

2026

CONSOLIDATED FINANCIAL STATEMENTS

TRUST HOUSE LIMITED

for the year ended 31 March 2026



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Trust House Limited
Consolidated Statement of Profit or Loss
For the year ended 31 March 2026

	Notes	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Revenue	5	30,895,287	36,217,817	25,610,922	29,822,866
Cost of sales		<u>(4,565,443)</u>	<u>(5,603,123)</u>	<u>(4,565,443)</u>	<u>(5,603,123)</u>
Gross profit		<u>26,329,844</u>	<u>30,614,694</u>	<u>21,045,479</u>	<u>24,219,743</u>
Operating expenses	7	<u>(21,665,796)</u>	<u>(23,641,407)</u>	<u>(19,012,949)</u>	<u>(20,282,347)</u>
Operating profit		4,664,048	6,973,287	2,032,530	3,937,396
Finance costs	22	(577,017)	(1,080,862)	(577,017)	(1,080,862)
Finance income	22	<u>22,933</u>	<u>56,369</u>	<u>20,094</u>	<u>28,994</u>
Net finance costs	22	<u>(554,084)</u>	<u>(1,024,493)</u>	<u>(556,923)</u>	<u>(1,051,868)</u>
Net operating profit		4,109,964	5,948,794	1,475,607	2,885,528
Non-operating items	6	<u>(13,771,531)</u>	<u>(7,577,122)</u>	<u>(13,771,531)</u>	<u>(7,577,122)</u>
Net profit / (loss) before charitable donations		<u>(9,661,567)</u>	<u>(1,628,328)</u>	<u>(12,295,924)</u>	<u>(4,691,594)</u>
Charitable donations	26	<u>(2,579,269)</u>	<u>(3,637,278)</u>	-	-
Net profit / (loss) for year		<u>(12,240,836)</u>	<u>(5,265,606)</u>	<u>(12,295,924)</u>	<u>(4,691,594)</u>
Attributable to:					
Owners of the parent		(11,538,434)	(4,965,466)	(11,590,361)	(4,424,173)
Non-controlling interests		<u>(702,402)</u>	<u>(300,140)</u>	<u>(705,563)</u>	<u>(267,421)</u>
		<u>(12,240,836)</u>	<u>(5,265,606)</u>	<u>(12,295,924)</u>	<u>(4,691,594)</u>

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements

Trust House Limited
Consolidated Statement of Comprehensive Income
For the year ended 31 March 2026

	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Net profit / (loss)	(12,240,836)	(5,265,606)	(12,295,924)	(4,691,594)
Total comprehensive income for the year	<u>(12,240,836)</u>	<u>(5,265,606)</u>	<u>(12,295,924)</u>	<u>(4,691,594)</u>
Attributable to:				
Owners of the parent	(11,538,434)	(4,965,466)	(11,590,361)	(4,424,173)
Non-controlling interests	<u>(702,402)</u>	<u>(300,140)</u>	<u>(705,563)</u>	<u>(267,421)</u>
	<u>(12,240,836)</u>	<u>(5,265,606)</u>	<u>(12,295,924)</u>	<u>(4,691,594)</u>

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements

Trust House Limited
Consolidated Statement of Movements in Equity
For the year ended 31 March 2026

	Owners of the parent	Non- controlling interest	Group	Group	Parent	Parent
	2026	2026	2026	2025	2026	2025
	\$	\$	\$	\$	\$	\$
Equity at the start of the year	<u>148,031,500</u>	<u>9,011,421</u>	<u>157,042,921</u>	<u>162,308,527</u>	<u>155,890,181</u>	<u>160,581,775</u>
Total comprehensive income / (loss)	<u>(11,538,434)</u>	<u>(702,402)</u>	<u>(12,240,836)</u>	<u>(5,265,606)</u>	<u>(12,295,924)</u>	<u>(4,691,594)</u>
Movements in equity for the year	<u>(11,538,434)</u>	<u>(702,402)</u>	<u>(12,240,836)</u>	<u>(5,265,606)</u>	<u>(12,295,924)</u>	<u>(4,691,594)</u>
Equity at the end of the year	<u>136,493,066</u>	<u>8,309,019</u>	<u>144,802,085</u>	<u>157,042,921</u>	<u>143,594,257</u>	<u>155,890,181</u>

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements

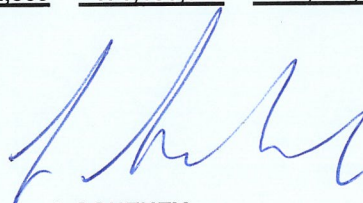
Trust House Limited
Consolidated Statement of Financial Position
As at 31 March 2026

	Notes	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Current assets					
Cash and cash equivalents	8	1,636,750	1,735,999	947,284	1,141,308
Trade and other receivables	9	1,022,727	908,708	1,030,627	932,737
Prepayments		515,389	586,593	421,540	487,257
Inventories	10	493,080	405,029	493,080	405,029
Other current assets	11	-	1,362,000	-	1,362,000
Total current assets		<u>3,667,946</u>	<u>4,998,329</u>	<u>2,892,531</u>	<u>4,328,331</u>
Non-current assets					
Investment properties	12	132,973,402	143,896,410	132,973,402	143,896,410
Property, plant and equipment	13	21,318,902	22,156,172	20,422,133	21,139,418
Intangible assets	14	132,119	136,001	6,918	22,780
Total non-current assets		<u>154,424,423</u>	<u>166,188,583</u>	<u>153,402,453</u>	<u>165,058,608</u>
Total assets		<u>158,092,369</u>	<u>171,186,912</u>	<u>156,294,984</u>	<u>169,386,939</u>
Current liabilities					
Trade and other payables	15	2,948,121	2,350,559	2,600,094	1,893,561
Employee entitlements	16	654,126	921,266	654,126	921,266
Borrowings	17	8,834,888	-	8,834,888	-
Lease liabilities	27	117,646	118,562	117,646	118,562
Charitable donations allocated	26	241,530	190,235	-	-
Total current liabilities		<u>12,796,311</u>	<u>3,580,622</u>	<u>12,206,754</u>	<u>2,933,389</u>
Non-current liabilities					
Employee entitlements	16	36,374	34,434	36,374	34,434
Borrowings	17	-	10,000,000	-	10,000,000
Lease liabilities	27	457,599	528,935	457,599	528,935
Total non-current liabilities		<u>493,973</u>	<u>10,563,369</u>	<u>493,973</u>	<u>10,563,369</u>
Equity					
Share capital	18	11,330,740	11,330,740	11,330,740	11,330,740
Retained earnings	18	131,989,891	144,230,727	130,782,063	143,077,987
Asset revaluation reserve	18	1,481,454	1,481,454	1,481,454	1,481,454
Total equity		<u>144,802,085</u>	<u>157,042,921</u>	<u>143,594,257</u>	<u>155,890,181</u>
Total liabilities and equity		<u>158,092,369</u>	<u>171,186,912</u>	<u>156,294,984</u>	<u>169,386,939</u>

Signed on behalf of Trust House Limited



L GRIFFITHS
DIRECTOR



L SOUTHEY
DIRECTOR

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements

Trust House Limited
Consolidated Statement of Cashflows
For the year ended 31 March 2026

