

every one

deserves a decent
place to live.



HABITAT FOR HUMANITY NEW ZEALAND

Annual Report

1 JULY 2024 - 30 JUNE 2025

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Message from the Board Chair and Group CEO

A decent and affordable place to live is the foundation on which our lives are built, and the need for our work, both in New Zealand and overseas, remains critical.

We can't do our work alone, nor in isolation, which is why we are truly grateful for the support we receive from our partners, generous donors, and government.

Globally, Habitat will celebrate 50 years of operations in 2026. As we prepare ourselves for the next 50 years of impact, we also take time to reflect and celebrate our key achievements over the past year.

New Zealand highlights

Amidst a challenging housing environment our regional teams have continued to deliver life-changing impact for those they work with. This has not been easy.

Thanks to significant government support via an interest-free loan facility we have revitalised our Progressive Home Ownership (PHO) programme over the past five years. In the past year our Central Region team completed their build programme using this facility, resulting in 46 families now on their way to home ownership.

Our other regions will complete this programme of work over the next 12 months or so. This will result in a total of 141 families embarking on their dream of home ownership due to the PHO loan facility.

Operationally, we have seen the amalgamation of three regions (Christchurch, Dunedin and Invercargill) into one (Southern) to better serve the housing needs of the wider region.

Pacific highlights

The first phase of our Negotiated Partnership (NP) comes to an end in July 2026. However, we are delighted to have secured a further five years commencing at the conclusion of phase one. Being recognised as a trusted partner of the Ministry of Foreign Affairs and Trade means we can deliver continuity of programming and impact to address housing needs where we work in the Pacific.

As we reflect on what has been achieved in the past five years of NP – including improving shelter resilience for approximately 30,000 people – we also look forward to how we can enhance what we do.

In the past year, with the support of our in-country partners, we have enabled **programming** which has resulted in more communities being able to improve the place they call home. It is wonderful to see the positive flow-on effects of our work, for example **one trainee in Samoa** was able to use his skills to build six toilet and shower blocks for his community

Through our in-country partners, we have also supported disaster recovery work in **Bangladesh and Vietnam** this past year.

We are proud of all that has been achieved. This would not be possible without the support of the volunteer members of the Habitat New Zealand Board and of the Affiliate boards. Likewise, it is our employees, in-country partners and volunteers who do the hard mahi every day to bring us closer to our vision of a world where everyone has a decent place to live.

Ngā manaakitanga,



Alan Thorp
Group Chief Executive
Habitat for Humanity New Zealand



Alan Thorp, Group Chief Executive



Glen Cornelius, Chair of the Board



Glen Cornelius
Chair of the Board
Habitat for Humanity New Zealand

Our Mission, Vision and Values

MISSION



Seeking to put God's love into action



Bringing people together



To build homes, communities and hope

VISION

Our vision is a world where everyone has a decent place to live.

We bring people together to build homes, communities, and hope while supporting independence and self-determination through housing. Our work with families is a partnership to address their need for decent and affordable housing to make a positive and lasting change.

VALUES

Demonstrate the love of Jesus Christ
Kua pūmau ki te aroha o te Karaiti

Focus on Shelter
Ka hanga he whakaruruhau

Advocacy for affordable housing
Ka mahitahi kia whai kāinga

Promote dignity and hope
Mana ake

Support sustainable and transformational development
Kia tautoko i te whanaketanga

Habitat in New Zealand is part of Habitat for Humanity, an international not-for-profit which began in the United States in 1976. Guided by our Mission, Values and Theory of Change principles, Habitat globally has helped more than 65 million people obtain safe and decent housing, along with the strength, stability and self-reliance they need to build a better future for themselves and for their families.

**We provide
homes.**



**We make
homes
habitable.**

**We promote
fair and decent
housing.**





Our impact in New Zealand

Stability and security through homeownership

Tita and Veni's young family of five began moving into their new Progressive Home Ownership (PHO) house in Nelson the same day they were handed the keys.

Now the house has become a home, and memories are built into the walls. Tita's rugby team photo proudly hangs in the lounge and the family has started their own Christmas traditions; two things that she tells us wouldn't have been possible in their previous rental which didn't feel like 'theirs'.

“My favourite part of the house is the idea of owning it and finally you get to call a place your actual home.”

Tita and Veni are one of 148 families already working toward homeownership in Habitat's PHO programme during the reporting period and a further 44 families entered the programme in the past financial year

Through the PHO programme, families pay an affordable rent which goes toward the deposit on the home they're living in. Over a 5-10-year period, payments eventually support them to take out a

commercial mortgage with the money they've contributed through Habitat.

Alongside a much healthier environment compared to their previous rental property, Tita notices how the home's location is an important difference in their life. As a safe and secure home contributes to wellbeing in all aspects of life, Habitat carefully considers access to schools, public transport, public parks, and health care when planning housing developments.

Ultimately, Tita's favourite part of the house isn't the flooring or faucets; it's a feeling. It's about security and stability for her family with the freedom to do what makes them happy in their home; hang pictures, invite family to stay, and relax after a night shift.

“You don't have to move or wait until one day the owner says they're selling and you have to move. Here you don't have to worry about anything like that,” says Tita.

[Read more homeownership stories on our website.](#)

148

Families in our PHO programme

Repairing a home loved for three decades

For over three decades Helena's home has been a gathering place for the entire family, providing shelter, support, and comfort to all those who needed it. However, since being purchased in 1989, the house had begun to show its age.

A leaking roof became a major concern. The leak caused damage to the ceiling and worsened Helena's respiratory health, making it increasingly difficult for her to live safely in the house. Helena had to contend with the late-night routine of emptying a 10-litre bucket of water filled each night by the leak in the ceiling, a constant worry due to her mobility issues.

"It was a constant worry. There was a stream of water coming down from the roof, pooling in the ceiling, and the problem only worsened over time,"

"The home is warmer, drier, and safer now. Mum is healthier, and we can all relax knowing that she's living in a place that's truly looking after her."

says her daughter, Belinda. Habitat's Home Repair programme supports families like Helena's to complete critical repairs with the support of BNZ, which has provided Habitat with a \$1 million interest-free line of credit. Homeowners repay the cost of the completed repairs interest-free over a five-year period.

This programme offers an affordable solution for low-to-moderate income homeowners who may otherwise go without the essential maintenance and repair work needed to make their homes safer, drier, and healthier. In the past financial year, Habitat has completed 46 home repairs across New Zealand.

Helena's home underwent significant renovations, including the installation of a new roof, a new accessible bathroom, and an updated kitchen, and is now a warm, safe place to live. [Hear from Belinda and Helena in this video.](#)

46

Home repairs completed

“We can shower whenever we want now! My kids love it. They’re so much warmer and healthier.”

SULIA* HOME REPAIR HOMEOWNER, AUCKLAND



Sulia’s home of 40 years was deteriorating and needed crucial repairs. The bathroom and shower were unusable. After partnering with Habitat Northern’s Home Repair Programme, Sulia’s family enjoy their home again. Read more on our website.

*Name has been changed for privacy.

Community rentals

There are many forms of a decent home, including access to a warm, high quality rental home.

Habitat is a registered Community Housing Provider (CHP) who works with the Ministry of Housing and Urban Development. Habitat rental homes are available to those on the social housing waitlist and modest income earners in housing need. Habitat Central also manages affordable pensioner housing in the Waikato region.

In the past financial year there were a total of 201 families living in Habitat community rentals.

Amongst those developments opened in the past financial year, Habitat is proud to have the Warren Place development in Whangārei awarded the Kāinga Ora – Homes and Communities Community and Affordable Housing Property Award at the 2025 Property Council New Zealand Rider Levett Bucknall Property Industry Awards.

201

Families in
community rentals

Together with AML Insurance; warmer, drier, safer

Our nationwide partnership with AML Insurance supports our work to make Kiwi homes warmer, drier, and safer. With the partnership completing its fourth year during the past financial year, AML's support of Habitat housing initiatives in New Zealand continues to ensure more families are healthy in their homes.

AML team members can take one paid volunteer day per year and hours of their time and energy have been spent volunteering with Habitat in various ways. During the past financial year, 271 AML team members volunteered with Habitat for 1,417 volunteer hours. From lending a hand in Habitat op-shops to sizzling sausages on the AML community BBQ for Habitat events, every task works alongside us toward a world where everyone has a decent place to live.

Early in the financial year, AML supported Habitat with resources to launch our first nationwide fundraising campaign; the Warm Fuzzies Appeal. Returning for a second year, the appeal launched again on 1 July 2025 thanks to this ongoing partnership.



IMAGE 1: AML Volunteer paints the Stanmore Bay ReStore (op shop) ahead of opening day. August 2024.

IMAGE 2: AML Volunteers run the community BBQ at the Stanmore Bay ReStore opening day. September 2024.

Volunteering

Habitat's 23 ReStores (op shops) across the country help fund our housing initiatives in New Zealand and we couldn't do it without amazing volunteers. Thanks to their generous contribution of time and energy, Habitat's programmes continue to provide homes, make homes habitable, and promote fair and decent housing. Volunteers are also crucial to

the Curtain Bank in Auckland, providing soft textile skills to transform donated curtains into ones which create warmer homes across Auckland and Northland.

