

THE INVERCARGILL CITY CHARITABLE TRUST BOARD

Annual Report

For the year ended 30 June 2026

THE INVERCARGILL CITY CHARITABLE TRUST BOARD

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THE INVERCARGILL CITY CHARITABLE TRUST BOARD

For the year ended 30 June 2026

ENTITY INFORMATION

Legal name

The Invercargill City Charitable Trust Board (the Trust).

Type of entity and legal basis

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957. The Trust is a Council Controlled Organisation (CCO) of the Invercargill City Council as defined in section 6 (1) of the Local Government Act 2002. An election was made in the Council's 2024-2034 Long Term Plan for exempt status for the Trust. As such, a Statement of Intent is no longer required.

Charities Services registration number

CC32606

The Trust's purpose or mission

The primary objective of the Trust is to fund both capital and income for charitable purposes for the provision of public amenities, libraries, reading rooms, lectures and classes for instruction, as well as development of athletic sports, wholesome recreations, rewards for acts for courage and self sacrifice, for the general benefit of the people within the Invercargill district.

Structure of the Trust's operations, including governance arrangements

The Trust comprises a Board of five Trustees who oversee the governance of the Trust. The Trustee positions are held by the Mayor, Deputy Mayor, Chief Executive of the Invercargill City Council and two Councillors. Day-to-day operations of the Trust and reporting to the Board is administered by staff provided by Invercargill City Council.

Trustees as at 30 June 2026

T Campbell (ICC Mayor)	<i>appointed October 2022</i>
Grant Menzies Dermody (ICC Deputy Mayor)	<i>appointed November 2025</i>
M E Day (ICC CEO)	<i>appointed March 2023</i>
B Stewart (ICC Councillor)	<i>appointed December 2022</i>
P Boyle (ICC Councillor)	<i>appointed November 2025</i>

Main sources of the Trust's cash and resources

Operating grants and donations received from Invercargill City Council and other community funders are the primary sources of funding for the Trust.

Outputs

The main outputs of the Trust relate to passing on any funding obtained and costs relating to the ownership and maintenance of Rugby Park Stadium.

Registered office

C/- Invercargill City Council
101 Esk Street
Invercargill

Postal address

Private Bag 90-104
Invercargill
Phone (03) 2111 777
Fax (03) 2111 692

Bankers

Bank of New Zealand
84 Esk Street, Invercargill

Solicitors

Preston Russell Law
45 Yarrow Street, Invercargill

Auditor

The Audit Office
on behalf of the Auditor - General

THE INVERCARGILL CITY CHARITABLE TRUST BOARD

STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 30 June 2026

		2026	2025
	<i>Note</i>	\$	\$
Revenue			
Recoveries	1	24,088	23,357
Grants and donations	1	23,125	24,332
Interest income		7,185	13,039
Reversal of Revaluation Loss	7,8	-	550,869
TOTAL REVENUE		54,398	611,596
Expenses			
Audit Fees	3	24,088	23,357
Depreciation	8	1,232,707	1,008,882
Other expenses	2	82,657	94,989
TOTAL EXPENSES		1,339,452	1,127,228
NET SURPLUS/(DEFICIT)		(1,285,054)	(515,632)
Other comprehensive revenue and expense			
Asset revaluation gain/(loss)	7	-	488,347
TOTAL OTHER COMPREHENSIVE REVENUE AND EXPENSE		-	488,347
TOTAL COMPREHENSIVE REVENUE AND EXPENSE		(1,285,054)	(27,284)

The Statement of Accounting Policies and Notes form an integral part of, and should be read in conjunction with these financial statements.

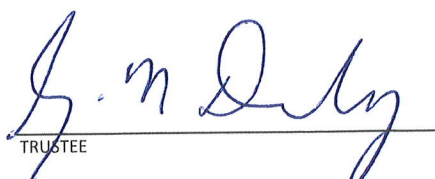
THE INVERCARGILL CITY CHARITABLE TRUST BOARD

