

**Toi Foundation
Special Purpose Financial Statements
for the year ended 31 March 2024**

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Foundation directory

Settlement	30 May 1988
Principal place of business	21 Dawson Street New Plymouth
Discretionary beneficiaries	As per the Trust Deed
Trustees	Chris Ussher Sophie Braggins (ceased on 29th December 2023) Robin Brockie Peter Dalziel (ceased on 30th June 2023) Harvey Dunlop (resigned on 22nd June 2023) Iqbal Haque Nicola Ngarewa Liana Poutu Ryan Eagar Wharehoka Wano Dion Tuuta (appointed on 1st September 2023) John O'Sullivan (appointed on 1st September 2023)
Auditors	KPMG Wellington
Bankers	TSB Bank New Plymouth
Solicitors	Buddle Findlay Wellington


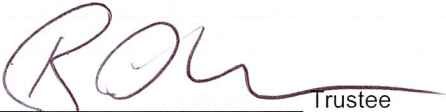
Toi Foundation
Statement of Comprehensive Revenue and Expense
For the year ended 31 March 2024

Statement of Comprehensive Revenue and Expense

For the year ended 31 March 2024

	Note	2024 \$	2023 \$
Revenue			
Revenue from exchange transactions	6	31,873,316	28,677,872
Other revenue	6	<u>590,220</u>	<u>-</u>
Total Revenue		<u>32,463,536</u>	<u>28,677,872</u>
Expenses			
Audit fees		(84,191)	(90,130)
Depreciation and amortisation	8	(140,860)	(137,310)
Grants	10	(27,176,643)	(22,666,306)
Personnel		(1,670,888)	(1,540,092)
Consultancy fees		(431,695)	(496,939)
Trustee honoraria		(118,086)	(114,703)
Trustee expenses		(36,741)	(34,356)
Other expenses	7	<u>(1,130,051)</u>	<u>(925,785)</u>
Total Expenses		<u>(30,789,155)</u>	<u>(26,005,621)</u>
Finance income	9	<u>2,398,328</u>	<u>1,363,324</u>
Fair value of investment	17	<u>(20,885)</u>	<u>(16,768)</u>
Surplus for the year		<u>4,051,824</u>	<u>4,018,807</u>

These special purpose financial statements have been issued for and on behalf of the Trustees on 31st July 2024 by:


Chairperson

Trustee

Summary of significant accounting policies and the accompanying notes form part of these special purpose financial statements.

Toi Foundation
Statement of Changes in Net Assets
For the year ended 31 March 2024

Statement of Changes in Net Assets
For the year ended 31 March 2024

	Foundation Capital \$	Reserve Fund \$	Retained earnings \$	Total Equity \$
Balance as at 1 April 2023	10,000,100	12,434,500	17,410,894	39,845,494
Surplus / (deficit) for the year	-	-	4,051,824	4,051,824
Transfer to / (from) reserves in the year	<u> </u>	<u>1,323,732</u>	<u>(1,323,732)</u>	<u> </u>
Balance as at 31 March 2024	<u>10,000,100</u>	<u>13,758,232</u>	<u>20,138,987</u>	<u>43,897,318</u>

	Foundation Capital \$	Reserve Fund \$	Retained earnings \$	Total Equity \$
Balance as at 1 April 2022	10,000,100	11,938,000	13,888,612	35,826,712
Surplus / (deficit) for the year	-	-	4,018,807	4,018,807
Prior Year Adjustment	-	-	(25)	(25)
Transfer to / (from) reserves in the year	<u> </u>	<u>496,500</u>	<u>(496,500)</u>	<u> </u>
Balance as at 31 March 2023	<u>10,000,100</u>	<u>12,434,500</u>	<u>17,410,894</u>	<u>39,845,494</u>

Summary of significant accounting policies and the accompanying notes form part of these special purpose financial statements.

Statement of Financial Position
As at 31 March 2024

	Note	2024 \$	2023 \$
Current Assets			
Cash and cash equivalents	11	909,039	648,284
Trade and other receivables	12	162,866	44,167
Other financial assets	17	830,000	1,480,000
Receivables from related parties	13	<u>31,602,490</u>	<u>35,265,039</u>
Total Current Assets		<u>33,504,395</u>	<u>37,437,490</u>
Non-Current Assets			
Property, plant & equipment	15	3,582,502	470,446
Intangible assets	16	12,654	39,753
Other financial assets	17	730,005	65,672
Investment in related parties	14	<u>10,099,999</u>	<u>10,099,999</u>
Total Non-Current Assets		<u>14,425,160</u>	<u>10,675,870</u>
Total Assets		<u>47,929,555</u>	<u>48,113,360</u>
Current Liabilities			
Payables under exchange transactions	18	316,215	92,559
Accruals		299,806	221,868
Employee entitlements	19	47,616	63,428
Grants payable		<u>3,368,599</u>	<u>7,890,011</u>
Total current liabilities		<u>4,032,236</u>	<u>8,267,866</u>
Total Liabilities		<u>4,032,236</u>	<u>8,267,866</u>
Net Assets		<u>43,897,319</u>	<u>39,845,494</u>
Equity			
Foundation capital	21	10,000,100	10,000,100
Retained earnings		20,138,987	17,410,894
Reserve fund	22	<u>13,758,232</u>	<u>12,434,500</u>
Total Equity		<u>43,897,319</u>	<u>39,845,494</u>

Summary of significant accounting policies and the accompanying notes form part of these special purpose financial statements.