In the past financial year, volunteers in New Zealand have contributed 88,403 hours to creating a world where everyone has a decent place to live.

88,403
Volunteer hours



“We were all there to help out. Volunteers have their heart in the right place. It’s an opportunity to assist, to contribute to the wellbeing of others.”

STEWART, GLOBAL VILLAGE VOLUNTEER IN NEPAL. OCTOBER 2024

In the past financial year, two separate Habitat Global Village teams traveled to volunteer in Nepal in October and November. These teams partnered with communities, lent a hand with construction, and worked together to improve access to decent homes.



Enabling impact overseas



Building resilience in the Pacific

Habitat's Negotiated Partnership (NP) programme in the Pacific, supported by the Ministry of Foreign Affairs and Trade, has now completed its fourth year as the financial year 2024/25 ends. In June 2025, Habitat was successful in securing a further five years of funding for this programme of work in Fiji, Samoa, and Tonga, and we are now developing our concept for future programming.

The NP programme supports community-led shelter training delivered by partner organisations in Fiji, Samoa, and Tonga. These trainings engage local participants in practical learning, including how to cyclone strap homes for greater resilience, reinforce house structures, identify and assess risks in their communities, and build foundational skills in project planning and financial management for both personal and community initiatives.

In the past financial year, 6 communities have completed Build Back Safer (BBS) training and 45 have completed Participatory Approach to Safe Shelter Awareness (PASSA), and 110 Water, Sanitation, and Hygiene (WASH) training for 3,747 total participants across our programmes.

During a BBS training in Tonga, participants learned construction, basic plumbing, and home maintenance skills. They then used their new knowledge to build a home for a family displaced by the devastating tsunami in 2022.

"After living in a tent for three years since the eruption, this support has truly changed our lives," says a family member. **Read more on our website.**

By developing these capabilities, communities are better equipped to minimise the impact of severe weather, climate-related events and natural disasters on their homes and environments, and to manage recovery in more sustainable and independent ways over time.

6

Communities trained in
Build Back Safer for
114 participants



For each participant of a Habitat shelter training in the Pacific, there are many others that experience the long-term benefits. Whether trainees share knowledge post-training, assist with community projects, or create income opportunities that support their family, one person trained is rarely just one person supported. On such participant is Lauvao. Through his upskilling, he has uplifted his community.

Lauvao is a motivated and skilled resident of Falepuna community, Samoa. He has now completed five different Habitat training programmes with ADRA Samoa (Habitat's in-country partner organisation) to upskill in areas such as building, plumbing, community planning. He then used these skills to improve access to decent living conditions for his own household and wider community.

Lauvao has built six toilet and shower blocks for members of his community who were living without their own, instead relying on toilet and washing facilities belonging to neighbours.

Soteria is one homeowner whose family lacked basic sanitation facilities. For years, they relied on sharing a neighbor's toilet and shower. Thanks to Lauvao's various skills, Soteria's family now have peace of mind knowing their very own toilet block is private, secure, and dignified.

"This has made a big improvement in our living conditions," says Soteria.

45

Communities trained in Safe Shelter Awareness for 951 participants

IMAGE: Lauvao (right) working on a toilet and shower block

IMAGE: Vocational trainees installing WASH facilities in Northern Vanualevu, Fiji.



**“We had to live in a tent for a while...
when we moved into our new house
we were just rejoicing in the Lord.”**

TONGI'OE, TONGA TSUNAMI SURVIVOR AND NEW HOMEOWNER.

Tongi'oe, Haitelenisia, and their 10 children celebrated one-year in their new home in October 2024. Their new home on Nomuka Island was built as part of Habitat's rebuild post-disaster. [Read more on our website.](#)

IMAGE: Katrina, Habitat Project Manager Tonga (left), Haitelenisia, Tongfoe and son, Nomuka Island Tonga, Oct 2024.

Locally-led actions for climate readiness

In the past financial year, implementation of Habitat's climate readiness programming began in Fiji and Samoa as part of the Ministry of Foreign Affairs and Trade's Climate Finance funding. Through locally led workshops, community members learn to adapt their homes, community infrastructure, and water and plumbing facilities in the face of growing climate risks. The programme also has a focus on gender inclusion and women's training outcomes as well as adequate access to water, sanitation and hygiene (WASH) facilities and the skills needed to maintain them.

“ If there is a broken tap or pipe, women can easily fix it [now], says Alisi. ”

In Samoa, training through the climate readiness programme was undertaken in Leusoalii, Faleu and Falefa, and Salesatele communities. This meant that 85 people now have better access to resilient housing, shelter skills, and basic plumbing skills. More than half of the training attendees were women, with local youth also making up a noticeable percentage of diversity among the participants.

With greater representation at local Habitat trainings and workshops, groups of community members have a greater say in local decision-making, like community actions plans, and are more resilient to climate change impacts that affect them.

In Samoa, training survey results during the past financial year showed women's plumbing knowledge increased from 37% to 94%. In a community in Fiji, eight women became committee members of a village consultation committee post-training; previously the committee had one female member.

With this programme, communities were able to be more prepared for climate threats they face in the Pacific Islands, such as sea level rise, worsening cyclones and their subsequent effects, flooding, and other extreme weather events.

110

Communities trained in
Water, Sanitation, and
Hygiene for
2682 participants



Disaster response: Habitat responding to the Rohingya refugee crisis

Forced to flee their homes in Myanmar in 2017, nearly a million Rohingya people sought refuge in Bangladesh, where they now live in 33 sprawling camps in the world's largest refugee settlement; Cox's Bazar.

In 2025, life in the Rohingya camps remains challenging, with refugees facing overcrowding, inadequate shelter, and limited access to clean water and sanitation. Damaged shelters leave families exposed to the threat of monsoon season, landslides, heavy rain, and fire outbreaks.

In response to this ongoing crisis, Habitat New Zealand has provided \$281,000 in funding to support the work of Habitat Bangladesh in three Rohingya camps to address critical needs for shelter and Water, Sanitation, and Hygiene (WASH) facilities.

Since mid-2024, Habitat has repaired 300 shelters and restored 200 tubewells (a source of drinking water) and sanitation facilities; lifelines for clean water and hygiene in some camps where five to nine households can share one latrine. Repairs include

fixing critical roof leaks, reinforcing walls, and adding bracing to protect against extreme weather.

"Before, when it rained, water would enter the house. Now, after putting up the tarpaulin, the rain doesn't come in," says Nur, a community member.

The programme also distributes shelter material bundles, supports upskilling in home maintenance and holds hygiene training after upgrading facilities, equipping families with knowledge to maintain clean and healthy environments. [Read more on our website.](#)



IMAGE 1: Complete installation of a clean water source in Camp 8E, Cox's Bazaar, Bangladesh.

IMAGE 2: Habitat Bangladesh conducting a shelter assessment with a resident

* <https://data.unhcr.org/en/country/bgd>



Science, Shelter, health: Habitat supports cool roof research in Niue

Heat is seriously affecting the health of millions of people, especially in climate hotspots with inadequate housing. As climate change is predicted to worsen over the next several decades, so will the adverse effects of extreme heat. It is estimated that between 2030 and 2050, there could be 94,000 annual deaths due to climate-induced heat.*

Poor housing, built with low-cost materials such as corrugated iron, and with limited ventilation or insulation, contributes to extreme indoor temperatures, increasing the risk of a range of health issues associated with heat stress.

Habitat New Zealand has supported the **REFLECT project**, an evidence-based study in Niue researching the effectiveness of heat-reflective paint on improving the health and wellbeing of homeowners in a South Pacific environment.

The REFLECT team works within the community to identify homes which are suitable to have their roofs painted with the low-cost, sunlight reflective roof paint to create a 'cool roof'. The study then monitors the sleep, heart rate and activity of residents through smart devices to monitor the impact on health and wellbeing. Local community members are also learning valuable new skills in cool roof application and project management from a professional painter from New Zealand.

As of March 2025, cool roof paint has been applied to more than 20% of homes in Niue and monitoring of resident's health has begun.

Supporting the REFLECT trial is part of Habitat New Zealand's commitment to thinking differently about housing, backing innovative solutions that address not only structural needs but also environmental challenges that impact daily life. **Read more on our website.**

Thank you to our national supporters

It is only through the generosity of our supporters and key partnerships with other organisations that the work detailed in this report was possible.

Thank you to all our donors, corporate partners, government ministries, other Habitat entities, on-ground partners and colleagues for your dedication to our mission and vision of a world where everyone has a decent place to live.

