

Financial Statements

King Country Trust
For the year ended 31 March 2025

Prepared by Peak Chartered Accountants Limited

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King Country Trust For the year ended 31 March 2025

Nature of Business

Energy Consumer Trust

Office of the Trust

C/- Peak Chartered Accountants, 37 Miriama Street, Taumarunui, Taumarunui, New Zealand, 3920

Beneficiaries

Electricity consumers in the area of the King Country Electric Power Board

IRD Number

061-599-983

Trustees

Jo Bransgrove, Omori
Adie Doyle, Taumarunui
Sandra Greenslade, Turangi
Uwe Kroll, Ohakune (Chair)

Secretarial Services

Carla Benefield
Peak Chartered Accountants Limited

Accountant

Peak Chartered Accountants Limited

Auditor

Spooner, Toy & Hood Limited
PO Box 765
Wanganui 4540

Other Contact Details

Email: kcept@xtra.co.nz
Website: www.kcpowertrust.co.nz

Approval of Financial Report

King Country Trust

For the year ended 31 March 2025

The Trustees are pleased to present the approved financial report including the financial statements and the auditor's report of King Country Trust for year ended 31 March 2025.

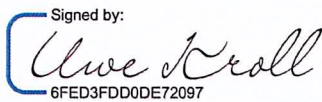
The Trustees accept responsibility for:

- the preparation of the annual financial statements and the judgements used in these statements. The financial statements have been prepared in accordance with The Electricity Industry Act 2010 and the Financial Reporting Act 2013.
- establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the Trust's financial reporting.

In the opinion of the Board, the annual financial statements for the financial year fairly reflect the financial position and operations of the Trust.


APPROVED

For and on behalf of the Trustees:

Signed by:

6FED3FDD0DE72097

Uwe Kroll

Date 16 July 2025

Signed by:

D88423FF5EFDE9FB

Jo Bransgrove

Date 16 July 2025

Statement of Profit or Loss and Other Comprehensive Income

King Country Trust
For the year ended 31 March 2025

	NOTES	2025	2024
Profit or Loss and Other Comprehensive Income			
Profit for the Period			
Profit before Income Tax			
Operating Income (Loss)			
Revenue	1	1,507,783	2,253,261
Expenses			
Trust administration expense	2	203,665	219,370
Beneficiary & Community Expenses	3	249,041	87,632
Investment Costs	4	86,423	44,055
Strategic and consultancy Expenses	5	12,083	123,757
Depreciation & losses on disposal of assets	6	2	3
Total Expenses		551,213	474,817
Total Operating Income (Loss)		956,570	1,778,444
Share of total comprehensive income from investment in associate recognised in net surplus	7	1,059,652	765,137
Total Profit before Income Tax		2,016,222	2,543,581
Income Tax (Expense)	8	50,571	(20,656)
Total Profit for the Period		2,066,793	2,522,926
Other Comprehensive Income			
Share of other comprehensive income from investment in associate accounted for using the equity method	7	1,486,060	-
Total Other Comprehensive Income		1,486,060	-
Total Profit or Loss and Other Comprehensive Income		3,552,853	2,522,926

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Statement of Changes in Equity

King Country Trust

For the year ended 31 March 2025

	2025	2024
Trust Funds		
Opening Balance	51,209,482	50,746,742
Recognised Revenue and Expenses		
Net Profit	2,066,793	2,522,926
Other Comprehensive Income	1,486,060	-
Total Recognised Revenue and Expenses	3,552,853	2,522,926
Less Distributions		
Distributions to Beneficiaries from Retained Earnings	1,537,950	2,060,186
Total Less Distributions	1,537,950	2,060,186
Total Trust Funds	53,224,386	51,209,482

These financial statements have been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Balance Sheet