Toi Foundation
Statement of Cash Flows
For the year ended 31 March 2024

Statement of Cash Flows
For the year ended 31 March 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
<i>Cash was provided from/(applied to):</i>			
Dividends received		31,800,000	28,603,000
Interest received		2,398,327	1,363,323
Other income		984,641	346,613
Grants paid		(31,698,055)	(22,228,244)
Operating expenses		(1,496,489)	(1,530,306)
Payments to employees		(2,007,806)	(1,853,079)
Payments to trustees		(118,086)	(114,703)
Net cash flow from operating activities	24	<u>(137,468)</u>	<u>4,586,604</u>
Cash flows from investing activities			
<i>Cash was provided from/(applied to):</i>			
Net cash movement of term investments		(14,333)	2,114,161
Purchase of property, plant and equipment		(3,225,817)	(111,626)
Purchase of intangible assets		-	(50,623)
Net cash flow from investing activities		<u>(3,240,150)</u>	<u>1,951,912</u>
Cash flows from financing activities			
<i>Cash was provided from/(applied to):</i>			
Net related party borrowings provided		3,638,373	(6,836,568)
Net cash flow from financing activities		<u>3,638,373</u>	<u>(6,836,568)</u>
Net increase / (decrease) in cash and cash equivalents		260,755	(298,052)
Cash and cash equivalents at beginning of the year		<u>648,284</u>	<u>946,336</u>
Cash, cash equivalents, and bank overdrafts at the end of the year	11	<u>909,039</u>	<u>648,284</u>

Summary of significant accounting policies and the accompanying notes form part of these special purpose financial statements.

1 Reporting entity

These special purpose financial statements (hereafter referred to as the "financial statements") comprise the financial statements of Toi Foundation (the "Foundation") for the year ended 31 March 2024. With effect from 28 April 2021, the name of the Foundation changed from TSB Community Trust to Toi Foundation. The Foundation is domiciled in New Zealand and incorporated under the Charitable Trust Act 1957. The Foundation is a community trust as defined in the Community Trusts Act 1999.

The nature of the Foundation's operations is investment and application of the Foundation funds for community benefit. The Foundation has been established to carry on activities for the exclusive benefit of the community within Taranaki.

The financial statements were authorised for issue by the Trustees on 31st July 2024.

2 Basis of Preparation

(a) Statement of compliance

The financial statements have been prepared principally in accordance with Tier 1 Public Benefit Entity (PBE) Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards (NZ IPSAS) and other applicable Financial Reporting Standards as appropriate to Public Benefit Entities, other than that Investments in Subsidiaries are recognised at cost and consolidated financial statements are not presented.

The Foundation has prepared these separate financial statements to provide more relevance to users, as the size and presentation of the consolidated financial statements does not facilitate a meaningful comparison of the Foundation's results for those users. The consolidated financial statements of the Foundation are prepared in accordance with New Zealand equivalents to International Public Sector Accounting Standards (NZ IPSAS) and other applicable Financial Reporting Standards. The consolidated financial statements of the Foundation can be obtained from the Foundation Chief Executive: PO Box 667, New Plymouth or by telephoning (06) 769-9471.

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for assets and liabilities that have been measured at fair value. The accrual basis of accounting has been used unless otherwise stated and the financial statements have been prepared on a going concern basis.

(c) Presentation currency

The financial statements are presented in New Zealand dollars. All numbers are rounded to the nearest dollar.

(d) Comparatives

The comparative financial period is 12 months.

(e) Changes in accounting policies

The Foundation registered for GST with Inland Revenue during the year, so the financial statements for 2024 year have been compiled on a GST Exclusive basis (2023: GST Inclusive basis).

There have been no other changes in accounting policies during the year.

(f) New standards and amendments issued but not yet adopted

At the date of authorisation of these financial statements, certain new PBE Standards and amendments to existing standards have been published but are not yet effective, and have not been adopted early by the Foundation. The reported results and financial position of the Foundation is not expected to change on adoption of these pronouncements as they do not result in any changes to the Foundation's existing accounting policies. Adoption will, however, result in changes to information currently disclosed in the financial statements.

3 Summary of Significant Accounting Policies

The accounting policies of the Foundation have been applied consistently to all years presented in these financial statements.

The significant accounting policies used in the preparation of these financial statements are summarised below:

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call, and other short term highly liquid investments which are subject to an insignificant risk of changes in value.

(b) Debtors and Other Receivables

Trade debtors and other receivables are measured at their costs less any impairment losses.

An allowance for impairment is established where there is objective evidence the Foundation will not be able to collect all amounts due according to the original terms of the receivable.

(c) Creditors and Other Payables

Trade creditors and other payables are stated at cost.

(d) Property, Plant and Equipment

Items of property, plant and equipment are measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Additions and Subsequent Costs

Subsequent costs and the cost of replacing part of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the Foundation and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

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 at the acquisition date.

All repairs and maintenance expenditure is charged to surplus or deficit in the year in which the expense is incurred.

Disposals

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use or disposal.

When an item of property, plant or equipment is disposed of, the gain or loss recognised in the surplus or deficit is calculated as the difference between the net sale proceeds and the carrying amount of the asset.

Upon disposal, any revaluation reserve relating to the particular asset being sold is reclassified to accumulated funds.

Depreciation

The cost amount of property, plant and equipment less the estimated residual value is depreciated over their useful lives on a straight line basis. Depreciation is recognised as an expense in the reported surplus or deficit. The following depreciation estimated useful lives have been used:

Furniture and fittings	4 - 14 years
Information technology (IT)	2 - 5 years
Leasehold improvements	4 - 14 years
Other fixed assets	2 - 14 years

The residual values, useful life, and depreciation methods of property, plant and equipment are reviewed and adjusted if appropriate at each balance date.

Assets are reviewed for indications of impairment at least annually and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Any impairment loss or write-down is recognised in surplus or deficit as an expense.

3 Summary of Significant Accounting Policies (continued)

(e) Intangibles

Intangible assets acquired separately are initially recognised at cost.

The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange.

Amortisation is recognised on a straight-line basis over the estimated useful life of the asset, from the date they are available for use and expensed in the reported surplus or deficit for the year.

Realised gains and losses arising from the disposal of intangible assets are recognised in statement of comprehensive revenue and expense in the year in which the disposal occurs.

Intangible assets with finite useful lives

Intangible assets acquired by the Foundation which have finite useful lives, are measured at cost less accumulated amortisation and any impairment losses.

