

Performance Report

Moutere Hills Community Centre Incorporated
For the year ended 30 June 2025

Prepared by Smart Business Centre Motueka Limited

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Entity Information

Moutere Hills Community Centre Incorporated For the year ended 30 June 2025

'Who are we?', 'Why do we exist?'

Moutere Hills Community Centre is an incorporated society established to provide a hub for our community to gather and participate in a wide variety of social, physical, cultural and intellectual activities and events. The facility was made possible through community grants and donations and fundraising by our local community.

Legal Name of Entity

Moutere Hills Community Centre Incorporated

Entity Type and Legal Basis

Community Centre. Incorporated Society under Incorporated Societies Act 1908

Registration Number

Charities Commission - CC30163
Society Register - 1902807

NZBN

9429043159888

Entity's Purpose or Mission

Our vision is "connecting our community". Our mission is to provide an inclusive, sustainable and future-proof facility that supports our community and encourages participation. Our goals are:

- trusted, transparent organisation
- provide a future-focused facility
- support well-being
- Sustainability

Entity Structure

Society Structure: Our Constitution states that we must have up to seven Board Members. We currently have 6 Board Members including the facility manager that constitute our governance board, including three executive officer positions: chairman, treasurer and secretary.

Operational Structure: Our operations are managed by a team of seven part time employees. We employ a Facility Manager, Accounts Administrator, Recreation Co-ordinator, Fitness Centre Co-ordinator, Cleaner, Fitness Advisor and Fitness Instructor.

Main Sources of Entity's Cash and Resources

Moutere Hills Community Centre has received its income from a mixture of income earning activities (such as venue hire, member subscriptions to fitness centre), local government subsidies and contracts, donations, sponsorships, fundraising and grants.

Main Methods Used by Entity to Raise Funds

Fundraising activities include an annual Christmas market and other one-off community events.

The community centre actively promotes its facilities for hire to the public and business community to use for activities, events, conferences, weddings and meetings.

Entity's Reliance on Volunteers and Donated Goods or Services

Volunteers contribute to fundraising activities by supporting and participating in the annual fundraising and sourcing donations for prizes.

Volunteers contribute also by volunteering their time for governance on the board as well as running a variety of social, recreational and sporting events at the centre.

Physical Address

1539 Mouere Hwy, Upper Mouere, Nelson, New Zealand, 7175

Postal Address

1539 Mouere Hwy, Upper Mouere, Nelson, New Zealand, 7175

Approval of Financial Report

Moutere Hills Community Centre Incorporated For the year ended 30 June 2025

The committee members are pleased to present the approved financial report including the historical financial statements of Moutere Hills Community Centre Incorporated for year ended 30 June 2025.

APPROVED



Chairperson

Date 25 SEPT 25

Statement of Service Performance

Moutere Hills Community Centre Incorporated For the year ended 30 June 2025

Description of medium to long term objectives

A quality, sustainable facility providing accessible and affordable social, cultural, recreational and educational activities for the wider community.

Description and Quantification of the Entity's Key Activities

Activities	This year	Last year
Members of Community Fitness Centre	507	458
Total of Clubs Membership	406	248
Number of Members of Community Fitness Centre Private Bookings	106	128
Number of Social and Cultural Public Events	35	30
Individual Number of Participants in Social Sports and Recreation	388	309

Statement of Financial Performance

Moutere Hills Community Centre Incorporated For the year ended 30 June 2025

	NOTES	2025	2024
Revenue			
Donations, koha, bequests and other general fundraising activities	1	8,914	25,691
Capital grants and donations	1	9,835	135,157
Government service delivery grants/contracts	1	65,030	69,377
Membership fees and subscriptions	1	217,242	156,516
Revenue from commercial activities	1	83,479	113,907
Interest, dividends and other investment revenue	1	8,870	6,800
Total Revenue		393,369	507,448
Expenses			
Expenses related to fundraising	2	1,056	1,697
Employee remuneration and other related expenses	2	202,221	173,413
Volunteer related expenses	2	3,492	6,758
Expenses related to commercial activities	2	104,076	99,185
Other expenses	2	58,743	56,367
Total Expenses		369,588	337,420
Surplus/(Deficit) for the Year		23,781	170,028

The accompanying notes form part of this Performance Report. This Performance Report has been subject to audit and should be read in conjunction with the attached Independent Auditors Report.