King Country Trust

As at 31 March 2025

	NOTES	31 MAR 2025	31 MAR 2024
Equity			
Trust Capital	10	6,675,100	6,675,100
Retained Earnings	10	46,549,286	44,534,382
Total Equity		53,224,386	51,209,482
Represented By:			
Assets			
Current Assets			
Cash and Cash Equivalents	11	1,007,459	195,158
Other Receivables	12	-	5,470
Prepayments	13	5,225	10,937
Income Tax Receivable		136,162	112,722
Deferred Tax (Future Income Tax Benefit)	8	50,571	-
Current investments	14	-	1,000,000
Total Current Assets		1,199,418	1,324,287
Non-Current Assets			
Property, Plant and Equipment	16	9	11
Investments	15	52,072,475	49,890,728
Total Non-Current Assets		52,072,484	49,890,739
Total Assets		53,271,901	51,215,026
Liabilities			
Current Liabilities			
Trade and Other Payables		47,516	5,543
Total Current Liabilities		47,516	5,543
Total Liabilities		47,516	5,543
Net Assets		53,224,386	51,209,482

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Statement of Cash Flows

King Country Trust

For the year ended 31 March 2025

	2025	2024
Cash Flows		
Cash Flows from Operating Activities		
Received from Operating Activities		
Interest received	41,712	111,320
Dividends received	2,271,536	1,995,399
Other investment income received	-	-
Total Received from Operating Activities	2,313,248	2,106,719
Paid from Operating Activities		
Suppliers and employees	(296,829)	(398,373)
Income tax paid	(659,471)	(528,738)
Total Paid from Operating Activities	(956,300)	(927,111)
Total Cash Flows from Operating Activities	1,356,948	1,179,608
Cash flows from Investing Activities		
Received from Investing Activities		
Proceeds from disposal of fair value financial assets through profit and loss	400,000	25,104,606
Proceeds from disposal of short term investments	1,000,000	1,213,601
Total Received from Investing Activities	1,400,000	26,318,207
Paid from Investing and Financing Activities		
Purchase of fair value financial assets through profit and loss	(200,000)	(25,000,000)
Purchase of short term investments	-	(1,000,000)
Total Paid from Investing and Financing Activities	(200,000)	(26,000,000)
Total Cash flows from Investing Activities	1,200,000	318,207
Cash Flows from Financial Activities		
Paid from Financial Activities		
Distributions to beneficiaries (Direct)	(1,537,950)	(2,060,184)
Distribution to beneficiaries (In-Direct)	(206,697)	(87,632)
Total Paid from Financial Activities	(1,744,647)	(2,147,816)
Total Cash Flows from Financial Activities	(1,744,647)	(2,147,816)
Net Increase / (Decrease in Cash)	812,301	(650,001)
Bank Accounts and Cash		
Opening cash	195,158	845,159
Net change in cash for period	812,301	(650,001)
Total Bank Accounts and Cash	1,007,459	195,158

These financial statements are to be read in conjunction with the accompanying Notes. These statements have been audited.

Statement of Accounting Policies

King Country Trust

For the year ended 31 March 2025

Reporting Entity

King Country Trust is an Energy Consumer Trust.

The Trust was established to hold shares in King Country Energy Limited. The principal activity of the Trust is to invest in accordance with the terms of the Trust Deed for the long term good of their beneficiaries.

The object of the Trust is to hold shares in King Country Energy Limited on behalf of the consumers, exercising the rights attached to ownership and distribute to consumers the benefits of ownership including any dividends received by the Trust, and to carry out future ownership reviews involving public consultation.

Statement of Compliance

The financial statements for the King Country Trust (KCT) have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). KCT is a Tier 2 for-profit entity and has elected to report in accordance with NZ IFRS (RDR) as issued by the New Zealand External Reporting Board (XRB).

KCT is eligible to report in accordance with NZ IFRS (RDR) on the basis that it does not have public accountability and is not large (as defined). The financial statements comply with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime (NZ IFRS RDR), other New Zealand accounting standards and authoritative notices that are applicable to entities that apply NZ IFRS.

Basis of Preparation

The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013 and the Electricity Industry Act 2010.

The preparation of financial statements in conformity with NZ IFRS (RDR) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Trust's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant are disclosed at the end of the accounting policies.