Amortisation is recognised on a straight-line basis over the estimated useful life of the asset, from the date they are available for use and expensed in the reported surplus or deficit for the year.

The following amortisation estimated useful lives have been applied to each class of intangible assets:

Software	2 - 4 years
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Residual values and useful lives are assessed at each reporting date.

Intangible assets with finite useful lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Disposals

Gains or losses on de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in the surplus or deficit for the year.

(f) Impairment of Non-Financial Assets

Impairment of cash generating units

At each reporting date, the Foundation assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Foundation estimates the asset's recoverable amount. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. An asset's or CGU's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use.

Where the carrying amount of an asset or the cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised immediately in surplus or deficit.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Foundation estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in surplus or deficit.

Impairment of non-cash generating units

Financial assets are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

3 Summary of Significant Accounting Policies (continued)

Impairment losses are recognised immediately in surplus or deficit.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Foundation's past experience of collecting payments, as well as observable changes in national or local economic conditions that correlate with default on receivables.

(g) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity.

Financial instruments are comprised of trade debtors and other receivables, cash and cash equivalents, investments and trade creditors and other payables.

Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value, net of transaction costs attributable to the acquisition, except for those carried at fair value through surplus or deficit, which are measured at fair value.

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

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the Foundation transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset.

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

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition into one of three categories defined below, and re-evaluates this designation at each reporting date.

All financial assets except for those classified as fair value through profit or loss are subject to review for impairment at least at each reporting date. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

The classification of financial instruments into one of the three categories below, determines the basis for subsequent measurement and whether any resulting movements in value are recognised in the reported surplus and deficit or other comprehensive revenue and expense.

(i) Loan and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Foundation's cash and cash equivalents, trade debtors and most other receivables fall into this category of financial instruments.

After initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

(ii) Held to maturity

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as held-to-maturity if the Foundation has the intention and ability to hold them until maturity. The Foundation currently holds investments designated into this category.

3 Summary of Significant Accounting Policies (continued)

Held-to-maturity investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in surplus or deficit.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets.

Equity investments are measured at cost less any impairment charges.

All other available-for-sale financial assets are measured at fair value. Gains and losses are recognised in other comprehensive revenue and expenses and reported within the "available-for-sale revaluation reserve" within equity, except for impairment losses which are recognised in the surplus or deficit for the year.

When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive revenue and expenses is reclassified from the equity reserve to the surplus or deficit and presented as a reclassification adjustment within other comprehensive revenue and expenses.

Interest income or dividends on available-for-sale financial assets are recognised in the surplus or deficit.

Available-for-sale financial instruments are reviewed at each reporting date for objective evidence that the investment or a group investment is impaired. Objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost.

Subsequent measurement of financial liabilities

Trade payables and other borrowings are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

(h) Employee entitlements

Short-term employee benefits

Employee benefits, previously earned from past services that the Foundation expects to be settled within 12 months of reporting date are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken at the reporting date.

(i) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Foundation and revenue can be reliably measured. Revenue is measured at the fair value of consideration received.

The Foundation assesses its revenue arrangements against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. In an agency relationship only the portion of revenue earned on the Foundation's own account is recognised as gross revenue in the Statement of Comprehensive Revenue and Expenses.

The following specific recognition criteria must be met before revenue is recognised:

Revenue from non-exchange transactions

A non-exchange transaction is where the Foundation either receives value from another entity without directly giving approximate equal value in exchange, or gives value to another entity without directly receiving approximate equal value in exchange.

Where non-exchange revenue is received with conditions attached, the asset is recognised with a matching liability. As the conditions are satisfied the liability is decreased and revenue recognised. When non-exchange revenue is received with restrictions attached, but no requirements to return the asset if not deployed as specified, then revenue is recognised on receipt.

Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income

3 Summary of Significant Accounting Policies (continued)

Dividend income is recognised on an accrual basis when the Foundation's right to receive payment has been established.

Overhead recovery income

Overhead recovery income is recognised to reflect the Foundation's subsidiaries contribution towards the overheads provided.

(j) Grants

Grants to eligible organisations are recognised as an expense in the Statement of Comprehensive Revenue and Expenses when they are approved by the Board of Trustees. Grants covering multiple years are recognised proportionately in each year they relate. Any grants approved by the Board of Trustees with any additional specified restrictions or conditions are recognised initially as contingent liabilities and are subsequently recognised as expenditure when the specified criterion for the grant has been met.

(k) Income tax

The Foundation is exempt from income tax under section CW 52 of the Income Tax Act 2007.

(l) Goods and services tax

The financial statements have been prepared on a GST exclusive basis as the Foundation is registered for GST (2023: not GST registered).

4 Significant accounting judgements, estimates, and assumptions

The preparation of financial statements in conformity with NZ IPSAS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant judgements estimates and assumptions is provided in the relevant accounting policy or provided in the relevant note disclosure.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in future years affected.

The following are significant management judgements in applying the accounting policies of the Foundation that have a significant effect on the financial statements:

Impairment

An impairment loss is recognised for the amount by which the assets or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows management makes assumptions about future operating results. These assumptions relate to the future events and circumstances.

Recognition of grants payable

The criteria used to determine whether or not a grant is payable or recognised as a contingent liability only is disclosed in paragraph 3 (j). There are grants payable at year end of \$3,368,599 (2023: \$7,890,011).

5 Capital management policy

The Foundation's capital is its equity, being the net assets represented by retained earnings and other equity reserves. The primary objective of the Foundation's capital management policy is to ensure adequate capital reserves are maintained in order to support its activities. The Foundation manages its capital by effectively managing income and expenses, assets and liabilities, and investments to ensure it achieves its charitable objectives and purpose.