Statement of Financial Position

Moutere Hills Community Centre Incorporated As at 30 June 2025

	NOTES	30 JUN 2025	30 JUN 2024
Assets			
Current Assets			
Cash and short-term deposits	3	223,552	328,798
Debtors and prepayments	3	9,115	6,849
Inventory	3	1,368	1,398
Total Current Assets		234,035	337,046
Non-Current Assets			
Property, Plant and Equipment	5	345,514	390,927
Investments	6	185,132	-
Other non-current assets	3	16,762	-
Total Non-Current Assets		547,408	390,927
Total Assets		781,443	727,973
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	15,169	14,844
Employee costs payable	4	40,169	30,962
Deferred revenue	4	24,933	4,776
Total Current Liabilities		80,271	50,582
Total Liabilities		80,271	50,582
Total Assets less Total Liabilities (Net Assets)		701,172	677,391
Accumulated Funds			
Accumulated surpluses (or deficits)	7	701,172	677,391
Total Accumulated Funds		701,172	677,391

The accompanying notes form part of this Performance Report. This Performance Report has been subject to audit and should be read in conjunction with the attached Independent Auditors Report.

Depreciation Schedule

Moutere Hills Community Centre Incorporated For the year ended 30 June 2025

NAME	PURCHASED	COST	OPENING VALUE	PURCHASES	METHOD	RATE	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE
Building Improvements									
Cavity Slider Door	14 Dec 2020	7,502	4,032	-	DV	16.00%	645	4,116	3,387
Changing Room Improvements	20 Jan 2022	38,386	29,538	-	DV	10.00%	2,954	11,802	26,584
Changing Room Upgrade 1	1 Jun 2012	22,959	6,430	-	DV	10.00%	643	17,172	5,787
Changing Room Upgrade 2	1 Aug 2012	9,840	2,805	-	DV	10.00%	280	7,316	2,524
Clubrooms/Kitchen Upgrade	1 Jun 2013	16,830	5,238	-	DV	10.00%	524	12,116	4,714
Community Room Upgrade	1 Oct 2013	21,324	6,878	-	DV	10.00%	688	15,134	6,190
Gates and Fence panel to close off area for storage	18 Aug 2022	3,277	2,679	-	DV	10.00%	268	866	2,411
Gates and Fence panel to close off area for storage	1 Jul 2023	1,092	983	-	DV	10.00%	98	208	885
Leasehold Improvements - Cabling	1 Jun 2014	2,151	934	-	DV	8.00%	75	1,291	860
Lobby Improvements	30 Apr 2022	3,830	3,024	-	DV	10.00%	302	1,108	2,722
New Door - end wall of indoor court	17 Dec 2024	2,997	-	2,997	DV	10.00%	175	175	2,823
Replacement Lighting - Sports Hall	29 Mar 2023	6,963	5,199	-	DV	20.00%	1,040	2,804	4,159
Total Building Improvements		137,153	67,741	2,997			7,692	74,107	63,046
Fitness Centre - Capital Equipment									
3 tier storage unit for gym equipment	1 Jul 2018	650	170	-	DV	20.00%	34	514	136
Boxing Gear and Bag	25 Jul 2018	991	46	-	DV	40.00%	18	963	28
Fitness Centre Building - YEAR 2014	1 Jul 2013	111,586	111,586	-	DV	0.00%	-	-	111,586
Fitness Centre Building - YEAR 2015	1 Sept 2014	52,604	52,604	-	DV	0.00%	-	-	52,604
Fitness Centre Equipment	4 Aug 2022	9,508	3,613	-	DV	40.00%	1,445	7,340	2,168
Fitness Centre Equipment	1 Sept 2014	80,500	541	-	DV	40.00%	216	80,176	325
Hoise Vertical Knee Raise/dip machine	3 Apr 2018	1,237	641	-	DV	10.00%	64	660	577
Ipad	13 Nov 2017	503	114	-	DV	20.00%	23	412	92