	Notes	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Cash flows from operating activities					
Cash was provided from:					
Receipts from customers		30,798,157	36,608,487	25,529,921	30,214,054
Interest received		<u>22,933</u>	<u>56,369</u>	<u>20,094</u>	<u>28,994</u>
		30,821,090	36,664,856	25,550,015	30,243,048
Cash was applied to:					
Payments to suppliers and employees		24,067,223	27,235,808	21,753,340	24,257,105
Charitable donations		<u>2,527,974</u>	<u>4,284,267</u>	<u>-</u>	<u>-</u>
		(26,595,197)	(31,520,075)	(21,753,340)	(24,257,105)
Net cash flows from operating activities	21	<u>4,225,893</u>	<u>5,144,781</u>	<u>3,796,675</u>	<u>5,985,943</u>
Cash flows from investing activities					
Cash was provided from:					
Sale of plant, property and equipment		126,593	78,424	120,282	35,348
Sale of intangibles		30,106	424	10,917	-
Sale of investment property		3,063,426	7,039,003	3,063,426	7,039,003
Sale of business		<u>-</u>	<u>1,589,940</u>	<u>-</u>	<u>1,589,940</u>
		3,220,125	8,707,791	3,194,625	8,664,291
Cash was applied to:					
Purchase of plant, property and equipment		853,442	1,395,960	607,627	854,816
Purchase of intangible assets		114,128	40,712	-	-
Purchase of and upgrading of investment property		<u>6,116,523</u>	<u>2,564,441</u>	<u>6,116,523</u>	<u>2,564,441</u>
		(7,084,093)	(4,001,113)	(6,724,150)	(3,419,257)
Net cash flows (applied to)/from investment		<u>(3,863,968)</u>	<u>4,706,678</u>	<u>(3,529,525)</u>	<u>5,245,034</u>
Cash flows from financing activities					
Cash was applied to:					
Repayment of borrowings		2,000,000	8,264,584	2,000,000	8,264,584
Repayment of lease debt		80,425	61,844	80,425	61,844
Interest paid		496,385	1,007,947	496,385	1,007,947
Lease interest paid		81,252	84,285	81,252	84,285
Vendor loan		<u>-</u>	<u>1,362,000</u>	<u>-</u>	<u>1,362,000</u>
		(2,658,062)	(10,780,660)	(2,658,062)	(10,780,660)
Cash was provided from:					
Vendor loan		<u>1,362,000</u>	<u>-</u>	<u>1,362,000</u>	<u>-</u>
Net cash flows (applied to)/from financing activities		<u>(1,296,062)</u>	<u>(10,780,660)</u>	<u>(1,296,062)</u>	<u>(10,780,660)</u>
Net (decrease) / increase in cash held		(934,137)	(929,201)	(1,028,912)	450,317
Opening net cash balance		<u>1,735,999</u>	<u>2,665,200</u>	<u>1,141,308</u>	<u>690,991</u>
Closing net cash balance		<u>801,862</u>	<u>1,735,999</u>	<u>112,396</u>	<u>1,141,308</u>
Closing cash is made up of					
Cash and cash equivalents	8	1,636,750	1,735,999	947,284	1,141,308
Bank Overdraft	17	<u>(834,888)</u>	<u>-</u>	<u>(834,888)</u>	<u>-</u>
		<u>801,862</u>	<u>1,735,999</u>	<u>112,396</u>	<u>1,141,308</u>

The accompanying notes and accounting policies form part of, and should be read in conjunction with, these financial statements

Consolidated Notes to the Financial Statements

1 REPORTING ENTITY

These financial statements have been prepared in accordance with the Companies Act 1993 and the Constitution of Trust House Limited. The parent and Group financial statements of Trust House Limited as at and for the year ended 31 March 2026 comprise Trust House Limited as the parent and Trust House Foundation as a controlled entity.

Trust House Limited is involved in the hospitality industry running a number of bars, restaurants, a bottle store, two hotels, a large rental housing portfolio, and a small hydroelectric scheme. Trust House Foundation is a class IV gaming Foundation.

Trust House Limited is registered under the Companies Act 1993. It is domiciled and incorporated in New Zealand, NZBN 9429037951955, registered address Horseshoe Building, Level 1, 4 Queen Street Masterton.

2 BASIS OF PREPARATION

(a) Basis of compliance

The financial statements of the Group comply with New Zealand Equivalents to IFRS Accounting Standards (NZ IFRS).

The audited financial statements were approved for publishing by the Board of Directors on 14th September 2026.

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP). For the purposes of complying with NZ GAAP the entity is a for-profit entity. In determining the appropriate financial reporting framework, the Directors considered the nature, objectives and activities of the Company, including whether the Public Benefit Entity (PBE) Accounting Standards Framework would be more appropriate. While the entity undertakes activities that provide broader community benefits, the Directors concluded that the Company's primary objectives, funding arrangements, governance structure and operating activities are predominantly commercial in nature and are not directed primarily towards the provision of public goods or social benefits in a manner consistent with a public benefit entity.

Accordingly, the Directors have exercised judgement and determined that preparation of the financial statements under the NZ IFRS for-profit reporting framework remains the most appropriate basis of reporting for the entity.

Trust House Foundation's Reporting Standards are Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS). These standards best align with the objectives of the organisation. For the purpose of preparing these consolidated financial statements, the financial information of Trust House Foundation has been adjusted to conform to NZ IFRS to ensure consistency across the Group. No material differences were identified between PBE IPSAS and NZ IFRS in respect of the THF financial statements.

Going Concern

The financial statements have been prepared on the basis that the Group is a going concern. This means Trust House Limited will continue to operate for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of business. The statement of financial position shows a negative working capital position due to the re-classification to current liabilities at balance date of loans. Subsequent to balance date these loans have been refinanced for 25 years.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following:

- investment property is measured at fair value.
- land and buildings are measured at fair value.

The methods used to measure fair values are discussed further in note 4.

(c) Functional and presentation currency

These financial statements are presented in New Zealand dollars, which is the Company's and Group's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

(d) Material accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties include:

- Financial instruments' risk management and policies Note 19
- Sensitivity analyses disclosures Note 15 and 19

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Determining the lease term of contracts with renewal and termination options – Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

- Note 13 - Valuation of investment property
- Note 14 - Valuation of land and buildings
- Note 27 - Estimating the incremental borrowing rate for leases

The determination of fair value for investment property and land and buildings involves significant judgment, including classification within the fair value hierarchy as disclosed in the relevant notes highlighted above.

(e) Changes in accounting policy and disclosures

All accounting policies adopted in these financial statements are consistent with those of the previous financial year.

3 MATERIAL ACCOUNTING POLICY INFORMATION

Basis of consolidation

The consolidated financial statements comprise the financial statements of Trust House Limited and its controlled entity as at 31 March each year ("the Group").

The Group financial statements consolidate the financial statements of subsidiaries.

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue and expenses of entities in the Group on a line-by-line basis.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when a Parent is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments

Recognition and Derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires

Classification and Initial Measurement of Financial Assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with NZ IFRS 15 Revenue from Contracts with Customers, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable). Regular purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset. Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- Amortised Cost
- Fair Value Through Profit or Loss (FVTPL)
- Fair Value Through Other Comprehensive Income (FVOCI)

In the periods presented the Group does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

Subsequent Measurement of Financial Assets

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial

i Financial Assets at Amortised Cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows.
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised as FVTPL assets. Further, irrespective of the business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for as FVTPL assets.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The Group has no financial assets classified as FVTPL

Impairment of Financial Assets

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. It is presumed that the credit risk of a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due.

Any impairment in relation to trade receivables is based upon lifetime expected credit losses using the simplified approach. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and Measurement of Financial Liabilities

The Group's financial liabilities include Borrowings and Trade and Other Payables. Financial liabilities are initially measured at fair value, and where applicable, adjusted for transaction costs. Subsequently, unless otherwise indicated, all financial liabilities are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and term deposits with a duration of less than three months. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the Statement of Cash Flows.

Trade and other receivables

Trade and other receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). The simplified ECL model of recognising lifetime ECLs for short-term receivables is applied.

Short-term receivables are written off when there is no reasonable expectation of recovery.

Borrowings

Borrowings are classified as current unless there is an unconditional right to defer settlement for at least 12 months after the balance date.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred. Interest on qualifying assets is capitalised to the asset.

Trade and other payables

Short-term payables are recorded at the amount payable.

Property, plant and equipment

Recognition and measurement

PPE is stated at historical cost less accumulated depreciation and impairment losses, other than land and buildings are revalued with sufficient regularity such that the carrying value is not materially different to fair value, but at least every three years. The fair value is determined by an independent registered valuer by reference to their highest and best use.

A revaluation surplus is recorded in OCI and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Furniture, plant and equipment, hydro assets, motor vehicles and gaming machines are initially recognised at cost. Subsequent to initial recognition, these assets are carried at cost less accumulated depreciation and any accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation

Depreciation is calculated on a straight-line basis on all plant, property and equipment and gaming machines (other than freehold land and items under construction, which are not depreciated), at a rate which will write off the cost (or valuation) of the assets to their estimated residual value over their useful lives.

The depreciation rates for property, plant and equipment are as follows:

Land & Buildings - structure	1.96%-4.35%
Land & Buildings - services and fit out	1.96%-33.33%
Furniture & Plant - general	5.26%-67%
Furniture & Plant - gaming machines and counters	20%-100%
Motor Vehicles	10.5%-20%
Hydro Assets - Electrical reticulation	6.67%
Hydro Assets - Computerised load control equipment	16.67%

When the components of an item of property, plant and equipment have different useful lives or provide benefits to the entity in different patterns, thus requiring different depreciation rates and methods, the cost of the item is allocated to its component and each component is accounted for separately.