STATEMENT OF FINANCIAL POSITION
As at 30 June 2026

	<i>Note</i>	2026 \$	2025 \$
Assets			
Current assets			
Bank accounts and cash	4	267,893	289,927
Accrued revenue	5	24,088	23,357
GST Receivable		1,030	1,523
Property, plant and equipment	8	14,163,779	15,396,485
TOTAL CURRENT ASSETS		14,456,790	15,711,292
TOTAL ASSETS		14,456,790	15,711,292
Liabilities			
Current liabilities			
Creditors and accrued expenses	6	1,430,474	1,399,927
TOTAL CURRENT LIABILITIES		1,430,474	1,399,927
TOTAL LIABILITIES		1,430,474	1,399,927
NET ASSETS		13,026,316	14,311,366
Equity			
Accumulated funds	7	10,072,374	11,357,427
Asset revaluation reserve	7	2,953,937	2,953,937
TOTAL TRUST EQUITY		13,026,316	14,311,366



TRUSTEE



TRUSTEE

The Statement of Accounting Policies and Notes form an integral part of, and should be read in conjunction with these financial statements.

THE INVERCARGILL CITY CHARITABLE TRUST BOARD

STATEMENT OF CASH FLOWS
For the year ended 30 June 2026

	<i>Note</i>	2026 \$	2025 \$
<i>Cash flows from operating activities</i>			
Receipts of council funding		23,357	21,728
Receipts of subsidies, grants and donations		23,125	24,332
Interest receipts		7,185	13,039
Payments to suppliers		(75,053)	(80,550)
GST (net)		(648)	5,153
Net cash flow from / to operating activities		(22,034)	(16,298)
<i>Cash Flows from investing and financing activities</i>			
Purchase of property, plant, and equipment		-	-
Net cash flow from / to investing and financing activities		-	-
Net increase/ (decrease) in cash		(22,034)	(16,298)
Opening cash balance		289,927	306,225
CLOSING CASH BALANCE		267,893	289,927

The Statement of Accounting Policies and Notes form an integral part of, and should be read in conjunction with these financial statements.

THE INVERCARGILL CITY CHARITABLE TRUST BOARD

STATEMENT OF ACCOUNTING POLICIES For the year ended 30 June 2026

ACCOUNTING POLICIES APPLIED

GENERAL INFORMATION

The financial statements presented here are for the Invercargill City Charitable Trust Board ("the Trust"), which is a Trust incorporated and domiciled in New Zealand on 16 October 1984.

The financial statements of the Trust are for the year ended 30 June 2026.

BASIS OF PREPARATION

The Board has applied the Tier 3 (PS) standard on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$5 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The Board of Trustees do not have the power to amend the financial statements once they have been issued.

SIGNIFICANT ACCOUNTING POLICIES

GENERAL FUNDING OR GRANTS RECEIVED FROM CENTRAL OR LOCAL GOVERNMENT, GRANTS FROM NON-GOVERNMENT ORGANISATIONS AND CAPITAL GRANTS

General funding or grants with no documented expectations over use

General funding received from central or local government, grants from non-government organisations and capital grants are recognised as revenue when the funds are received if there are no documented expectations over use.

General funding or grants with documented expectations over use

If funding is subject to documented expectations over use, the funds are initially recorded as deferred revenue. As the documented expectations over use are met, the deferred revenue is reduced and revenue is recorded.

EXPENDITURE

All expenditure is recognised in the Statement of Financial Performance in the period in which it is incurred.

GRANTS PAID

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Trust has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the Trust's decision.

BANK ACCOUNTS AND CASH

Bank accounts and cash comprise cash on hand, cheque or savings accounts, deposits held at call with banks, and other short-term highly liquid investments with original maturities of less than three months.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are measured at fair value, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

Capital expenditure for Rugby Park is retained within the Council as part of the Council's Work in Progress. Only completed work is brought in to the Trust as asset addition. There has been no completed work transferred to the Trust for this financial year.

THE INVERCARGILL CITY CHARITABLE TRUST BOARD

STATEMENT OF ACCOUNTING POLICIES

For the year ended 30 June 2026

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Financial Performance. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Revaluation

Property, plant and equipment are revalued with sufficient regularity (at least every three years) to ensure that the carrying amount does not differ materially from the fair value.

Revaluation movements are accounted for on an asset class basis.

The net revaluation results are credited or debited to other comprehensive revenue, and are accumulated to an asset revaluation reserve in equity. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue, but is instead recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value is recognised in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

Building depreciation rates range from SL 1-4%

Property improvement depreciation rates range from SL 2-11%

GOODS AND SERVICES TAX

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

TAXATION

The Trust is a charitable organisation registered with Charities Services and is therefore exempt from taxation.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies during the reporting period.

