Bay of Plenty Community Trust Inc.

Consolidated Annual Report for the Year Ended 31 March 2026

BAY TRUST
Supporting Great Communities

Contents

ABOVE: Joan Kelly enjoys her weekly strength and balance exercise class at Parksyde Community Centre, Rotorua. Run by the Older Persons Community Centre Trust, over 1,100 people participate each week in the 45 activities they offer.

COVER: Taupō school students participating in a Tauhara Kitea restoration planting day on Tauhara Maunga. Led by Te Mana o Tauhara Trust, the planting days are supported by local organisations including Project Tongariro, Kids Greening Taupō and Greening Taupō. The plantings include trees grown by schools through the Trees for Survival programme. Photo: Kids Greening Taupō.

Our Organisation

Why do we exist – Our Kaupapa

Bay of Plenty Community Trust Inc. (BayTrust) was initially incorporated on 5 August 1988 as the Trust Bank Bay of Plenty Community Trust in accordance with the provisions of the Trustee Banks Restructuring Act, 1988. It continues under the provisions of the Community Trusts Act, 1999. The broad purpose of the Trust as outlined in its Trust Deed, is to provide charitable, cultural, philanthropic, recreational, and other benefits to Bay of Plenty communities.

Our Region

The Trust's region extends from Katikati to Tūrangi to Te Kaha and includes the Eastern and Western Bay of Plenty, Rotorua and Taupō districts.

Who we are

BayTrust is governed by a Board of up to 12 Trustees (reduced to 9 from 1 June 26) who are appointed by the Minister of Finance for two terms of four years (maximum) to represent the BOP region and who are supported by six full-time staff members.

The Board's principal responsibilities are to invest the assets of the Trust in a range of diversified investments designed to sustainably deliver returns over the long term, whist reserving for inflation and population growth and then distribute these returns in the most impactful way as possible throughout the Trust's region in order to achieve the Trust's Purpose **"to accelerate bold meaningful change, and assist BOP communities and the environment to flourish"**. In meeting this responsibility, the Board approves the adoption of appropriate strategies, objectives and budgets and reviews the performance of the Trust against these objectives.

Our dedicated and experienced staff led by CEO Alastair Rhodes continue to perform well and assisted by our advisors have ensured both our investments and our granting continue to excel.

The Team

It is recognised that Trustees and staff have a wide range of involvement throughout the Bay of Plenty region, which is fantastic, however we also recognise that the potential for conflict will arise from time to time. To cover this eventuality, Trustees and staff disclose their involvement with other organisations, do not take part in discussions relating to organisations with which they have a conflict of interest with and do not vote on any matter where a conflict or potential conflict exists.

BayTrust's office is located at Level 1, 752 Cameron Rd, Tauranga. BayTrust operates by appointment in Eastern Bay of Plenty, Rotorua and Taupō. BayTrust staff also operate remotely and are often on the road spending time with many organisations and stakeholders within their region.

BayTrust Organisation Structure

BayTrust Board
9 Trustees

Te Aorangi Murphy-Fell
Chair

Alastair Rhodes
CEO

Terri Eggleton
Impact Investment Manager (until Dec 26)
and
Dougal Crisp
Investment Manager

Lotima Vaioleti
Kaihautū (Māori Relationship Manager)

Sam Cummins
Community Investment and Policy Manager

Shelley Atkinson
Grants and Communications Advisor (commencing Aug 26)

Yvonne Baldock
Finance and Office Services Manager

Lisa Hickling
Impact & Sustainability Manager

Consultants/Advisors

- Accounting – Baker Tilly Staples Rodway
- Auditors – William Buck
- External Investment Committee Member – David Bell
- Investment Advisors – Cambridge Associates
- Legal Advisors – Sharp Tudhope
- PR/Web – Tailor-Made/ Moca

What we have done

Chair and Chief Executive Group Report

Tēnā Koutou Katoa

BayTrust's Kaupapa is "to accelerate bold, and meaningful change, and assist BOP communities and the environment to flourish" Toi tangata, Toi tū te taiao, Toi te hua mākohakoha and it is our pleasure to share BayTrust's key activities, achievements and highlights for the year.

It continues to be a very challenging time for our communities as the high cost of living, funding cuts, severe weather impacts, geopolitical volatility and constrained economic growth continue. In this light, the Trust is very pleased with its financial result for the year, which has delivered a surplus of $13m, a significant improvement on last year's surplus of $5m.

Operationally, the Trust had a strong year with 284 (2025: 247) fantastic community applications receiving grant payments of $8.8m (2025: $7.8m). More detailed updates for the year ended 31 March 2026 are contained within the rest of the annual report; however, we would like to highlight the following:

Governance Changes

- Te Aorangi Murphy-Fell (EBOP) was re-appointed for a further term in November 25, which allowed the Trust to execute its long-term chair succession plan with Te Aorangi taking over from Tane Phillips as Chair in Dec 25, with Tane continuing as a Trustee. One new Trustee was welcomed in January 2026, Paul Sands (Rotorua), who brings significant community connections and investment experience to the Trust. In May 26, we said a fond farewell to three long-serving Trustees; Mawera Karetai (EBOP), Steve Napier (WBOP) and Stephanie Northey (Rotorua), who all completed their second term of four years with the Trust. Their dedication, insight, and leadership have helped guide BayTrust through an important period, shaping its direction and strengthening impact across the region. We extend our sincere thanks and appreciation for their service and commitment, as well as to Tane for his Chairmanship over the last three years.
- In Dec 25, our accountable Minister agreed to permanently reduce the Trustee numbers from 12 to 9 as of the end of May 26. This reduction, we believe, optimises the Trust's governance and maintains the right blend of skills, experience, enthusiasm and diversity of thinking we need for an organisation like BayTrust.

Granting

As a result of our strong returns, our grants budget for FY27 has been set at ~$9m, which is a ~2% increase on our FY26 actual spend of $8.8m. With material reductions in both central and local government funding and our communities continuing to struggle through cost-of-living and other challenges, this ability to increase our funding is very positive and reflects our well-thought-out and internationally diversified investment portfolio.

2030 Strategy Refresh

Over the past year, we have undertaken a refresh of our 2030 strategy across our granting, investment, and impact investment activities. This work has been informed by extensive engagement with stakeholders and communities across the Bay of Plenty, and we thank all those who contributed their time, insight, and perspectives.

Our 2030 goals are centred on our kaupapa, which is accelerating bold, meaningful change so that Bay of Plenty communities and the environment can flourish. The recent strategy work has strengthened how these goals are pursued by clarifying pathways, reinforcing long-term commitments, and ensuring resources are aligned to deliver impact over time. Through this engagement, and following Trustee endorsement, it was confirmed that the priorities identified by our communities remain consistent. In response, BayTrust has reaffirmed its commitment to the following priorities:

- **Community Wellbeing**
- **Tū Māori Mai**
- **Housing**
- **Kaitiakitanga**

We remain committed to continuing to use our investments to create a positive impact in the BOP in alignment with our priorities, with our impact investment portfolio forecast to reach ~$45m by 2030. To do this, we will be investigating additional investments in several areas:

- assets that address carbon emissions e.g. alternative energy projects
- increasing our investment into housing
- investment in projects that increase community and economic resilience

Staff Update

As part of progressing our 2030 Strategic Refresh, BayTrust has recently undertaken a realignment of staff roles to better support its strategic priorities and the way it works alongside communities and partners.
Key changes include:

- **Lotima Vaioleti** moved into the role of Kaihautū – Māori Relationships Manager, strengthening our commitment to meaningful engagement and partnership with Māori.
- **Terri Eggleton** has reduced her role as Impact Investment Manager to three days per week, as she begins to transition toward her planned retirement at the end of 2026. We acknowledge Terri's ongoing contribution during her tenure with the Trust. As part of this transition, **Dougal Crisp** joined the team earlier this year as a shared joint Investment Manager across BayTrust and TECT. This role reflects a practical step in strengthening collaboration between the two Trusts and enhancing our internal investment capability.
- Alongside these changes, we have recruited **Shelley Atkinson** to the team, who will start in August as our **Grants and Communications Advisor** to further support our work across the region. This role will play an important part in delivering our grants programme, strengthening engagement with communities, and supporting how we communicate our work and impact.

Investments

We continue to operate a well-diversified global investment portfolio, which has served us well over recent years. During the coming year, in accordance with best practice, we will be going to market to review our investment advisors and strategies to ensure that the Trust's investments will continue to drive the returns and the impact we need.