IN NEW ZEALAND



ASSA ABLOY



Te Tūāpapa Kura Kāinga
Ministry of Housing and Urban Development

OVERSEAS





HABITAT FOR HUMANITY NEW ZEALAND LIMITED (AND AFFILIATES)

Group consolidated financial statements

FOR THE YEAR ENDED 30 JUNE 2025

Company directory

Charities Registration Number	CC28026
Company Registration	575747
Formation Date	23 December 1992
Registered Office	Stanway House, 644 Great South Road, Ellerslie, Auckland 1051
Share Capital	1,500 ordinary shares
Paid Up Capital	\$ nil
Auditors	Baker Tilly Staples Rodway Auckland

Shareholders of Habitat for Humanity New Zealand Limited

Habitat for Humanity New Zealand Trust (Trustees Glen Cornelius, Malcolm Pearce and Luis Noda)	750
Habitat For Humanity Northern Region Limited	125
Habitat For Humanity Central Region Limited	125
Habitat For Humanity (Nelson) Limited	125
Habitat for Humanity Te Waipounamu Limited	375
	<hr/> 1500

Director's report

The Directors are pleased to submit to shareholders their Report and Financial Statements for the Group for the year ended 30 June 2025.

Principal Activities

Habitat for Humanity New Zealand Limited and Affiliates (the Group) are providers of low-cost housing for partner families selected based on need. The parent company and all subsidiary companies are incorporated and domiciled in New Zealand.

Dividends

The Directors recommend that no dividend be declared.

Auditors

The current auditors are Baker Tilly Staples Rodway Auckland, appointed 1st April 2025. The audit fees payable for the year were \$131,001 (2024: Grant Thornton Audit NZ Ltd, \$116,293) The directors propose to re-appoint Baker Tilly Staples Rodway for the ensuing year.

Remuneration of Directors

No remuneration or other benefits were paid or due and payable to directors for services as a director or in any other capacity during the year other than those disclosed.

Directors of Habitat for Humanity New Zealand Limited

Glen Cornelius (Chair)

Michael McLean

Rachel Afeaki

Michelle Frances Mielnik

Khoa Truong Nguyen

Claire Bosworth Fisher

Teresa Jane Eggleton

Brenda Heather-Latu (Resigned 28/11/2024)

These financial statements were authorised for issue on the 8 December 2025.



On behalf of the Board
Glen Cornelius, Director



On behalf of the Board
Rachel Afeaki, Director

Consolidated statement of service performance

FOR THE YEAR ENDED 30 JUNE 2025

WHO WE ARE

Habitat for Humanity New Zealand is a not-for-profit organisation that is working towards a world where everyone has a decent place to live.

We have enabled programmes to achieve this vision through our four Affiliates offices in New Zealand and our partners in the Pacific

MISSION



Seeking to put God's love into action



Bringing people together



To build homes, communities and hope

VISION

Our vision is a world where everyone has a decent place to live.

We bring people together to build homes, communities, and hope while supporting independence and self-determination through housing. Our work with families is a partnership to address their need for decent and affordable housing to make a positive and lasting change.

VALUES

Demonstrate the love of Jesus Christ

Kua pūmau ki te aroha o te Karaiti

Focus on Shelter

Ka hanga he whakaruruhau

Advocacy for affordable housing

Ka mahitahi kia whai kāinga

Promote dignity and hope

Mana ake

Support sustainable and transformational development

Kia tautoko i te whanaketanga

Our national impact

WE PROVIDE HOMES

148

FAMILIES IN
OUR PHO*
PROGRAMME

115 IN 2023/24

44

NEW HOMES
ADDED TO OUR
PHO* PROGRAMME

31 IN 2023/24

201

FAMILIES IN
COMMUNITY
RENTALS

155 IN 2023/24

WE MAKE HOMES HABITABLE

46

HOMES
REPAIRED

37 IN 2023/24

1,600

FAMILIES SUPPORTED
THROUGH HEALTHY
HOMES PROGRAMME

830 IN 2023/24

FAIR & DECENT HOUSING

1,283

HOUSING-RELATED
TRAINING
PARTICIPANTS**

703 IN 2023/24

TOTAL IMPACT

1,909

TOTAL FAMILIES SUPPORTED
ACROSS NEW ZEALAND

1,093 IN 2023/24

VOLUNTEERING

88,403

VOLUNTEER HOURS

79,672 IN 2023/24

Disclosure of judgements

We have made several judgements on what to include in our Statement of Service Performance. This statement summarises these judgements.

Our Statement of Service Performance reports our non-financial performance against our core pillars, using both indicators that measure our outputs (our performance) and narratives that illustrate the impact our services and programmes have for Habitat for Humanity New Zealand Limited and Affiliates. The governing body has decided to report on these core pillars because they best reflect our vision and mission. The statement was developed in consultation with the Group and approved by their Boards.

*Progressive Home Ownership.

**Families participated in training, workshops and/or in home advice

Enabling impact overseas

CORE PACIFIC PROGRAMMING

\$690k

\$743k IN 2023/24

FUNDING ALLOCATED TO ENABLE HOUSING RELATED OUTCOMES IN

Fiji

\$950k

\$569K IN 2023/24

FUNDING ALLOCATED TO ENABLE HOUSING RELATED OUTCOMES IN

Samoa

\$375k

\$99k IN 2023/24

FUNDING ALLOCATED TO ENABLE HOUSING RELATED OUTCOMES IN

Tonga

DISASTER RESPONSE

\$281k

\$0 IN 2023/24

FUNDING ALLOCATED TO ENABLE HOUSING RELATED OUTCOMES IN RESPONSE TO A DISASTER IN

Bangladesh

\$113k

\$0 IN 2023/24

FUNDING ALLOCATED TO ENABLE HOUSING RELATED OUTCOMES IN RESPONSE TO A DISASTER IN

Vietnam

\$2.4m

\$1.4M IN 2023/24

total allocated to overseas projects

Disclosure of judgements

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Our Statement of Service Performance reports our non-financial performance against our core pillars, using both indicators that measure our outputs (our performance) and narratives that illustrate the impact our services and programmes have for Habitat for Humanity New Zealand Limited and Affiliates. The governing body has decided to report on these core pillars because they best reflect our vision and mission. The statement was developed in consultation with the Group and approved by their Boards.

**Funding provided for service delivery of overseas projects through third parties to deliver housing outcomes; through Negotiated Partnership programme, Climate Finance programme and Disaster Response project with our contract with Ministry of Foreign Affairs and Trade (MFAT)*

Statement of comprehensive revenue and expense

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025	2024
		NZ\$	NZ\$
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
Donations & Grants	1	2,598,103	1,782,882
Grants – Other	2	2,292,352	3,158,369
Gifts in kind	4	365,502	163,499
Total revenue from non-exchange transactions		5,255,957	5,104,750
REVENUE FROM EXCHANGE TRANSACTIONS			
MFAT overseas relief		3,206,473	2,165,665
Global Village	22	140,121	67,112
Rent from partner families		6,351,925	4,368,171
ReStore sales	3	16,462,767	14,377,862
Other income	6	10,331,393	7,285,892
Total revenue from exchange transactions		36,492,679	28,264,702
TOTAL REVENUE		41,748,636	33,369,452
EXPENSES			
Audit fee		131,001	116,293
Global Village	22	107,027	54,039
ReStore expenses	3	12,780,409	10,236,309
ReStore depreciation	3	6,598	6,716
Depreciation	3/12/13	1,500,790	1,214,131
Specific initiative expenses	7	7,646,148	5,977,938
Office expenses		642,617	588,786
Professional services and insurance		1,306,553	836,660
Salaries and wages		7,970,987	6,892,302
Property related expenses	8	2,397,032	1,733,346
Property subsidy provision		1,161,542	483,007
Donations		240,351	-
General expenses		754,888	752,549
TOTAL EXPENSES		36,645,943	28,892,076
FINANCE ACTIVITIES			
Finance income	5	11,155,855	4,321,910
Finance expenses	5	(2,784,345)	(410,299)
NET SURPLUS FROM FINANCE ACTIVITIES		8,371,510	3,911,611
OTHER GAINS/(LOSSES)			
Gain on sale of assets		261,107	1,873,591
TOTAL OTHER GAINS		261,107	1,873,591
TOTAL COMPREHENSIVE REVENUE AND EXPENSE		13,735,310	10,262,578

The accompanying notes form an integral part of these financial statements and should be read in conjunction with these financial statements.