The financial statements are presented in New Zealand dollars, and amounts have been rounded to the nearest \$ unless stated. They have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale assets and financial assets and liabilities at fair value through profit and loss.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial Position have been applied.

Revenue

Interest income on cash and cash equivalents and investments is recognised as it is earned (e.g. a term deposit that has been invested for 30 days of 100 at balance date will have 30 days of interest recognised). When a receivable is impaired, the Trust reduces the carrying amount to its estimated recoverable amount.

There is no revenue from contracts with customers.

Expenses

Expenses have been classified by their business nature.

Trade Receivables

Trade receivables are recognised at estimated realisable value.

Property, Plant and Equipment

Items of property, plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of property, plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

All other repairs and maintenance are recognised as expenses in the Statement of Profit or Loss and Other Comprehensive Income in the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a diminishing value basis. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The following estimated depreciation rates/useful lives have been used:

Account	Method	Rate
Plant & Equipment	Diminishing Value (100%)	14.4% - 40%

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Income Tax

The income tax expense charged to the Statement of Profit or Loss and Other Comprehensive Income recognises the current year's provision adjusted for timing and permanent differences between taxable and accounting income. Deferred tax is calculated using the comprehensive basis under the liability method and future tax benefits are not recognised unless realisation of the asset is virtually certain.

There are no material deferred tax or future tax benefits.

Investments

Short term deposits have maturities between three months and one year, and longer term deposits that mature within one year of balance date. These are disclosed at their fair value (cost).

At balance date the Trust assesses whether there is any objective evidence that an investment is impaired. Any impairment loss is recorded as an expense in the income statement.

Financial Instruments

Financial instruments are recognised in the Balance Sheet when the company becomes party to a financial contract. They include cash balances, deposits, bank overdraft, payables, receivables and intercompany balances.

All of the financial instruments of the company are initially recorded at cost and subsequently carried at amortised cost using the effective interest method. Due allowance is made for impaired receivables (credit losses).

Financial Instruments (Assets and Liabilities)

Recognitions and Derecognition

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

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, waived, cancelled or expires.

Classification and Initial Measurement of Financial Assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with Revenue from Contracts with Customers (NZ IFRS 15), all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

The classification is determined by both:

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

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent Measurement of Financial Assets

Financial Assets at Amortised Cost

A financial asset is measured at amortised cost if the asset meets both of the following conditions (and are not designated as FVTPL):

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

This category includes non-derivative financial assets like loans and receivables with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The trust cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial Assets at Fair Value through Profit or Loss (FVTPL)

Financial assets that are held within a different business model than 'hold to collect' or 'hold to collect and sell', and financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

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

Financial Assets at Fair Value through other Comprehensive Income (FVOCI)

The Trust accounts for a financial asset at FVOCI if the asset meets both the following conditions:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- the contractual term of the financial asset gives rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in OCI will be recycled upon derecognition of the asset.

Impairment of Financial Assets

Impairment applies to financial assets measured at amortised cost, contract assets and debt-type financial assets at FVOCI, but not to investments in equity instruments.

Recognition of credit losses is no longer dependent on the trust first identifying a credit loss event. Instead the trust considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

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

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

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. However, none of the trust's financial assets fall into this category.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and Other Receivables and Contract Assets

The trust makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the trust uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The trust recognises 12-month expected credit losses for financial assets at FVOCI. As most of these instruments have an outstanding credit rating, the likelihood of default is deemed to be small. However, at each reporting date there is an assessment whether there has been a significant increase in the credit risk of the instrument.

In assessing these risks, reliance is on readily available information such as the credit ratings issued by the major credit rating agencies for the respective asset. The trust only holds simple financial instruments for which specific credit ratings are usually available. In the unlikely event that there is no or only little information on factors influencing the ratings of the asset available, the trust would aggregate similar instruments into a portfolio to assess on this basis whether there has been a significant increase in credit risk.

In addition, other indicators are considered such as adverse changes in business, economic or financial conditions that could affect the borrower's ability to meet its debt obligation or unexpected changes in the borrower's operating results.