Management reviewed the useful life of gaming machines and increased the useful life from 4 years to 5 years effective 1 April 2025.

Intangible assets

Intangible assets comprise software acquired by the Group. Intangible assets acquired by the Group which have finite lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Software is amortised at a rate of 15-25% per year on a straight-line basis. Gaming machine software upgrades are amortised at 25% per year on a straight-line basis.

Investment property

Property is classified as investment property when it is held to earn rental income or for capital appreciation or both.

Investment property is initially recorded at cost. After initial recognition it is measured at fair value at each balance date.

With the introduction of IFRS 13 Fair value measurement, the Group's policy is to value at fair value considering highest and best use on an individual property basis.

Any increase or decrease in fair value is recognised in the Statement of Profit or Loss. Investment property is not depreciated.

Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any objective evidence of impairment.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the Statement of profit or loss.

Impairment of receivables

All individual receivables which are considered to be significant are evaluated on a case-by-case basis. For trade receivables which are not significant on an individual basis, collective impairment is assessed on a portfolio basis, based on numbers of days overdue, and taking into account the historical loss experience in portfolios with a similar amount of days overdue.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Leases

(i) Measurement Basis

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the group's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date.
- restoration costs.

Right of use assets that meet the definition of investment property is accounted for using the measurement criteria for investment property. Lease payments are allocated between principal and finance cost. Finance cost is charged to the P/L over the lease period.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and phones.

(ii) Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by Group and not by the respective Lessor.

Inventories

Inventories are valued at the lower of cost, on a weighted average basis, and net realisable value.

Employee entitlements

Provision is made in respect of the Group's liability for annual leave, long service leave, and retirement gratuities.

Annual leave and other entitlements that are expected to be settled within 12 months of the reporting date are measured at nominal values on an actual entitlement basis at a current rate of pay.

Entitlements that are payable beyond 12 months, such as long service leave and retirement gratuities, have been calculated on an actuarial basis on the present value of the expected future entitlements.

A provision for sick leave is recognised where employees have over the past two years taken more sick leave than their yearly allowance and still have accrued sick leave entitlements at year end. The provision is calculated as the number of excess sick leave days over the employees entitlement expected to be taken in the next 12 months times the employees' daily rate.

A provision is recognised for the amount expected to be paid under short-term cash bonus plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Revenue

Trust House Limited has a diverse revenue base. It is involved in the hospitality industry running a number of bars, restaurants, a bottle store, two hotels, a large rental housing portfolio and a small hydroelectric scheme. Trust House Foundation is a class IV gaming Foundation.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(1) Goods sold / sales

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

(2) Services

Trust House Limited acts as a management company for other Group entities. Revenue for management fees is recognised in accordance with the fees agreed in those contracts.

(3) Rental income

Rental income from investment property is recognised in the Statement of profit or loss as it becomes due. Generally recognised on a straight line basis over period of lease, unless another systematic basis is more representative of pattern of benefits.

(4) Gaming machine income

Revenue from gaming operations is measured at the fair value of the consideration received or receivable. Revenue is recognised when recovery of the consideration is probable.

(5) Government Grants

Government grants are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis in the periods in which the expenses are recognised.

Tax

Trust House Limited is exempt from income tax as the Charities Commission has granted it charitable status. Trust House Foundation is exempt from income tax as it is a Class IV gaming venue operator.

Goods and Services Tax

These accounts are prepared on a GST exclusive basis with the exception of residential property revenues and expenses which are exempt supplies and trade and other receivables and trade and other payables, which are stated on a GST inclusive basis. Where GST is irrecoverable as an input tax, then it is recognised as part of the related asset or expense.

The amount of GST owing to or from the Inland Revenue Department at balance date, being the difference between output GST and input GST, is included in Trade and other receivables or Trade and other payables (as appropriate). The net GST paid or received from the IRD including the GST relating to investing and financial activities, is classified as an operating cash flow in the Cash Flow Statement.

Charitable donations

Charitable donations are recognised when approval is given.

Held for sale assets

Non-current assets are reclassified as current assets held for sale when their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is highly probable.

Assets designated as held for sale are held at the lower of carrying amount at designation and fair value less costs to sell.

Depreciation is not charged against property, plant and equipment classified as held for sale.

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

New standards, amendments and interpretations not yet effective

NZ IFRS 18 Presentation and Disclosure in Financial Statements will supersede NZ IAS 1 Presentation of Financial Statements and is intended to improve comparability and transparency in the presentation of financial statements mandatory for annual periods beginning on or after 1 January 2027

The Group has undertaken an initial assessment of the requirements of NZ IFRS 18 and does not currently expect its adoption to have a material impact on the recognition or measurement of assets, liabilities, income, or expenses. However, the standard is expected to result in changes to the presentation and disclosure of information within the financial statements. Management will continue to assess the implications of the standard and will provide further information on the expected impact of adoption in future reporting periods prior to its effective date. The Group does not intend to early adopt the standard.

4 DETERMINATION OF FAIR VALUES

A number of the Groups accounting policies and disclosures require the determination of fair values for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(a) Land and Buildings

The fair value of land and buildings is based on market values. The market value of land and buildings is the estimated amount for which they could be exchanged on the date of valuation, between a willing buyer and a willing seller in an arms-length transaction after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion. Land and buildings are independently valued 3 yearly (most recently 2024) - values are tested annually for material change in value.

(b) Investment Property

An external independent valuer, having appropriate recognised professional qualifications and recent experience in the location and category of assets being valued, values the Groups investment property portfolio every 12 months. The valuations are prepared by considering the individual highest and best use of the properties in the portfolio.

5 REVENUE

	Group		Parent	
	2026	2025	2026	2025
	\$	\$	\$	\$
Revenue from contracts with customers	21,541,151	26,110,624	16,256,786	19,715,673
Income related rent subsidy (IRRS)	4,440,810	4,501,579	4,440,810	4,501,579
Residential rental revenue	4,487,015	4,708,075	4,487,015	4,708,075
Revenue from other sources	334,289	821,687	334,289	821,687
Operational subsidy for IRRS properties	<u>92,022</u>	<u>75,852</u>	<u>92,022</u>	<u>75,852</u>
Total revenue	<u>30,895,287</u>	<u>36,217,817</u>	<u>25,610,922</u>	<u>29,822,866</u>

Disaggregation of revenue from contracts with customers

The group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines. All revenue is earned in the lower North Island.

	Revenue recognised at a point in time \$	Revenue recognised over time \$	Total \$
Group			
2026			
Hospitality	10,686,656	4,014,300	14,700,956
Gaming income	6,465,746	-	6,465,746
Other	<u>358,476</u>	<u>15,973</u>	<u>374,449</u>
Total	<u>17,510,878</u>	<u>4,030,273</u>	<u>21,541,151</u>

2025			
Hospitality	13,868,442	3,310,793	17,179,235
Gaming income	8,047,298	-	8,047,298
Other	<u>859,094</u>	<u>24,997</u>	<u>884,091</u>
Total	<u>22,774,834</u>	<u>3,335,790</u>	<u>26,110,624</u>

	Revenue recognised at a point in time \$	Revenue recognised over time \$	Total \$
Parent			
2026			
Hospitality	10,686,656	4,014,300	14,700,956
Venue payments	931,381	-	931,381
Management services	-	250,000	250,000
Other	<u>358,476</u>	<u>15,973</u>	<u>374,449</u>
Total	<u>11,976,513</u>	<u>4,280,273</u>	<u>16,256,786</u>

2025			
Hospitality	13,868,442	3,310,793	17,179,235
Venue payments	1,152,347	-	1,152,347
Management services	-	500,000	500,000
Other	<u>859,094</u>	<u>24,997</u>	<u>884,091</u>
Total	<u>15,879,883</u>	<u>3,835,790</u>	<u>19,715,673</u>

5 REVENUE (continued)

Performance obligations

The Group had the following performance obligations in relation to revenue earned over time:

Rental income: The Parent enters into tenancy agreements for property it owns. Rental income is received over the term of tenancy agreements in exchange for the tenant occupying the property.

Accommodation income: Some hospitality outlets offer short term accommodation where revenue is earned once the room is occupied by the customer.