Looking ahead to FY27

- Continue to drive towards meeting our 2030 strategy and supporting our communities through these challenging times.
- Partner with Māori/Iwi, particularly through co-investments, and host a fantastic Community Trust te Tiriti o Waitangi wānanga in Rotorua in January 2027.
- Explore regional collaborative investment opportunities with the four large BOP Foundations/Trusts (collectively over $1.5b in assets).

Lastly, a big thank you to our team of Trustees and staff for their hard work and input over the past year, working for and with our communities. Plus, an even bigger thank you to all the wonderful community organisations who have worked through and continue to support our communities in these tough and challenging times.

Nā māua noa, nā

27 August 2026

Te Aorangi Murphy-Fell
Chair

Alastair Rhodes
Chief Executive Officer

Our Planet

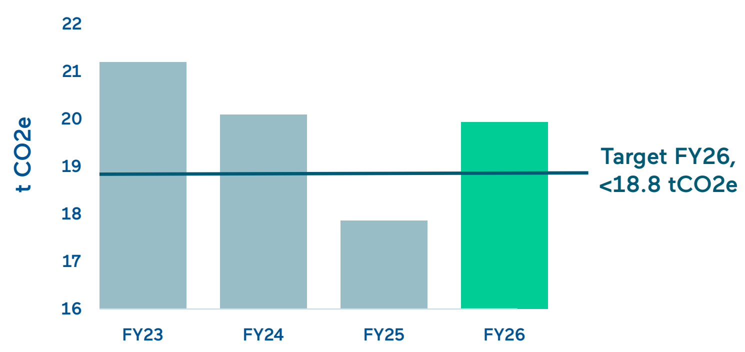
Climate Change and Sustainability

The Climate Change Action Plan as in previous years has been implemented via annual KPIs. The targeted annual reduction of 5% internal emissions (18.8 tCO2e) was not achieved (19.9 tCO2e) for the first time in three years due to overseas travel in Q4 (offset by the purchase of native trees planted in the BOP (via Trees That Count)).

We have continued to support Mātauranga Māori environmental projects directly through Ngāti Awa, Te Arawa Lakes Trust, and He Tipu and indirectly through the BOP Regional Council and Manaaki Kaimai Mamaku Trust.

Work continued in shaping the BOP offsetting project in conjunction with BOP Regional Council and others, and several impact investment opportunities were presented to Trustees for consideration.

Internal Emissions profile FY26



BayTrust actively participated in the Combined Community Trusts leadership group (Climate Working Action Group) and through the associated Kaupapa of National Significance fund supporting three organisations in delivering national level climate change-related projects.

Moving forward, next year we will finalise the offsetting project, have a special focus on impact investments in the environmental/climate change space, continue regional and national collaboration and investigate marine projects to support as grant or impact investment.

A PROUD SIGNATORY OF
The Funders Commitment on Climate Action Aotearoa

LEFT: Mauao Trust - Kaitiaki ō Mauao participating in training and establishing myrtle rust monitoring transects under the guidance of research student Kawana Warahi, who completed a Master's project focused on identifying pōhutukawa and assessing the impacts of myrtle rust on Mauao.

Our Investments

Investment Performance

As outlined in BayTrust's Statement of Investment Policy and Objectives ("SIPO"), the Trust's investment objective is to protect and equitably grow BayTrust's investment capital so that it can provide ongoing returns for distribution to current and future Bay of Plenty communities.

The Trustees achieve this through investing the assets of the Trust in a broad range of diversified and over-time sustainable investments designed to achieve the following objectives:

- Maximise the total amount of distributions that can be financed by the investments of the Trust over the long term, subject to a prudent level of portfolio risk and with consideration for environmental and social sustainability.
- Maintain the Trust's real capital.

In Dec 2025 the Trust completed a comprehensive review of its 2030 strategies including its investment strategies and recommitted to its investment objective which is to earn an average annual inflation-adjusted (real) total return, after investment fees but prior to spending, of 5.0% over a full market cycle, in order to be able to achieve its 4% spending policy. More specifically, the long-term objectives are to:

- Maintain the real market value of the Trust in perpetuity.
- Ensure a stable level of spending over time.
- Maintain equity between present and future beneficiaries in perpetuity.
- Align with long-term environmental and social sustainability.

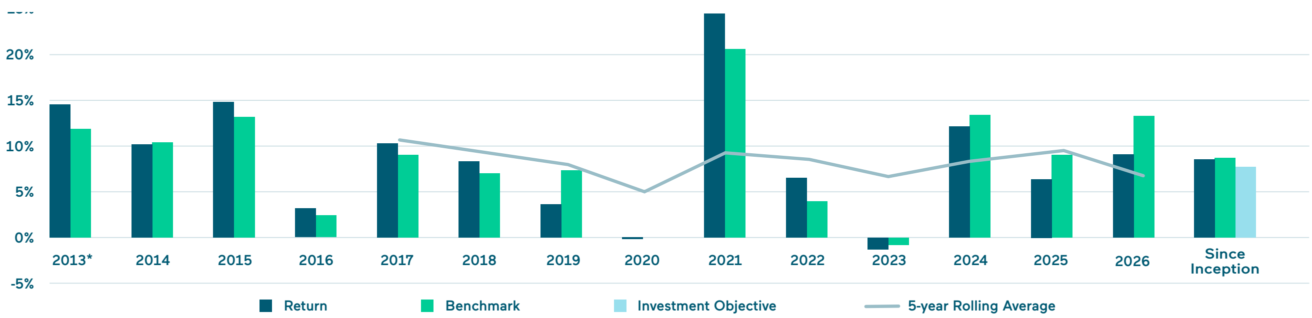
The Trust's spending policy - is to have available at least 4.0% of the average value of the portfolio over the last 12 quarters. The difference between the Trust's 4.0% spending rate and the portfolio's 5.0% real investment objective builds in a buffer for population growth in the Bay of Plenty which has historically averaged ~1.5%.

The Board maintains responsibility for establishing the objectives and policies set out in the SIPO with the Trust's Investment Committee ensuring compliance with the SIPO, making recommendations, manager selection and monitoring. The Trust retains Cambridge Associates as its investment advisors to provide ongoing advice and recommendations over the Trust's investments. Over the past year, the Board with the assistance of Cambridge Associates ran a well diversified and global portfolio of investments which performed well with no SIPO breaches occurring during the period.

Key highlights for the year include:

- The Trust's investment base has grown from $89m when first established as a separate investment entity in 1997 to $286m (2025: $268m), which has allowed the Trust to reserve for inflation and population growth as well as to provide a buffer for challenging investment periods. This is an increase of $197m over 30 years, whilst over the same period the Trust has granted ~$130m into Bay of Plenty communities.
- After a reasonable 2025 performance (+6.4%), returns this year were much stronger (+9.4%) driven by a strong global equity performance, illustrating the benefits of BayTrust's globally diversified portfolio and our long term approach to investing. Although behind benchmark, the Trust's returns were above its long-term investment objective of 8.1% and are among the top quartile of comparable Community Trusts' returns, illustrating that we have got the big decisions right in terms of growth allocation, strategic asset allocation mix and providing further evidence that you can also have a high impact and sustainable portfolio while achieving best in class returns.
- The Bay of Plenty Housing Equity Fund (BOPHEF) which was established in 2024, now has an investment pool of $100m to tackle the region's housing shortage (BayTrust seeded this fund with a $10m commitment) for investment into affordable homes, with returns flowing back to create regional and intergenerational impact. In just two years, BOPHEF has moved from establishment to active delivery, with capital deployed, projects under construction, and its first profitable year (5.5%) on record.
- Ecotone (a leading Australian impact advisory firm) completed an in-depth review of BayTrust's impact investment policy, procedures and portfolio and noted that BayTrust was operating best practice across most areas with only a few minor improvements identified which gave the board confidence to recommit to a 15% allocation target for impact investments by 2030.

BayTrust Investment Performance



Period	Net Return	Investment Objective**	Investment Objective Outperformance	Benchmark* Return	Benchmark Outperformance
1 Year	9.3%	8.1%	1.2%	13.4%	-4.1%
Prior Year	6.4%	7.5%	-1.1%	9.1%	-2.7%
3 years annualised	9.1%	8.3%	0.8%	11.9%	-2.8%
Since 30 June 2012 (inception - comparison)	8.6%	7.6%	1.0%	8.7%	-0.1%

- The Trust's Benchmark is a blended policy index composed of indices reflecting the allocation and benchmark of each asset class in the Strategic Asset Allocation. Details for each asset class is available within the Trust's SIPO which is available on the Trust's website.