Should any of these indicators imply a significant increase in the instrument's credit risk, lifetime ECL is recognised for this instrument or class of instruments.

Classification of Financial Liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the trust designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss, are included within finance costs or finance income.

Goods and Services Tax

The entity is not registered for GST and all amounts are stated inclusive of GST.

Investment in Associates

Associates are entities the trust is able to exert significant influence over but which are not subsidiaries. A joint venture is an arrangement that the trust controls jointly with one or more other investors, and over which the trust has rights to a share of the arrangement's net assets rather than direct rights to underlying assets and obligations for underlying liabilities. Investments in associates and joint ventures are accounted for using the equity method.

Any goodwill or fair value adjustment attributable to the share in the associate or joint venture is not recognised separately and is included in the amount recognised as an investment. The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise the share of the profit or loss and other comprehensive income of the associate and joint venture, adjusted where necessary to ensure consistency with the accounting policies of the trust.

Unrealised gains and losses on transactions with the associates and joint ventures are eliminated to the extent of the entity's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

Impairment

The carrying amounts of the Trust's assets other than inventories are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

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

New NZ IFRS standards and interpretations issued but not yet effective

A number of new standards and interpretations have been issued but are not yet applicable for the current year-end. The reported results and financial position of the trust is not expected to change on adoption of these pronouncements as they do not result in any changes to the entity's existing accounting policies.

Significant Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with NZ IFRS requires the use of certain critical accounting estimates. It also requires Trustees to exercise their judgement in the process of applying the Trust's accounting policies. In making these judgements, estimates and assumptions concerning the future are made. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Significant Judgements in Applying Accounting Policies

The following are significant judgements in applying accounting policies that have the most significant effect on the financial statements.

Impairment of Assets

NZ IFRS requires that assets are carried at no more than their recoverable amount. This requires Trustees to make judgements regarding amounts recoverable and provisions for impairment. Trustees must apply judgement in assessing likely outcomes.

Income Taxes and Deferred Taxation

Judgement is required in determining the provision for income taxes and the ultimate determination is uncertain until assessments are finalised.

Associates

Assessment has been made of whether or not significant influence exists in King Country Energy Limited.

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.

Notes to the Financial Statements

King Country Trust

For the year ended 31 March 2025

	2025	2024
1. Revenue		
Finance income - investment earnings		
Change in Value of Fair Value Investments	335,351	1,210,552
Interest Received	36,242	113,636
PIE Income	1,136,190	929,072
Total Finance income - investment earnings	1,507,783	2,253,261
Total Revenue	1,507,783	2,253,261
	2025	2024

2. Trust administration expenses

ACC Levies	74	44
Accountancy & Advisory	11,733	12,019
Advertising & General	-	276
AGM Expenses	3,663	3,125
Audit Fees	7,922	7,682
Bank Fees & Charges	92	90
Computer Allowances	1,000	1,250
Computer and Software Subscription Costs	3,483	2,598
Conference Costs	5,609	3,689
Distribution Costs	1,352	4,037
Election Expenses	-	15,906
ETNZ Levy	5,750	5,750
Insurance	11,491	9,902
Legal Expenses	13,582	-
Meeting Expenses	958	520
Postages	21	-
Secretarial Expenses	34,892	30,702
Subscriptions	-	2,807
Telephones & Tolls	90	360
TLC Data and Services Agreement	-	1,743
Travelling Expenses	3,940	5,969
Trustee Fees	97,317	110,217
Website Costs	696	684
Total Trust administration expenses	203,665	219,370
	2025	2024

3. Beneficiary and Community Project Expenses

Donations	249,041	87,632
Total Beneficiary and Community Project Expenses	249,041	87,632