Statement of changes in net assets

FOR THE YEAR ENDED 30 JUNE 2025

	Note	Retained Surplus
Balance 30 June 2023		57,590,975
Total comprehensive revenue and expense		10,262,578
Habitat for Humanity Nelson prior year adjustment		18,490
Disaffiliation of Habitat for Humanity EBOP		(299,347)
Merger of Habitat for Humanity Taranaki		(1,925,012)
Balance 30 June 2024		65,647,684
Total comprehensive revenue and expense		13,735,310
Amalgamation of Te Waipounamu	23b	(952)
Balance 30 June 2025		79,382,042

Statement of financial position

AS AT 30 JUNE 2025

	Note	2025 NZ\$	2024 NZ\$
CURRENT ASSETS			
Cash and cash equivalents	10	10,025,859	8,461,356
Investments	11	15,085,778	8,922,759
Inventory		1,728,821	1,480,431
Trade receivables	19/21	1,143,907	835,363
Current portion of mortgage receivables	16	373,100	346,770
Construction in progress		119,000	-
Total current assets		28,476,465	20,046,679
NON-CURRENT ASSETS			
Property, plant and equipment	12	24,173,630	25,137,156
Properties held to provide social service	13	80,614,092	43,904,425
Goodwill	15	130,000	130,000
Construction in progress	14	6,636,604	18,135,680
Other non-current assets	21	639,173	114,894
Mortgage receivables	16	5,388,813	6,091,731
Total non-current assets		117,582,312	93,513,886
Total assets		146,058,777	113,560,565
CURRENT LIABILITIES			
Trade and other payables		2,127,928	5,010,656
Bank overdraft	10	-	9,596
GST payable		(112,636)	148,562
Grants unspent year end		4,771,080	2,954,627
Employee benefits		1,293,768	267,893
Tithes payable		654,666	647,210
Borrowings	18	2,837,586	3,337,140
Funds held on behalf of partner families		72,000	56,519
Total current liabilities		11,644,392	12,432,203
NON-CURRENT LIABILITIES			
Leases		27,000	-
Property subsidy provision	17	1,247,281	1,069,865
Home Repair Programme		265,582	-
Property GST liability		125,965	472,356
Funds due partner families and other payables		208,249	190,133
Borrowings	18	53,158,266	33,748,324
Total non-current liabilities		55,032,343	35,480,678
Total liabilities		66,676,735	47,912,881
NET ASSETS		79,382,042	65,647,684
Equity			
Retained earnings		65,647,684	57,590,975
Adjustments	23b	(952)	(2,205,869)
Current year Surplus		13,735,310	10,262,578
TOTAL EQUITY		79,382,042	65,647,684

The accompanying notes form an integral part of these financial statements and should be read in conjunction with these financial statements.

Statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 NZ\$	2024 NZ\$
CASHFLOW FROM OPERATING ACTIVITIES			
Inflows			
Grants, Donations and ReStore		21,354,605	18,485,974
Finance income		729,058	620,003
Sale of homes		441,929	(19,680)
Global Village		140,121	67,112
Designated Funds		-	1,273,300
Contract management fees		8,228,461	6,907,571
Partner family rental income		6,801,709	4,227,839
GST		-	267,830
Other income		336,437	358,025
		38,032,320	32,187,974
Outflows			
Overseas projects/relief donations and expenses		3,044,278	1,838,613
Global Village		107,027	54,039
Transfers to Habitat for Humanity International		33,706	11,317
Payment to employees		12,386,320	10,304,595
Payment to suppliers		13,897,505	12,684,621
Finance expense		2,173,198	1,270,931
Inventory		-	5,518
GST		833,067	461,654
		32,475,101	26,631,288
Net Cash inflow from operating activities		5,557,219	5,556,686
Cashflow (to) investing activities			
Property, Plant and Equipment		(12,734,617)	(9,805,485)
Investments		(6,163,019)	(4,817,501)
Family mortgage repayment		503,086	2,322,829
Funds received from Mortgage Receivables		1,688,146	-
Designated funds - Tithes		7,456	5,256
Construction in Progress		(14,882,287)	(7,944,495)
Net cash outflow (to) investing activities		(31,581,235)	(20,239,396)
Cashflow from/(to) financing activities			
Borrowings received		19,068,311	8,489,585
MHUD Loans		16,999,487	6,642,488
Borrowings repayments		(8,479,277)	(2,681,362)
Net cash inflow from financing activities		27,588,521	12,450,711
NET MOVEMENT IN CASH		1,564,505	(2,231,999)
Cash & cash equivalents/bank overdraft at the beginning of year		8,461,354	10,693,355
Cash & cash equivalents/bank overdraft at the end of year		10,025,859	8,461,356

The accompanying notes form an integral part of these financial statements and should be read in conjunction with these financial statements.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2025

General Information

The Company is a limited liability company incorporated and domiciled in New Zealand. The financial statements have been prepared in accordance with the Financial Reporting Act 2013 and Companies Act 1993.

Habitat for Humanity New Zealand Limited ("Company") and affiliates ("Group") are providers of housing solutions to partner families in need. The Group is affiliated to Habitat for Humanity International whose vision is "a world where everyone has a decent place to live".

The Group is designated as a Public Benefit Entity for financial reporting purposes.

These financial statements are for the Group for the year ended 30 June 2025. Financial Statements for the parent company have been prepared separately.

Summary of significant accounting policies

Statement of compliance

These consolidated general-purpose financial statements for the year ended 30 June 2025 have been prepared in accordance with Tier 2 Public Benefit Entity (PBE) Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with Public Benefit Entity Standards Reduced Disclosure Regime (PBE RDR) and other applicable Financial Reporting Standards as appropriate to Public Benefit Entities.

The Group is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability, and annual expenditure does not exceed \$33 million.

The Group is deemed a Public Benefit Entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

Basis of preparation of financial statements

The principal accounting policies adopted in the preparation of the financial statements are set out below.

The financial statements have been prepared on a historical costs basis, except for assets and liabilities that have been measured at fair value, as noted in the respective policy notes.

The accrual basis of accounting has been used, and the financial statements have been prepared on a going concern basis.

Basis of consolidation

The consolidated general-purpose financial statements incorporate the assets and liabilities of all affiliates controlled by the Company and the results of those affiliates. Control is the power to govern the financial and operating policies of an entity to obtain benefits from its activities. Control is in the form of a controlling share with rights to dissolve and reappoint the governing body.

In preparing the consolidated financial statements, all intra-group balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. The consolidation of the parent and subsidiary entities involves adding together like terms of assets, liabilities, income and expenses on a line-by-line basis. All significant intra-group balances are eliminated on consolidation of Group financial position and performance.

Habitat for Humanity Te Waipounamu Limited was incorporated in March 2024 and officially commenced operations on 28 February 2025, through the amalgamation of Habitat for Humanity (Christchurch) Limited, Habitat for Humanity (Dunedin) Limited, and Habitat for Humanity (Invercargill) Limited. All assets, liabilities, rights and obligations of the predecessor entities were transferred to the new Company at their carrying values on the amalgamation date.

In addition to these consolidated group financial statements, the Directors have elected to prepare separate financial statements for the Company and each of the affiliates to provide more relevant information to users of each affiliate's financial report on the basis of each entity having a differing local impact.

All subsidiaries have a 30 June balance date and consistent accounting policies are applied.

Functional and presentation currency

The Financial Statements are presented in New Zealand Dollars (\$), which is the Group's functional and presentation currency.

Comparatives

Where necessary, comparative figures have been reclassified and repositioned for consistency with current year disclosures and accounting policy. The nature and impact of these changes are disclosed in the relevant notes to the financial statements.

Entities reporting

The financial statements are the financial statements of the parent entity and its affiliates. The affiliates are:

Habitat For Humanity Northern Region Limited
Habitat For Humanity Central Region Limited
Habitat For Humanity (Nelson) Limited
Habitat For Humanity Te Waipounamu Limited

A. USE OF ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with PBE RDR requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

Fair Value of loans and other financial instruments

The fair value of financial instruments that are not traded in an active market (for example, low or zero interest loans) is determined by using valuation techniques. The Group uses its judgement to select the interest rate based on market conditions when the loan is established.

Estimating the value of ReStores' inventories

The realisable value of inventories held at ReStores at year end is estimated based on historical sales value of similar items.

B. FINANCIAL INSTRUMENTS

Classification and subsequent measurement

Financial assets and financial liabilities are recognised when the Group becomes 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, cancelled or expires.

Financial assets are classified using the following categories which also determines their subsequent measurement:

- Financial assets at amortised cost
- Fair value through other comprehensive revenue and expense (FVTOCRE); or
- Fair value through surplus or deficit (FVTSD).

Financial assets are classified to the above categories on the basis of both:

- (a) The entity's management model for financial assets and
- (b) The contractual cash flow characteristics of the financial asset.

Financial assets are measured at amortised cost if both the following conditions are met and the asset is not designated as FVTSD:

- The financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flow; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit. The Group cash and cash equivalents, trade and other receivables are classified and measured at amortised costs. These assets were previously classified as "loans and receivables".

Financial liabilities are subsequently measured either at amortised cost or at FVTSD. A financial liability is classified as at FVTSD if it is classified as held-for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTSD are measured at fair value and net gains and losses, including any interest expense, are recognised in surplus or deficit. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

The Company's trade and other payables are classified and measured at amortised cost. Borrowings are measured at amortised cost, and interest free borrowings are classified and measured at FVTSD.

Impairment

The Group measures loss allowances at an amount equal to lifetime expected credit loss (ECL). Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

C. TRADE RECEIVABLES AND MORTGAGE RECEIVABLES

Trade receivables are recognised initially at fair value plus transactions costs and subsequently measure at amortised cost using the effective interest method, less provision for expected credit loss. To simplify the calculation of fair values of trade receivables the calculation is based on yearly payments rather than on monthly payments.

Mortgage receivables are structured under Long-Term Sales and Purchase Agreements and include an inflation-adjusted interest component (typically 0-3%). These are recognised initially at fair value, estimated as the present value of all future cash flows discounted using a market rate for similar instruments.

These are subsequently remeasured annually using updated market discount rates 6% (2024: 6.5% - 7.29%) to reflect current economic conditions. This treatment aligns with the designation of Fair Value Through Surplus or Deficit (FVTSD), and fair value movements are recognised in surplus or deficit.