** The Trust's Investment Objective is to earn an average annual inflation-adjusted (real) total return, after investment fees but before spending, of 5.0% over a full market cycle, to be able to achieve its 4% spending policy.

Responsible Investment Policy

BayTrust believes in the principles of responsible investing, integrating sustainability into its investment approach and using its capital to support a more equitable and environmentally sustainable world. As a perpetual investor, BayTrust believes this will drive strong and superior long-term investment returns.

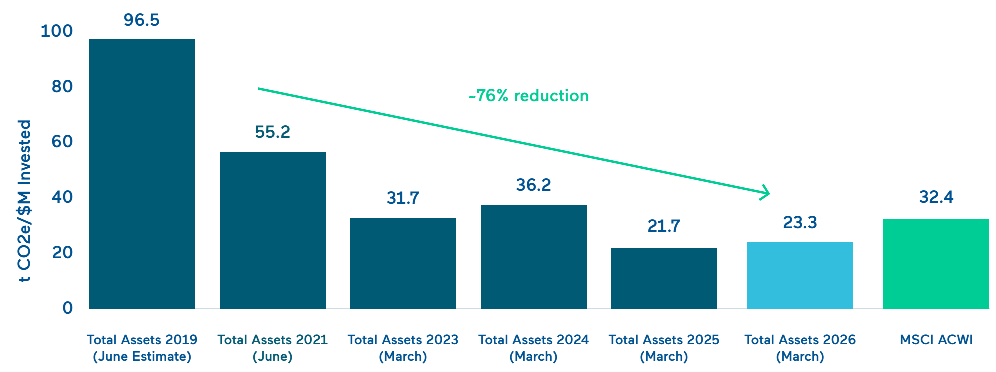
BayTrust accepts that climate change poses a serious and immediate risk to both its potential investment returns and to its communities; and requires urgent action.

The Trust ensures its managers and advisers incorporate Environmental, Social and Governance (ESG) considerations in their investment processes and will transition its entire investment portfolio to be sustainable (consistent with a low-carbon, prosperous, equitable, healthy and safe society) by 2050, or earlier if possible.

The Trust will not invest in industries or sectors that are contrary to New Zealand legislation or current government policies, or where there is clear evidence that it is contradictory to the Trust's mission of benefitting Bay of Plenty communities, or where the investments will negatively impact long-term environmental and social sustainability.

BayTrust will actively measure (where possible) the carbon footprint of its investment portfolio and will use its best efforts to ensure the portfolio is carbon neutral as early as practical whilst not materially impacting the risk and return of the Trust's overall investment portfolio. This will be achieved through continuing to focus on transitioning into a robust and evidence-backed way to lower carbon investments targeting a ~5% annual reduction in its investment portfolio's carbon footprint; and investing into a BOP opportunity that will enable the Trust to offset the portfolio's expected residual emissions by 2050.

Carbon Emissions of Measurable Assets including Listed and Private Managers



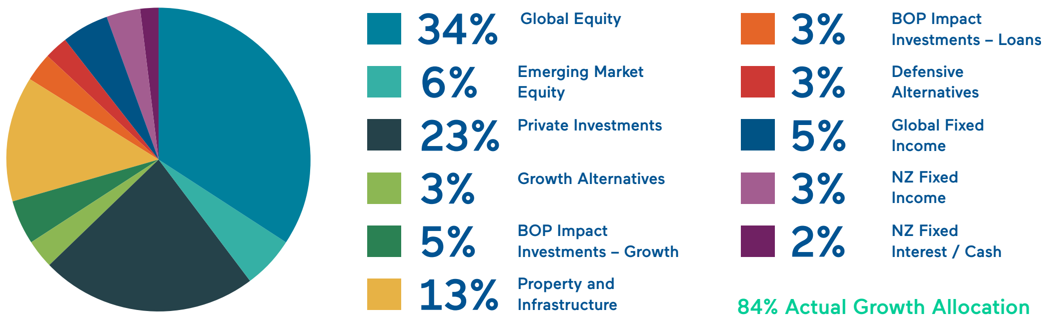
Fund Managers (5% and over)

Fund Manager / Fund Name	Asset Class	% of FUM FY26	% of FUM FY25
Northern Trust World Climate Equity - Index Fund	Global Equities	19.0%	12.9%
Generation IM Global Equity Fund	Global Equities	8.1%	8.7%
Lazard Global Listed Infrastructure Fund	Property & Infrastructure	7.9%	6.3%
Ownership Capital Global Equity Fund	Global Equities	0.0%	7.2%
Baillie Gifford Worldwide Positive Change Fund	Global Equities	7.3%	7.1%
Northern Trust Emerging Markets ESG Leaders Equity Index Fund	Emerging Markets	5.7%	2.9%
Accolade Partners - Growth Fund 1 & 2	Private Equity	5.6%	5.4%

Investment changes during the year

As part of the Trust's 2030 strategic review, the Trust's 85% growth allocation was reviewed and has been maintained. This allocation is in alignment with best performing international peers and is targeted to drive a real return of CPI + 5% over rolling 5-year periods in alignment with the Trust's SIPO. The Trust's growth allocation as at March 2026 was 84%.