6 Revenue from Exchange and Non-Exchange Transactions

	Note	2024 \$	2023 \$
<i>Revenue from exchange transactions</i>			
Dividend revenue - Toi Foundation Holdings Limited	28	31,800,000	28,603,000
Overhead recovery revenue		73,316	74,872
Other revenue		590,219	-
Total revenue from exchange transactions		<u>32,463,535</u>	<u>28,677,872</u>
Total revenue from exchange and non exchange transactions		<u>32,463,535</u>	<u>28,677,872</u>

7 Other Operating Expenses

	2024 \$	2023 \$
Accounting fees	41,790	34,627
Communication expenses	279,196	266,492
Facility and office expenses	104,129	72,489
General expenses	266,042	232,790
IT costs	197,479	198,444
Rent under operating leases	101,064	109,443
Research	140,351	11,500
Total other operating expenses	<u>1,130,051</u>	<u>925,785</u>

8 Depreciation and Amortisation

	2024 \$	2023 \$
Depreciation of property, plant and equipment	113,760	97,304
Amortisation of intangibles	27,100	40,006
Total directly attributable depreciation and amortisation by group of activity	<u>140,860</u>	<u>137,310</u>

9 Net Surplus from Finance Activities

	2024 \$	2023 \$
<i>Finance income</i>		
Interest income on term investments	94,996	89,576
Interest income on Toi Foundation Holdings	2,293,157	1,273,748
Interest income on Loans	10,175	-
Net surplus from finance activities	<u>2,398,328</u>	<u>1,363,324</u>

10 Grants

	2024 \$	2023 \$
Total grants committed	27,352,115	23,071,483
Less grants refunded / withdrawn from prior years	(175,472)	(405,177)
	<u>27,176,643</u>	<u>22,666,306</u>

10 Grants (continued)

Toi Foundation granted \$27,352,115 for the financial year ended 31 March 2024 (2023: \$23,071,483). However, 14 organisations either refunded or withdrew grants from prior years totalling \$175,472 (2023: \$405,177 was refunded or withdrawn from 24 organisations).

11 Cash and Cash Equivalents

	2024 \$	2023 \$
Cash at bank and in hand	<u>909,039</u>	<u>648,284</u>
	<u>909,039</u>	<u>648,284</u>

The carrying amount of cash and cash equivalents approximates their fair value.

Cash at bank earns interest at floating rates on a daily deposit basis.

12 Receivables from Exchange Transactions

	2024 \$	2023 \$
GST Receivable	120,894	-
Prepaid expenses	<u>41,972</u>	<u>44,167</u>
Total receivables from exchange transactions	<u>162,866</u>	<u>44,167</u>

Trade receivables and other receivables are non-interest bearing. Therefore the carrying value of trade receivables and other receivables approximates its fair value.

At balance date, all overdue receivables have been assessed for impairment and appropriate allowances made. All receivables are subject to credit risk exposure. The maximum exposure to credit risk at the reporting date is the carrying amount receivables as disclosed above. The Foundation does not hold any collateral as security.

13 Receivables from related parties

	2024 \$	2023 \$
Current portion		
Inter-Company Loan to Toi Foundation Holdings Limited	31,597,052	35,256,310
Inter-Company interest receivable from TSB Bank Limited	<u>5,438</u>	<u>8,729</u>
	<u>31,602,490</u>	<u>35,265,039</u>

The receivables from related parties arise from:

Toi Foundation Holdings Limited acting as treasurer under a Treasury Services Agreement. The receivable is unsecured in nature. The loan is charged interest at 6.00% (2023: 3.75%). No provisions are held against receivables from related parties (2023: Nil).

Bank accounts held with TSB Bank Limited which earn and accrue interest at current market rates.

14 Investment in Related Parties

	2024	2023
	\$	\$
Shares in Toi Foundation Holdings Limited	<u>10,099,999</u>	<u>10,099,999</u>
	<u>10,099,999</u>	<u>10,099,999</u>

15 Property, Plant and Equipment

	Building Fit Out	IT	Freehold Buildings (see Note 28)	Furniture & Fittings	Other Fixed Assets	Total
	\$	\$	\$	\$	\$	\$
2024						
<i>Gross carrying amount</i>						
Opening balance	561,373	237,434	-	116,095	235,620	1,150,522
Additions	-	15,890	3,194,919	14,226	782	3,225,817
Disposals	-	-	-	-	-	-
Closing balance	<u>561,373</u>	<u>253,324</u>	<u>3,194,919</u>	<u>130,321</u>	<u>236,402</u>	<u>4,376,339</u>
<i>Accumulated depreciation</i>						
Opening balance	(262,968)	(173,271)	-	(71,690)	(172,146)	(680,075)
Depreciation charge for the year	(39,344)	(42,574)	-	(11,826)	(20,017)	(113,761)
Balance as at 31 March 2024	<u>(302,312)</u>	<u>(215,845)</u>	<u>-</u>	<u>(83,516)</u>	<u>(192,163)</u>	<u>(793,836)</u>
As at 31 March 2024	<u>259,061</u>	<u>37,478</u>	<u>3,194,919</u>	<u>46,806</u>	<u>44,238</u>	<u>3,582,502</u>
2023						
<i>Gross carrying amount</i>						
Opening balance	561,373	178,430	-	103,051	196,015	1,038,869
Prior Year Adjustment	-	4,340	-	-	(5,014)	(674)
Additions	-	54,664	-	13,044	44,619	112,327
Closing balance	<u>561,373</u>	<u>237,434</u>	<u>-</u>	<u>116,095</u>	<u>235,620</u>	<u>1,150,522</u>
<i>Accumulated depreciation</i>						
Opening balance	(223,624)	(137,491)	-	(60,422)	(161,234)	(582,771)
Depreciation charge for the year	(39,344)	(35,780)	-	(11,268)	(10,912)	(97,304)
Closing balance	<u>(262,968)</u>	<u>(173,271)</u>	<u>-</u>	<u>(71,690)</u>	<u>(172,146)</u>	<u>(680,075)</u>
As at 31 March 2023	<u>298,405</u>	<u>64,163</u>	<u>-</u>	<u>44,405</u>	<u>63,473</u>	<u>470,446</u>