D. CASH, CASH EQUIVALENTS AND BANK DEPOSITS

Cash and cash equivalents include cash balances and call deposits and bank deposits for periods of less than 90 days. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

E. INVESTMENTS

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

F. TRADE AND OTHER PAYABLES

These amounts represent unsecured liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are recognised initially at fair value. As the amounts are usually paid within 30 days of recognition, trade and other payables are carried at face value.

G. BORROWINGS

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Comprehensive Revenue and Expense over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance date.

H. INTEREST-FREE BORROWINGS

Interest-free borrowings are designated at fair value through surplus or deficit (FVTSD) at initial recognition in accordance with PBE IPSAS 41. These are remeasured annually using a prevailing market discount rate to reflect current economic conditions. Changes in fair value are recognised in surplus or deficit.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settle of the liability for at least 12 months after the balance date.

I. EMPLOYEE BENEFIT ENTITLEMENTS

A provision for employee entitlements is recognised for benefits earned by employees but not paid at reporting date. Employee benefits include salaries, wages and annual leave.

Employee benefits expected to be settled within one year together with benefits arising from wages and salaries and annual leave which will be settled after one year, have been measured at their nominal amount. Other employee benefits payable after more than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

J. INVENTORIES

Inventory held for sale is measured at the lower of cost and net realisable value. Inventory held for distribution at no or nominal consideration is measured at the lower of cost or net realisable value. If inventories are acquired at no cost, or for nominal consideration, cost is the current realisable value at the date of acquisition, with corresponding adjustment to revenue. Cost is determined using an estimation method based on the typical Restores sales for either six or seven weeks which is the average turnover period of donated goods in store.

K. PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Subsequent costs are added to the carrying amount of an item of property, plant and equipment when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are recognised in the Statement of Comprehensive Revenue and Expense as an expense as incurred.

Where material parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation on assets is calculated using the diminishing value method, except for properties held to provide a social service, which are depreciated on a straight-line basis, to allocate their cost to their residual values over their estimated useful lives. Depreciation is charged to the Statement of Comprehensive Revenue and Expense.

The following depreciation rates have been used with a mixture of both DV and SL:

Buildings	1-4%
Office Furniture and Equipment	12-67%
Shop Furniture and Equipment	20-60%
Motor Vehicles	13.5-26%
Plant and Equipment	5-67%

The residual value and useful lives of all assets are reviewed and adjusted if appropriate at each Statement of Financial Position date.

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

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

L. PROPERTIES HELD TO PROVIDE A SOCIAL SERVICE

The properties held to provide a social service held by the Group are accounted for as property, plant and equipment rather than investment property as the property is held to meet service delivery objectives rather than to earn rental or for capital appreciation.

All properties held to provide a social service are stated at cost less accumulated depreciation. The depreciation rate is 2% - 2.5%. When the building of a house is finished, it is valued to market by a registered valuer. This value becomes the future sale price of the property, as agreed between Habitat for Humanity and the partner family. It is the intention of both Habitat and the partner family that the property is initially rented until such time as the partner family has fulfilled its obligations under the Umbrella Agreement. When the partner family obligations have been fulfilled the partner family can purchase the property at the market sale price by signing a Long-Term Sale and Purchase Agreement. At this stage the property is effectively sold, and a mortgage receivable is created. The Group retains security over the property until full settlement has been received.

Properties which are under construction at balance date are classified as "Construction in Progress" at balance date. Construction in Progress represents the cost price of land plus the construction costs incurred to date in houses under construction. The cost of the houses comprises the cash cost of materials and labour plus the cost of donated materials and labour where this can be reliably estimated. Upon completion, the properties are transferred to Properties held to provide a social service."

M. NON-CURRENT ASSETS HELD FOR SALE

Properties held to provide a social service are classified as non-current assets held for sale following the Board of Directors' decision to offer a Long-Term Sale and Purchase Agreement to a partner family. A non-current asset held for sale is stated at the lower of its carrying values and the fair value less costs to sell the asset.

N. PROPERTY SUBSIDY PROVISION

Tenancy arrangements with partner families incorporate an agreement to allow tenants to purchase properties on special terms. The arrangements provide for the amounts paid as rent (less a deduction for rates, maintenance and insurance) by each partner family prior to the purchase of their property to be treated as part-payment towards the agreed purchase price (subject to satisfactory completion of the tenancy trial period). These rentals are shown as income but a corresponding "property subsidy" expense is also recognised, creating a provision. The expense is based on managements' estimate of the likelihood that the partner family will sign the Long-Term Sale and Purchase Agreement. If management estimate that all current partner family tenants will sign a Long-Term Sale and Purchase Agreement, then the property subsidy expense will equal total recognised rentals.

O. IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group conducts an annual internal review of asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in expected future processes, technology and economic conditions, are also monitored to assess for indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset.

Where the future economic benefits of an asset are not primarily dependent on the asset's ability to generate net cash inflows and the Group would, if deprived of the asset, replace its future economic benefits, value in use is the depreciated replacement cost of the asset.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairment losses directly reduce the carrying amount of assets and are recognised in the Statement of Comprehensive revenue and expense.

Non-financial assets that previously suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

P. PROVISIONS

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market rates and, where appropriate, the risks specific to the liability. Provisions are not reflected for future operating losses except for liquidation expenses.

Q. GOODS AND SERVICES TAX (GST)

All amounts are shown exclusive of Goods and Services Tax (GST), except for receivables and payables, which are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, Inland Revenue, is included as part of receivables or payables in the Statement of Financial Position.

The Group Affiliates are registered for GST on a payment's basis and with the approval from the Commissioner of Inland Revenue pays GST on rental received from partner families in lieu of a change of use adjustment on the sale of property.

GST balances are classified as noncurrent in the financial statements where the related payments or receipts are expected to be made or received in less than 12 months after 30 June 2025.

R. TAXATION

The Group is wholly exempt from New Zealand income tax and gift duty under section CW 41 and CW 42 of the Income Tax Act 2007 having fully complied with all statutory conditions for these exemptions. However, under CW42 tax legislation any business income sent overseas for charitable purpose is taxable. The Group has obtained a Short Process ruling from Inland Revenue and accordingly any business income generated from ReStores activities and sent overseas through Habitat for Humanity New Zealand as match funds for New Zealand Government funded projects will be declared through IR 4 and IR 10 Income tax returns annually. As per the short Process ruling these donations from the Affiliates to Habitat for Humanity New Zealand are entitled to donation tax rebates under DB41. This will create a nil tax effect for these donations sent overseas through Habitat for Humanity New Zealand.

S. FINANCE EXPENSES

Interest payable on borrowings is recognised on the accrual basis and is calculated using the effective interest rate method.

T. LEASES

Leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases. All other leases are classified as operating leases. Upon initial recognition finance leased assets are measured at an amount equal to the lower of its fair value and the present value of minimum leased payments at inception of the lease. A matching liability is recognised for minimum lease payment obligations excluding the effective interest expense. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to the asset.

Payments made under operating leases are recognised in the surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Associated costs, such as maintenance and insurance are expensed as incurred.

U. REVENUE RECOGNITION

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of Goods and Services Tax, returns, rebates and discounts.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below:

Interest income

Interest income is recognised as it accrues using the effective interest method.

Mortgage interest revenue

Mortgage interest is calculated on the mortgage balance outstanding at year end and is charged to the partner families' loan accounts annually. Mortgage interest is recognised in the Statement of Comprehensive Revenue and Expense using the effective interest method.

Grants and donations

Grant and donation income is recognised as income when it is received unless the Group has a liability to repay the grant if the requirements of the grant or donation are not fulfilled. A liability is recognised to the extent that such conditions are unfulfilled as the end of the reporting period.

Gifts in kind

Gifts in kind are recognised as revenue at the time the value is provided. The value is estimated by considering what the supplier would have charged in an arm's length transaction.

Designated funds

These are the restricted funds received from donors and reserved for the specific project. The funds will be distributed to the project as the work on the project progresses.

Global Village Teams

Habitat for Humanity New Zealand has a strong commitment towards supporting Habitat for Humanity International's global programme with a particular emphasis in the Asia Pacific region. A significant component of this support is participation in the Global Village programme.

Global Village trip pricing is determined for each trip which covers a donation towards administration of programme through

New Zealand office, a donation towards visiting country administrations costs and the balance towards in country accommodation, food and transport costs.

At the conclusion of each trip the revenue/expenses are transferred to Statement of Comprehensive Revenue and Expense.

ReStores

Habitat runs ReStores which are retail shops for a range of goods from building construction related materials to second-hand household goods. The items are donated on a voluntary basis and sold at reasonable second-hand value. In addition to paid employees, volunteers are used for running the operations.

Rental income

Rent from families is recognised as revenue at the time it is received. A corresponding subsidy provision is also recognised.

Revenue from non-exchange transactions

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

When non-exchange revenue is received with restrictions attached, but not requirement to return the asset if not deployed as specified, then revenue is recognised on receipt.