	2025	2024
4. Investment Costs		
Consultancy Fees	86,423	27,322
Portfolio Fees and Charges	-	16,733
Total Investment Costs	86,423	44,055
	2025	2024
5. Strategic and Consultancy Expenses		
Trust Deed Review Costs	12,083	123,757
Total Strategic and Consultancy Expenses	12,083	123,757
	2025	2024
6. Depreciation and losses on disposal of assets		
Depreciation	2	3
Total Depreciation and losses on disposal of assets	2	3
	2025	2024
7. Share of total comprehensive income from investment in associate recognised in net surplus		
Share of post-tax profit (loss) of equity accounted associates	1,059,652	765,137
Share of other comprehensive income from investment in associate accounted for using the equity method	1,486,060	-
Total Share of total comprehensive income from investment in associate recognised in net surplus	2,545,712	765,137
	2025	2024
8. Income Tax Expense		
Net Profit (Loss) before Tax	2,016,222	2,543,581
Permanent Differences		
Income		
Income from associate subject to income tax	344,172	302,333
Add back share of surplus in associate	(1,059,652)	(765,137)
Change in Value of Fair Value Investments	(335,351)	(1,210,552)
PIE Income	(1,136,190)	(929,072)
Total Income	(2,187,021)	(2,602,428)
Expenditure		
Trust Deed Review Costs	12,083	123,757
Total Expenditure	12,083	123,757
Total Permanent Differences	(2,174,938)	(2,478,671)
Timing Differences		
Accrued Interest	5,470	(2,317)
Total Timing Differences	5,470	(2,317)
Current Year Taxable Profit (Loss)	(153,246)	62,594
Tax Expense (Benefit) at 33%	(50,571)	20,656

2025

2024

The Trust is required to account for income tax on a deferred tax basis. As the treatment of assets and liabilities is materially consistent with income tax there are no material timing differences that result in deferred tax balances. Tax expense, as shown above, excludes tax on the share of the associates profit (and is reflected without the dividend included in the tax return). Where imputation credits are not able to be refunded this is reflected as a current asset (future income tax benefit).

	2025	2024
9. Auditors Remuneration		
Audit Fees	7,922	7,682
Total Auditors Remuneration	7,922	7,682

The auditor of King Country Trust is Spooner, Toy & Hood Limited.

	2025	2024
10. Trust Funds		
Trust Capital	6,675,100	6,675,100
Retained Earnings		
Opening Balance	44,534,382	44,071,642
Plus:		
Net Profit for the Year	2,066,793	2,522,926
Other Comprehensive Income	1,486,060	-
Total Plus:	3,552,853	2,522,926
Less:		
Distributions from Retained Profits	(1,537,950)	(2,060,186)
Total Less:	(1,537,950)	(2,060,186)
Total Retained Earnings	46,549,286	44,534,382
Total Trust Funds	53,224,386	51,209,482
	2025	2024

11. Cash and Cash Equivalents		
ASB - Business Saver	-	1,833
Bank of New Zealand - Achiever Savings	993,424	187,089
Bank of New Zealand - Current Account	14,035	6,236
Total Cash and Cash Equivalents	1,007,459	195,158

The cash and cash equivalents shown above is consistent with that used for the purposes of the statement of cash flows.

The Trust has a BNZ Visa card with a \$10,000 credit limit.

	2025	2024
12. Other Receivables		
Accrued Interest	-	5,470
Total Other Receivables	-	5,470

All amounts are short-term and have been reviewed for indicators of impairment. The carrying value of receivables is considered a reasonable approximation of fair value.

	2025	2024
13. Prepayments		
Prepayments	5,225	10,937
Total Prepayments	5,225	10,937

	2025	2024
14. Current Investments		
Bank of New Zealand - Term Dep	-	1,000,000
Total Current Investments	-	1,000,000

This includes term deposits with an original maturity between 3 months and one year.

	2025	2024
15. Investments		
Investments - Fair Value		
Continuity Capital Private Equity Fund No. 8 LP	184,033	-
Fisher Funds	16,326,200	15,927,166
Milford Asset Management Investment	11,174,974	10,486,500
Total Investments - Fair Value	27,685,207	26,413,666
Investment in Associate (equity-accounted)		
Investment in Associate - King Country Energy Ltd	24,387,268	23,477,062
Total Investment in Associate (equity-accounted)	24,387,268	23,477,062
Total Investments	52,072,475	49,890,728

Investments (excluding the investment in associate) are recognised at fair value through profit or loss. It is revalued at balance date to fair value with gains or losses (changes in value) recognised in net surplus.

