

Consolidated Performance Report

Entity Name	Adult and Community Education (ACE) Aotearoa Incorporated
For the year ended	31/12/2025
Rounded to	<i>the nearest dollar</i>

Entity information

Name of entity *Adult and Community Education (ACE) Aotearoa Incorporated*

Entity identifier *CC31474*

Type of entity *Incorporated Charitable Society*

Entity's purpose or mission *We are the lead body for adult and community educators and adult learners*

Entity structure *ACE Aotearoa acts as a single unit delivering developmental programmes and advocating for the sector. It's subsidiary, ACE Aotearoa Focus 2017 Limited delivers services on a more commercial basis.*

Entity's governance arrangements *ACE Aotearoa currently has eight members on its Board. Its representatives are appointed by current financial members of ACE Aotearoa, for a three-year term, at the organisation's Annual General Meeting .*

Other entities controlled by *ACE Aotearoa Focus 2017 Limited*

Entity's reliance on volunteers and donated goods or services *The entity does not rely on volunteers but is happy to have their support on occasions*

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Statement of Service Performance

Description of medium to long term objectives

Meet the Sector Capability Contract requirements of the Tertiary Education Commission.

Strengthen sector capability through professional learning, development and peer networks.

Operate a financially sustainable, well governed organisation in service of members and the learners they reach.

Description of significant activities

Quantity

Current year

Last year

Description of significant activities	Current year	Last year
Conference registrations	176	127
Hui Fono registrations	138	95
Adult Learners' Week - number of organisations funded	29	20
Number of workshops delivered	54	31

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	Note	Current year \$	Last year \$
Revenue			
Donations, koha, bequests and other general fundraising activities		7,193	4,623
Government service delivery grants/contracts		1,200,000	1,200,000
Non-government service delivery grants/contracts	1	183,219	207,332
Membership fees and subscriptions		4,022	3,565
Revenue from commercial activities		101,526	69,559
Interest, dividends and other investment revenue		13,353	22,688
Total revenue		1,509,313	1,507,768
Expenses			
Employee remuneration and other related expenses		654,414	679,371
Volunteer related expenses		27,376	20,706
Expenses related to commercial activities	2	70,057	70,653
Other expenses related to service delivery		634,099	541,379
Grants and donations made		108,749	166,918
Other expenses		23,628	23,310
Total expenses		1,518,323	1,502,337
Surplus/(Deficit)		(9,009)	5,431

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	Note	Current year \$	Last year \$
Assets			
Current assets			
Cash and short-term deposits	3	594,828	865,923
Debtors and prepayments		48,459	44,364
Total current assets		643,287	910,287
Non-current assets			
Property, plant and equipment	5	2,385,128	2,408,755
Investments	6	188,720	180,399
Total non-current assets		2,573,848	2,589,154
Total assets		3,217,135	3,499,441
Liabilities			
Current Liabilities			
Creditors and accrued expenses		130,453	249,839
Employee costs payable	4	54,608	51,519
Deferred revenue		96,000	253,000
Total current liabilities		281,061	554,358
Net assets (total assets less total liabilities)		2,936,074	2,945,083
Accumulated Funds			
Accumulated surpluses or (deficits)	7	1,039,150	1,048,159
Property, plant and equipment revaluation reserve		1,896,924	1,896,924
Total Accumulated Funds		2,936,074	2,945,083

This performance report has been approved by those charged with governance.

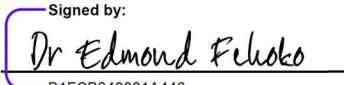
Date 10 June 2026 | 8:30 AM NZST

Signed by: _____

 Signature Jay Rupapera
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Name Jay Rupapera

Position Tangata Whenua Co-Chair

Date 10 June 2026 | 11:30 AM NZST

Signed by: _____

 Signature Dr Edmond Fehoko
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Name Dr Edmond Fehoko