16 Intangible Assets

Movements in the carrying value of intangible assets are as follows:

	2024 \$	2023 \$
<i>Gross carrying amount</i>		
Balance as at 1 April	375,962	325,339
Additions	<u>-</u>	<u>50,623</u>
Balance as at 31 March	<u>375,962</u>	<u>375,962</u>
<i>Accumulated amortisation and impairment</i>		
Balance as at 1 April	(336,209)	(296,203)
Amortisation charge for the year	<u>(27,100)</u>	<u>(40,006)</u>
Balance as at 31 March	<u>(363,309)</u>	<u>(336,209)</u>
<i>Net book value</i>		
Gross carrying amount	375,962	375,962
Accumulated amortisation	<u>(363,309)</u>	<u>(336,209)</u>
Balance as at 31 March	<u>12,653</u>	<u>39,753</u>

17 Other Financial Assets

	2024 \$	2023 \$
Term investments	<u>830,000</u>	<u>1,480,000</u>
Total current other financial assets	<u>830,000</u>	<u>1,480,000</u>

	Total 2024 \$	Affordable Housing \$	Tutaki Youth Inc. Trust Loan \$	Rewild Ltd Loan \$
2024				
<i>Impact Investments</i>				
Opening balance at 1 April 2023	65,672	65,672	-	-
Advances/drawdowns	705,119	455,119	100,000	150,000
Repayments during the year	(27,971)	(16,304)	(11,667)	-
Interest charges (market effective interest rate)	10,175	-	6,867	3,308
Discount on interest	(2,105)	-	(2,105)	-
Change in fair value (loss)/gain	<u>(20,885)</u>	<u>(10,954)</u>	<u>(9,931)</u>	<u>-</u>
Total Impact Investments at 31 March 2024	<u>730,005</u>	<u>493,533</u>	<u>83,164</u>	<u>153,308</u>

17 Other Financial Assets (continued)

	Total 2023 \$	Affordable Housing \$	Tutaki Youth Inc. Trust Loan \$	Rewild Ltd Loan \$
2023				
<i>Impact Investments</i>				
Opening balance at 1 April 2022	16,701	16,701	-	-
Advances/drawdowns	65,739	65,739	-	-
Change in fair value (loss)/gain	<u>(16,768)</u>	<u>(16,768)</u>	<u>-</u>	<u>-</u>
Total Impact Investments at 31 March 2023	<u>65,672</u>	<u>65,672</u>	<u>-</u>	<u>-</u>

Toi Foundation invests in an Affordable Housing Project in which loans are provided to assist whanau into home ownership. The loans are fair valued annually on a rolling 10 year average, as at 31 March 2024 a capital growth rate of 7.16% was applied (4.19% at 31 March 2023) and an interest rate of 7.60% (6.49% at 31 March 2023).

Toi Foundation has loaned to Tutaki Youth Inc Trust through its Impact Investment Fund an amount of \$100,000 on 6th April 2023. This loan has an interest rate of 5.00% per annum, calculated on a monthly basis. Principal and interest repayments are to be made in line with the loan agreement.

Toi Foundation has loaned to Rewild Limited through its Impact Investment Fund an amount of \$150,000 on 20th November 2023. This loan has an interest rate of 6.00% per annum, calculated on a monthly basis. Principal and interest repayments are to be made in line with the loan agreement.

Loans are issued to community organisations typically at below market interest rates and are secured where possible by a first-ranking mortgage over real property. They are classified as an income asset.

In determining the day-one fair value of concessionary loans issued, the relevant market interest rate is used to discount all contractual cash flows of principal and interest payments back to present value. The relevant market interest rate is risk-adjusted to reflect the credit risk of the counterparty, particularly the security applying.

18 Payables under Exchange Transactions

	2024 \$	2023 \$
<i>Current</i>		
Accounts payables	<u>316,215</u>	<u>92,559</u>
Total creditors and other payables from exchange transactions	<u>316,215</u>	<u>92,559</u>

19 Employee Entitlements

	2024 \$	2023 \$
Annual leave entitlements	<u>47,616</u>	<u>63,428</u>
	<u>47,616</u>	<u>63,428</u>

Employee entitlements represent the Foundation's obligation to its current employees that are expected to be settled within 12 months of balance date. These consist of accrued holiday pay entitlements at the reporting date.

20 Operating Leases

Operating leases are held for premises used for office space.

	2024	2023
	\$	\$
Non-cancellable operating leases are payable as follows:		
Less than one year	104,096	113,666
Between one and five years	26,215	142,083
More than five years	-	-
	130,311	255,749

A lease right of renewal has been negotiated and expires on 1 July 2025.

21 Foundation Capital

	2024	2023
	\$	\$
Foundation capital	100	100
Equity	10,000,000	10,000,000
	10,000,100	10,000,100

Equity comprises 20,000,000 fully paid shares at 50 cents each.

22 Reserve Fund

The reserve fund has been established as a contingency fund against fluctuation in the Toi Foundation Holdings Limited annual dividends. This fund shall be sufficient to meet 100% of annual operating costs, 50% of new grants budget (excluding multi-year grants) and all future years multi-year grants. The balance at 31 March 2024 is \$13,758,232 (2023: \$12,434,500).

23 Financial Instruments

(a) Financial instrument risk management

The Foundation has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Foundation is exposed to market risk through its use of financial instruments and specifically to interest rate risk, and certain other price risks, which result from both its operating and investing activities.

The Foundation has a series of policies to manage the risk associated with financial instruments. Policies have been established which do not allow transactions that are speculative in nature to be entered into and the Foundation is not actively engaged in the trading of financial instruments. As part of this policy, limits of exposure have been set and are monitored on a regular basis.

(i) Credit risk

Credit risk is the risk that a third party will default on its obligation to the Foundation, causing the Foundation to incur a loss. Financial instruments which potentially subject the Foundation to credit risk principally consist of cash and cash equivalents, loans and receivables and investments. The Foundation manages its exposure to credit risk on an ongoing basis.