NAME	PURCHASED	COST	OPENING VALUE	PURCHASES	METHOD	RATE	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE
Stairmaster 8-SM (Blue Fitness)	8 Nov 2019	11,343	1,078	-	DV	40.00%	431	10,696	647
Star Trac S-TRc Treadmill Hoist Flat/Incline Bench	23 Jun 2021	9,513	1,986	-	DV	40.00%	795	8,321	1,192
Total Fitness Centre - Capital Equipment		278,435	172,380	-			3,027	109,082	169,353
Land Improvements									
BBQ and Outdoor Area Development	8 Mar 2024	23,801	23,801	-	None		-	-	23,801
Tennis Court Lighting Upgrade	28 Sept 2023	86,053	57,369	-	DV	40.00%	22,948	51,632	34,421
Total Land Improvements		109,855	81,170	-			22,948	51,632	58,223
Plant & Equipment									
Eyes for Silks Activity	15 Oct 2024	1,500	-	1,500	DV	13.00%	146	146	1,354
Basketball Stand and Hoop	29 Oct 2021	4,227	2,887	-	DV	13.00%	375	1,715	2,512
BBQ - King Size Push Button Stainless Steel	23 Jun 2023	4,656	3,177	-	DV	30.00%	953	2,431	2,224
Bike Rack & Stand	30 Sept 2022	1,600	640	-	DV	40.00%	256	1,216	384
Black-Out Blinds	30 Apr 2024	17,602	14,654	-	DV	67.00%	9,818	12,766	4,836
Bouncy Castle	8 Oct 2019	1,422	365	-	DV	25.00%	91	1,147	274
Cash Register	1 Jun 2012	900	-	-	DV	60.00%	-	900	-
CCTV Surveillance System and monitor	5 Jan 2023	8,850	6,372	-	DV	20.00%	1,274	3,752	5,098
Chairs (20)	28 Jun 2019	1,749	722	-	DV	16.00%	115	1,143	606
Coffee Machine	15 Oct 2019	1,047	195	-	DV	30.00%	58	911	136
Computer	1 Dec 2010	1,375	-	-	DV	60.00%	-	1,375	-
Computer	1 Oct 2012	1,797	-	-	DV	60.00%	-	1,797	-
Dell Computer & Monitor	20 Aug 2020	867	25	-	DV	60.00%	15	857	10
Drinking Fountain	1 Feb 2014	3,149	50	-	DV	33.00%	16	3,116	33
Epson Projector and Cabling	6 May 2025	2,128	-	2,128	DV	20.00%	71	71	2,057
Fireproof Safe	5 Jul 2022	1,634	1,383	-	DV	8.00%	111	362	1,272
G10 Touchscreen Notebook	28 Jul 2023	1,889	945	-	DV	50.00%	472	1,417	472
Generator plug connector & Cable	31 Aug 2017	564	272	-	DV	10.00%	27	319	245

NAME	PURCHASED	COST	OPENING VALUE	PURCHASES	METHOD	RATE	DEPRECIATION	CLOSING ACCUM DEP	CLOSING VALUE
Gymnastics Equipment	24 Jun 2024	3,413	3,342	-	DV	25.00%	835	907	2,506
Heat Pump	1 Sept 2015	3,817	534	-	DV	20.00%	107	3,390	427
HP Envy X360 Laptops (x), Laptop Bags (x 2) and Portable Hard drives (x 2)	24 Mar 2020	2,593	135	-	DV	50.00%	68	2,525	68
Laptop - HP Probook	6 Aug 2019	631	21	-	DV	50.00%	11	620	11
Lockable Cupboard in Changing Room	1 May 2015	981	374	-	DV	10.00%	37	645	336
Lockers	27 Jul 2021	3,945	2,876	-	DV	10.00%	288	1,357	2,588
One JCB 60 kva generator	10 May 2017	10,300	4,844	-	DV	10.00%	484	5,940	4,360
Outdoor Cabinet for Defibrillator	19 Sept 2019	620	373	-	DV	10.00%	37	284	336
Remote Switching Car Park Lighting	1 Feb 2015	2,184	424	-	DV	16.00%	68	1,827	357
Removable Floor protect main hall	9 Jul 2021	4,524	3,298	-	DV	10.00%	330	1,556	2,968
Shade Sails	1 Jul 2018	6,198	3,719	-	DV	40.00%	1,488	3,967	2,231
Shade Sails	31 May 2024	9,381	8,755	-	DV	40.00%	3,502	4,127	5,253
Skopec Fridge BME1200N	14 Jun 2023	5,375	5,375	-	DV	25.00%	1,344	1,344	4,031
Softball Equipment	1 Jul 2010	1,086	-	-	DV	50.00%	-	1,086	-
Speaker & Amplifier System	6 May 2025	4,152	-	4,152	DV	40.00%	277	277	3,875
Tennis Court Camera	25 Jun 2024	1,471	1,389	-	DV	67.00%	931	1,013	458
Video projector installed into Meeting Room	13 Nov 2018	2,942	582	-	DV	25.00%	145	2,506	436
Water Tanks	1 Feb 2015	1,675	326	-	DV	16.00%	52	1,402	273
Wifi Installation	22 Jan 2025	2,321	-	2,321	DV	50.00%	580	580	1,741
Windows 11 Laptop	28 Jul 2023	956	478	-	DV	50.00%	239	717	239
Zenith Econoboil 3 Litre 403642	28 Sept 2023	1,326	1,105	-	DV	20.00%	221	442	884
Total Plant & Equipment		126,845	69,636	10,101			24,844	71,952	54,892
Total		652,287	390,927	13,098			58,511	306,773	345,514

