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# Manawatū Community Trust

MANAGEMENT REPORT

FOR THE 6 MONTHS ENDED 31 DECEMBER 2025

BDO.CO.NZ

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# Compilation Report and Disclaimer of Liability

## Manawatū Community Trust For the 6 months ended 31 December 2025

Compilation Report and Disclaimer of Liability to the Trustees of Manawatū Community Trust.

### Scope

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Manawatū Community Trust for the six months ended 31 December 2025.

These statements are special purpose and have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

### Responsibilities

The Trustees are solely responsible for the information contained in the financial statements and have determined that the Special Purpose Reporting Framework used is appropriate to meet your needs and for the purpose that the financial statements were prepared.

The management reports were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the management reports.

### No Audit or Review Engagement Undertaken

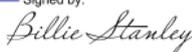
Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

### Independence

We have no involvement with Manawatū Community Trust other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

### Disclaimer

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on these financial statements.

Signed by:  
  
7930F55FA226746B

BDO Manawatu Limited  
Chartered Accountants  
32 Amesbury Street  
Palmerston North  
Dated: 30 January 2026

# Statement of Financial Performance

## Manawatū Community Trust

For the 6 months ended 31 December 2025

NOTES	JUL-DEC 2025 ACTUAL	JUL-DEC 2025 BUDGET	VARIANCE	VARIANCE %
<b>Revenue</b>				
<b>Grants from non-government organisations</b>				
Grant - Eastern & Central Community Trust	21,000	-	21,000 ↑	-
Grant - Central Energy Trust	-	100,000	(100,000) ↓	-100% ↓
<b>Revenue from service delivery grants/contracts (non-government)</b>				
<b>Rental Income</b>				
Clevely - Rental Income	142,136	141,393	743 ↑	1% ↑
FHC - Rental Income	376,268	402,030	(25,762) ↓	-6% ↓
Housing - Rental Income	1,112,328	1,070,795	41,533 ↑	4% ↑
Menzshed - Rental Income	2,600	2,603	(3) ↓	0% ↓
MHSS - Rental Income	100	52	48 ↑	92% ↑
<b>Total Rental Income</b>	<b>1,633,433</b>	<b>1,616,873</b>	<b>16,560</b>	<b>1%</b>
<b>Other Income</b>				
Admin - Meeting Room Income	1,554	1,356	198 ↑	15% ↑
Admin - Sundry Income	146	2,562	(2,416) ↓	-94% ↓
Housing - Sundry Income	3,171	1,523	1,648 ↑	108% ↑
MHSS - Recovered Expenses	5,745	4,338	1,407 ↑	32% ↑
Sundry Commercial Income	1,982	1,230	752 ↑	61% ↑
<b>Total Other Income</b>	<b>12,597</b>	<b>11,009</b>	<b>1,588</b>	<b>14%</b>
<b>Total Revenue from service delivery grants/contracts (non-government)</b>	<b>1,646,030</b>	<b>1,627,882</b>	<b>18,148</b>	<b>1%</b>
<b>Interest, dividends, and other investment revenue</b>				
Interest	23,650	12,244	11,406 ↑	93% ↑
<b>Total Revenue</b>	<b>1,690,680</b>	<b>1,740,126</b>	<b>(49,446)</b>	<b>-3%</b>
<b>Expenses</b>				
<b>Employee remuneration and other related expenses</b>				
<b>Wages and salaries</b>				
Admin - ACC Levies	947	1,206	(259) ↓	-21% ↓
Remuneration - Admin	102,347	95,544	6,803 ↑	7% ↑
Remuneration - Duke Street	4,685	4,740	(55) ↓	-1% ↓
Remuneration - Maintenance, Facilities Staff	72,381	58,404	13,977 ↑	24% ↑
Remuneration - Tenancy Staff	39,575	54,834	(15,259) ↓	-28% ↓