Maximum exposures to credit risk at balance date are the carrying amounts of financial assets in the statement of financial position.

(ii) Liquidity risk

Liquidity risk is the risk that Group is unable to meet its day-to-day obligations.

Management will ensure that a Liquidity Buffer of at least \$5m is maintained to protect the Group in the event of cash flow shortfall.

The Liquidity Buffer can comprise of:

- Undrawn committed debt facilities;
- Cash;
- Cash equivalents; and
- The cash reserve from Toi Foundation.

Treasury will maintain a 12-month cashflow forecast to identify future requirements.

The Foundation's financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

	Carrying Amounts \$	Total Contractual Cash Flows \$	0 - 6 months \$	6-12 months \$
2024				
Non-derivative financial liabilities				
Trade payables and other payables	663,637	663,637	663,637	-
Total	663,637	663,637	663,637	-
2023				
Non-derivative financial liabilities				
Trade payables and other payables	386,355	386,355	386,355	-
Total	386,355	386,355	386,355	-

23 Financial Instruments (continued)

(a) Financial instrument risk management (continued)

(iii) Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Foundation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(iv) Interest rate risk

Interest rate risk is the risk that cash flows from a financial instrument will fluctuate because of changes in market interest rates.

The Foundation is exposed to interest rate risk primarily on its interest bearing financial assets. Management actively review exposure to interest rate risk. The Foundation's interests in term investments all pay fixed interest rates and the interest risk exposure is considered immaterial.

Interest rate risk profile

At the reporting date the interest rate profile of interest-bearing financial instruments was:

The attributable interest rates on financial assets depend on the category. Cash and cash equivalents are at 0.00%. A term deposit of \$180,000 with an interest rate of 4.60% matures on 23 September 2027 (2023: \$180,000 with an interest rate of 4.60%), and a term deposit of \$650,000 with an interest rate of 6.05% matures on 11 August 2024 (2023: \$1,300,000 with an interest rate of 5.00%).

	2024 \$	2023 \$
<i>Fixed Interest Instruments</i>		
Financial assets	<u>1,739,039</u>	<u>2,128,284</u>
Total	<u>1,739,039</u>	<u>2,128,284</u>

24 Reconciliation of Cash Flows from Operating Activities

	2024 \$	2023 \$
Surplus for the year	4,051,824	4,018,807
<i>Add non-cash items</i>		
Depreciation and amortisation	140,860	137,310
Impairment losses	<u>20,885</u>	<u>16,768</u>
Total non-cash items	<u>161,745</u>	<u>154,078</u>
<i>Add/(deduct) movements in working capital</i>		
(Increase)/Decrease in other receivables	(115,408)	23,947
Increase/(Decrease) in creditors and other payables	(4,219,817)	384,726
Increase/(Decrease) in employee entitlements	<u>(15,812)</u>	<u>5,046</u>
Net movement in working capital items	<u>(4,351,037)</u>	<u>413,719</u>
Net cash inflow/(outflow) from operating activities	<u>(137,468)</u>	<u>4,586,604</u>

25 Contingent Assets and Contingent Liabilities

The Foundation has no material contingent assets (2023: Nil).

	2024	2023
	\$	\$
Multi-year commitments	7,700,000	10,932,245
Conditional grants	-	-
Total contingent liabilities	<u>7,700,000</u>	<u>10,932,245</u>

Contingent grants are donations approved but the distribution is subject to the donees meeting certain conditions.

26 Commitments

Capital commitments

Toi Foundation has approved the redevelopment of a property in Gill Street New Plymouth.

Toi Foundation has approved a \$1.8m loan commitment to an Affordable Housing Impact Investment Initiative (2023: \$1.8m). As at 31 March 2024 \$520,858 had been drawn down (2023: \$82,440) leaving a balance of \$1.279m (2023: \$1.718m) which is expected to be drawn over the next two financial years.

27 Events After the Reporting Date

There are no material events subsequent to balance date which are otherwise not disclosed in the financial statements of the Foundation.

28 Related Party Transactions

Related party transactions arise when an entity or person has the ability to significantly influence the financial and operating policies of the Foundation.

The Foundation has a related party relationship with its Trustees and other key management personnel.

The Foundation is the ultimate parent of Toi Foundation Holdings Limited (formerly TSB Group Limited). Toi Foundation Holdings Limited is the sole shareholder of TSB Bank Limited. The Foundation holds various term investments with TSB Bank Limited. Toi Foundation Holdings Limited also owns 100% of shares in Toi Foundation Investments Limited. Toi Foundation Investments Limited has an 66.01% investment in subsidiary, FFML TopCo Limited.

On 1 December 2022 Toi Foundation Investments Limited acquired a further 10% shareholding of Fisher Funds Management Limited from its parent company Toi Foundation Holdings Limited bringing Toi Foundation Investments Limited investment in its subsidiary Fisher Funds Management Limited from 56.01% to 66.01%.

Toi Foundation Investments Limited entered into an agreement on 1 December 2022 to transfer the existing shareholding of Fisher Funds Management Limited to FFML TopCo Limited, a newly established entity. As at 31 March 2024 Toi Foundation Investments Limited Company holds an ownership of 66.01% in FFML TopCo Limited.

The effect of the share transfer to FFML TopCo Limited is considered to be a common control combination given ultimate ownership by Toi Foundation is maintained. There is no substantive change in the reporting entity or its assets and liabilities. Under this view, the purchase method is inappropriate because, in substance, there is no purchase. NZ IFRS 3 Business Combinations does not apply and as a result, the predecessor value method will apply and the investment in FFML TopCo Limited has been transferred and recorded at previous carrying value and no fair value adjustments will be made.

FFML TopCo Limited was established to hold 100% of the ownership of FFML Holdco Limited which was also established as at 1 December 2022. FFML Holdco Limited holds 100% of the shares of Fisher Funds Management Limited. The establishment of the new holding companies were as a result of Fisher Funds Management Limited acquiring an ownership of 100% in Kiwi Wealth Management Limited as at 1 December 2022.