Trust House Limited receives management fees from the Trust House Foundation. Trust House Limited must ensure that all services under the contract, primarily provision of administration, accounting, secretarial support and Class IV gaming expertise are provided to the standard required in the management contract.

There were no material contract assets or liabilities at balance date.

The parent and group has the following revenue recognised at a point in time:

Hospitality revenue is received from the supply of food and beverage.

Venue payments relates to commission received from Trust House Foundation for managing their gaming activities at Trust House Limited venues.

Gaming income is received by the Group from outlets with gaming machine operations.

The performance obligation for the above income is satisfied at a point in time as payment is recognised at the time the goods or services are supplied. There are no variable consideration, rights of return, refunds of other related obligations.

Revenue from the Kourarau Dam is recognised at generation at the prevailing spot market price.

6 NON-OPERATING ITEMS

		Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Change in fair value of investment property	12	<u>(13,771,531)</u>	<u>(7,577,122)</u>	<u>(13,771,531)</u>	<u>(7,577,122)</u>
		<u>(13,771,531)</u>	<u>(7,577,122)</u>	<u>(13,771,531)</u>	<u>(7,577,122)</u>

7 OPERATING EXPENSES

	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Administration and financial	1,697,675	1,512,387	1,478,144	1,275,561
Advertising and promotion	830,049	620,113	830,049	620,113
Audit Fees	151,328	249,075	130,170	215,082
Audit Fees - Masterton Community Trust	7,000	7,000	7,000	7,000
Prospective financial statement review*	6,300	5,460	-	-
Bad debts	-	(25,907)	-	(25,907)
Movement in provision for doubtful debts	3,602	7,554	3,602	7,554
Depreciation	1,451,189	1,660,088	1,143,265	1,157,029
Amortisation	48,402	42,359	4,946	5,271
Loss / (gain) on sale of plant and equipment	(2,921)	(43,093)	161	(1,716)
Loss / (gain) on sale of intangible assets	6,325	22,570	-	-
Loss / (gain) on sale of investment properties	204,574	1,169,720	204,574	1,169,720
Property expenses	6,334,544	6,273,287	6,152,768	6,041,330
Rent and lease expenses	101,091	135,221	-	-
Employee costs	8,736,039	9,492,486	8,736,039	9,492,486
Directors and Trustees Fees	400,877	433,934	322,231	318,824
Gaming Machine Duty and Licenses	<u>1,689,722</u>	<u>2,079,153</u>	<u>-</u>	<u>-</u>
	<u>21,665,796</u>	<u>23,641,407</u>	<u>19,012,949</u>	<u>20,282,347</u>

Net gains and expenses

* These fees relate to prospective financial accounts for the Trust House Foundation forecast, required by the Department of Internal Affairs and are performed by the Principal Auditor. The 2025 fee reflected the additional costs of completing the 2021-2025 audit in one year with cost creep compared to earlier estimated amounts.

8 CASH AND CASH EQUIVALENTS

	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Bank balances	1,420,650	1,523,399	731,184	928,708
Cash floats	<u>216,100</u>	<u>212,600</u>	<u>216,100</u>	<u>212,600</u>
Cash and cash equivalents	<u>1,636,750</u>	<u>1,735,999</u>	<u>947,284</u>	<u>1,141,308</u>
	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Cash and cash equivalents	1,636,750	1,735,999	947,284	1,141,308
Bank overdrafts used for cash management purposes	(834,888)	-	(834,888)	-
The carrying value of cash at bank, cash floats and bank overdrafts approximates fair value.				

9 TRADE AND OTHER RECEIVABLES

	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Trade receivables	809,345	519,893	809,345	519,893
Less provision for impairment	<u>(11,156)</u>	<u>(7,554)</u>	<u>(11,156)</u>	<u>(7,554)</u>
	798,189	512,339	798,189	512,339
Sundry receivables	<u>224,538</u>	<u>396,369</u>	<u>232,438</u>	<u>420,398</u>
	<u>1,022,727</u>	<u>908,708</u>	<u>1,030,627</u>	<u>932,737</u>
	Group and Parent 2026 \$		2025 \$	

Aging of trade receivables

The status of trade receivables at the reporting date is as follows:

Not past due	746,842	461,471
1-30 days	33,892	28,520
31-60 days	4,417	14,401
60 days+	<u>24,194</u>	<u>15,501</u>
	<u>809,345</u>	<u>519,893</u>

As of 31 March 2026, trade receivables of \$11,156 (2025: \$7,554) were past due and considered impaired and trade receivables of \$51,347 (2025: \$50,868) were past due but not considered impaired.

9 TRADE AND OTHER RECEIVABLES (continued)

Movements in the group provision for impairment of receivables are as follows:

	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
As at 1 April	7,554	33,504	7,554	33,504
Additional provisions made during the year	<u>3,602</u>	<u>(25,950)</u>	<u>3,602</u>	<u>(25,950)</u>
Balance at the end of the year	<u>11,156</u>	<u>7,554</u>	<u>11,156</u>	<u>7,554</u>

Amounts charged to the provision are generally written off when there is no expectation of recovering additional cash.

The individually impaired receivables relate mainly to customers that are in difficult economic circumstances. Estimated credit losses are 46% of the 60 days plus overdue amount at balance date.

10 INVENTORIES

	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Raw materials and consumables	66,986	50,026	66,986	50,026
Goods available for sale	<u>426,094</u>	<u>355,003</u>	<u>426,094</u>	<u>355,003</u>
	<u>493,080</u>	<u>405,029</u>	<u>493,080</u>	<u>405,029</u>

Inventory comprises goods available for sale and food ingredients.

No inventories are pledged as security for liabilities (2025 \$nil). However, some inventories are subject to retention of title clauses.

11 OTHER CURRENT ASSETS

	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Other current assets (at amortised cost)				
Vendor loan	<u>-</u>	<u>1,362,000</u>	<u>-</u>	<u>1,362,000</u>
Total other current assets	<u>-</u>	<u>1,362,000</u>	<u>-</u>	<u>1,362,000</u>

12 INVESTMENT PROPERTY

	Group and Parent	
	2026	2025
	\$	\$
Investment property is comprised of		
Residential property	131,773,402	142,611,410
Commercial property	<u>1,200,000</u>	<u>1,285,000</u>
	<u>132,973,402</u>	<u>143,896,410</u>
Classified as:		
Non-Current	<u>132,973,402</u>	<u>143,896,410</u>
	<u>132,973,402</u>	<u>143,896,410</u>

(a) Residential properties

	Group and Parent	
	2026	2025
	\$	\$
Balance at 1 April	141,640,000	153,828,604
Properties sold	(3,693,000)	(8,060,000)
Properties purchased	425,000	135,000
Improvements	2,544,531	1,458,030
Change in fair value - recognised in Statement of profit or loss	<u>(13,686,531)</u>	<u>(5,721,634)</u>
	<u>127,230,000</u>	<u>141,640,000</u>
	2026	2025
	\$	\$
Balance at 1 April	971,410	-
Under construction	<u>3,571,992</u>	<u>971,410</u>
	<u>4,543,402</u>	<u>971,410</u>

Residential investment property comprises 393 (2025: 445) rental houses in the lower North Island. Investment properties are either leased to third parties or are vacant. Revenues and expenses of residential properties are detailed in note 12. The Group's investment properties are valued annually at fair market value effective 31st March 2026.

The fair value of residential properties was determined using the sales comparison approach, which incorporates Level 2 observable market inputs including recent sales of comparable properties.

The Group has no restrictions on the realisability of its investment property. The group has no contractual obligations to purchase, construct or develop investment property or for repair, maintenance or enhancements.

The valuation was performed by an independent valuer, J McKeefry BBS (VPM), Dip BS (Fin), MPINZ; Registered Valuer of CBRE, Wellington. CBRE are an experienced valuer with extensive market knowledge in the types of investment properties owned by the Group.

In arriving at the valuation the valuer has to make critical judgements of the likely yield a property of the type held by the Group would sell at on the retail market. This judgement is applied by geographic location and takes into account sales of similar housing and knowledge of the rental and sale markets in those locations.

12 INVESTMENT PROPERTY (continued)

Insurance

Rental properties are subject to EQC cover (being \$300,000 per residential unit) for natural disaster events. For other events (eg fire) the group has a deductible of \$1m per event. Trust House Limited has full replacement cover for commercial properties.

(b) Commercial property

The commercial property is a property in Russell Street Masterton that is leased by the Group and sublet to tenants.