BayTrust's Asset Allocation March 2026

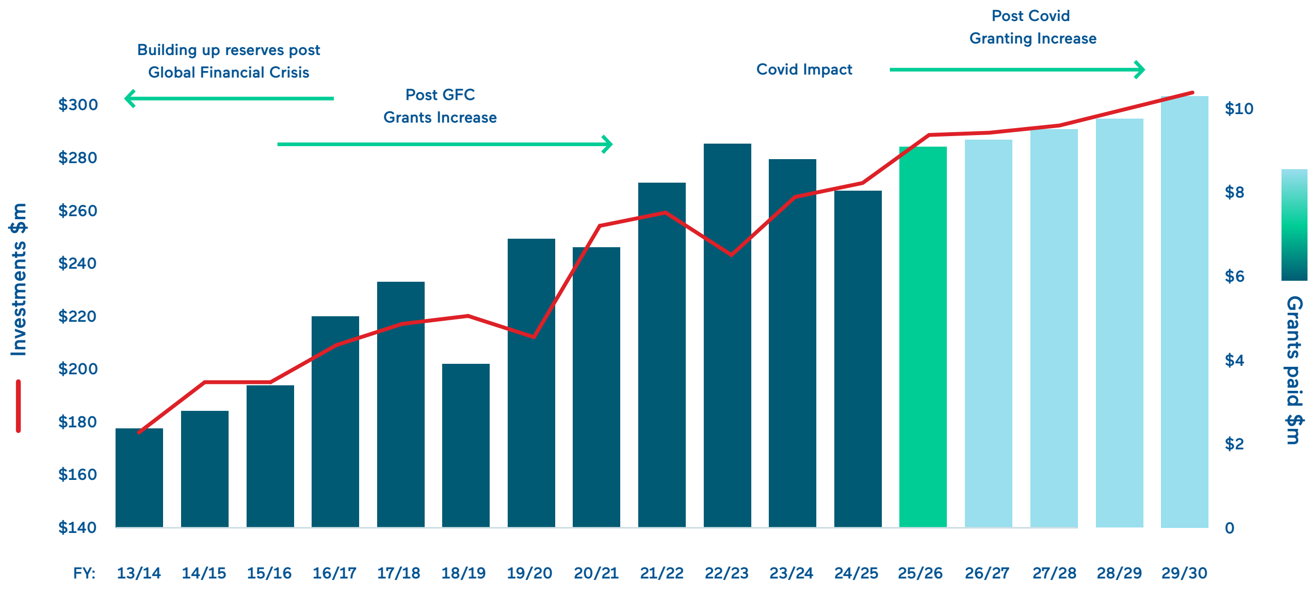


Future Investment Plans

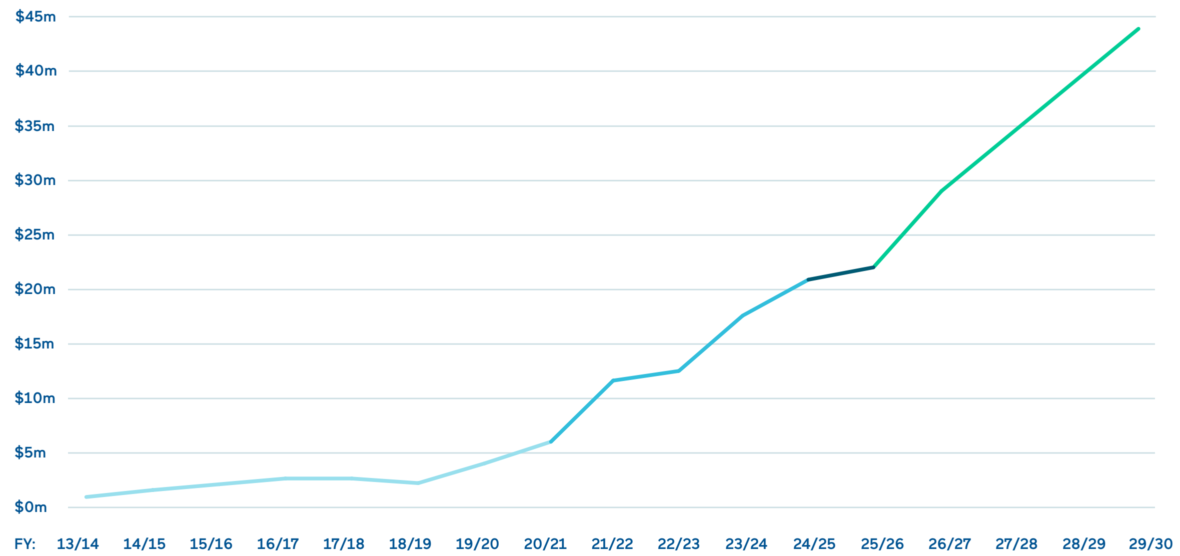
Looking ahead, we anticipate financial market volatility is likely to continue, however our strong reserves and our diversified portfolio means we believe we are well positioned to weather this, and exploit the opportunities presented by volatile markets. As such, we are working closely with our investment advisors to further refine and diversify our investment portfolio. In FY27 as part of best practice investment governance, BayTrust will also go to market to review its investment advisors to ensure it continues obtaining world leading investment advice and our financial performance aligns with top performing perpetual foundations.

The Trust remains committed to continuing to use its investments to create a positive impact in the BOP in alignment with its priorities, with our impact investment portfolio forecast to reach ~$45m by 2030 based on a 15% target allocation which was signed off as part of the 2030 strategic review. This target involves committing a further ~$15m into impact investments over the next 5 years, through housing, alternative energy, climate and Māori investment opportunities.

Granting Analysis



Impact Investments Analysis



Impact Investments

The BOP Housing Equity Fund is tracking well with 218 homes being delivered, another 80 are in due diligence phase plus 590 additional homes being indirectly catalysed. Since inception $64m has been committed to developments with ~600 people housed. New Ground Capital continue as Fund Manager and welcome any interest from potential investors (see www.bophef.nz).

BayTrust's Impact Investment Portfolio continues to grow as we aim to reach ~15% of our total assets into Impact Investments. We continue our focus on Investments in the climate change/environmental space, particularly alongside Iwi. We have committed $1m to Climate Venture Capital Fund within this financial year.

Mindful Money – Best Ethical or Impact Asset Owner

On 18 June 2026, BayTrust was named Best Ethical or Impact Asset Owner at the Mindful Money awards held in Auckland.

This award reflects a journey our Trustees and staff have been on, placing our purpose of accelerating bold, meaningful change so Bay of Plenty communities and our environment flourish at the centre of every decision. We believe our investments are another powerful way to deliver that impact. By investing in line with our values and those of our communities, we have built a more ethical, sustainable and impactful portfolio without sacrificing financial performance. In fact, BayTrust's investment returns have been in the top quartile of our peer group over the past five years, reinforcing our belief that ethical and impactful investing can also deliver strong long-term returns.

A special acknowledgement goes to Terri, who has served BayTrust for more than 25 years, first as a Trustee and then as a staff member. Terri once said something that has stayed with me: "Every investment has a positive or a negative impact on our communities and environment. As a trust with the long-term best interests of our communities at the heart of everything we do, why would we want to invest in anything that does not have a positive impact on our communities and the environment?" That thinking has helped shape our approach, and Terri should be enormously proud of the role she has played as she prepares to retire at the end of 2026.

Congratulations also to our fellow nominees, particularly the Clare Foundation, for its outstanding work. A big thank you as well to Barry and the Mindful Money team for delivering both an excellent conference and a fantastic awards ceremony.

This recognition belongs to the entire BayTrust team, past and present, and to the Trustees/staff and our investment advisors, Cambridge Associates, who have supported and challenged us throughout this journey.

ABOVE: Pictured receiving the award are BayTrust CEO Alastair Rhodes, Impact Investment Manager Terri Eggleton, and BayTrust Chair Te Aorangi Murphy-Fell.

This 48-apartment development, completed in November 2025, is Tauranga Community Housing Trust's largest housing project to date and was specifically designed to meet the needs of people living with chronic illness, mental health challenges, and disabilities. The project reflects the power of collaboration, with strategic partners such as BayTrust providing both financial support and advocacy for community housing solutions. Through partnerships like these, TCHT has successfully delivered and tenanted 188 new homes across Tauranga and Te Puke in the past three years, creating lasting social impact by providing safe, affordable housing that supports health, wellbeing, and community connection.

Our Impact

Applications & Granting

354 Applications received	**80%** Success rate
284 Applications granted in 2025/26	**$8.8m** Total grants 2025/26 (7.8m 2024/25)

Grants spread equitably across our funding priorities and our region

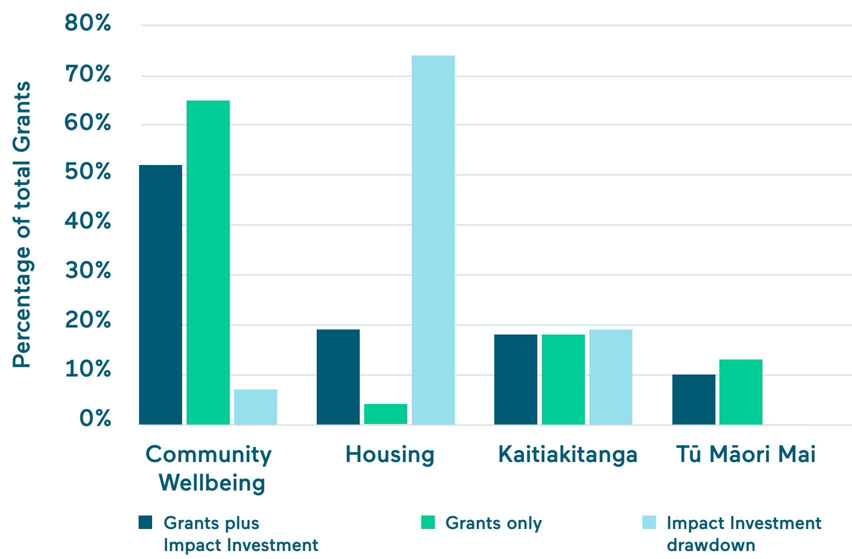
Strategic Priorities

Community Wellbeing continues to receive the largest percentage of grants (63%). Combining grants and impact investment, a reasonable distribution is seen across the priorities: Community (50%), Housing (18%), Kaitiakitanga (21%) and Tū Māori Mai (10%).

Along with our grants, the Trust provided other significant community support during the year delivered in a variety of ways, including capacity-building opportunities such as workshops, which were extremely well received within our communities.

We are taking a more proactive approach to attracting applications in identified priority areas and increasing our acceptance of innovation and risk in granting to help actively encourage innovative approaches to addressing social issues. As well as this we are significantly increasing our Māori engagement.

LEFT: Food Rescue in Action. Every day, a dedicated team of Good Neighbour volunteers gather to sort and pack surplus food rescued from local suppliers for distribution to charities across the community.