On 26th January 2024, Toi Foundation purchased a property from TSB Bank Limited for \$2.98m. The purchase was at fair value and transacted on an arm's length basis.

28 Related Party Transactions (continued)

Transactions with related parties

The following transactions were carried out with related parties:

	2024	2023
	\$	\$
a) Revenue		
Toi Foundation Holdings Limited	394,422	346,613
Toi Foundation Holdings Limited - Dividend income	31,800,000	28,603,000
Toi Foundation Holdings Limited - Interest income	2,293,157	1,273,748
TSB Bank Limited - Interest income	94,996	110,590
	<u>34,582,575</u>	<u>30,333,951</u>

Toi Foundation recovers a portion of staff costs from entities within the group for the support functions provided on an annual basis at an agreed total amount that is estimated at the beginning of each year. This is recovered through Toi Foundation Holdings Limited.

During the year a number of grants/donations have been paid by Toi Foundation to various community organisations where key management has a position which is considered to be part of the control of the benefiting organisation.

	2024	2023
	\$	\$
b) Expenses		
Other related parties - Services	<u>91,958</u>	<u>7,849</u>
	<u>91,958</u>	<u>7,849</u>

Services were received during the year from entities which had a Trustee of Toi Foundation in a position of control.

	2024	2023
	\$	\$
c) Grants/Donations to related interests		
Grants/Donations paid	9,845,708	8,746,769
Grants/Donations made with conditions	421,500	1,595,834
	<u>10,267,208</u>	<u>10,342,603</u>

The above related interests have been compiled based on a specific definition of related interests where staff and/or trustees hold a position of control within a community organisation. Such conflicts are disclosed by the staff and/or trustees, and during consideration of any grants/donations, connected staff and/or trustees have no involvement in such decisions.

	2024	2023
	\$	\$
d) Year end balances with related parties		
<i>Receivables from related parties:</i>		
Receivables -Toi Foundation Holdings Limited	-	-
Receivables Loan - Toi Foundation Holdings Limited	31,597,052	35,256,310
Receivables- TSB Bank Limited	5,438	8,729
Term investments- TSB Bank Limited	830,000	1,480,000
	<u>32,432,490</u>	<u>36,745,039</u>

28 Related Party Transactions (continued)

The receivables from related parties arise from Toi Foundation Holdings Limited acting as treasurer under a Treasury Services Agreement. The receivables are unsecured in nature and bear no interest. No provisions are held against receivables from related parties (2023: Nil).

e) Key management personnel compensation

The Foundation has a related party relationship with its key management personnel. Key management personnel include the Foundation's Board of Trustees, and the Leadership team. There are 10 appointed Trustees on the Foundation's Board.

Key management personnel for 2023 were hired throughout the year and does not represent a full year run rate of salaries. Key management personnel compensation includes the following expense:

	2024 \$	2023 \$
Salaries - Leadership team	<u>1,151,830</u>	<u>884,406</u>
Number of full time equivalent individuals recognised as key management personnel:	6.0	6.0
Trustees honoraria	<u>118,086</u>	<u>114,703</u>

29 Separate Financial Statements

The Foundation has prepared these separate financial statements to provide more relevance to users, as the size and presentation of the consolidated financial statements does not facilitate a meaningful comparison of the Foundation's results for those users.

The Foundation has 100% ownership of Toi Foundation Holdings Limited, a company incorporated in New Zealand. The Foundation holds 100% of the voting power.

The investment is accounted for at cost.

The consolidated financial statements of the Foundation can be obtained from the Foundation Chief Executive, PO Box 667, New Plymouth or by telephoning (06) 769-9471.

30 Publishing Requirements

A comprehensive list itemising all grant recipients will be on the Foundation's Website in August 2024.

A copy of the list of grants is available to anyone upon request from the Foundation's office, PO Box 667, New Plymouth and is also listed on our website <https://www.toifoundation.org.nz/grants/grants-paid>.

Toi Foundation Summary Financial Statements

Statement of Comprehensive Revenue and Expenses for the Year Ended 31 March 2024

	2024	2023
	\$	\$
Revenue		
Dividend revenue	31,800,000	28,603,000
Overheads recovery revenue	73,316	74,872
Interest revenue	2,398,327	1,363,323
Other revenue	590,220	-
Total Revenue	<u>34,861,863</u>	<u>30,041,195</u>
Expenses		
Grants - paid	27,176,643	22,666,306
Other operating expenses	3,612,511	3,339,314
Total Expenses	<u>30,789,154</u>	<u>26,005,620</u>
Surplus for the year	<u>4,072,709</u>	<u>4,035,575</u>
Fair value of investment	(20,885)	(16,768)
Total Comprehensive Revenue and Expenses	<u>4,051,824</u>	<u>4,018,807</u>

Statement of Changes in Net Assets for the Year Ended 31 March 2024

	Foundation Capital \$	Reserve Fund \$	Retained Earnings \$	Total Equity \$
Balance at 1 April 2023	10,000,100	12,434,500	17,410,894	39,845,494
Surplus for the year	-	-	4,051,824	4,051,824
Prior Year Adjustment	-	-	-	-
Transfer to / (from) reserves in the year	-	1,323,732	(1,323,732)	-
Balance as at 31 March 2024	<u>10,000,100</u>	<u>13,758,232</u>	<u>20,138,986</u>	<u>43,897,318</u>
Balance at 1 April 2022	10,000,100	11,938,000	13,888,612	35,826,712
Surplus for the year	-	-	4,018,807	4,018,807
Prior Year Adjustment	-	-	(25)	(25)
Transfer to / (from) reserves in the year	-	496,500	(496,500)	-
Balance as at 31 March 2023	<u>10,000,100</u>	<u>12,434,500</u>	<u>17,410,894</u>	<u>39,845,494</u>