	Group and Parent	
	2026	2025
	\$	\$
Balance at 1 April	1,285,000	3,875,000
Change in fair value - recognised in Statement of profit or loss	<u>(85,000)</u>	<u>(2,590,000)</u>
Balance at 31 March	<u>1,200,000</u>	<u>1,285,000</u>
Classified as:		
Non Current	<u>1,200,000</u>	<u>1,285,000</u>
	<u>1,200,000</u>	<u>1,285,000</u>

The valuation of this property was completed using the income capitalisation method and level 3 observable inputs in arriving at fair value. Inputs used in the valuation include market rental rates, capitalisation rates and leasing agreements. While observable market evidence was considered in deriving certain inputs, the valuation incorporates significant judgement and unobservable assumptions.

The fair value of the buildings at 31 March 2026 has been assessed by an independent valuer, J McKeefry BBS (VPM), Dip BS (Fin), MPINZ, Registered Valuer of CBRE, Wellington. CBRE are an experienced valuer with extensive market knowledge in the types of investment properties owned by the Group.

	Group and Parent	
	2026	2025
	\$	\$
Rental income	251,447	253,833
Tenant recharge income	34,321	38,684
Expenses from investment property generating income	(228,633)	(148,088)

13 PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings \$	Furniture and plant \$	Hydro assets \$	Motor vehicles \$	Total \$
Cost or valuation					
Balance at 1 April 2024	21,556,093	10,430,811	1,090,903	717,619	33,795,426
Additions	610,999	833,901	-	82,001	1,526,901
Disposals	(1,412,415)	(2,432,879)	-	(74,250)	(3,919,544)
Reclassified to available for sale	1,355,000	80,000	-	-	1,435,000
Balance at 31 March 2025	<u>22,109,677</u>	<u>8,911,833</u>	<u>1,090,903</u>	<u>725,370</u>	<u>32,837,783</u>
Balance at 1 April 2025	22,109,677	8,911,833	1,090,903	725,370	32,837,783
Additions	103,827	552,788	-	59,773	716,388
Disposals	-	(962,912)	-	(164,537)	(1,127,449)
Balance at 31 March 2026	<u>22,213,504</u>	<u>8,501,709</u>	<u>1,090,903</u>	<u>620,606</u>	<u>32,426,722</u>
Depreciation and impairment losses					
Balance at 1 April 2024	2,197,022	8,354,401	720,268	217,648	11,489,339
Depreciation for the year	647,555	850,756	39,528	122,249	1,660,088
Disposals	(48,668)	(2,368,192)	-	(50,955)	(2,467,815)
Balance at 31 March 2025	<u>2,795,909</u>	<u>6,836,965</u>	<u>759,796</u>	<u>288,942</u>	<u>10,681,612</u>
Balance at 1 April 2025	2,795,909	6,836,965	759,796	288,942	10,681,612
Depreciation for the year	666,768	641,104	39,958	103,356	1,451,186
Disposals	-	(932,711)	-	(92,267)	(1,024,978)
Balance at 31 March 2026	<u>3,462,677</u>	<u>6,545,358</u>	<u>799,754</u>	<u>300,031</u>	<u>11,107,820</u>
Carrying amounts					
As at 31 March 2025	<u>19,313,769</u>	<u>2,074,868</u>	<u>331,107</u>	<u>436,428</u>	<u>22,156,172</u>
As at 31 March 2026	<u>18,750,828</u>	<u>1,956,350</u>	<u>291,148</u>	<u>320,576</u>	<u>21,318,902</u>

13 PROPERTY, PLANT AND EQUIPMENT (continued)

Parent	Land and buildings \$	Furniture and plant \$	Hydro assets \$	Motor vehicles \$	Total \$
Cost or valuation					
Balance as at 1 April 2024	21,556,093	5,926,812	709,740	717,619	28,910,264
Additions	610,999	238,111	-	82,001	931,111
Disposals	(1,412,415)	(2,133,612)	-	(74,250)	(3,620,277)
Reclassified to available for sale	1,355,000	80,000	-	-	1,435,000
Balance at 31 March 2025	<u>22,109,677</u>	<u>4,111,311</u>	<u>709,740</u>	<u>725,370</u>	<u>27,656,098</u>
 Balance as at 1 April 2024	(22,109,676)	(4,111,312)	(709,740)	(725,369)	(27,656,097)
Balance as at 1 April 2025	22,109,677	4,111,311	709,740	725,370	27,656,098
Additions	103,827	361,620	-	59,773	525,220
Disposals	-	(397,862)	-	(164,537)	(562,399)
Balance at 31 March 2026	<u>22,213,504</u>	<u>4,075,069</u>	<u>709,740</u>	<u>620,606</u>	<u>27,618,919</u>
 Depreciation and impairment losses					
Balance as at 1 April 2024	2,197,022	4,776,124	339,105	217,648	7,529,899
Depreciation for the year	647,555	347,697	39,528	122,249	1,157,029
Impairment loss - through Income Statement	(48,668)	(2,070,623)	-	(50,955)	(2,170,246)
Balance at 31 March 2025	<u>2,795,909</u>	<u>3,053,198</u>	<u>378,633</u>	<u>288,942</u>	<u>6,516,682</u>
 Balance at 1 April 2025	2,795,909	3,053,198	378,633	288,942	6,516,682
Depreciation for the year	666,768	333,180	39,958	103,356	1,143,262
Disposals	-	(370,890)	-	(92,267)	(463,157)
Balance at 31 March 2026	<u>3,462,677</u>	<u>3,015,488</u>	<u>418,591</u>	<u>300,031</u>	<u>7,196,787</u>
 Carrying amounts					
As at 31 March 2025	<u>19,313,769</u>	<u>1,058,114</u>	<u>331,107</u>	<u>436,428</u>	<u>21,139,418</u>
As at 31 March 2026	<u>18,750,828</u>	<u>1,059,581</u>	<u>291,148</u>	<u>320,576</u>	<u>20,422,133</u>

13 PROPERTY, PLANT AND EQUIPMENT (continued)

Valuation - land and buildings

Land and buildings are carried at fair value as determined from market-based evidence by an independent valuer.

The most recent valuation was performed by J McKeefry BBS (VPM), Dip BS (Fin), MPINZ; Registered Valuer of CBRE Wellington and the valuation is effective as at 31 March 2024.

The valuations were primarily based on the rental capitalisation methodology.

The total fair value of land and buildings valued by J McKeefry Group and Parent as at 31 March 2024 was \$19,345,000. This figure relates to both parent and group. The valuation uses Level 3 observable inputs in arriving at fair value.

These include adopted market rent and capitalisation rates of rental income on sales of equivalent assets.

Impairment

Impairment losses for the company of \$nil were recognised in 2025/26 (2024/25 \$nil).

Insurance

The Trust House Group and related entities are part of a group insurance collective run by the New Zealand Licensing Trust Association in order to obtain improved coverage and pricing.

Trust House Limited (as part of The NZLTA collective scheme) has insurance cover of \$307m for material damage and business interruption. The policy has a loss limit of \$225m. Deductibles for building (excluding investment property as disclosed in note 12) are as follows:

Non-natural disaster - \$10,000 for each and every claim.

Natural disaster - 5% of site sum insured per site.

Capital Works up to \$500,000

Property is insured with AIG Insurance NZ Limited and IAG NZ Limited who have credit ratings (Standard and Poors) of A+ or better.