Beneficiaries of Grants

Te Tāngata

26% 0-12 years
28% 13-24 years
34% 25-64 years
14% 65+ years

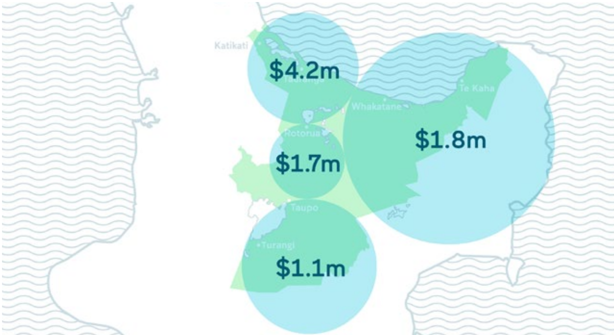
43% Māori
41% Pākehā
8% Pasifika
10% Other

Te Taiao

- 21% of all grants (75% via Strategic Partnership funding)
- Outcomes focused on restoration, wetland construction, planting, pest management/ eradication, environmental education and increasing biodiversity, several of these were mātauranga Māori based projects
- Contributed to the School Sustainability and Resilience Fund ($20k) and the Kaupapa of National Significance Fund (climate action – $50k)

Regional distribution of grants 2025/26

The Trust's granting approach aims for an equitable distribution of grants across the region. The granting distribution was reasonably consistent with the actual population percentages and with previous years.



Partnerships

2025/26 has seen the continuation of our approach to building meaningful partnerships with 29 organisations through the Strategic Partnership Fund in our strategic priority areas.

Capability Building Support

During the 2025/26 year, BayTrust supported 14 organisations with Toolbox funding for a wide range of capacity building support including strategic planning training, evaluation research, and investigation into sustainability. We also subsidised and provided funding across the rohe for volunteering and governance.

Community Combined Event Funding

The Tauranga Western Bay Combined Events Fund continued to be a great example of local funders working together to make a real difference within our communities. By combining resources and streamlining processes, the fund makes it easier for event organisers to plan and deliver successful events that bring people together and celebrate our region's diversity.

The dedicated website continues to be a one-stop hub for organisations to find funding information, application guides and success stories, supporting a vibrant and connected community all year round.

In FY26, BayTrust increased its annual contribution to the Kaupapa Māori Event Fund from $30,000 to $50,000, forming part of a $150,000 commitment over the 2025–2028 period. Together with contributions from Tauranga City Council, TECT, Western Bay of Plenty District Council and Acorn Foundation, this created a total funding pool of $210,000.

The full funding pool was allocated during the year, with 11 of the 16 applications received approved. The fund supports kaupapa Māori events that celebrate Māoritanga, uphold tikanga and mātauranga Māori, and create meaningful opportunities for tangata whenua and the wider community to connect with te ao Māori.

BayTrust continues to work alongside its co-funding partners to strengthen the fund's governance and explore how iwi and hapū can play a greater role in its future direction. This reflects our strategic priority to amplify Māori cultural identity and ensure Māori-led events have the support needed to grow and thrive.

$852,282 was allocated to 87 events through the Tauranga Western Bay Community Event Fund (BayTrust share was $100,000). Grants ranged from $1,000 – $45,000 (average $8,900)

→ Applicant burden reduced

$50,000 was allocated to the Kaupapa Māori Event Fund. Up from $30,000 in FY25

→ Contribution increasing in line with amplifying Māori cultural identity and events
→ Continue to work with local funders

Mickell scholarship

Scholarship recipient Timothy Creswell

The Mickell Scholarship was established through a generous bequest from John Mickell to BayTrust and is administered by Sport Bay of Plenty. It continues his legacy by supporting talented young athletes, coaches and teams across the Bay of Plenty. The scholarship provides financial assistance towards travel for regional, national and international competitions. It recognises high-achieving sporting talent and helps reduce the financial barriers that can prevent young people from pursuing opportunities to develop and compete at higher levels.
Range of sports included: Cricket, Touch Rugby, Canoe Slalom, Squash, Hockey, Basketball, Alpine Skiing, Tennis, Football, Swimming, Handball, BMX.

	Total $	Individuals	Teams
EBOP	$4,500	2	4
Rotorua	$4,000	3	
WBOP	$11,088	12	4
	$19,588	**17**	**8**

Community Feedback

During the year, BayTrust embarked on a strategic review process. An important part of this process was to seek the views of the community.

Strategy Consultation

256 survey respondents

80 participants across 7 hui across the rohe

30 interviews with stakeholders including key SPF partners, local funders and government

→ Good representation from stakeholder groups and subregions

The community agreed with

Our strategic priorities:

- Housing
- Kaitiakitanga
- Tū Māori Mai
- Community Wellbeing

→ Our level of impact investment (10% of investment portfolio)

→ Supporting housing mainly through our balance sheet (not grants)

Difference made to grantees	Ability to deliver outcomes		Own organisation		Financial sustainability		Users/clients		Community	
	FY24	FY25	FY24	FY25	FY24	FY25	FY24	FY25	FY24	FY25
HUGE positive impact	55%	42%	50%	38%	54%	33%	55%	51%	42%	32%
Significant positive impact	45%	52%	48%	53%	29%	35%	43%	43%	48%	55%
Some positive impact		4%	3%	8%	15%	25%	1%	3%	10%	11%
Minimal impact		1%				1%				
No Impact					1%	2%				

* Effectively there is a year's lag between when BayTrust funds an organisation and their feedback and reporting on the outcomes achieved with that funding hence the previous year's reporting is the most recent.

BayTrust is an enabler

Our greatest impact is on the organisations we fund and the delivery of their programmes and services. Like previous years, grantees indicated BT funding made a significant difference to the organisation – and by extension community, and ability to deliver programmes and services. Of note in FY25* was the increase in our contribution towards groups' financial sustainability.

Feedback from applicants

"Multiyear funding from BayTrust allows us to keep the organisation running and strengthens our organisation in meaningful ways. It means we can focus on our core mission of helping vulnerable people. At a time when the community needs us most, your support enables us to respond quickly and effectively to growing needs, ensuring we can continue to make a real difference in building resilience, providing tailored support that helps shape people's lives and hope for the future"

"We supported over 40 registered neighbourhood events during Neighbours Aotearoa month. A highlight was seeing gatherings turn into ongoing groups like one Tauranga event that has now become a regular monthly meet-up, rotating between community spaces and creating trusted networks of support"

"Core support funding from BayTrust for staffing and management overheads has allowed us to exponentially improve the value of the work we do. This has allowed us to step outside of our comfort zone and experiment with new areas of collaboration."

"Collaborating with Te Whakatōhea and Te Whānau a Apanui, the project provided pathways to protect vulnerable marae and papakāinga through eight wānanga in Opape and Maraenui. These efforts combined traditional knowledge with modern solutions to inspire action. The Toi Ora Taiao - Toi Ora Motuhake Climate Conference brought together thought leaders, amplifying the value of mātauranga Māori and community-driven science in climate adaptation"

"CAP Advisors continued managing on behalf of client whānau over $1.71 million of total client debt; those whānau have thus far repaid $392,000 of it. Client whānau saved a total of $96,000 as a result of CAP Advisors negotiating with their creditors."

Our Statement of Service Performance

BAY TRUST

Who are we and why do we exist

BayTrust is governed by a Board of up to 12 Trustees (reducing to 9 on 1 June 2026) who are appointed by the Minister of Finance for four-year terms (maximum of two terms) to represent the BOP region and who are supported by six full-time staff members.

The Board's principal responsibilities are to invest the assets of the Trust in a range of diversified investments designed to sustainably deliver returns over the long term, whilst reserving for inflation and to some extent population growth and then distribute these returns in the most impactful way as possible throughout the Trust's region to achieve the Trust's Purpose **"to accelerate bold meaningful change, and assist BOP communities and the environment to flourish".**

Our Legislated Purpose

To provide charitable, cultural, philanthropic, recreational, and other benefits to Bay of Plenty communities.

Investment Objective and Spending Policy

The overall investment objective of the Trust is to earn an average annual inflation-adjusted total return, after investment fees but before spending, of ~5.0%+ over a full market cycle, to be able to achieve its spending policy.

The Trust's spending policy is to have available for spending 4.0% of the Trust's average trailing 12-quarter investment values.

The difference between the Trust's 4.0% spending rate and the portfolio's 5.0%+ real investment objective allows the Trust to build in a buffer for population growth in the Bay of Plenty, which has historically averaged ~1.5%.

What are our priority areas?

Community Wellbeing
Supporting community organisations to deliver benefits to the community including youth engaged in employment pathways and greater opportunities to participate in arts, recreation, sports, and events.

Healthy, Secure & Affordable Housing
Supporting healthy, secure, and affordable housing and better housing outcomes for Māori.

Kaitiakitanga
Supporting community organisations to deliver environmental benefits and resilience, strong food security, and Mātauranga Māori based outcomes while ensuring BayTrust is climate responsive.