Statement of Financial Position As at 31 March 2024

	2024 \$	2023 \$
Assets		
Current assets	33,504,395	37,437,490
Non-current assets	<u>14,425,160</u>	<u>10,675,870</u>
Total assets	<u>47,929,555</u>	<u>48,113,360</u>
Liabilities	4,032,236	8,267,866
Equity	<u>43,897,319</u>	<u>39,845,494</u>
Total liabilities and equity	<u>47,929,555</u>	<u>48,113,360</u>

Statement of Cash Flows for the Year Ended 31 March 2024

	2024 \$	2023 \$
Net cash flow from operating activities	(137,468)	4,586,604
Net cash flow from investing activities	(3,240,150)	1,951,912
Net cash flow (used in) financing activities	<u>3,638,373</u>	<u>(6,836,568)</u>
Net increase/(decrease) in cash and cash equivalents	260,755	(298,052)
Cash and cash equivalents at the beginning of the year	<u>648,284</u>	<u>946,336</u>
Cash and cash equivalents at the end of the year	<u>909,039</u>	<u>648,284</u>

Reporting Entity

These summary financial statements comprise the financial statements of Toi Foundation (the "Foundation"), for the year ended 31 March 2023. The Foundation is domiciled in New Zealand and incorporated under the Charitable Trust Act 1957. The Foundation is a community trust as defined in the Community Trusts Act 1999.

The nature of the Foundation's operations is investment and application of the Foundation funds for community benefit. The Foundation has been established to carry on activities for the exclusive benefit of the community within Taranaki.

The financial statements were authorised by the Trustees on 31 July 2024.

Basis of Preparation

The full financial statements were prepared in accordance with Tier 1 Public Benefit Entity (PBE) Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards (NZ IPSAS) and other applicable Financial Reporting Standards as appropriate to Public Benefit Entities.

These summary financial statements have been prepared in compliance with PBE FRS 43: Summary Financial Statements. These summary financial statements have been extracted from the full financial statements and do not include all the disclosures provided in the full financial statements. The full financial statements have been audited with an unmodified audit opinion issued on those financial statements for both periods the financial statements cover.

Presentation Currency

The financial statements are presented in New Zealand dollars. All numbers are rounded to the nearest dollar.

Comparatives

The comparative financial period is 12 months.

Toi Foundation
31 March 2024
 (continued)

	2024	2023
	\$	\$
Grants		
Total grants committed	27,372,115	23,071,483
Less grants refunded / withdrawn from prior years	<u>(175,472)</u>	<u>(405,177)</u>
	<u>27,196,643</u>	<u>22,666,306</u>

Toi Foundation granted \$27,372,115 for the financial year ended 31 March 2024 (2023: \$23,071,483). However, 14 organisations either refunded or withdrew grants from prior years totalling \$175,472 (2023: \$405,177 refunded or withdrawn grants from 24 organisations).

Contingent Assets and Contingent Liabilities

The Foundation has no material contingent assets (2023: Nil)

	2024	2023
	\$	\$
Contingent Liabilities		
Multi-year commitments	7,700,000	10,932,245
Conditional grants	<u>-</u>	<u>-</u>
	<u>7,700,000</u>	<u>10,932,245</u>

Events after the Reporting Date

There are no material events subsequent to balance date which are not otherwise disclosed in the financial statements of the Foundation.

Separate Financial Statements

The Foundation has prepared these separate financial statements to provide more relevance to users, as the size and presentation of the consolidated financial statements does not facilitate a meaningful comparison of the Foundation's results by those users.

The Foundation has 100% ownership of Toi Foundation Holdings Limited, a company incorporated in New Zealand. The Foundation has 100% of the voting power. The investment is accounted for at cost.

The consolidated financial statements of the Foundation can be obtained from the Foundation Chief Executive:

PO Box 667, New Plymouth or by telephoning (06) 769-9471



Independent Auditor's Report

To the Trustees of Toi Foundation

Report on the audit of the special purpose financial statements

Opinion

In our opinion, the special purpose financial statements of Toi Foundation (the 'Foundation') on pages 6 to 29 present fairly, in all material respects:

- i. The Foundation's financial position as at 31 March 2024 and its financial performance and cash flows for the year ended on that date in compliance with companies special purpose accounting policies adopted;
- ii. in accordance with Public Benefit Entity Standards (Not for profit) issued by the New Zealand Accounting Standards Board.

We have audited the accompanying special purpose financial statements which comprise:

- the statement of financial position as at 31 March 2024;
- the statements of comprehensive revenue and expenses, changes in net assets and cash flows for the year then ended;
- notes, including a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Foundation in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the special purpose financial statements* section of our report.

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



Emphasis of matter – Basis of Accounting

Without modifying our opinion, we draw attention to Note 2 to the special purpose financial statements, which describes the basis of accounting. The special purpose statement of financial position is prepared based on the



accounting policies noted within this note. As a result, the special purpose financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other information

The Trustees, on behalf of the Foundation, are responsible for the other information included in the entity's Foundation Directory. Our opinion on the special purpose financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

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



Use of this independent auditor's report

This independent auditor's report is made solely to the Trustees as a body. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of the Trustees for the special purpose financial statements

The Trustees, on behalf of the Foundation, are responsible for:

- the preparation and fair presentation of the special purpose financial statements in accordance with the adopted accounting policies;
 - implementing necessary internal control to enable the preparation of a special purpose set of financial statements that is fairly presented and free from material misstatement, whether due to fraud or error;
 - assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.
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Auditor's responsibilities for the audit of the special purpose financial statements

Our objective is:

- to obtain reasonable assurance about whether the special purpose financial statements as a whole are free from material misstatement, whether due to fraud or error



— to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose financial statements.

A further description of our responsibilities for the audit of these special purpose financial statements is located at the External Reporting Board (XRB) website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1/>

This description forms part of our independent auditor's report.

A handwritten signature of the KPMG firm, written in blue ink.

KPMG
Wellington

31 July 2024