	NOTES	JUL-DEC 2025 ACTUAL	JUL-DEC 2025 BUDGET	VARIANCE	VARIANCE %
Remuneration - Trustees		54,077	54,372	(295) ↓	-1% ↓
<b>Total Wages and salaries</b>		<b>274,013</b>	<b>269,100</b>	<b>4,913</b>	<b>2%</b>
<b>Total Employee remuneration and other related expenses</b>		<b>274,013</b>	<b>269,100</b>	<b>4,913</b>	<b>2%</b>
<b>Other expenses related to service delivery</b>					
<b>Expenses</b>					
<b>Bowen St</b>					
Bowen St - Building Maintenance		-	1,344	(1,344) ↓	-100% ↓
Bowen St - Insurance and Rates		5,745	4,338	1,407 ↑	32% ↑
Bowen St - Revaluation		600	-	600 ↑	- —
<b>Total Bowen St</b>		<b>6,345</b>	<b>5,682</b>	<b>663</b>	<b>12%</b>
<b>Duke Street</b>					
Building Maintenance		6,198	25,002	(18,804) ↓	-75% ↓
Duke Street - Revaluation		3,421	3,420	1 ↑	0% ↑
Duke Street - Insurance		42,988	47,112	(4,124) ↓	-9% ↓
Duke Street - Generator maintenance		720	984	(264) ↓	-27% ↓
Duke Street - Grounds Expenses		7,169	8,130	(961) ↓	-12% ↓
Duke Street - Lease Cost		17,349	17,352	(3) ↓	0% ↓
Duke Street - Water Rates		1,086	1,410	(324) ↓	-23% ↓
Fire Security and Compliance		2,445	4,536	(2,091) ↓	-46% ↓
Workforce Expenses - Duke Street		-	234	(234) ↓	-100% ↓
Menzshed Expense		296	1,098	(802) ↓	-73% ↓
<b>Total Duke Street</b>		<b>81,673</b>	<b>109,278</b>	<b>(27,605)</b>	<b>-25%</b>
<b>Housing</b>					
Housing - Bad Debts Expense		-	408	(408) ↓	-100% ↓
Housing - Building Maintenance		83,778	103,428	(19,650) ↓	-19% ↓
Housing - Community Building		6,884	1,158	5,726 ↑	494% ↑
Housing - General Expenses		57	-	57 ↑	- —
Housing - Grounds Maintenance		25,548	25,080	468 ↑	2% ↑
Housing - Healthy Homes Compliance		1,511	9,420	(7,909) ↓	-84% ↓
Housing - Horizons Rates		461	492	(31) ↓	-6% ↓
Housing - Insurance		114,530	145,740	(31,210) ↓	-21% ↓
Housing - Motor Vehicle Expenses		4,960	3,864	1,096 ↑	28% ↑
Housing - Rates		74,362	77,988	(3,626) ↓	-5% ↓
Housing - Revaluations		19,474	17,370	2,104 ↑	12% ↑

NOTES	JUL-DEC 2025 ACTUAL	JUL-DEC 2025 BUDGET	VARIANCE	VARIANCE %
Housing - Rubbish Removal	1,994	7,044	(5,050) ↓	-72% ↓
Housing - Software	3,850	5,574	(1,724) ↓	-31% ↓
Housing - Sub Committee Initiatives	-	10,002	(10,002) ↓	-100% ↓
Housing - Water Rates	20,037	22,716	(2,679) ↓	-12% ↓
Workforce Expenses - Housing	452	6,450	(5,998) ↓	-93% ↓
<b>Total Housing</b>	<b>357,899</b>	<b>436,734</b>	<b>(78,835)</b>	<b>-18%</b>
<b>Administration</b>				
Accounting Fees	17,140	15,114	2,026 ↑	13% ↑
Admin - Communications & Public Relations	2,233	2,370	(137) ↓	-6% ↓
Admin - FAR Sub-Committee Initiatives	-	4,998	(4,998) ↓	-100% ↓
Admin - ICT Costs	1,751	1,476	275 ↑	19% ↑
Admin - Insurance	1,384	1,356	28 ↑	2% ↑
Admin - Meeting Room Expenses	1,793	1,518	275 ↑	18% ↑
Admin - Motor Vehicle Expenses	2,508	1,932	576 ↑	30% ↑
Admin - Office Electricity	763	750	13 ↑	2% ↑
Admin - Office Maintenance	25	834	(809) ↓	-97% ↓
Admin - Office Rates	2,028	2,166	(138) ↓	-6% ↓
Admin - Office Telephone	5,877	5,022	855 ↑	17% ↑
Admin - Postage & Stationery	795	450	345 ↑	77% ↑
Admin - Printing & Scanning	1,640	1,344	296 ↑	22% ↑
Admin - Subscriptions	252	258	(6) ↓	-2% ↓
Admin - Sundry Expenses	2,302	2,982	(680) ↓	-23% ↓
Admin - Trustee Expenses	1,151	-	1,151 ↑	-
Audit Fees	29,223	29,322	(99) ↓	0% ↓
Bank Charges	209	216	(7) ↓	-3% ↓
Consultants Fees	-	10,002	(10,002) ↓	-100% ↓
Legal Fees	1,533	1,536	(3) ↓	0% ↓
Trust Development Fund	2,337	3,156	(819) ↓	-26% ↓
Workforce Expenses - Admin	4,163	4,776	(613) ↓	-13% ↓
<b>Total Administration</b>	<b>79,106</b>	<b>91,578</b>	<b>(12,472)</b>	<b>-14%</b>
<b>Total Expenses</b>	<b>525,023</b>	<b>643,272</b>	<b>(118,249)</b>	<b>-18%</b>