Tū Māori Mai
Māori in BOP are supported to achieve their aspirations and enabled to empower their whanau and wider community to create an abundant future for themselves, te taiao (natural world) and Te Ao Māori.

William Buck Audit

How did we perform?

Our investments returned 6.3% Real (9.4% Actual) compared to our 5% Real Return objective, which is a good result in the current volatile investment environment, PY (4% Real and 6% Actual).

Spending was in accordance with our spending policy at 3.9% (3.8% PY) and comprises cash granting for the year of $8.8m ($7.8m PY) together with $1.9m of operational costs ($1.9m PY).

284 applications were granted (247 PY) during the year (80% success rate) across the Trust's priority areas that are designed to help achieve the Trust's purpose. This includes events and toolbox funding.

Granting by Priority Area

	2026	2025
Community Wellbeing	$5,560,318	$5,080,296
Healthy Housing	$300,000	$305,000
Kaitiakitanga	$1,857,731	$1,638,221
Tū Māori Mai	$1,123,457	$803,227
Other (Refunds etc)	$0	$0
Rapid Response Fund	$0	$0
	$8,841,506	**$7,826,745**

Impact Investment (balance at year end)

The Trust also uses its balance sheet to invest in each priority area with the total amount invested into each priority area as at year end being:

	2026	2025
Community Wellbeing	$2,905,949	$3,138,093
Healthy Housing	$13,015,476	$12,191,462
Kaitiakitanga	$3,844,894	$3,715,692
Tū Māori Mai	$1,845,318	$1,845,318
	$21,611,637	**$20,890,565**

William Buck Audit

How did we perform

Bay of Plenty Community Trust Incorporated – 2026 Annual Report

Consolidated Statement of comprehensive revenue and expense

For the year ended 31 March 2026
in New Zealand Dollars ($000's)

	Note	2026	2025
Investment Income	4	25,300	15,802
Less Expenses			
Portfolio management and advisory fees		436	408
Other expenses	5	1,497	1,466
Expenses prior to Grants Expenditure		1,933	1,874
Grants Expenditure	6	10,170	8,884
Surplus for the year		13,197	5,044
Other Comprehensive Revenue		-	-
Total comprehensive revenue and expense for the period		13,197	5,044

Consolidated Statement of changes in equity

For the year ended 31 March 2026
in New Zealand Dollars ($000's)

	Trust capital	Retained earnings	Population reserve	Grants maintenance reserve	Inflation reserve	Total
Note			Note 9 (c)	Note 9 (a)	Note 9 (b)	
Balance at 1 April 2024	89,308	-	52,432	32,058	81,449	255,247
Total comprehensive revenue and expense for the period	-	5,044	-	-	-	5,044
Reallocation of Funds			28,860	(33,236)	4,376	-
Reserves transfers	-	(5,044)	-	5,044	-	-
Balance at 31 March 2025	89,308	-	81,292	3,866	85,825	260,291
Balance at 1 April 2025	89,308	-	81,292	3,866	85,825	260,291
Total comprehensive revenue and expense for the period	-	13,197	-	-	-	13,197
Reallocation of Funds	-	-	2,488	(7,846)	5,358	-
Reserves transfers	-	(13,197)	-	13,197	-	-
Balance at 31 March 2026	89,308	-	83,780	9,217	91,183	273,488

The notes on pages 32 to 38 are an integral part of these financial statements.

William Buck Audit

Consolidated Statement of financial position

As at 31 March 2026

in New Zealand Dollars ($000's)

	Note	2026	2025
Assets			
Property, plant and equipment		118	88
Loans	8	7,551	8,142
Investments	10	272,553	250,992
Total non-current assets		280,222	259,222
Loans	8	648	684
Derivatives	12	-	605
Other Receivables		584	388
Cash and cash equivalents	11	5,173	7,731
Total current assets		6,405	9,408
Total assets		286,627	268,630
Trust equity			
Trust capital		89,308	89,308
Retained earnings		-	-
Population reserve	9	83,780	81,292
Grants maintenance reserve	9	9,217	3,866
Inflation reserve	9	91,183	85,825
Total equity		273,488	260,291
Liabilities			
Grants Payable	13	5,356	4,363
Derivatives	12	3,759	0
Trade and other payables		262	580
Total current liabilities		9,377	4,943
Grants Payable	13	3,762	3,396
Total non-current liabilities		3,762	3,396
Total liabilities		13,139	8,339
Total equity and liabilities		286,627	268,630

The notes on pages 32 to 38 are an integral part of these financial statements.

Signed on behalf of the Board of Trustees;

Chair:..

Trustee:..

Date: 27 August 2026

William Buck Audit

Consolidated Statement of cashflows

For the year ended 31 March 2026

in New Zealand Dollars ($000's)

	2026	2025
Cashflows from operating activities		
Investment income	24,616	2,302
Cash paid to suppliers, Trustees and staff	(2,223)	(1,561)
Proceeds from realisation of investments	17,923	29,653
Funds Invested	(34,201)	(22,387)
Grants paid to the community	(8,812)	(7,827)
Net cash flows from operating activities	(2,697)	180
Cashflows from investing activities		
Acquisition of property, plant and equipment	(57)	(5)
Sale of property, plant and equipment	-	-
Loans (Issued) / Repaid	196	194
Net cash flows from investing activities	139	189
Net increase/(decrease) in cash and cash equivalents	(2,558)	369
Cash and cash equivalents at 1 April	7,731	7,362
Cash and cash equivalents at 31 March	5,173	7,731

Comparative year figures have changed since the 2025 Annual Report was issued, due to a change in the treatment of the Cash included in the Investment Portfolio.

The notes on pages 32 to 38 are an integral part of these financial statements.

William Buck Audit

Notes to the financial statements

1 Reporting entity

These consolidated financial statements are for the Group consisting of Bay of Plenty Community Trust (the "Trust") and its subsidiary (together, the Group). Details of the subsidiary are included in note 1(b). The Bay of Plenty Community Trust is a Charitable Trust, incorporated in accordance with the provisions of The Community Trusts Act 1999.

(a) Consolidation

Subsidiaries are all entities that the Group has the power to govern the financial and operating policies. This power is generally accompanied by the Group having shareholding of more than one half of the voting rights of the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-entity transactions, balances and unrealised gains on transactions between entities in the Group are eliminated.

(b) Entities Reporting

Subsidiary company at balance date is as follows:

BayTrust Charities Limited	100% Shareholding

BayTrust Charities Limited was formed during the 2020 year for the purpose of investing into the Trust Management Property Fund. This fund requires that the entity investing is a registered charity and Bay Of Plenty Community Trust is a Community Trust, not a registered charity.

2 Basis of preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013 and Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with the Public Benefit Entity Accounting Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted. The Trust qualifies as a Tier 2 reporting entity as for the two most recent reporting periods it has had between $5m and $33m operating expenditure and is not publicly accountable.

The Board of Trustees approved the financial statements or the 27th August 2026.

(b) Basis of measurement

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets and liabilities as identified in specific accounting policies below.

(c) Functional and presentation currency

These consolidated financial statements are presented in thousands of New Zealand dollars and rounded to the nearest thousand dollars ($000's) which is the functional currency of the Group.

(d) Use of estimates and judgements

The preparation of financial statements 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. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In the process of applying the Group's accounting policies management have made judgements regarding whether or not discretionary grants are payable at year end or if discretionary grants are contingent liabilities at year end. This potentially has a significant effect on the amounts recognised in the financial statements. Grants payable are discretionary grants where there are no significant conditions attached to the grant at balance date or where the significant conditions attached to the grant have been met at balance date. Grants that are classified as contingent liabilities at year end are discretionary grant obligations at balance date that are reliant on additional funding or have other significant conditions attached to them to go ahead with a specified project. Refer to note 6 for the grants payable at 31 March 2026 and note 7 for contingent liabilities.

(e) Taxation

Bay of Plenty Community Trust is exempt from income tax with effect 1 April 2008, under section CW 52 of the Income Tax Act 2007. BayTrust Charities Limited is exempt from income tax with effect 25 June 2019, under section CW 52 of the Income Tax Act 2007.

Notes to the financial statements (continued)

3 Significant accounting policies

(a) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date and any differences are recognised in surplus or deficit. Classification is also reassessed by management at each reporting date.