V. VOLUNTEER SERVICES AND OTHER DONATED GOODS AND SERVICES

Voluntary services with a value that can be reliably estimated are treated as revenue and expenses. Other volunteer services are not recognised in the financial statements. A value has been placed on time provided by volunteers that operate in the ReStore and work on the building sites. This has been determined by using the estimated cost had the volunteers' time been paid for by the Group. The associated expense is included in employee benefits expense in the surplus and deficit, or in the case of volunteer time for construction of houses, capitalised to the cost of the house. Partner families also perform 500 sweat equity hours as part of their agreement with the Group. As there is no reliable indicator of perceived value of these hours per house the fair value of these services cannot be measured reliably and are not recorded.

Donated goods and products are recorded at their estimated fair value. For building materials, the fair value is the estimated sales price of the materials. For second-hand goods the fair value is the estimated selling price that the item will be sold for in the ReStore.

1. DONATIONS & GRANTS - NON EXCHANGE

	2025	2024
General donations	2,523,589	1,722,689
Overseas relief	74,514	60,193
Total Donations & Grants Non-Exchange	2,598,103	1,782,882

2. GRANTS OTHER

	2025	2024
Habitat for Humanity New Zealand	-	144,992
Habitat for Humanity Northern Region Limited	1,138,000	1,758,000
Habitat for Humanity (Nelson) Limited	617,185	672,478
Habitat for Humanity Central Region Limited	537,167	477,827
Other	-	105,072
Total Donations & Grants Non-Exchange	2,292,352	3,158,369

3. RESTORE ACTIVITIES

	2025	2024
Income		
Sales	13,426,543	12,509,470
Stock movement	204,867	58,777
Voluntary labour	1,987,346	1,757,615
Sundry	844,011	52,000
Total Income	16,462,767	14,377,862
Less Expenses		
Advertising	2,463	8,898
Depreciation	6,598	6,716
Voluntary labour	1,987,346	1,757,615
Direct labour	6,765,260	5,830,482
Rent	1,643,338	1,425,527
Sundry	2,382,002	1,213,787
Total expenses	12,787,007	10,243,025
Surplus	3,675,760	4,134,837

ReStore is the trade name for Habitat's second-hand goods stores. Donations of goods are made by the general public and these are then sold to help fund Habitat's various activities. From a national perspective the aim is to have the profits from these stores fund overhead costs so that all other donations are applied directly to activities which benefit families in need.

4. GIFTS IN KIND

	2025	2024
Volunteer hours	56,353	54,663
Goods in kind	309,149	108,836
Total Gifts in kind	365,502	163,499

5. NET FINANCE INCOME AND EXPENSES

	2025	2024
Interest on deposits	773,464	150,270
CPI interest	732,230	(92,657)
Fair value adjustment	9,649,193	4,110,687
Effective interest amortisation on receivables	-	156,203
Currency Gains/(loss)	968	(2,593)
Finance income	11,155,855	4,321,910
Interest on borrowings	(2,738,723)	(405,426)
Bank fees	(13,115)	(6,017)
Fair value adjustment	(8,000)	-
Effective interest amortisation on borrowings	(24,507)	1,144
Finance expense	(2,784,345)	(410,299)
Net finance income	8,371,510	3,911,611

6. OTHER INCOME

	2025	2024
Contract management fees -Te Whatu Ora (Health NZ)	7,574,000	5,483,000
Home repair work	1,842,461	1,311,134
Other	914,932	491,758
Total other income	10,331,393	7,285,892

7. SPECIFIC INITIATIVE EXPENSES

	2025	2024
Repair programmes	4,510,156	3,749,824
Relief programmes	2,784,487	1,658,613
Advertising and promotion	65,528	271,085
Travel	285,977	298,416
Total specific initiative expenses	7,646,148	5,977,938

8. PROPERTY RELATED EXPENSES

	2025	2024
Repairs and maintenance	333,704	124,350
Rates	363,743	271,712
Rent	849,707	738,879
Utilities	108,689	96,432
Property general	545,517	332,833
Volunteer labour	195,672	169,140
Total property related expenses	2,397,032	1,733,346

9. DEPRECIATION EXPENSE

	2025	2024
Depreciation – Property, Plant & Equipment	847,435	782,518
Depreciation – Restores	6,598	6,716
Depreciation – Properties held for Social Service	653,356	431,609
Total depreciation expense	1,507,389	1,220,843

Made up as follows:

Properties Held for Social Service	13	653,356	431,609
Property Plant & Equipment	12	854,033	789,234
Net depreciation		1,507,839	1,220,843

10. CASH AND CASH EQUIVALENTS

	2025	2024
Cash at bank	10,025,859	8,461,356
Overdrafts	-	(9,596)
Total cash and cash equivalents	10,025,859	8,451,760

11. INVESTMENTS

	2025	2024
Investments current	15,085,778	8,922,759
Total Investments	15,085,778	8,922,759

The above balance includes short term investments, where the original term is greater than 90 days and matures within 12 months from balance sheet date.

12. PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amounts at the beginning and end of the period	Land & Buildings	Plant & Equipment	Motor Vehicles	Computers, Furniture & Equipment	Total
Year ended 30 June 2025					
At 1 July 2024 net of accumulated depreciation and impairment	23,956,656	109,235	498,488	572,777	25,137,156
Additions	1,015,340	6,630	164,418	267,070	1,453,458
Disposals	(446,961)	(704)	(30,058)	(1,440)	(479,163)
Transfer to Properties held to Provide Social Service	(1,083,789)	-	-	-	(1,083,789)
Depreciation charge for the year	(410,464)	(25,584)	(178,401)	(239,583)	(854,032)
At 30 June 2025 net of accumulated depreciation and impairment	23,030,782	89,577	454,447	598,824	24,173,630
At 30 June 2025					
Cost	26,135,739	331,515	1,494,873	1,748,955	29,711,082
Accumulated Depreciation	(3,104,957)	(241,938)	(1,040,426)	(1,150,131)	(5,537,452)
Net carrying amount	23,030,782	89,577	454,447	598,824	24,173,630

Reconciliation of carrying amounts at the beginning and end of the period	Land & Buildings	Plant & Equipment	Motor Vehicles	Computers, Furniture & Equipment	Total
Year ended 30 June 2024					
At 1 July 2023 net of accumulated depreciation and impairment	26,169,287	73,026	486,092	596,823	27,325,228
Additions	986,421	65,559	226,906	204,050	1,482,936
Disposals	(449,378)	(8,436)	(45,613)	(9,382)	(512,809)
Transfer to Properties held to Provide Social Service	(2,368,965)	-	-	-	(2,368,965)
Depreciation charge for the year	(380,709)	(20,914)	(168,897)	(218,714)	(789,234)
At 30 June 2024 net of accumulated depreciation and impairment	23,956,656	109,235	498,488	572,777	25,137,156
At 30 June 2024					
Cost	26,672,833	341,207	1,507,490	1,795,219	30,316,749
Accumulated Depreciation	(2,716,177)	(231,972)	(1,009,002)	(1,222,442)	(5,179,593)
Net carrying amount	23,956,656	109,235	498,488	572,777	25,137,156

13. PROPERTIES HELD TO PROVIDE A SOCIAL SERVICE

Reconciliation of carrying amounts at the beginning and end of the period

Year ended 30 June 2025

At 1 July 2024 net of accumulated depreciation and impairment	43,904,425
Additions	38,534,610
Transfers and disposals	(1,171,587)
Impairment	-
Depreciation charge for the year	(653,356)
At 30 June 2025 net of accumulated depreciation and impairment	80,614,092
At 30 June 2025	
Cost	82,543,282
Accumulated Depreciation	(1,929,190)
Net carrying amount	80,614,092

Year ended 30 June 2024

At 1 July 2023 net of accumulated depreciation and impairment	33,602,963
Additions	11,788,697
Transfers and disposals	(1,055,626)
Impairment	-
Depreciation charge for the year	(431,609)
At 30 June 2024 net of accumulated depreciation and impairment	43,904,425
At 30 June 2024	
Cost	47,132,950
Accumulated Depreciation	(3,228,525)
Net carrying amount	43,904,425

All properties held to provide a social service are stated at cost less accumulated depreciation.

The property is initially rented to the partner family until such time as the partner family has fulfilled its obligations under the Umbrella Agreement. When the partner family obligations have been fulfilled, the partner family can purchase the property at the agreed sale price (being the initial market valuation) by signing a Long-Term Sale and Purchase Agreement. At this stage the property is effectively sold, and a mortgage receivable is created. The Group retains security over the property until full settlement has been received.

14. CONSTRUCTION IN PROGRESS

	2025	2024
Construction in progress - current	119,000	-
Construction in progress - non current	6,636,604	18,135,680
Total construction in progress	6,755,604	18,135,680

Construction in progress represents the cost price of land plus the construction costs incurred to date in houses under construction. The cost of the houses comprises the cash cost of materials and labour plus the cost of donated materials and labour where this can be reliably estimated. On completion, the properties are transferred to "Properties held to provide a social service" and valued in accordance with the accounting policy disclosed in section L of the *Summary of significant accounting policies* and is subject to impairment review as disclosed in section O of the *Summary of significant accounting policies*.