THE INVERCARGILL CITY CHARITABLE TRUST BOARD

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2026

	2026	2025
	\$	\$
1 Grants and donations		
Grants - Others	23,125	24,332
Recoveries from ICC	24,088	23,357
	47,213	47,689
2 Other expenses		
Rates	12,266	14,107
Rental Payments - Rugby Southland	35,700	35,700
Other Expenses	34,691	45,182
Total other expenses	82,657	94,989
Other expenses relates to the Christmas at the Park event which was partly covered by the grants received from ILT, ILT Foundation and Community Trust Southland amounting to \$23,125 to partly cover these costs. Other expenses also include valuation fees and building maintenance costs.		
Goods and Services in kind provided to the Trust		
The Council provides all accounting services, ground maintenance, seismic assessments and minor building repairs for Rugby Park in kind to the Trust during the financial year.		
3 Audit Fees		
Audit Fees - for the audit of financial statements	24,088	23,357
	24,088	23,357
Audit fees are recovered from the Invercargill City Council and recognised as accrued revenue at balance date.		
4 Bank accounts and cash		
Cash at bank	267,893	289,927
Total bank accounts and cash	267,893	289,927
5 Debtors and Accrued revenue		
Audit fee and disbursements recovery	24,088	23,357
Total Accrued Revenue	24,088	23,357
6 Creditors and accrued expenses		
Trade Creditors - Audit Fee	-	9,611
Trade Creditors - Water Rates	651	511
Trade Creditors - Consulting Fees	719	-
Accrued Expenses - Audit Fee	18,599	15,000
Accrued Expenses - Rent Rugby Southland	71,400	35,700
Accrued Expenses - Building Additions	1,339,106	1,339,106
Total creditors and accrued expenses	1,430,474	1,399,927

THE INVERCARGILL CITY CHARITABLE TRUST BOARD

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2026

	2026	2025		
	\$	\$		
7 Equity				
Accumulated funds				
Balance at 1 July	11,357,427	11,873,060		
Surplus/(deficit) for the year	(1,285,054)	(27,284)		
Transfer to revaluation reserve	-	(488,348)		
Transfer from revaluation reserve	-	-		
Balance at 30 June 2026	10,072,374	11,357,427		
Asset revaluation reserve				
Balance at 1 July	2,953,937	2,465,587		
Asset revaluation gains	-	488,348		
Balance at 30 June 2026	2,953,937	2,953,937		
TOTAL EQUITY at 30 June	13,026,316	14,311,366		
Asset revaluation reserves for each class of asset consist of:				
Land	1,115,000	1,115,000		
Buildings	428,502	428,502		
Property improvements	1,410,433	1,410,433		
Total	2,953,935	2,953,935		
8 Property, plant & equipment				
	Land	Buildings	Property Improvements	Total
	\$	\$	\$	\$
Carrying amount as at 1 July 2025	2,100,000	11,243,400	2,053,085	15,396,485
Additions	-	-	-	-
Disposals (net of accumulated depreciation)	-	-	-	-
Depreciation expense	-	(973,588)	(259,119)	(1,232,707)
Revaluation Adjustment	-	-	-	-
Carrying amount as at 30 June 2026	2,100,000	10,269,812	1,793,966	14,163,779
Carrying amount as at 1 July 2024	2,100,000	9,763,000	2,164,045	14,027,045
Additions	-	1,339,106	-	1,339,106
Disposals (net of accumulated depreciation)	-	-	-	-
Depreciation expense	-	(838,076)	(170,806)	(1,008,882)
Revaluation Adjustment	-	979,370	59,846	1,039,216
Carrying amount as at 30 June 2025	2,100,000	11,243,400	2,053,085	15,396,485

THE INVERCARGILL CITY CHARITABLE TRUST BOARD

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 June 2026

8 Property, plant & equipment continued

Property, plant and equipment was valued by Quotable Value Ltd at 30 June 2025 as \$15,382,200.

The Market Value Assessment of property, plant and equipment was performed by Quotable Value Limited. The Market Value Assessment is effective as at 30 June 2025. The Trust is applying the valuation method under the Tier 3 (PS) standard.