Position Tangata Tiriti Co-Chair

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	Current year \$	Last year \$
Cash flows from operating activities		
Cash received:		
Donations, koha, bequests and other general fundraising activities	7,193	4,623
Government service delivery grants/contracts	1,200,000	1,200,000
Non-government service delivery grants/contracts	22,422	483,664
Membership fees and subscriptions	6,131	3,674
Gross sales from commercial activities	84,015	84,849
Interest, dividends and other investment receipts	13,762	22,682
Other cash received	1,804	-
Total receipts	1,335,327	1,799,492
Cash payments:		
Employee remuneration and other related payments	538,257	534,378
Volunteer related payments	28,876	20,282
Payments related to commercial activities	49,572	57,326
Other payments related to service delivery	778,952	870,958
Grants and donations paid	200,356	185,236
Other payments	-	40,953
Total payments	1,596,014	1,709,132
Net cash flows from operating activities	(260,687)	90,359
Cash flows from other activities		
Cash payments:		
Payments to acquire property, plant and equipment	2,086	6,389
Payments to purchase investments	8,321	10,261
Net cash flows from other activities	10,407	16,649
Net increase/(decrease) in cash	(271,094)	73,710
Opening cash	865,923	792,212
Closing cash	594,828	865,923

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*the nearest dollar***Consolidated Statement of Accounting Policies****Basis of preparation**

This performance report is prepared in accordance with the XRB's Tier 3 (NFP) Standard. The entity is eligible to apply these requirements as it does not have public accountability and has total annual expenses of less than \$5million. All transactions in the performance report are reported using the accrual basis of accounting. This performance report is prepared under the assumption that the entity is a going concern and will continue to operate for the foreseeable future.

Treatment of GST

The entity is registered for GST and all amounts are recorded on a GST exclusive basis, except for Debtors and Creditors which are stated inclusive of GST

Income Tax

Adult and Community Education (ACE) Aotearoa Incorporated is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Cash and short-term deposits

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

Employee Entitlements Payable

Employee entitlements to salaries, wages and annual leave are recognised when they accrue to employees. The annual leave liability has been calculated on an actual leave entitlement basis at current rates of pay.

Provision for Grants

Grants are recognised when they are approved as a cost in the Statement of Financial Performance and as a provision in the Statement of Financial Position. Payments are recognised against this provision leaving the balance showing the entity's obligations that are payable once the recipient has complied with the conditions of the grant.

Property, Plant and Equipment (PPE) Accounting Policy

Property, plant and equipment are initially recorded at cost. Subsequent to initial recognition:

- * Land and buildings are measured at revalued amounts in accordance with Tier 3 PBE requirements;
- * Other assets are carried at cost less accumulated depreciation and impairment.

Revaluation of Land and Buildings

Land and buildings are revalued every five years, with the next revaluation due in 2027. The entity uses council rateable valuations, as permitted under Tier 3 PBE standards, as a proxy for fair value. These valuations may not fully reflect current market value but are considered a reasonable approximation.

Revaluation gains and losses are recognised in accordance with Tier 3 requirements (through equity unless reversing a prior movement).

Depreciation

Land is not depreciated.

Buildings and other assets are depreciated on a straight-line basis over their useful lives.

Disposals

Gains and losses on disposal are recognised in the statement of financial performance.

There have been no changes in accounting policies during the financial year other than the above noted valuation policy regarding Land & Buildings. (last year - nil)

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Note 1 - Analysis of Revenue

Category	Analysis	Current year	Last year
Donations, koha, bequests and other general fundraising activities	Donations	7,193	4,623
	Total	7,193	4,623

Category	Analysis	Current year	Last year
Government service delivery grants/contracts	Tertiary Education Commission	1,200,000	1,200,000
Total		1,200,000	1,200,000

Category	Analysis	Current year	Last year
Membership fees and subscriptions	Membership	4,022	3,565
Total		4,022	3,565

Category	Analysis	Current year	Last year
Revenue from commercial activities	Contracts	36,098	11,000
	Rental Income	65,428	58,559
Total		101,526	69,559

Note 2 - Analysis of Expenses

Category	Analysis	Current year	Last year
Employee remuneration and other related expenses	ACC	1,822	1,389
	Salaries	496,214	471,812
	Training	2,106	1,496
	Contractors	154,272	204,674
Total		654,414	679,371