15. GOODWILL

	2025	2024
Habitat For Humanity Te Waipounamu Limited	130,000	130,000

In December 2015, Habitat for Humanity (Invercargill) Limited purchased a business known as The Garage Re-use Shop and the purchase price included Goodwill worth \$130,000. An impairment assessment was completed in June 2025 and concluded the Goodwill is not impaired. Habitat For Humanity (Invercargill) Limited subsequently amalgamated with Habitat for Humanity Te Waipounamu Limited on 28th February 2025.

16. MORTGAGE RECEIVABLES

	2025	2024
Current portion	373,100	346,770
Non-current portion	5,388,813	6,091,731
Total mortgage receivables	5,761,913	6,438,501

Mortgage receivables represent the amounts due from partner families from the sale of houses constructed for their use. The mortgages are structured in accordance with the Long-Term Sale and Purchase Agreement between Habitat for Humanity and the partner families. The mortgages are inflation adjusted and are repayable based on principal and interest payments made on a fortnightly or weekly basis by partner families. Mortgages are secured over the properties on which the mortgages are payable.

There are currently no indications of impairment losses on mortgage receivables, and no impairment has been recognised in the current year (2024: Nil). An impairment review is performed annually as described in section O of the *Summary of accounting policies*.

17. PROPERTY SUBSIDY PROVISION

	2025	2024
Balance at beginning of year	1,069,865	693,142
Rental payments provided for during the year	920,377	394,007
Rental payments converted to mortgage payment	41,761	-
Payments transferred back to income	(187,835)	27,577
Other expense items	(596,887)	(44,861)
Balance at end of year	1,247,281	1,069,865

Tenancy arrangements with partner families incorporate an agreement to allow tenants to purchase properties on special terms. The arrangements provide for the amounts paid as qualifying rent (less a deduction for rates, maintenance and insurance) by each partner family prior to the purchase of their property to be treated as part-payment towards the agreed purchase price (subject to satisfactory completion of the tenancy trial period). These rentals are shown as income but a corresponding "property subsidy" expense is also recognised, creating a provision. The expense is based on management's estimate of the likelihood that the partner family will sign the Long-Term Sale and Purchase Agreement. Management estimate that 100% (2024:100%) of all qualifying rental will convert to mortgage payments.

18. BORROWINGS

Carrying Value	2025	2024
Directors related parties	13,000	13,000
Kāinga Ora	130,000	78,000
Ministry of Housing & Urban Development	15,511,544	6,642,926
Private	12,831,324	9,541,479
Bank loans	27,509,984	20,810,059
Total Borrowings	55,995,852	37,085,464

Current	2,837,586	3,337,140
Non-current	53,158,266	33,748,324
Total Borrowings	55,995,852	37,085,464

Face Value	2025	2024
Directors (related parties)	13,000	13,000
Kāinga Ora	130,000	147,000
Interest free loans	34,691,484	16,496,699
Private	12,605,180	9,887,717
Bank loans	27,509,984	20,810,059
Total Face Value of Borrowings	74,949,648	47,354,475

Interest and Security (carrying value)	2025	2024
Interest Bearing at 2 to 6.46% (Bank debt)	38,996,003	26,298,455
Interest Free	16,999,849	10,787,009
Total Borrowings	55,995,852	37,085,464
Secured	43,526,077	36,261,519
Unsecured	12,469,775	823,945
Total Borrowings	55,995,852	37,085,464
Total securities	2025	2024
Included in Mortgage Receivables - Current	1,396,000	1,384,000
Included in Mortgage Receivables - Non-Current	3,185,000	3,185,000
Included in Construction in Progress	3,327,826	379,861
Included in Properties held for social service	55,001,683	30,483,980
Included in Plant and Equipment	37,662,831	37,938,141
Total Carrying Value of Assets secured by Borrowing	100,573,340	73,370,982

The above assets on the Statement of Financial Position are subject to borrowing encumbrances as at 30 June 2025. Further details are contained within each affiliate's set of financial statements.

Overdraft credit facilities	2025	2024
Portion drawn	-	9,596
Undrawn facilities	-	90,404
Total credit facilities	-	100,000

The undrawn facilities noted above represent the sum that is immediately available to the various affiliates when required.

19. TRADE AND OTHER RECEIVABLES

	2025	2024
Trade receivables	1,003,979	774,287
Partner and LTSPA families 'insurance and rates fund'	43,080	-
Home repair program loans	48,591	-
Prepayments	48,257	61,076
Total trade and other receivables	1,143,907	835,363

20. FINANCIAL INSTRUMENTS

Financial instruments by category	Financial assets at amortised cost	Financial assets at fair value	Financial liabilities at amortised cost	Financial liabilities at fair value	Total carrying amount
2025					
Assets					
Cash and cash equivalents	10,025,859	-	-	-	10,025,859
Investments	15,085,778	-	-	-	15,085,778
Trade receivables	1,376,061	-	-	-	1,376,061
Mortgage receivables	-	5,761,913	-	-	5,761,913
Total Assets	26,487,698	5,761,913	-	-	32,249,611
Financial Liabilities					
Trade Payables	-	-	2,125,638	-	2,125,638
Loans and Borrowings	-	-	34,026,984	21,956,867	55,983,851
Designated Funds	-	-	2,452,732	-	2,452,732
Designated Funds – Tithes	-	-	654,666	-	654,666
Other Payables	-	-	122,665	-	122,665
Development Fund	-	-	13,000	-	13,000
Total Liabilities	-	-	39,395,685	21,956,867	61,352,552

Financial instruments by category	Financial assets at amortised cost	Financial assets at fair value	Financial liabilities at amortised cost	Financial liabilities at fair value	Total carrying amount
2024					
Assets					
Cash and cash equivalents	8,461,355	-	-	-	8,461,355
Investments	8,922,759	-	-	-	8,922,759
Trade receivables (exchange)	1,437,530	-	-	-	1,437,530
Mortgage receivables	-	6,302,455	-	-	6,302,455
Total Assets	18,821,644	6,302,455	-	-	25,124,099
Financial Liabilities					
Trade Payables	-	-	2,350,191	-	2,350,191
Loans and Borrowings	-	-	27,219,045	9,863,015	37,082,060
Designated Funds	-	-	2,867,523	-	2,867,523
Designated Funds – Tithes	-	-	647,210	-	647,210
Other Payables	-	-	117,324	-	117,324
Development Fund	-	-	13,000	-	13,000
Total Liabilities	-	-	33,214,293	9,863,015	43,077,308

21. OTHER ASSETS

Current	2025	2024
Home Repair Loans	48,591	-
Non -Current		
Home Repair Loans	469,258	-
Tenancy bonds	61,380	114,894
Other Assets	108,535	-
Other non-current assets	639,173	114,894
Total other assets	687,764	114,894

22. GLOBAL VILLAGE

	2025	2024
Total Revenue	140,121	67,112
Total Expenses	107,027	54,039
Surplus from Global Village teams	33,094	13,073

23. RELATED PARTY TRANSACTIONS

a) Parent and ultimate controlling party

Habitat for Humanity New Zealand Limited owns one controlling share in each of the subsidiary entities listed below. The share is uncalled. Under certain circumstances the share enables the Company to appoint a controlling director of the subsidiary Board.

b) Subsidiaries

Habitat for Humanity Northern Region Limited
Habitat for Humanity Central Region Limited
Habitat for Humanity (Nelson) Limited
Habitat for Humanity Te Waipounamu Limited

All subsidiaries have a 30 June balance date and are providers of housing solutions to partner families in need. All are incorporated and domiciled in New Zealand. Transactions and amounts receivable/payable owed to the subsidiaries have been eliminated on consolidation.

Habitat For Humanity (Christchurch) Ltd, Habitat for Humanity (Dunedin) Ltd and Habitat for Humanity (Invercargill) Ltd were amalgamated into an entity Habitat for Humanity Te Waipounamu on 28 February 2025.

Equity adjustment in Consolidated Statement of changes in net assets:

Habitat for Humanity Te Waipounamu Ltd - Prior year shares held by three entities prior to amalgamation were cancelled, and new shares were issued for the Company resulting in a net reduction of 952 (\$1 per share). All shares have equal voting right but have no right to distributions of profits or any residual assets upon the wind up of the company.

Habitat for Humanity Te Waipounamu Ltd	Number of Shares	2025	2024
Balance at 30 June	76	76	1,028

Financial Year 2024 due to disaffiliation of Habitat for Humanity Eastern Bay of Plenty and the merger of Habitat for Humanity Taranaki with Habitat for Humanity Central Region the following adjustments have been made to brought forward balances.

	2025	2024
Habitat for Humanity Eastern Bay of Plenty	-	(299,347)
Habitat for Humanity Taranaki	-	(1,925,012)
	-	(2,224,359)

The Company is owned by a number of shareholders and as such has no ultimate controlling party.

The Group had the following grants and donations received from Habitat for Humanity International during the year:

	2025	2024
Grant Received from Habitat for Humanity International	41,717	39,344
SOSI to Habitat for Humanity International	(37,261)	(21,740)
Net received from Habitat for Humanity International	4,456	17,604

The Company is related to Habitat for Humanity International by the signing of an annual covenant and Memorandum of Understanding around the use of brand, service and product. The Company reports both financial and non-financial information to Habitat for Humanity International on a quarterly basis.