King Country Energy Limited, an associate (incorporated and operating in New Zealand), is reflected in the financial statements using the equity method. The proportion of ownership at balance date was 24.98%.

Shares held in King Country Energy Limited were reflected as an investment in associate on 29 March 2018 with a compulsory takeover and a change in constitution. Under this constitution dated 29 March 2018, KCEPT with its shareholding, has the right to appoint one of three directors on the Board. KCEPT subsequently increased its shareholding from 19.98% to 24.98% of the company. The opening value of the investment in associate (deemed purchase price) in KCEPT was reflected at \$5 per share, representing the share price paid for the shares by Trustpower as part of the takeover of the company at the date that the nature of the investment changed from available for sale to an investment in an associate. Under the equity method dividends reduce the value of the investment, and the investment is also adjusted by the share of the associate's comprehensive income. Consequently, the value of the investment will differ to both the share of the associate's balance sheet and any valuation of the investment in the entity.

Movements in the fair value of financial assets held for sale were recognised through the Statement of Comprehensive Income and gains or losses recognised on the disposal of the asset reflected in net surplus.

	2025	2024
16. Property, Plant and Equipment		
Plant and Equipment		
Plant and equipment at cost	1,697	1,697
Accumulated depreciation - plant and equipment	(1,688)	(1,686)
Total Plant and Equipment	9	11
Total Property, Plant and Equipment	9	11
	2025	2024

17. Related Parties**Donations and Grants Made**

Sandra Greenslade is a trustee of Maru Energy Limited (on behalf of King Country Trust)	100,000	-
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Jo Bansgrove is a director of King Country Energy Limited.

	2025	2024
18. Commitments		
St John Waimarino		
Commitment to support St John Waimarino building construction	-	148,386
Total St John Waimarino	-	148,386
Investments		
Continuity Capital	1,800,000	-
Total Investments	1,800,000	-
Total Commitments	1,800,000	148,386

The trustees had committed to invest an additional \$1,800,000 in Continuity Capital prior to balance date.

19. Contingent Liabilities

The trust has no contingent liabilities and no guarantees as at 31 March 2025 (prior year: contingent liabilities Nil, Guarantees Nil).

20. Events Occurring After Balance Date

An investment of \$2.5m has been made in Salt Investments utilising funds withdrawn from the Fisher Funds Investment.

INDEPENDENT AUDITOR'S REPORT

To the Trustees and Consumer Beneficiaries of the King Country Trust.

Qualified Opinion

We have audited the financial statements of King Country Trust, which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements of the Trust are prepared, in all material respects, in accordance with New Zealand equivalents to International Financial Reporting standards – Reduced Disclosure Regime (NZIFRS RDR).

Basis for Qualified Opinion

A significant portion of the Trust's interests are represented by their investment in King Country Energy Limited.

The financial statements of King Country Energy Limited for the period ended 31 March 2025 are unaudited. We were therefore unable to obtain sufficient appropriate audit evidence about the carrying amount of King Country Trust's investment in King Country Energy Limited as at 31 March 2025 or King Country Trust's share of income for the year. Consequently, we were unable to determine if any adjustments were necessary.

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 Financial Statements* section of our report. We are independent of King Country Trust in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other 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, King Country Trust.

Restriction on Responsibility

This report is made solely to the Trustees and Consumer beneficiaries of the Trust. Our audit work has been undertaken so that we might state to the Trustees and Consumer beneficiaries those matters which we are required to state to them in an auditors' 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 Trust, the Trustees and the Consumer beneficiaries for our audit work, for this report or for the opinions we have formed.

Trustees' Responsibility for the Financial Statements

The Trustees are responsible on behalf of the entity for the preparation and fair presentation of the financial statements in accordance with NZIFRS RDR, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the entity for 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 Trustees 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 Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit 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 these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>



Spooner Toy & Hood Ltd

Chartered Accountants

Whanganui

16 July 2025