	NOTES	JUL-DEC 2025 ACTUAL	JUL-DEC 2025 BUDGET	VARIANCE	VARIANCE %
<b>Other expenses</b>					
Depreciation		485,630	494,820	(9,190) ↓	-2% ↓
Interest Expense		127,072	165,594	(38,522) ↓	-23% ↓
<b>Total Other expenses</b>		<b>612,702</b>	<b>660,414</b>	<b>(47,712)</b>	<b>-7%</b>
<b>Total Other expenses related to service delivery</b>		<b>1,137,725</b>	<b>1,303,686</b>	<b>(165,961)</b>	<b>-13%</b>
<b>Total Expenses</b>		<b>1,411,738</b>	<b>1,572,786</b>	<b>(161,048)</b>	<b>-10%</b>
<b>Surplus/(Deficit) for the Year</b>		<b>278,942</b>	<b>167,340</b>	<b>111,602</b>	<b>67%</b>

# Statement of Financial Position

## Manawatū Community Trust As at 31 December 2025

	NOTES	31 DEC 2025	31 DEC 2024
<b>Assets</b>			
<b>Current Assets</b>			
<b>Cash and short-term deposits</b>			
Current Account		288,850	236,703
Savings Account		11,236	11,109
Debit Card		4,904	8,390
Petty Cash Account		271	303
ANZ - Short-Term Deposits		-	151,627
<b>Total Cash and short-term deposits</b>		<b>305,260</b>	<b>408,132</b>
<b>Debtors and prepayments</b>			
Trade receivables		114,875	107,937
Prepayments		172,547	197,218
<b>Total Debtors and prepayments</b>		<b>287,422</b>	<b>305,155</b>
Inventory		7,916	9,239
Investments		763,567	451,683
<b>Total Current Assets</b>		<b>1,364,165</b>	<b>1,174,209</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment		36,554,505	36,060,054
Investments		211,456	-
<b>Total Non-Current Assets</b>		<b>36,765,960</b>	<b>36,060,054</b>
<b>Total Assets</b>		<b>38,130,125</b>	<b>37,234,263</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Bank overdraft</b>			
Commercial Flexi Facility		1,461	2
<b>Total Bank overdraft</b>		<b>1,461</b>	<b>2</b>
<b>Creditors and accrued expenses</b>			
Trade payables		128,539	138,878
Sundry expenditure accruals		74,980	76,614
Goods and Services Tax		10,330	6,474
<b>Total Creditors and accrued expenses</b>		<b>213,849</b>	<b>221,966</b>
<b>Employee costs payable</b>			
Accrued Wages		13,691	11,647
Annual Leave Entitlement		28,459	25,163
PAYE Payable		16,689	16,534
<b>Total Employee costs payable</b>		<b>58,840</b>	<b>53,344</b>
Deferred revenue		138,293	134,117

	NOTES	31 DEC 2025	31 DEC 2024
<b>Loans</b>			
ANZ Bank Loan		216,000	216,000
MDC Loans		368,780	316,403
<b>Total Loans</b>		<b>584,780</b>	<b>532,403</b>
<b>Other current liabilities</b>			
Lease Payable		23,703	14,707
<b>Total Other current liabilities</b>		<b>23,703</b>	<b>14,707</b>
<b>Total Current Liabilities</b>		<b>1,020,925</b>	<b>956,538</b>
<b>Non-Current Liabilities</b>			
<b>Loans</b>			
ANZ Bank Loan		470,000	686,000
MDC Loans		4,323,703	4,736,488
CET Loan		1,000,000	-
<b>Total Loans</b>		<b>5,793,703</b>	<b>5,422,488</b>
<b>Other non-current liabilities</b>			
Lease Payable		104,151	108,449
<b>Total Other non-current liabilities</b>		<b>104,151</b>	<b>108,449</b>
<b>Total Non-Current Liabilities</b>		<b>5,897,854</b>	<b>5,530,938</b>
<b>Total Liabilities</b>		<b>6,918,778</b>	<b>6,487,475</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>31,211,347</b>	<b>30,746,788</b>
<b>Accumulated Funds</b>			
Capital contributed by owners or members		10	10
Accumulated surpluses or (deficits)		15,469,392	15,004,833
Asset revaluation reserves		15,741,945	15,741,945
<b>Total Accumulated Funds</b>		<b>31,211,347</b>	<b>30,746,788</b>

# Statement of Accounting Policies

## Manawatū Community Trust

### For the 6 months ended 31 December 2025

#### Basis of Preparation

The Trust has elected to apply with XRB's Tier 3 PBE (PS) standard. This is on the basis that it does not have public accountability and has total annual expenses equal to or less than \$5,000,000. All transactions in the Management Report are reported using the accrual basis of accounting. The Management Report is prepared under the assumption that the Trust will continue to operate in the foreseeable future.