The Rugby Park is classified as a current asset as the ownership is expected to be transferred to Invercargill City Council within 12 months. Accordingly, the asset has been presented as a current asset in the Statement of Financial Position.

Land

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values.

Buildings

The fair value of buildings is determined on the basis of an optimised depreciated replacement cost (ODRC).

Strengthening work has now been undertaken on the West Stand, however the Main and West Stands still remain earthquake-prone buildings. In addition, the West Stand suffers from weather tightness issues. These issues have been highlighted in building condition reports undertaken for the Council in the previous financial year.

The remaining useful life of assets is estimated after considering factors such as the condition of the asset, future maintenance and replacement plans, and experience with similar buildings. The useful life of the stadium is 40 years. QV used adjusted adopted lives of the components to reflect the impact of the structural issues with the main stand and the media tower. As structures near the end of their theoretical lives, minimum residual lives are adopted to reflect the remaining base value still existing prior to any renovation or upgrading. The economic lives have been reduced of the component parts of the affected building rather than adjusting the effective year built.

9 Related Parties

Invercargill City Council pays a grant to Invercargill City Charitable Trust to offset the cost of the audit fees incurred.

The value and outstanding receivable balance as at year-end is \$24,088 plus GST (2025: \$23,357).

The Council also funds all the operational maintenance of the Rugby Park which includes accounting services, ground maintenance, seismic assessments and minor building repairs at no charge to the Trust.

Capital works completed by the Council for the previous two years have now been recognised by the Trust in preparation for the transfer of Rugby Park to the Council.

As at year-end, the total value and outstanding payable balance is \$1,339,105.51 (2025: \$1,339,105.51)

Invercargill City Charitable Trust pays property rates and water rates to Invercargill City Council. Total this year \$8,988.89 with outstanding balance of \$650.91 at year end, (2025: \$11,372.60).

10 Contingencies

There are no known contingent liabilities (or assets) at 30 June 2026 (2025: nil).

11 Commitments

ICCT has an obligation to meet Rugby Southland's lease costs until 2033. No formal lease has been signed in this regard and the value of the lease obligation is not yet known. This obligation will be transferred, with the ownership of Rugby Park stadium, once the asset has been sold or transferred to Invercargill City Council. At year end, ICCT have accrued temporary lease obligations for the alternative premises leased until 30 June 2026 of \$71,400 (2025: \$35,700).

12 Events after balance sheet date

There are no events after balance date.

Independent Auditor's Report

To the readers of Invercargill City Charitable Trust Board's financial statements for the year ended 30 June 2026

The Auditor-General is the auditor of Invercargill City Charitable Trust Board (the Trust). The Auditor-General has appointed me, Jenna Hills, using the staff and resources of The Audit Office, to carry out the audit of the financial statements of the Trust on his behalf.

Opinion

We have audited the financial statements of the Trust that comprise the statement of financial position as at 30 June 2026, the statement of financial performance, and the statement of cash flows for the year ended on that date, the statement of accounting policies, and the notes to the financial statements that include other explanatory information on pages 4 to 11.

In our opinion the financial statements of the Trust present fairly, in all material respects, its financial position as at 30 June 2026 and its financial performance and cash flows for the year then ended in accordance with the Reporting Requirements for Tier 3 Public Sector Entities.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Trustees for the financial statements

The Trustees are responsible on behalf of the Trust for preparing financial statements that are fairly presented and comply with the Reporting Requirements for Tier 3 Public Sector Entities.

The Trustees are responsible for such internal control as they determine is necessary to enable them to prepare 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 Trust for assessing the Trust's ability to continue as a going concern. The Trustees are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Trustees intend to wind up the Trust or to cease operations, or have no realistic alternative but to do so.

The Trustees' responsibilities arise from clause 16 (f) of the Trust Deed of the Trust and the Charities Act 2005.

Responsibilities of the auditor 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements.

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

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Trustees are responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements, and our auditor's report thereon.

Our opinion on the financial statements 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 statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, 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.

Independence

We are independent of the Trust in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of 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.

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

A handwritten signature in black ink, appearing to read 'Jenna Hills', written in a cursive style.

Jenna Hills

The Audit Office

On behalf of the Auditor-General

Dunedin, New Zealand

6 October 2026