Statement of Cash Flows

Moutere Hills Community Centre Incorporated For the year ended 30 June 2025

	2025	2024
Cash Flows from Operating Activities		
Operating receipts (money deposited into the bank account)		
Donations, koha, bequests and other general fundraising activities	8,987	25,691
Capital grants and donations	9,835	5,089
Government service delivery grants/contracts	83,239	109,508
Membership fees and subscriptions	218,332	154,958
Gross sales from commercial activities	80,853	113,781
Interest or dividends received	3,737	6,800
GST received	59,859	55,046
Total Operating receipts (money deposited into the bank account)	464,843	470,874
Operating payments (money withdrawn from the bank account)		
Payments related to public fundraising	(1,056)	(1,697)
Employee remuneration and other related payments	(193,212)	(176,138)
Volunteer related payments	(3,492)	(6,758)
Payments related to commercial activities	(102,529)	(98,175)
GST paid	(58,270)	(67,316)
Other payments	(233)	-
Total Operating payments (money withdrawn from the bank account)	(358,791)	(350,083)
Total Cash Flows from Operating Activities	106,052	120,791
Cash Flows from Other Activities		
Receipts from other activities		
Receipts from other activities	2,193	-
Total Receipts from other activities	2,193	-
Payments from other activities		
Payments to acquire property, plant and equipment	(33,491)	(144,644)
Payments to purchase investments	(180,000)	-
Payments for other activities	-	(1,083)
Total Payments from other activities	(213,491)	(145,727)
Total Cash Flows from Other Activities	(211,298)	(145,727)
Net Increase/(Decrease) in Cash	(105,247)	(24,936)
Bank Accounts and Cash		
Opening cash	328,798	353,734
Net change in cash for period	(105,247)	(24,936)
Closing cash	223,552	328,798

The accompanying notes form part of this Performance Report. This Performance Report has been subject to audit and should be read in conjunction with the attached Independent Auditors Report.

Statement of Accounting Policies

Moutere Hills Community Centre Incorporated For the year ended 30 June 2025

'How did we do our accounting?'

Basis of Preparation

The entity is permitted by law to apply the Tier 3 (NFP) Standard issued by the External Reporting Board (XRB) and has elected to do so. A PBE may apply the standard if it does not have public accountability and has total annual expenses less than or equal to \$5,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Moutere Hills Community Centre Incorporated is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

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

Changes in Accounting Policies

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

Depreciation

Property, plant, and equipment are recorded at cost, less accumulated depreciation and impairment losses.

Depreciation is provided on a diminishing value basis on all assets at rates that will write off the cost of the assets to their estimated residual value over their useful lives.