14 INTANGIBLE ASSETS

Group	Software \$
Cost	
Balance at 1 April 2024	829,716
Additions	73,890
Disposals	<u>(104,225)</u>
Balance at 31 March 2025	<u>799,381</u>
Balance at 1 April 2025	799,381
Additions	80,950
Disposals	<u>(313,139)</u>
Balance at 31 March 2026	<u>567,192</u>
Amortisation and impairment losses	
Balance at 1 April 2024	702,252
Amortisation for the year	42,359
Disposals	<u>(81,231)</u>
Balance at 31 March 2025	<u>663,380</u>
Balance at 1 April 2025	663,380
Amortisation for the year	48,402
Disposals	<u>(276,708)</u>
Balance at 31 March 2026	<u>435,074</u>
Carrying amounts	
As at 31 March 2025	<u>136,001</u>
As at 31 March 2026	<u>132,119</u>

14 INTANGIBLE ASSETS (continued)

Parent	Software \$
Cost	
Balance at 1 April 2024	495,906
Balance at 31 March 2025	<u>495,906</u>
Balance at 1 April 2025	495,906
Disposals	<u>(239,713)</u>
Balance at 31 March 2026	<u>256,193</u>
Amortisation and impairment losses	
Balance at 1 April 2024	467,855
Amortisation for the year	<u>5,271</u>
Balance at 31 March 2025	<u>473,126</u>
Balance at 1 April 2025	473,126
Amortisation for the year	4,946
Disposals	<u>(228,797)</u>
Balance at 31 March 2026	<u>249,275</u>
Carrying amounts	
As at 31 March 2025	<u>22,780</u>
As at 31 March 2026	<u>6,918</u>

15 TRADE AND OTHER PAYABLES

	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Trade creditors	1,483,647	875,219	1,283,917	650,932
Interest payable	1,027	1,648	1,027	1,648
Capital payables	42,253	145,226	42,253	90,579
Accrued expenses	1,318,427	1,209,409	1,170,130	1,064,523
Intangible payables	-	33,178	-	-
Revenue in advance	102,767	85,879	102,767	85,879
	<u>2,948,121</u>	<u>2,350,559</u>	<u>2,600,094</u>	<u>1,893,561</u>

16 EMPLOYEE ENTITLEMENTS

	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Current portion				
Accrued pay	83,685	364,958	83,685	364,958
Accrued leave	523,997	502,236	523,997	502,236
Provision for staff long service benefits	18,130	48,425	18,130	48,425
Sick pay	28,314	5,647	28,314	5,647
	<u>654,126</u>	<u>921,266</u>	<u>654,126</u>	<u>921,266</u>
Non-current portion				
Provision for long service benefits	36,374	34,434	36,374	34,434
	<u>36,374</u>	<u>34,434</u>	<u>36,374</u>	<u>34,434</u>
Total employee entitlements	<u>690,500</u>	<u>955,700</u>	<u>690,500</u>	<u>955,700</u>

When determining long-service leave liability we assess the time taken to reach the next entitlement trigger point and attach a probability that the employee will be employed at that date. That probability is then applied to the entitlement. The longer it takes to reach the next trigger point the lower the probability that it will be met.

17 BORROWINGS

	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Current liabilities				
Bank overdrafts	834,888	-	834,888	-
Secured bank loans	8,000,000	-	8,000,000	-
Non-current liabilities				
Secured bank loans	-	10,000,000	-	10,000,000

This Note provides information about the contractual terms of the Group's interest-bearing borrowings. For more information about the Company's exposure to interest rate risk see Note 19. Security over the other loan being a first ranking mortgage over the property at 4 Queen Street, Masterton in favour of DB Breweries who provided a fitout loan, the loan was repaid in December 2024.

All movements in borrowings are cash.

Terms and debt repayment schedule

Terms and conditions of outstanding loans were as follows:

	Nominal interest rate	Year of maturity	Face value 2026 \$	Carrying amount 2026 \$	Face value 2025 \$	Carrying amount 2025 \$
Group & Parent						
Secured BNZ Bank loans			8,000,000	8,000,000	10,000,000	10,000,000
Bank overdrafts			834,888	834,888	-	-
Total interest-bearing liabilities			<u>8,834,888</u>	<u>8,834,888</u>	<u>10,000,000</u>	<u>10,000,000</u>

The ANZ overdrafts are secured with registered first mortgages over a specified subset of land and buildings with a carrying amount of \$5,788,116 (2025: \$6,264,185). The ANZ also has a general charge over Trust House Limited's assets. The BNZ loans are secured by first charge mortgages over the remaining residential housing portfolio that is not secured by ANZ. A secondary security is also held over the rental income stream from the housing portfolio.

18 CAPITAL AND RESERVES

Group	Share capital	Revaluation reserve	Retained earnings	Total equity
Balance at 1 April 2024	11,330,740	1,481,454	149,496,333	162,308,527
Total comprehensive income / (loss)	-	-	(5,265,606)	(5,265,606)
Balance at 31 March 2025	<u>11,330,740</u>	<u>1,481,454</u>	<u>144,230,727</u>	<u>157,042,921</u>

Group	Share capital	Revaluation reserve	Retained earnings	Total equity
Balance at 1 April 2025	11,330,740	1,481,454	144,230,727	157,042,921
Total comprehensive income / (loss)	-	-	(12,240,836)	(12,240,836)
Balance at 31 March 2026	<u>11,330,740</u>	<u>1,481,454</u>	<u>131,989,891</u>	<u>144,802,085</u>

Parent	Share capital	Revaluation reserve	Retained earnings	Total equity
	\$	\$	\$	\$
Balance at 1 April 2024	11,330,740	1,481,454	147,769,581	160,581,775
Total comprehensive income / (expense)	-	-	(4,691,594)	(4,691,594)
Balance at 31 March 2025	<u>11,330,740</u>	<u>1,481,454</u>	<u>143,077,987</u>	<u>155,890,181</u>

Parent	Share capital	Revaluation reserve	Retained earnings	Total equity
Balance at 1 April 2025	11,330,740	1,481,454	143,077,987	155,890,181
Total comprehensive income / (expense)	-	-	(12,295,924)	(12,295,924)
Balance at 31 March 2026	<u>11,330,740</u>	<u>1,481,454</u>	<u>130,782,063</u>	<u>143,594,257</u>

Number of shares on issue at 31 March 2026 10,637,000 (2025: 10,637,000). All issued shares are fully paid up and have no par value.

19 FINANCIAL INSTRUMENTS

Exposure to credit interest rate and liquidity risk arises in the normal course of the Group's business.

Market Risk

Market risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks include three types of risk, interest rate risk, currency risk and other price risk.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a finance instalment or customer contract leading to a financial loss

Management has a process in place under which each new customer seeking credit with the Group is individually analysed for credit worthiness and assigned a purchase limit before credit is offered.

The Group does not require collateral in respect of trade and other receivables, except in relation to rental properties where bonds are required and lodged with the tenancy tribunal.

The Group's exposure to credit risk is mainly influenced by its customer base, as such it is concentrated to the default risk of its industry. No single customer balance would be considered material.

Investments are allowed only in call or short-term deposits with specified counterparties.

Credit quality of financial assets

Cash and cash equivalents are held with the ANZ which currently has a Standard and Poor's credit rating of AA-. Trade and other receivables are all with counterparties without credit ratings with no history of default with Trust House Limited in the past.

Liquidity risk

Liquidity risk represents the Group's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an ongoing basis. In general, the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has credit lines in place to cover potential shortfalls and advance the Groups housing strategy.

	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Overdrafts and credit lines in place	2,000,000	2,000,000	1,500,000	1,500,000
Term facilities undrawn	20,000,000	18,000,000	20,000,000	18,000,000

Interest rate risk

The Group regularly reviews the balance between its fixed rate and floating rate borrowings. The Group has flexibility within its borrowing facilities to move between fixed and floating rates as required.

Other market price risk

The Group is not exposed any other substantial market price risk arising from financial instruments.

Quantitative disclosures

Credit risk

The carrying amount of financial assets represents the Group's maximum credit exposure.

19 FINANCIAL INSTRUMENTS (continued)

(a) Liquidity risk

The following table sets out the contractual cash flows for all financial liabilities, except for lease liabilities in Note 30.