(b) Financial Instruments

(i) Financial assets at fair value through surplus or deficit

The Group classifies its investments as financial assets at fair value through surplus or deficit. These financial assets are designated by management at fair value through surplus or deficit at inception, as doing so significantly reduces a measurement inconsistency that would otherwise arise from measuring these assets on a different basis.

Financial assets designated at fair value through surplus or deficit at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Group's Statement of Investment Policies and Objectives and information is provided internally to key management personnel on that basis.

Regular-way purchases and sales of investments are recognised on the trade date, being the date on which the Group commits to purchase or sell the investment. Investments are derecognised when the rights to receive cash flows from the investment have expired or the Group has transferred substantially all risks and rewards of ownership.

Financial assets at fair value through surplus or deficit are initially recognised at fair value. Separately identifiable transaction costs (including management, advisory, custodian and direct private equity fees) are expensed as incurred. Where transaction costs are not separately identifiable (i.e fees deducted at source) these are offset against revenue from investments. Subsequent to initial recognition, all financial assets at fair value through surplus or deficit are measured at fair value. Gains and losses arising from changes in the fair value are presented in surplus or deficit in the period in which they arise.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. The Group's loans and receivables comprise 'loans'.

Loans and receivables are initially recognised at fair value plus transaction costs. The fair value of long term receivables or loans that are interest free or have interest rates below market values (concessionary loans) are estimated using the present value of all future cash flow receipts discounted using the prevailing market rate of interest for similar instruments with a similar credit rating. After initial recognition, loans and receivables are carried at amortised cost using the effective interest method, less any expected credit losses.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or where appropriate, a shorter period, to the net carrying amount of the financial asset.

The Group assesses at each balance sheet date whether there is objective evidence that a loan or receivable is impaired.

(iii) Short term deposits

Short term deposits are short term investments with an original maturity of between 3-12 months.

(iv) Trade and other payables

Trade and other payables are stated at cost and are classified as other liabilities

(v) Derivatives

An instrument is classified as at fair value through profit and loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through surplus or deficit if the Group manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognised in the surplus or deficit when incurred. Subsequent to initial recognition, financial instruments at fair value through profit and loss are measured at fair value, and changes therein are recognised in surplus or deficit.

The Group had a closing derivative financial instrument at fair value through profit and loss in the form of foreign exchange rate swaps to reduce foreign exchange rate risk (Refer note 12).

Notes to the financial statements (continued)

3 Significant accounting policies (continued)

c) Grants expenditure and grants payable

The Group makes discretionary grants. The grants are recognised as an expense at the point at which the payment of the grant has been approved by the Trustees and the recipient of the grant does not have any further obligations to meet in order to receive the grant.

Grants payable are those grants which have been approved, there are no significant obligations to be met, and the grant has not been paid by the reporting date.

Where grants have been approved in the current or previous years but are subject to the fulfilment of further conditions in future years, they are treated as contingent liabilities (note 7).

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment (if any). The cost of property, plant and equipment is the value of consideration given to acquire the assets and the value of the other directly attributable costs which have been incurred in bringing the assets to the location and condition necessary for their intended service.

Any gain or loss on disposal of an item of property, plant or equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

(i) Depreciation
Depreciation is recognised in surplus or deficit on a diminishing value basis over the estimated useful lives of each part of an item of property, plant and equipment.

The depreciation rates for the current and comparative periods are

Furniture & fittings	8.5% to 40%
Office Technology	30% to 67%
Motor vehicle	20%
Property Improvements	10%

Depreciation methods, useful lives and residual values are reassessed at the reporting date

(e) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication 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 surplus or deficit.

(i) Impairment of financial assets

Financial assets, other than those at fair value through surplus or deficit, are assessed for indicators of impairment at each balance sheet 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. For financial assets carried at amortised costs, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial assets is reduced by the impairment loss directly for all financial assets.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through surplus or deficit to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Notes to the financial statements (continued)
in New Zealand Dollars ($000's)

3 Significant accounting policies (continued)

(f) Employee benefits
Liabilities for wages and salaries, including non monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in trade and other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Sick leave is recognised when the leave is taken and measured at the rates paid.

(g) Investment Income

(i) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(ii) Dividend income
Dividend income is recognised when the right to receive payment is established

(iii) Investment income
Refer to note 3(b) 'Financial Assets at fair value through surplus or deficit'

(h) Changes in significant accounting policies

The accounting policies applied by the Group in these consolidated financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 March 2025. The Group has not applied any standards, amendments and interpretations that are not yet effective.

4 Investment Income

	2026	2025
Interest received	425	490
Fair Value Investment gains and losses	25,305	14,354
Net changes in fair value movement on loans and receivables / other investments	(430)	184
Sundry income	0	774
Total Investment Income	25,300	15,802

In the 2025 financial year, BayTrust received a significant bequest from the estate of a generous donor, (name withheld for privacy), who gifted funds to the Trust upon his passing. These funds are being applied in accordance with the donor's wishes and are being used to provide scholarships and support, which are administered by Sport Bay of Plenty (SBOP) on behalf of BayTrust. An overview of the distribution and administration process is available upon request.

5 Other expenses

	2026	2025
Accountancy fees	11	14
Depreciation	26	17
Office operating costs	105	84
Office lease expenses	77	63
Trust administration	135	156
Employer kiwisaver contribution	32	33
Wages and salaries	813	843
Trustees' remuneration (note 15)	180	146
Trustee expenses and professional development	87	82
Vehicle expenses	12	9
	1,478	1,447
Auditor's remuneration to William Buck		
- audit of financial statements	19	19
Total auditor's remuneration	19	19
Total other expenses	1,497	1,466

6 Grants expenditure
The Group's principal activity is to distribute income from its investments to the community. The following table summarises the grants made to the Community.

	2026	2025
Grants Paid/Approved	10,193	8,911
Grants Refunded	(23)	(27)
Total Grants	10,170	8,884
Grants Paid - Approved previous years	4,023	4,579
Grants Approved not paid - Current Year	(5,381)	(5,636)
Total Grants Paid during Year	8,812	7,827

The Group provides an additional benefit to the community by providing low-interest rate loans (see note 8), the value of the interest saved by the organisation over the term of the loan is effectively a grant to the organisation when the loan is approved.

Notes to the financial statements (continued)
in New Zealand Dollars ($000's)

7 Contingent liabilities
The Group has no contingent liabilities as at 31 March 2026.

8 Loans
From time to time the Group advances funds to organisations at low interest rates or interest free (concessionary loans). The loans are classified as loans receivable and, after initial recognition, are measured at amortised cost using effective interest rate method less any expected credit losses. Any difference between the interest charged and market rates equates to a community benefit provided by the Group. The actual value of the loans outstanding at 31 March is $8,630,683. Loans have been valued at cost if the interest rate is at a market rate. Loans where the interest rate is below market are revalued to fair value. The fair value carrying value of loans is actually $8,199,582. The variance of $431,101 is essentially a benefit provided to the community over the remaining loan terms.

The loan balance is made up as follows

Organisation	Maturity Date	Interest rate %	2026	2025
Tauranga Squash Racquets Club Inc	31/01/2026	3.00%	0	21
Theatre Whakatane Inc	19/11/2026	3.00%	15	38
Tauranga Community Housing Trust	17/10/2034	4.75%	760	760
Tauranga Community Housing Trust	01/10/2040	4.75%	625	654
Tauranga Community Housing Trust	25/05/2041	4.75%	2,818	2,942
Habitat for Humanity	20/11/2037	5.25%	4,412	4,412
Imputed Interest on low interest loans			(431)	(1)
Total			8,199	8,826

	2026	2025
Classified as:		
Current	648	684
Non-current	7,551	8,142
Total	8,199	8,826

For the purposes of calculating amortised cost and interest, the rate applying to the Reserve Bank swap rate at inception date of each advance is used.

9 Reserves

(a) Grants maintenance reserve
The grants maintenance reserve relates to a capital maintenance reserve established and maintained at the Trustees' discretion.

(b) Inflation reserve
As an "enduring" (everlasting) Trust, BayTrust has a responsibility to ensure it treats all classes of beneficiaries equitably and this includes future potential beneficiaries. For this reason the Trust maintains its "real" capital by adjusting its initial capital inflation movements. Inflation adjustments are made as at 31 March each year to reflect changes in the Statistics New Zealand All Groups CPI with an adjustment required of $5.4m in the March 2026 year.