Notes to the Performance Report

Moutere Hills Community Centre Incorporated For the year ended 30 June 2025

	NOTES	2025	2024
1. Analysis of Revenue			
Donations, koha, bequests and other general fundraising activities			
Donations, Sponsorship, Fundraising Events		8,914	25,691
Total Donations, koha, bequests and other general fundraising activities		8,914	25,691
Capital grants and donations			
Funding Received for Projects		9,835	135,157
Total Capital grants and donations		9,835	135,157
Government service delivery grants/contracts			
NZ Lotteries and COGS - Grants for Management Salary		7,000	13,063
TDC Operating Grants		46,043	44,327
Way2Go & Community Recreation - Grants & Funding Received		11,987	11,987
Total Government service delivery grants/contracts		65,030	69,377
Membership fees and subscriptions			
Fitness Centre Memberships		214,019	153,068
Clubs - Fees Received		3,223	3,448
Total Membership fees and subscriptions		217,242	156,516
Revenue from commercial activities			
Bar Takings		18,336	32,571
Misc Income & Equipment Hire		8,203	8,491
Catering Income & Shop Takings		9,325	8,711
Centre Functions & Events		3,183	12,808
Function & Meeting Venue Hire		21,876	39,262
Activity Providers/Venue Hire		16,377	7,693
Community Workshops		3,273	1,877
Social Sports		2,905	2,494
Total Revenue from commercial activities		83,479	113,907
Interest, dividends and other investment revenue			
Interest Income		8,870	6,800
Total Interest, dividends and other investment revenue		8,870	6,800
	NOTES	2025	2024

2. Analysis of Expenses

Expenses related to fundraising			
Centre Event & Fundraising expenses		1,056	1,697
Total Expenses related to fundraising		1,056	1,697
Employee remuneration and other related expenses			
Wages & contractor expense		202,221	173,413
Total Employee remuneration and other related expenses		202,221	173,413

	NOTES	2025	2024
Volunteer related expenses			
Board of Trustee Expenses		2,212	2,406
Volunteer Expenses		1,280	4,352
Total Volunteer related expenses		3,492	6,758
Expenses related to commercial activities			
Accounting Fees		1,659	1,358
Advertising		459	586
Audit Fees		2,238	2,111
Bank Fees		57	25
Bar & Shop - Bar Supplies		9,207	13,610
Bar & Shop - Catering Supplies		3,547	5,768
Centre General Expenses & Consumables		1,666	1,893
Cleaning Supplies		3,411	3,847
Compliance Expenses		1,968	1,376
Fitness Centre - equipment purchases		2,339	58
Fitness Centre - Expenses		4,235	3,031
Fitness Centre - Gym Master		4,098	3,556
Functions - Expenses		65	2,612
Insurance		1,314	1,259
Light, Power, Heating		20,206	18,556
Office Expenses		13,273	14,135
Printing & Stationery		2,844	2,786
Professional Development		2,280	1,217
Repairs & Maintenance - Buildings		12,168	6,520
Repairs & Maintenance - Fitness Centre		1,689	2,449
Repairs & Maintenance - Plant		4,683	3,884
Rubbish Removal		2,194	1,777
Small Plant & Equipment		2,672	2,155
Telephone & Internet		4,724	4,451
Way2Go & Community Recreation - Admin Expenses		1,078	166
Total Expenses related to commercial activities		104,076	99,185
Other expenses			
Bad Debts		233	-
Depreciation		58,511	56,367
Total Other expenses		58,743	56,367
	NOTES	2025	2024

3. Analysis of Assets

Cash and short-term deposits

Cash Float	250	250
NBS Cheque Account - 00	51,783	161,575
NBS Eftpos Account - 16	2,130	407

	NOTES	2025	2024
NBS Investment Account - 31		169,389	166,566
Total Cash and short-term deposits		223,552	328,798
Debtors and prepayments			
Accounts Receivable		9,115	5,401
Prepayments		-	1,448
Total Debtors and prepayments		9,115	6,849
Inventory			
Bar Stock on Hand		1,368	1,398
Total Inventory		1,368	1,398
Other non-current assets			
Capital Work in Progress		16,762	-
Total Other non-current assets		16,762	-

	NOTES	2025	2024
4. Analysis of Liabilities			
Creditors and accrued expenses			
Accounts Payable		12,261	14,359
GST		2,907	485
Total Creditors and accrued expenses		15,169	14,844
Employee costs payable			
Annual Leave Accrual		31,699	27,605
PAYE Payable		3,555	3,357
Wages Payable - Payroll		4,915	-
Total Employee costs payable		40,169	30,962
Deferred revenue			
Grants unspent	10	17,203	1,500
Income Received in Advance	10	7,730	3,276
Total Deferred revenue		24,933	4,776
	NOTES	2025	2024