Group 2026	12 months or less \$	1-2 years \$	2-5years \$	More than 5 years \$	Contractual cash flows \$	Carrying Amount \$
Secured bank loans	8,000,000	-	-	-	8,000,000	8,000,000
Trade and other payables	2,376,359	-	-	-	2,376,359	2,376,359
Bank overdraft	834,888	-	-	-	834,888	834,888
Total liabilities	<u>11,211,247</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,211,247</u>	<u>11,211,247</u>
Group 2025						
Secured bank loans	543,600	10,153,607	-	-	10,697,207	10,000,000
Trade and other payables	1,697,351	-	-	-	1,697,351	1,697,351
Total liabilities	<u>2,240,951</u>	<u>10,153,607</u>	<u>-</u>	<u>-</u>	<u>12,394,558</u>	<u>11,697,351</u>
Parent 2026						
	12 months or less \$	1-2 years \$	2-5years \$	More than 5 years \$	Contractual cash flows \$	Carrying Amount \$
Secured bank loans	8,000,000	-	-	-	8,000,000	8,000,000
Trade and other payables	2,318,656	-	-	-	2,318,656	2,318,656
Bank Overdraft	834,888	-	-	-	834,888	834,888
Total liabilities	<u>11,153,544</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,153,544</u>	<u>11,153,544</u>
Parent 2025						
Secured bank loans	543,600	10,153,607	-	-	10,697,207	10,000,000
Trade and other payables	1,545,396	-	-	-	1,545,396	1,545,396
Total liabilities	<u>2,088,996</u>	<u>10,153,607</u>	<u>-</u>	<u>-</u>	<u>12,242,603</u>	<u>11,545,396</u>

(b) Sensitivity analysis

Interest rate risk

The effect of a +100bps increase in interest rates applicable to the floating rate financial instruments held by the Parent and Group is a reduction in profit of \$10,000 (2025:\$10,000)

19 FINANCIAL INSTRUMENTS (continued)

(c) Classification and fair values

Group	Financial assets at amortised cost \$	Total carrying value and fair value \$
2026		
Assets		
Trade and other receivables	1,022,727	1,022,727
Cash and cash equivalents	<u>1,636,750</u>	<u>1,636,750</u>
	<u>2,659,477</u>	<u>2,659,477</u>
2025		
Assets		
Other current assets	1,362,000	1,362,000
Trade and other receivables	1,007,856	1,007,856
Cash and cash equivalents	<u>1,735,999</u>	<u>1,735,999</u>
	<u>4,105,855</u>	<u>4,105,855</u>
Parent		
2026		
Assets		
Trade and other receivables	1,030,627	1,030,627
Cash and cash equivalents	<u>947,284</u>	<u>947,284</u>
	<u>1,977,911</u>	<u>1,977,911</u>
2025		
Assets		
Other current assets	1,362,000	1,362,000
Trade and other receivables	1,031,885	1,031,885
Cash and cash equivalents	<u>1,141,308</u>	<u>1,141,308</u>
	<u>3,535,193</u>	<u>3,535,193</u>

19 FINANCIAL INSTRUMENTS (continued)

Group	Financial liabilities at amortised cost \$	Fair value amount \$
2026		
Liabilities		
Trade and other payables	2,376,359	2,376,359
Borrowings	<u>8,834,888</u>	<u>8,834,888</u>
Total liabilities	<u>11,211,247</u>	<u>11,211,247</u>
2025		
Liabilities		
Trade and other payables	1,697,351	1,697,351
Borrowings	<u>10,000,000</u>	<u>10,000,000</u>
Total liabilities	<u>11,697,351</u>	<u>11,697,351</u>
Parent		
2026		
Liabilities		
Trade and other payables	2,318,656	2,318,656
Borrowings	<u>8,834,888</u>	<u>8,834,888</u>
Total liabilities	<u>11,153,544</u>	<u>11,153,544</u>
Parent		
2025		
Liabilities		
Trade and other payables	1,545,396	1,545,396
Borrowings	<u>10,000,000</u>	<u>10,000,000</u>
Total liabilities	<u>11,545,396</u>	<u>11,545,396</u>

20 COMMITMENTS AND CONTINGENCIES

The Group and Parent had capital commitments of \$6.1m at 31 March 2026 (2025: \$263,176).

The Group and Parent has no pending legal claims as at 31 March 2026 (2025 nil pending claims).

Trust House Limited has the following Guarantees:

NZ Racing Board \$55,000

21 RECONCILIATION OF NET PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2026 \$	Group 2025 \$	Parent 2026 \$	Parent 2025 \$
Net Profit/(Loss) for year	(12,240,836)	(5,265,606)	(12,295,924)	(4,691,594)
Add (less) non-cash items:				
Depreciation	1,451,189	1,660,088	1,143,265	1,157,029
Amortisation of intangibles	48,401	42,359	4,946	5,271
Revaluation of investment properties	13,771,531	7,577,122	13,771,531	7,577,122
(Gain) loss on sale of intangibles	6,325	22,570	-	-
(Gain) loss on sale of fixed assets	(24,122)	(11,083)	(21,040)	30,294
(Gain) loss on sale of investment property	204,574	815,445	204,574	815,445
Financing items in net loss for year	-	1,092,232	-	1,092,232
Interest	496,385	-	496,385	-
Lease interest	81,252	-	81,252	-
	16,035,535	11,198,733	15,680,913	10,677,393
Add (less) movements in working capital items:				
(Increase) / decrease in receivables and prepayments	(42,816)	645,479	(32,173)	636,201
(Increase)/ decrease in inventories	(88,051)	60,758	(88,051)	60,758
Increase / (decrease) in charitable distributions payable	51,295	(646,989)	-	-
Increase/ (decrease) in employee entitlements	(265,200)	(265,845)	(265,200)	(265,845)
Increase/ (decrease) in trade and other payables	775,966	(581,749)	797,111	(430,970)
	<u>431,194</u>	<u>(788,346)</u>	<u>411,687</u>	<u>144</u>
Net cash inflow from operating activities	<u>4,225,893</u>	<u>5,144,781</u>	<u>3,796,676</u>	<u>5,985,943</u>

22 FINANCE INCOME AND EXPENSES

	Consolidated 2026 \$	2025 \$	Parent 2026 \$	2025 \$
Finance costs				
Interest expense	495,765	996,577	495,765	996,577
Lease interest expense	81,252	84,285	81,252	84,285
Total finance costs	<u>577,017</u>	<u>1,080,862</u>	<u>577,017</u>	<u>1,080,862</u>
Interest income	(22,933)	(56,369)	(20,094)	(28,994)
Total finance income	<u>(22,933)</u>	<u>(56,369)</u>	<u>(20,094)</u>	<u>(28,994)</u>
Net finance costs	<u>554,084</u>	<u>1,024,493</u>	<u>556,923</u>	<u>1,051,868</u>

23 RELATED PARTY TRANSACTIONS

(i) Parent and ultimate controlling party

The immediate parent and ultimate controlling party of Trust House Limited is the Masterton Community Trust.

(ii) Transactions with key management personnel

Several of the Directors of Trust House Limited and Trustees of Masterton Community Trust own or run businesses in their own right. The Company has interest registers for all Board, Trustee and Committee meetings and it is an item on every agenda.

During the year Directors and senior management, as part of a normal customer relationship, were involved in minor transactions with Trust House Limited (such as purchase of meals or liquor). Directors and senior management are entitled to a 10% discount on non-discounted goods. These buying privileges are available to all employees.

Lucy Griffiths, a Director of Trust House Limited, is the spouse of a major shareholder in Technology Solutions which provides technology services and hardware to Trust House Limited. Technology Solutions has been the preferred supplier of information technology hardware and services to the Trust House Group for at least 20 years, pre-dating Lucy Griffiths election to Masterton Community Trust and appointment to the Board of Trust House Limited. During the year Trust House Limited paid Technology Solutions \$367,628 (2025: \$370,876). The amount outstanding at year end was \$14,483 (2025: \$76,951). Trust House Group paid \$386,647 (2025: \$514,824) during the year and the amount outstanding at year end was \$14,483 (2025: \$98,823).

Leanne Southey, a Director of Trust House Limited, holds a small 1% shareholding of Mangan Graphics Limited, this predates Leanne Southey's election to Masterton Community Trust and appointment to the Board of Trust House Limited. Mangan Graphics provides uniforms to Trust House Limited. During the year Trust House Limited, paid Mangan Graphics Limited \$19,117 (2025: \$11,055). The amount outstanding at year end was \$1,605 (2025: \$1,018).

Cindra Grant, a senior manager of Trust House Limited and the estate of her late husband jointly own Power Related Services Limited (PRSL) which provides electrical services to Trust House Limited. During the year Trust House Limited paid Power Related Services Limited \$3,850 (2025: Nil). The amount outstanding at year end was \$Nil (2025: Nil).

(iii) Key management and personnel compensation

Key management personnel compensation for the years ended 31 March 2026 and 31 March 2025 is set out below. The key management personnel are all the directors of the company and the six executives with the greatest authority for the strategic direction and management of the company.

	2026	2025
	\$	\$
Salaries and other short-term benefits	1,357,251	1,302,106
Directors fees*	322,230	318,820
Post employment benefits	<u>33,531</u>	<u>34,641</u>
	<u>1,713,012</u>	<u>1,655,567</u>

*The Directors fees are for Trust House Limited and Masterton Community Trust.