Stewardship and Organisational Sustainability Initiative (SOSI) is a contribution made to Habitat for Humanity International.

c) Transactions with shareholders / directors and director-related parties

Other Transactions	2025	2024
Donation from the Gallagher Charitable Trust Board	-	25,000
Donation from J A Gallagher Family Trust	-	900,000
Paul Clements Director HFH Dunedin	-	1,800
Stephen Falconer (Former Director Habitat for Humanity (Invercargill) Limited - Accounting services)	-	19,670

John Gallagher is a director of Habitat for Humanity Central Region Limited and related to the Glenice & John Gallagher Foundation and the Gallagher Charitable Trust Board.

Key management compensation

The Group has a related party relationship with key management personnel. Key management personnel include the Board of Trustees, the Finance Audit Risk Committee and Senior Management.

	2025	2024
Salaries and other short term employee benefits	3,692,014	3,255,559
Number of staff	33	31

24. COMMITMENTS

a) Operating leases

The Group has the following operating lease payment commitments:

	2025	2024
Less than 1 year	1,500,880	1,049,144
Between 1 year and 5 years	1,960,703	1,441,370
More than 5 years	749,089	43,698
Total	4,210,672	2,534,212

The lease payment commitments relate to premises, office equipment and computer hardware.

The Group has the following operating lease payments receivable:

	2025	2024
Less than 1 year	166,000	162,000
Between 1 year and 5 years	750,000	554,000
More than 5 years	-	264,000
Total	916,000	980,000

b) Capital commitments

Habitat for Humanity Central Region Limited (2025)

- Palmer Street Development Project – 6 units to be built at Palmer Street Te Awamutu, with value of project \$1.7m
- Total costs to date as of balance date was \$0.08m and remaining cost to complete is \$1.6m

Habitat for Humanity Central Region Limited (2024)

- Jacks Landing (Stage 2 & 2a) Hamilton - 6 houses to be built at Jacks Landing with value of the project \$3.5m.
- total cost to date as of balance date was \$0.4 and the remaining cost to complete was \$3.6m.
- Venture Developments for acquisition of property at West Dune - 2 houses with a value of \$1.3m
- total cost to date as of balance date was \$0.1m and the remaining cost to complete was \$1.2m.
- Classic Homes Ltd for the construction of the property at Bellingham Crescent, Rotorua - 3 houses with a value of \$1.1m
- total cost to date as of balance date was \$10.1m and the remaining cost to complete was \$1.0m.
- Kainga Ora for the acquisition of development land at Quartz Avenue, Rotorua to the value of \$1.2m.
- Zion Church Trust for the acquisition of a 1/2 share of development land at Racecourse Road, Te Awamutu with a value of \$1.8m
- total cost to date as of balance date was \$1.5m and the remaining cost to complete was \$0.3m.
- Purchase of house at 64a, Bandon Street, Hamilton with a value of \$0.5m

Habitat for Humanity Northern Region (2025)

- Signed sale and purchase agreement for 16 homes in Keyte Street, Whangarei, a total capital commitment for \$8.3m.

Habitat for Humanity Northern Region (2024)

- Contract to build 23 units at 101-105, Maunu Road, Whangarei for \$14.1m.
- As at balance date \$2.7m had been spent and is expected to be completed by August 2024.
- Lease agreement at 65A Karapiro Drive, Stanmore Bay for an initial term of three years with an annual rent cost of \$0.09m.
- Signed sale and purchase agreements across Auckland and Northland, a total capital commitment of \$18.6m.

Habitat for Humanity Nelson (2025)

- To complete a three-house development at 71 Whitby Road, Wakefield at a total cost \$1.6m. The project will be completed in October 2025. At balance date it was estimated that the amount remaining to complete the project was \$1.1m plus the purchase of the land at \$0.5m.
- To complete a four-house development at 135 Tipahi Street, Nelson with a budgeted build cost of \$2.5m. It is expected that the project will be completed by December 2025. At balance date it was estimated that the amount remaining to complete the project was \$0.9m.
- To complete the purchase of a house property at 17 Examiner Street, Nelson for \$0.6m on 25 July 2025

Habitat for Humanity Nelson (2024)

- Commitment to complete a multi-unit house development at 617 Main Road, Stoke, Nelson at a cost of 2.5m.
- Project is expected to be completed by August 2024.

Habitat for Humanity Te Waipounamu Ltd (2025)

- Complete a housing development at 7 Kirkland Street, Green Island, Dunedin.
The Sales and Purchase Agreement was signed on 23 December 2023, however, the construction has not yet commenced as consent is yet to be received. The project will commence once this process has been finalised.

Habitat for Humanity Dunedin (2024)

- Development for 6 houses at 28 Balmain Street, Halfway Bush, Dunedin at an estimated cost of \$3.6m.
- Project is expected to be completed by September 2025
- Development for 3 houses at Kirkland Street, Green Island Dunedin at an estimated cost of \$2m.
- Project is expected to be completed by June 2025.

25. CONTINGENT LIABILITIES

There are no Contingent Liabilities that require disclosure at 30 June 2025 (2024: Nil).

26. EVENTS SUBSEQUENT TO BALANCE DATE

Habitat for Humanity Nelson Ltd

In July 2025 the Company entered into a deferred sale and purchase agreement with Naylor Love to acquire land in Rutherford Street, Nelson, for \$1,610,000. The Company expects to contract Naylor Love to start the construction of 18 homes on the land in the next 12 months, and the purchase price of the land will be payable in full at completion of that construction.

In August 2025 the Company purchased 3 homes from the Motueka Short Term Accommodation Charitable Trust. Together these were assessed at \$1,330,000, however the Trust also made a capital distribution to the Company for the unencumbered portion of this agreed value. This resulted in a net cash outlay of \$379,631 for the Company to acquire all 3 homes.

Habitat for Humanity Northern Region Ltd

On 17 July 2025 all loan facilities held by Kiwibank were refinanced with Community Finance. The total lending is \$18.14m at an interest rate of 4.8% maturing in July 2028.

Habitat for Humanity Northern Region has assigned sale and purchase agreement for Kamo Road, Whangarei, a total capital commitment of \$3.7m.

There are no material transactions that have occurred subsequent to balance date for the following:

- Habitat for Humanity New Zealand Ltd
- Habitat for Humanity Te Waipounamu Ltd
- Habitat for Humanity Central Region Limited

Independent Auditor's report

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Habitat for Humanity New Zealand Limited

Report on the Audit of the General Purpose Financial Report

Opinion

We have audited the general purpose financial report of Habitat for Humanity New Zealand Limited and its controlled entities ('the Group') which comprises the consolidated financial statements on pages 28 to 48 and the statement of service performance on pages 25 to 27. The complete set of the consolidated financial statements comprise the consolidated statement of financial position as at 30 June 2025, the consolidated statement of comprehensive revenue and expense, the consolidated statement of changes in net assets and 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.

In our opinion the accompanying general purpose financial report presents fairly, in all material respects:

- the consolidated financial position of the Group as at 30 June 2025, and the consolidated financial performance, and cash flows for the year then ended; and
- the service performance for the year ended 30 June 2025 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 ('PB Standards RDR') issued by the New Zealand Accounting Standards Board.

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

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 1 ('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 General Purpose 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 the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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, Habitat for Humanity New Zealand Limited or any of its controlled entities.

Other Matter

The consolidated financial statements of Habitat for Humanity New Zealand Limited for the year ended 30 June 2024 was audited by another auditor who expressed an unmodified opinion on those statements on 16 November 2024.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 (but does not include the general purpose financial report and our auditor's report thereon).

Our opinion on the general purpose 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 general purpose financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the general purpose 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 the Directors for the General Purpose Financial Report

The Directors are responsible on behalf of the Group for:

- the preparation and fair presentation of the consolidated financial statements and the statement of service performance in accordance with PBES standards RDR
- 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 PBES standards RDR;
- the preparation and fair presentation of service performance information in accordance with the Group's measurement bases or evaluation methods, in accordance with PBES standards RDR;
- the overall presentation, structure and content of the service performance information in accordance with PBES standards RDR; and
- such internal control as the Directors determine is necessary to enable the preparation of the general purpose financial report that is free from material misstatement, whether due to fraud or error.

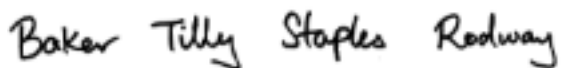
In preparing the general purpose financial report, the Directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either 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 General Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole, and the statement of service performance 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) 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, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

A further description of the auditor's responsibilities for the audit of the general purpose financial report is located at the External Reporting Board's website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-13-1/>



BAKERTILLY STAPLES RODWAY AUCKLAND

Auckland, New Zealand

8 December 2025

**HABITAT FOR HUMANITY NEW ZEALAND
ANNUAL REPORT: 1 JULY 2024 – 30 JUNE 2025**

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**Let's continue to
build impact
together**