Category	Analysis	Current year	Last year
Expenses related to commercial activities	Cleaning	7,564	6,545
	Insurance	40,783	40,737
	Power	3,573	3,436
	Rent and Rates	9,041	8,192
	Repairs and Maintenance	9,095	11,743
Total		70,057	70,653

Category	Analysis	Current year	Last year
Other expenses related to service delivery	Direct costs relating to service delivery	376,017	347,811
	Administration and overhead costs	258,083	193,568
Total		634,099	541,379

Category	Analysis	Current year	Last year
Grants and donations made	Professional Development Grants	75,510	129,770
	Festival of Adult Learning	33,239	36,404
	Other Grants	-	744
Total		108,749	166,918

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Note 3 - Analysis of Assets

Category	Analysis	Current year	Last year
Cash and short-term deposits	Operating Account	184,697	110,890
	Savings Account	410,132	755,033
	Total	594,828	865,923

Category	Analysis	Current year	Last year
Debtors and prepayments	Accounts Payable	10,252	6,893
	Accruals	1,303	1,713
	Prepayments	36,904	35,759
	Total	48,459	44,364

Note 4 - Analysis of Liabilities

Category	Analysis	Current year	Last year
Creditors and accrued expenses	Accounts Payable	45,094	39,205
	Accruals	21,718	19,005
	Credit Cards	(40)	(44)
	GST	19,083	48,067
	Grants approved but not yet paid	41,251	132,858
	Income in Advance	3,348	10,750
	Total	130,453	249,839

Category	Analysis	Current year	Last year
Employee costs payable	Annual Leave Accrual	37,602	24,558
	Salary accruals	17,007	26,961
	Total	54,608	51,519

Category	Analysis	Current year	Last year
Deferred revenue	Lotteries Grant	96,000	253,000
	Total	96,000	253,000

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Note 5 - Property, Plant and Equipment

Asset Class	Current year					
	Opening Amount	Purchases	(Disposals)	(Depreciation)	Revaluation Movements	Closing amount
Land	1,850,000	-	-	-	-	1,850,000
Buildings	539,837	-	-	(15,036)	-	524,801
Furniture and fixtures	7,194	-	-	(1,121)	-	6,073
Office equipment	1,307	-	-	(265)	-	1,041
Computers	10,417	-	-	(7,206)	-	3,212
Total	2,408,755	-	-	(23,628)	-	2,385,128

Asset Class	Last year					
	Opening Amount	Purchases	(Disposals)	(Depreciation)	Revaluation Movements	Closing amount
Land	1,850,000	-	-	-	-	1,850,000
Buildings	554,920	-	-	(15,083)	-	539,837
Furniture and fixtures	8,500	-	-	(1,305)	-	7,194
Office equipment	1,643	-	-	(336)	-	1,307
Computers	10,381	6,389	-	(6,352)	-	10,417
Total	2,425,444	6,389	-	(23,077)	-	2,408,755

Source and Date of Valuation for Assets (including significant donated assets recorded at valuation)

Description of Asset	Source of Valuation	Date of Valuation	Amount
House and Land @ 192 Tinakori Road	QV Valuation	31-Dec-22	2,450,000

Note 6 - Investments

Asset Class	Current year						
	Valuation Method	Opening Carrying Amount	Purchases	(Disposals)	Income reinvested	Gains/(Losses) on revaluation or (Impairment)	Closing Carrying amount
Term Deposit	Current Market Value	180,399	-	-	8,321	-	188,720
		-	-	-	-	-	-
Total		180,399	-	-	8,321	-	188,720

Asset Class	Last Year						
	Valuation Method	Opening Carrying Amount	Purchases	(Disposals)	Income reinvested	Gains/(Losses) on revaluation or (Impairment)	Closing Carrying amount
Term Deposit	Current Market Value	170,138	-	-	10,261	-	180,399
		-	-	-	-	-	-
Total		170,138	-	-	10,261	-	180,399

Source and Date of Valuation for each Class of Investments Recorded at Current Market Value

Asset class	Source of Valuation	Date of Valuation
Term Deposit	Bank Statement	31-Dec-25