23 RELATED PARTY TRANSACTIONS (continued)

	2026	2025
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(a) Sales of goods and services: Masterton Community Trust (MCT) - formerly Masterton Licensing Trust

Shares in Trust House Ltd (number of shares) 10,026,629		
MCT Trustees Fees paid by Trust House Limited	22,560	20,820

When Masterton Licensing Trust was changed to Masterton Community Trust, to minimise costs, Masterton Community Trust was set up as non-trading parent. Its minimal expenses are paid by Trust House Limited.

(b) Trust House Foundation (THF)

(i) Trust House Foundation is an independent trust. Two of the Directors of Trust House Limited are also Trustees of Trust House Foundation.

(ii) Gaming machine proceeds are generated in the premises of Trust House Limited, Rimutaka Licensing Trust and other independent operators. Trust House Foundation has established regional net proceeds committees in Masterton, Rimutaka and Flaxmere. Regional net proceeds committees consider grant applications from their area and make recommendations to the Trust House Foundation board. The Trust House Foundation board considers these recommendations and may or may not approve them.

	2026 \$	2025 \$
Funds available 1st April	1,152,740	1,726,752
Net surplus before charitable distributions	2,634,357	3,063,266
Grants unclaimed	61,376	141,076
Grants approved	<u>(2,640,645)</u>	<u>(3,778,354)</u>
Funds available 31st March	<u>1,207,828</u>	<u>1,152,740</u>

For a full list of these grants please refer to the Trust House Foundation accounts. Trust House Limited (THL) is responsible for administering Trust House Foundation (THF)

Site rentals paid by THF to THL	931,381	1,152,347
Management Fees paid by THF to THL	250,000	500,000

As at 31 March 2026, Trust House Foundation owed Trust House Limited \$7,900 (2025: \$24,029).

24 GROUP ENTITIES

Subsidiaries

Trust House Foundation is a controlled entity.

The Group has applied IFRS 10 Consolidated Financial Statements in preparing these financial accounts.

25 CAPITAL MANAGEMENT

The Groups capital includes share capital, reserves and retained earnings.

The Groups policy is to maintain a capital base so as to maintain creditor and community confidence and to sustain future development of the business.

The Group is not subject to any externally imposed capital requirements.

There have been no material changes in the Groups' management of capital during the period.

26 CHARITABLE DISTRIBUTIONS

	Group	
	2026	2025
	\$	\$
Charitable distributions approved	2,640,645	3,778,354
Add back - distributions not uplifted	(28,000)	(78,800)
Add back - distributions refunded	(33,376)	(62,276)
	<u>2,579,269</u>	<u>3,637,278</u>

As at 31 March 2026, charitable distributions of \$241,530 (2025: \$190,235) had been approved by Trust House Foundation but not yet paid. These amounts are recognised as liabilities in the statement of financial position under Charitable donations allocated.

27 LEASES

The group leases premises, equipment such as photocopiers and televisions, and vehicles as part of its normal trading activities.

The group also has a land right of use asset that is classified as an investment property.

On adoption of NZ IFRS 16 Leases, the group utilised the following practical expedients available under the standard:

- a) applied a single discount rate to a portfolio of leases with similar terms and similar class of underlying asset
- b) excluded initial direct costs from the measurement of the right of use assets at the date of initial application.

Trust House Foundation (a controlled entity) paid Class IV gaming venue payments which are a lease by nature. The payments are variable dependent on gaming income. In these circumstances IFRS 16 permits payments to be classified as ordinary operating expenses and no right of use asset to be created.

	Group		Parent	
	2026	2025	2026	2025
	\$	\$	\$	\$
Venue payments made	101,091	135,221	-	-

Lease liabilities are presented at net present value in the statement of financial position are as follows.

	Group and parent	
	2026	2025
	\$	\$
Current	117,646	118,562
Non-current	457,599	528,935
	<u>575,245</u>	<u>647,497</u>

Reconciliation of liabilities arising from financing activities is as follows.

	Group and Parent	
	2026	2025
	\$	\$
Liabilities at 1 April	647,497	1,407,802
Additional leases entered into	8,173	36,052
Change in liability on reassessment of lease term	-	(734,513)
Lease debt repaid during the year	(80,425)	(61,844)
Lease liabilities at 31 March at Net Present Value	<u>575,245</u>	<u>647,497</u>

At 31 March 2026 the group and parent had no commitments to leases which had not commenced

27 LEASES (continued)

The lease liabilities are secured by the related underlying assets. Included in investment property (note 12) are commercial premises where the land is subject to a ground lease. Trust House Limited owns the building that occupies the leasehold land. The discounted maturity analysis of lease liabilities for group and parent including investment property at 31 March is as follows.

	Within 1 year \$	1-2 years \$	2-5 years \$	Over 5 years \$	Total \$
Lease payments					
31 March 2026	89,420	94,935	321,409	69,481	575,245
31 March 2025	138,470	101,966	279,377	127,684	647,497

The movement in leased assets is included in notes 12 for (Investment property) and note 13 (Property, plant & equipment) for group and parent as follows:

	Investment Property	Plant & Equipment	Total
Balance as at 1 April 2024	1,350,661	57,141	1,407,802
Fair value adjustment	(734,513)	-	(734,513)
Additions	-	36,053	36,053
Lease debt repaid during the year	(13,451)	-	(13,451)
Depreciation for the year	-	(48,394)	(48,394)
Net book value at 31 March 2025	<u>602,697</u>	<u>44,800</u>	<u>647,497</u>
Balance as at 1 April 2025	602,697	44,800	647,497
Additions	-	8,173	8,173
Lease debt repaid during the year	(27,452)	(52,973)	(80,425)
Net book value at 31 March 2026	<u>575,245</u>	<u>-</u>	<u>575,245</u>

The group made total lease payments of \$181,677 (2025: \$146,129) during the year of which \$81,252 (2025: \$84,285) was lease interest.

Leases as lessor

	Group and Parent 2026 \$	2025 \$
Less than one year	75,359	65,000
Between 1 and 2 years	75,359	65,000
Between 2 and 5 years	226,077	195,000
Over five years	<u>100,479</u>	<u>157,083</u>
	<u>477,274</u>	<u>482,083</u>

The Group has number of commercial premises where the trading business has been sold but the freehold or leasehold interest has been retained and the properties leased to the purchaser or third parties.

28 SUBSEQUENT EVENTS

There have been subsequent significant non-adjusting events that have occurred between 31 March 2026 and date the financial statements are authorised for issue. These events are:

On 9 July 2026 Trust House Limited signed \$20m of construction contracts with Holmes Construction Limited to build 66 new residential properties for long-term rental. This is a key part of Trust House's housing strategy and adds to the 16 houses due for completion late 2026.

On 17 July 2026 Trust House Limited entered into a \$50m finance facility with Community Housing Funding Agency Limited (increasing and replacing the previous BNZ/ANZ term facilities). The facility is for a term of 25 years with security against residential housing assets.

Independent Auditor's Report

To the readers of Trust House Limited's consolidated financial statements for the year ended 31 March 2026

Opinion

The Auditor-General is the auditor of Trust House Limited (the "Company") and its subsidiary (together the "Group"). The Auditor-General has appointed me, Jacques Du Toit, using the staff and resources of Grant Thornton New Zealand, to carry out the audit of the consolidated financial statements of the group on his behalf.

We have audited the financial statements of the Company and Group on pages 2 to 40, that comprise the consolidated statement of financial position as at 31 March 2026, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of movements in equity and consolidated statement of cash flows for the year ended on that date, and the notes to the consolidated financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the Company and Group:

- present fairly, in all material respects:
 - its financial position as at 31 March 2026; 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 New Zealand Equivalents to International Financial Reporting Standards.

Our audit was completed on 14 September 2026. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Directors and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

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 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 Directors for the consolidated financial statements

The Directors are responsible for preparing consolidated financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Directors are responsible for such internal control as they determine is necessary to enable them to prepare consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Directors' responsibilities arise from the Charities Act 2005.

Responsibilities of the auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements, 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 consolidated financial statements.

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

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 consolidated financial statements, 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 Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial

statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

Our responsibilities arise from the Public Audit Act 2001.

Independence

We are independent of the Company and Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, we have carried out an agreed upon procedures engagement in respect of the subsidiary's forecast financial statements to support its Class 4 license renewal, which is compatible with those independence requirements. Other than the audit and this engagement, we have no relationship with or interests in the Company and Group.



Jacques Du Toit

Grant Thornton New Zealand Audit Limited

On behalf of the Auditor-General

Wellington, New Zealand