheet date.(2024:nil)

24 Categories of Financial Assets and Liabilities

Related Parties

	2025	2024
Amortised Cost	**$**	**$**
Cash and Cash Equivalents *(Note 9)*	113,371	439,529
Debtors and Other Receivables *(Note 10 &*	11,343	16,077
Investments *(Note 12)*	674,486	814,712
Total Amortised Cost	**799,200**	**1,270,318**
Financial Liabilities Measured at Amortised		
Creditors and Other Payables *(Note 14)*	298,903	425,817
Total Financial Liabilities Measured at	**298,903**	**425,817**

Financial Instruments Risks

The Trust is risk averse and seeks to minimise the exposure from its treasury activities. There has been no change in the assessment of risk from prior years

Market Risk

The interest rates on the Trust's investments are disclosed in notes 9 and 12.

Fair Value Interest Rate Risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Trust's exposure to fair value interest rate risk is limited to its fixed interest borrowings which at balance date were nil (30 June 2024: $nil) and bank deposits. However, because these borrowings and bank deposits are not accounted for at fair value, fluctuations in interest rates do not have an impact on the surplus / deficit of the Trust or the carrying amount of the financial instruments recognised in the statement of financial position.

Cash Flow Interest Rate Risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose the Trust to cash flow interest rate risk.

The Trust currently has no variable interest rate debt.

Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. From time to time the Trust enters into contracts for exhibitions which require payment in overseas currency, which present limited exposure to changes in exchange rates.

Credit Risk

Credit risk is the risk that a third party will default on its obligation to the Trust, causing the Trust to incur a loss. Due to the timing of its cash inflows and outflows, the Trust invests surplus cash with registered banks. Financial instruments, which potentially subject the Trust to credit risk, consist of bank balances and the current account balance with the Palmerston North City Council. No particular management strategy is in place in respect of amounts owed by Palmerston North City Council, after having regard to its financial strength as a body empowered to levy rates.

The Trust's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash equivalents (note 9), short term investments and debtors and receivables (note 10 and note 11). There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired.

The Trust has no significant concentrations of credit risk, as it has small numbers of typically low value credit customers (predominantly schools) and only invests funds with registered banks which have a Standard and Poor's credit rating of at least A --.

Cash on call and term investments were placed with Westpac New Zealand Limited. The credit ratings for Westpac and BNZ at 30 June 2025 were AA- from Standard & Poor's (2024: AA-).

There are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings.

Liquidity Risk

Liquidity risk is the risk that the Trust will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Trust aims to maintain flexibility in funding by maintaining sufficient short term investments.

Contractual maturity analysis of financial liabilities

The Trust's financial liabilities are limited to creditors and other payables *(Note 14)* these are payable in less than one year. The contractual cash flow is equal to the carrying amount.

25 Funding from Community Organisations

Te Manawa is grateful to the following organisations which have contributed with funding for various projects:

	2025	2024
	$	$
Grantor/Donor		
UCOL	15,000	13,043
Yorb	5,000	5,000
Lotteries	0	40,812
Lion Foundation	15,000	40,000
Acland Foundation	14,956	13,043
NZ Rugby Museum	20,000	0
Estate of Eileen Fair	10,000	0
Grassroots Trust	10,000	0

26 Capital Management

The Trust's capital is its equity, which comprises Trust capital and retained surpluses. Equity is represented by net assets.

The Trust Deed requires the Board of Trustees to prudently manage its revenues, expenses, assets, liabilities, investments, and general financial dealings.

The Trust's equity is largely managed as a by- product of managing revenues, expenses, assets, liabilities, investments and all financial dealings.

There were no externally imposed capital requirements during the period (2024: $nil).

The objective of managing the Trust's equity is to ensure the Trust effectively achieves its objectives and purpose, while remaining a going concern.

Independent Auditor's Report

To the readers of Te Manawa Museums Trust's financial statements and statement of service performance for the year ended 30 June 2025

The Auditor-General is the auditor of Te Manawa Museums Trust (the Trust). The Auditor-General has appointed me, Debbie Perera, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and statement of service performance of the Trust on his behalf.

We have audited:

- the financial statements of the Trust on pages 16 to 44, that comprise the statement of financial position as at 30 June 2025, 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 accounting policies and other explanatory information; and
- the statement of service performance of the Trust on pages 3 to 11.

Opinion

In our opinion:

- the financial statements of the Trust:
    - present fairly, in all material respects:
        - its financial position as at 30 June 2025; and
        - its financial performance and cash flows for the year then ended; and
    - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime; and
- the statement of service performance:
    - accurately reports, in all material respects, the Trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Trust's objectives for the year ended 30 June 2025; and

- has been prepared, in all material respects, in accordance with section 68 of the Local Government Act 2002 (the Act).

Our audit was completed on 31 March 2026. This is the date at which our opinion is expressed.

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 for the audit of the financial statements and the statement of service performance* 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 for the financial statements and the statement of service performance

The Board is responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board is also responsible for preparing the statement of service performance for the Trust in accordance with the Act.

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

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

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

Responsibilities of the auditor for the audit of the financial statements and the statement of service performance

Our objectives are to obtain reasonable assurance about whether the financial statements and the statement of service performance, 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 the statement of service performance.

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

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

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 the statement of service performance, 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 Trust's internal control.

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

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust'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 financial statements and the statement of service performance 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 Trust to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance represent the underlying transactions and events in a manner that achieves fair presentation.
- We evaluate the overall presentation, structure and content of the statement of service performance, including the disclosures, and assess whether the statement of service performance achieves its statutory purpose of enabling the Trust's readers to judge the actual performance of the Trust against its objectives in its statement of intent.

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

Our opinion on the financial statements and the statement of service performance 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 the statement of service performance, 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 the statement of service performance 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 Trust in accordance with the independence requirements of 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 the audit, we have no relationship with, or interests in, the Trust.

Debbie Perera
Audit New Zealand
On behalf of the Auditor-General
Palmerston North, New Zealand