(c) Population Reserve
Population reserving is at the discretion of the Trustees. To date, population adjustments have reflected the rate of growth in the Bay of Plenty region, with population reserves of $83.8m being currently set aside which equates to 100% of the BOP population growth from inception of the Trust through to the 2023 census. Future population adjustments will be considered by the Trustees in the year following a New Zealand Census subject to funds being available. The population reserve is also adjusted for inflation on an annual basis.

10 Investments

	2026	2025
Emerging Market Equities	16,308	14,734
Global Fixed Income	15,061	13,690
Global Equities	98,230	96,159
Property & Infrastructure	38,017	33,463
Growth Alternatives	8,820	8,815
Impact Investments	13,412	12,096
Private Investments	65,585	51,512
Defensive Alternatives	7,178	13,315
NZ Fixed Income	9,942	7,208
Investments designated at fair value through surplus or deficit	272,553	250,992

11 Cash & Cash Equivalents

	2026	2025
Bank Accounts	1,350	926
Cash held in Investments	3,823	6,805
	5,173	7,731

Notes to the financial statements (continued)
in New Zealand Dollars ($000's)

12 Derivative Financial Instruments

	2026	2025
Balance at the beginning of the period	605	(1,646)
Unrealised gain in fair value	-	2,251
Unrealised loss in fair value	(4,364)	-
Balance at the end of the period	(3,759)	605

The fair value change to foreign exchange rate derivatives is the gain or loss on the foreign exchange rate swap at the end of the financial reporting period. The fair value of the foreign exchange rate swap is based on a mark to market valuation at balance date, obtained from BNZ.

13 Grants Payable

	2026	2025
Opening Balance	7,759	6,703
Grants Made	11,529	9,940
Grants Paid	(10,170)	(8,884)
Closing Balance	9,118	7,759
Classified as:		
Current	5,356	4,363
Non-current	3,762	3,396
Total	9,118	7,759

For further detail on the organisations and projects, please see https://www.baytrust.org.nz/grants-decisions.

14 Leases

Leases as leasee

Non-cancellable operating lease in relation to the Trust's administrative office rentals are payable as follows

	2026	2025
Less than one year	78	76
Between one and five years	65	139
Total	143	215

Lease is for a 6 year term until 31 January 2028 with three, three year, rights of renewal

15 Related parties

The Trust held eight Board meetings during the year with Trustees also attending numerous other committee meetings and events representing the Trust. The table below records each Trustee's attendance at Board meetings and the remuneration paid as fixed by the Minister of Finance.

	Meeting Attendance	Remuneration $
Harris, Judy	4	14.5
Karetai, Mawera	7	13.2
Murphy-Fell, Te Aorangi (Trust Chair from December2025)	8	18.9
Nabney, Rita (Completed Term January 2026)	6	12.1
Napier, Steve	8	14.5
Northey, Stephanie	5	13.2
Phillips, Tane (Trust Chair to December 2025)	8	23.1
Auld, Danielle	8	14.0
Cutfield, Tania	8	13.2
de Lautour, Nicola	8	14.5
Hiha, Rose	7	13.2
Smith, Gary	8	14.5
Sands, Paul (Appointed January 2026)	2	1.1
		180.0

There are fees payable to 12 Trustees at balance date of $14,142 gross (2025: 12 Trustees at $15,015).

Key management personnel of the Trust include the members of the Committees and various sub-committees of the Trust, including employees, who exercise control or significant influence over the financial and operating decision-making of the Trust. Remuneration paid during the year to the key management personnel totalled $553,148 (2025: $531,614).

Notes to the financial statements (continued)

in New Zealand Dollars ($000's)

16 Subsequent events

There have been no significant events subsequent to balance date

17 Commitments

Prior to balance date the Board approved the following investments
- Committed up to $4,600,000 flexible loan facility to Habitat Central Region. $4,412,180 has been paid to 31 March 2026 (2025: $4,412,180).
- Committed up to $395,000 flexible loan facility to Kokohinau Papakainga Trust . Nothing has been paid to 31 March 2026

The following is a schedule of committed capital for private equity investments which were uncalled during the financial period, as per the table below:

Accolade Growth Fund I (USD 990,000)	1,735,470
Accolade Growth Fund II (USD 600,000)	1,051,800
Adamantem Capital Environmental Opportunities Fund (AUD 2,169,220)	2,604,425
Allegro Fund IV (AUD 1,388,861)	1,667,505
Allegro Fund V (AUD 4,000,000)	4,802,509
Ambienta IV, SCSp (EURO 975,492)	1,970,316
Blackbird 2019 NZ Fund	123,000
Blackbird NZ 2022 LP	172,000
Blackbird Ventures 2020 (AUD 15,000)	18,009
Blackbird Ventures 2022 FO (AUD 146,000)	175,292
BOP Housing Equity Fund	8,306,143
Climate Adaptive Infrastructure Fund II (USD 3,000,000)	5,259,000
Climate Adaptive Infrastructure Fund-A LP (USD 678,899)	1,190,110
Climate Venture Capital Fund II	640,000
Continuity Capital Partners	62,500
Direct Capital VII	2,574,544
Generation Sustainable Fund III (USD 148,399)	260,143
Generation Sustainable Fund IV (USD 1,476,543)	2,588,380
LGT Crown Global Securities (USD 550,000)	964,150
Lightrock Climate Impact Fund (EURO 806,600)	1,629,185
NIO Infrastructure Feeder Fund II (EURO 635,420)	1,283,433
NIO Infrastructure Feeder Fund V (EURO 1,339,005)	2,704,546
Oriens Capital	5,000
Oriens Capital Fund II LP	500,000
Pencarrow Bridge Fund	135,000
Pencarrow V Investment Fund	177,000
Pencarrow VI Investment Fund	2,080,000
Purpose Capital	375,000
Waterman 3 Fund LP	369,400
Waterman 4 Fund LP	336,200
Waterman 5 Fund LP	1,650,000
Wellington Climate Innovation Feeder Fund (USD 812,439)	866,021
WNT Ventures Fund 3 Limited Partnership	145,600
WNT Ventures Fund 4 Limited Partnership	1,080,789

William Buck Audit

WilliamBuck
ACCOUNTANTS & ADVISORS

Independent auditor's report to the trustees of Bay of Plenty Community Trust Incorporated

Report on the audit of the financial report

Opinion

In our opinion, the accompanying financial report of Bay of Plenty Community Trust Incorporated (the Trust) and its subsidiaries (the Group), presents fairly, in all material respects:

— the consolidated financial position of the Group as at 31 March 2026, and its consolidated financial performance, and its consolidated cash flows for the year then ended; and

— the service performance for the year ended 31 March 2026 in that the service performance information is appropriate and meaningful and prepared in accordance with the Group's measurement bases or evaluation methods

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

What was audited?

We have audited the financial report of the Group, which comprises the consolidated financial statements on pages 29 to 38, and the service performance information on pages 26 to 27. The complete set of consolidated financial statements comprise:

— the consolidated statement of financial position as at 31 March 2026,

— the consolidated statement of comprehensive revenue and expense for the year then ended,

— the consolidated statement of changes in equity for the year then ended,

— the consolidated statement of cash flows for the year then ended, and

— notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information and entity information in accordance with the ISAs (NZ) and New Zealand Auditing Standard NZ AS 1 (Revised) *The Audit of Service Performance Information*. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We are independent of the Group 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 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, the Group.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Group's consolidated annual report for the year ended 31 March 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial 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.

Responsibilities of Trustees for the financial report

The Trustees are responsible on behalf of the Group for:

— The preparation, and fair presentation of the financial report in accordance with the applicable financial reporting framework;

— 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 applicable financial reporting framework;

— The preparation and fair presentation of service performance information in accordance with the Group's measurement bases or evaluation methods, in accordance with the applicable financial reporting framework;

— The overall presentation, structure and content of the service performance information in accordance with the applicable financial reporting framework; and

— Such internal control as the Trustees determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Trustees are responsible for assessing the Group'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 Trustees either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

William Buck
ACCOUNTANTS & ADVISORS

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 (Revised) 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 or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the performance report is located at the External Reporting Board's website:

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-17-1/

This description forms part of our auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Craig Rossouw.

Restriction on Distribution and Use

This independent auditor's report is made solely to the Board of trustees, as a body. Our audit work has been undertaken so that we might state to the Board of trustees those matters which 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 Board of trustees, as a body, for our audit work, this independent auditor's report, or for the opinions we have formed.

William Buck

William Buck Audit (NZ) Limited
Tauranga, 27 August 2026