5. Property, Plant and Equipment

Land at cost	58,223	81,170
Buildings at cost	137,153	134,155
Accumulated depreciation - buildings	(74,107)	(66,415)
Plant and machinery owned	126,845	116,744
Accumulated depreciation - plant and machinery owned	(71,952)	(47,108)
Fitness Centre Assets	278,435	278,435
Accumulated depreciation - fixed assets owned	(109,082)	(106,055)
Total Property, Plant and Equipment	345,514	390,927

	NOTES	2025	2024
6. Investments			
Other non-current investments			
NBS Term Deposit		185,132	-
Total Other non-current investments		185,132	-
Total Investments		185,132	-
	NOTES	2025	2024

7. Accumulated Funds

Accumulated surpluses or (deficits)			
Opening Balance		677,391	507,363
Current year earnings		23,781	170,028
Total Accumulated surpluses or (deficits)		701,172	677,391
Total Accumulated Funds		701,172	677,391

8. Commitments

There has been a commitment of funds as at 30 June 2025 for the extension of the Fitness Centre. Funds committed \$500k - \$600K

9. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2025 Last year - nil).

	NOTES	2025	2024
10. Deferred Revenue: Unused Significant Donations, Grants, Bequests and Pledges with Expectations over Use			
Sarau Grant Income		3,000	-
TDC Grant Income		3,087	1,500
NZ Lotteries		3,333	3,276
Misc Income Received in Advance		15,513	-
Total Deferred Revenue: Unused Significant Donations, Grants, Bequests and Pledges with Expectations over Use		24,934	4,776

11. Related Party Transactions

There were no transactions involving related parties during the financial year.

12. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

13. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.



INDEPENDENT AUDITOR'S REPORT

To the Members of Moutere Hills Community Centre Incorporated

Opinion

We have audited the financial information in the Performance Report of Moutere Hills Community Centre Incorporated on pages 7 to 18, which comprise the Statement of Financial Position as at 30 June 2025, and the Statement of Financial Performance and Statement of Cash Flows for the year then ended, a Statement of Accounting Policies and Notes to the Performance Report including material accounting policy information and other explanatory information. We were not engaged to audit the Entity Information or Statement of Service Performance and accordingly these statements, representing other information, are not included in our audit.

In our opinion, the financial information in the accompanying Performance Report presents fairly, in all material respects, the financial position of Moutere Hills Community Centre Incorporated as at 30 June 2025, and its financial performance and its cash flows for the year then ended in accordance with the requirements of the Tier 3 (NFP) Standard issued by the New Zealand Accounting Standards Board of the External Reporting Board (XRB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Performance Report section of our report. We are independent of Moutere Hills Community Centre Incorporated in accordance with Professional and Ethical Standard 1 'International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)', and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, Moutere Hills Community Centre Incorporated.

Restriction on Responsibility

This report is made solely to the Members, as a body, in accordance with the constitution of the Moutere Hills Community Centre Incorporated. Our audit work has been undertaken so that we might state to the Members those matters we are required to state to them in an 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 Members as a body, for our audit work, for this report, or for the opinions we have formed.

Other Information: Entity Information and Statement of Service Performance

The Board are responsible for the other information. The other information comprises the Entity Information and Statement of Service Performance but does not include the Performance Report and our auditor's report thereon.

Our opinion on the financial information in the Performance Report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Performance Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Performance Report or our knowledge obtained in the audit or otherwise appears to be 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.

Board' Responsibility for the Performance Report

The Board are responsible on behalf of the entity for:

- (a) the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present service performance information that is appropriate and meaningful in accordance with the Tier 3 (NFP) Standard;
- (b) the preparation and fair presentation of the Performance Report which comprises:

- the Entity Information;
- the Statement of Service Performance; and

- the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Statement of Accounting Policies and Notes to the Performance Report in accordance with the Tier 3 (NFP) Standard, and

(c) for such internal control as the Board determine is necessary to enable the preparation of a Performance Report that is free from material misstatement, whether due to fraud or error.

In preparing the Performance Report, the Board are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Information in the Performance Report

Our objectives are to obtain reasonable assurance about whether the financial information in the Performance Report is 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 conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this Performance Report.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial information in the Performance Report, 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.
- 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial information in Performance Report 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 entity to cease to continue as a going concern.

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

Smart Assurance Services Limited

Smart Assurance Services Limited

John Patrick Murphy

Chartered Accountant

Motueka, New Zealand

25 September 2025