This is the Trust's first Management Report presented in accordance with XRB's NFP Tier 3 Standards.

The management reports are special purpose reports to meet the management reporting requirements of the Trust.

#### Goods and Services Tax (GST)

The Trust is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST. The Trust also carries out transactions which fall under exempt supplies legislation for GST purposes and therefore are not applicable for GST and are recorded gross in the management reports.

#### Income Tax

Manawatū Community Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

#### Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

#### Presentation Currency

The Management Report is presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$.

#### Revenue Recognition

Donations and grants with a documented expectation regarding use have been recognised as revenue over time as the expectation is satisfied.

Donated assets that are significant and have useful lives of 12 months or more are recorded on receipt at readily obtainable values. Other donated assets are not recorded.

Sale of goods is recorded when the goods are sold (usually when the goods are received by the purchaser).

Provision of services are recognised on a stage of completion basis.

Lease or rental revenue is recorded on a straight line basis unless another systematic basis is representative of the user's benefit.

Interest income is recorded as it is earned.

#### Trade Receivables

Trade receivables are initially measured at the amount owed. When it is likely that the amount owed, or some portion, will not be collected, an impairment adjustment is recorded. Interest charged on overdue amounts are added to the individual debtor balance.

## **Inventories**

Inventories are recorded at cost and if become impaired, written down to lower of cost and selling price.

## **Property, Plant and Equipment**

Property, plant and equipment consist of rental accommodation available for the elderly and disabled, and property leased out and operated as an integrated health centre, the Manchester House Senior Hub Facility and The Feilding Menzshed. This has been classified as property plant and equipment rather than investment property as it is held to meet service delivery objectives rather than to earn rentals or for capital appreciation.

Land is measured at fair value, and buildings are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

### **Revaluation**

Land and buildings are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from the assets' fair value and at least every three years.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then an off-cycle asset valuation is undertaken.

Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis.

The net revaluation results of revaluing are credited or debited to the asset revaluation reserve in equity. Where this would result in a debit balance in the asset revaluation reserve, this balance is recognised in the Statement of Comprehensive Revenue and Expenses. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the Statement of Comprehensive Revenue and Expenses will be first recognised in the Statement of Comprehensive Revenue and Expenses up to the amount previously expensed, and then recognised in equity.

### **Additions**

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that the asset will provide future economic benefits or service potential to the Trust and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

### **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 included in the Statement of Financial Performance. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

### **Subsequent costs**

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or 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 in the Statement of Financial Performance.

### **Depreciation**

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land (which is not depreciated), at rates that will write off the cost (or valuation) of the assets over their useful lives. The residual value and useful life of an asset is reviewed and adjusted, if applicable, at each financial year end.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Land	Indefinite	None
Buildings and Improvements	2 - 78 years	1.28% - 50%
Furniture and Fittings	7.69 - 10 years	10% - 13%
Motor Vehicles	5 years	20%
Plant and Equipment	3 - 10 years	10% - 33%

### **Impairment of Assets**

Property, plant, and equipment assets subsequently measured at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicated 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.

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 Statement of Financial Performance. The reversal of an impairment loss is recognised in the Statement of Financial Performance.

### **Intangible Assets**

#### **Recognition and measurement**

Intangible assets are initially measured at cost. 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. The Trust has no intangible assets with indefinite useful lives. Cost includes expenditure that is directly attributable to the acquisition of the asset.

#### **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.

The estimated useful lives amortisation rates are:

- Software                      3 years (2024: 3 years).

### **Investments**

Investments are recorded when purchased and are recorded at cost. If it appears that the carrying amount of the investment will not be recovered, it shall be written down to the current market price. Any impairment expense is recorded in the Statement of Financial Performance.

## Provisions

Provisions are recognised when the Trust has an obligation which can be reliably measured at balance date as a result of a past event and it is probable that the company will be required to settle the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the obligation at balance date. Movements in the best estimate are recorded in the Statement of Financial Performance.

## Loans

Loans are recorded when the amount borrowed has been received and measured at cost. Interest expense is recognised on an accruals basis.

## Tier 2 PBE Accounting Standards Applied

The Trust has elected to apply Tier 2 Accounting Standard PBE IPSAS 17 Property, Plant and Equipment and PBE IPSAS 31 Intangible Assets when preparing its financial statements.

## 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 the Tier 3 standard, using accounting policies that are consistent with those adopted by the Board in preparing this management report.

## Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.