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Note 7 - Accumulated Funds

Description	Current year						
	Capital Contributed by Owners	Accumulated Surpluses or Deficits	Restricted and Discretionary Reserves	Property, Plant and Equipment Revaluation Reserves	Investment Revaluation Reserves	Other Reserves	Total
Opening balance	-	1,048,159	-	1,896,924	-	-	2,945,083
Surplus/(Deficit)		(9,009)					(9,009)
Closing balance	-	1,039,150	-	1,896,924	-	-	2,936,074

Description	Last year						
	Capital Contributed by Owners	Accumulated Surpluses or Deficits	Restricted and Discretionary Reserves	Property, Plant and Equipment Revaluation Reserves	Investment Revaluation Reserves	Other Reserves	Total
Opening balance	-	1,042,728	-	1,896,924	-	-	2,939,652
Surplus/(Deficit)		5,431					5,431
Closing balance	-	1,048,159	-	1,896,924	-	-	2,945,083

Note 8 - Commitments and Contingencies

Commitments

There are no commitments as at balance date (last year - nil)

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (Last Year - nil)

Note 9 - Deferred Revenue

Description	Purpose and nature of the documented expectations over future use	Date documented expectations are expected to be satisfied	Original Amount \$	Deferred Amount	
				Current year \$	Last year \$
Grant for services	Delivering capability training to Pasifika NFP groups in the Auckland area	31/10/2026	200,000	96,000	253,000
Total			200,000	96,000	253,000

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Note 10 - Related Party Transactions

Description of related party relationship	Description of the Transactions	Value of Transactions		Amount owing from/(to) related party	
		Current Year \$	Last Year \$	Current Year \$	Last Year \$
Key management personnel	Remuneration	294,588	280,681	-	-
Board Members	Honoraria	18,985	10,250	-	-

Note 11 - Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report.

Independent Auditor's Report

To the Board Members of Adult and Community Education Aotearoa Incorporated

Report on the Audit of the Consolidated Performance Report

Opinion

We have audited the consolidated performance report of Adult and Community Education Aotearoa Incorporated (the "Entity") and its controlled entity (together referred as the "Group") which comprise the consolidated financial statements on pages 3 to 11, the statement of service performance on page 2, and entity information on page 1. The complete set of consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of financial performance, and consolidated statement of cash flows for the year then ended, and the statement of accounting policies, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated performance report presents fairly, in all material respects:

- the entity information as at 31 December 2025;
- the consolidated financial position of the Group as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended; and
- the consolidated service performance for the year ended 31 December 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 the reporting requirements for Tier 3 Not-for-Profit Entities (Tier 3 (NFP)) Standard issued by the New Zealand Accounting Standards Board ("applicable financial reporting framework").

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 consolidated service performance information and entity information in accordance with the ISAs (NZ) and New Zealand Auditing Standard (NZ AS) 1 (Revised) *The Audit of Service Performance Information*. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Performance Report* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Other Information

The Board members are responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated performance report and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated performance report, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated performance report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Those Charged with Governance for the Consolidated Performance Report

Those charged with governance are responsible on behalf of the Group for:

- the preparation, and fair presentation of the consolidated performance report in accordance with applicable financial reporting framework;
- the selection elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present service performance information that is appropriate and meaningful in accordance with the applicable financial reporting framework;
- the preparation and fair presentation of service performance information in accordance with the Group's measurement bases or evaluation methods, in accordance with the applicable financial reporting framework;
- the overall presentation, structure and content of the service performance information in accordance with the applicable financial reporting framework; and
- such internal control as those charged with governance determine is necessary to enable the preparation of the consolidated performance report that is free from material misstatement, whether due to fraud or error.

In preparing the consolidated performance report, those charged with governance are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance 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 Consolidated Performance Report

Our objectives are to obtain reasonable assurance about whether the consolidated performance report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 economic decisions of users taken on the basis of this consolidated performance report.

A further description of the auditor's responsibilities for the audit of the consolidated performance report is located at the External Reporting Board's website at: <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-17-1/>.

Restriction on use of our report

This report is made solely to the Board's members, as a body. Our audit work has been undertaken so that we might state to them those matters which we are required to state 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 Entity and its board, as a body, for our audit work, this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Limited**S Adhau****Director****Wellington****12 June 2026**