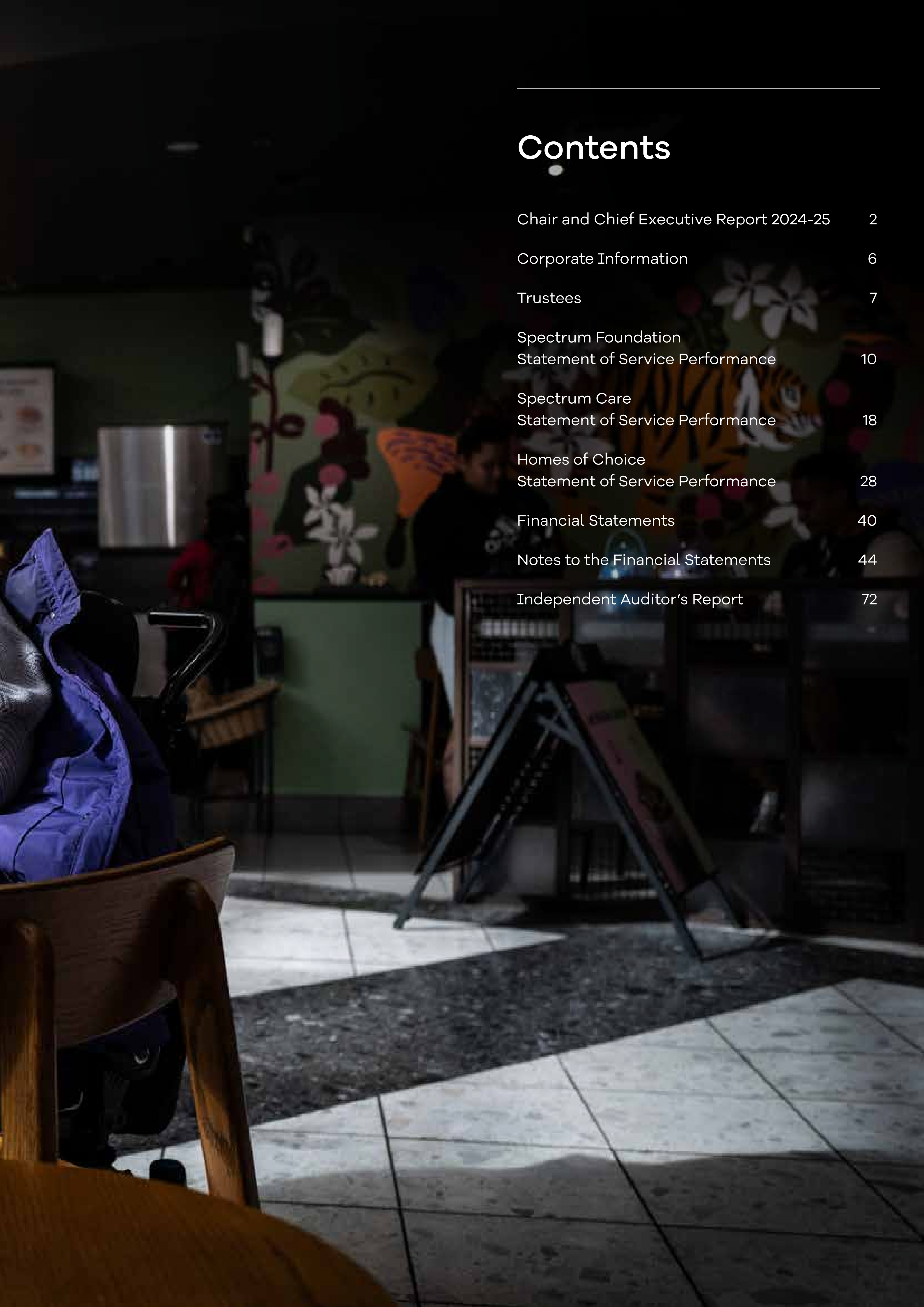
2025 Annual Report
SPECTRUM GROUP

SPECTRUM FOUNDATION
Ahākoa ko wai te tangata, ahākoa nō hea

Spectrum care
Te Wai Kahukura Atawhai

Homes of Choice
Ngā Kāinga Awhi


STARBUCKS



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Spectrum Group

Spectrum Foundation

Our ongoing efforts to break the barriers disabled people and their whānau face in achieving equitable outcomes and self-determination in health, housing, education and employment saw Spectrum Foundation distribute more than $1m in funding during the 2024-25 financial year, an increase year on year of 79 per cent. More information is set out in Spectrum Foundation's Statement of Service Performance later in this document.

The increased funding, however, comes on the back of an array of challenging statistics for disabled New Zealanders that reinforce the need for more funding, support and recognition of the systemic and societal barriers disabled New Zealanders face every day.

Studies such as the IHC's The Cost of Exclusion make it impossible to ignore the fact that people with intellectual disability are more likely to experience hardship than any other New Zealanders, describing in detail the way this manifests in all of a person's key life domains – from social and family relationships, to housing, physical and mental health, education and leisure.

While our ability to create systemic or national change may be modest, Spectrum Foundation is proud to be a disabled-led funder, through our Philanthropy Moderation Panel, and we remain resolutely committed to disabled self-determination. This is also reflected in our work towards achieving an Accessibility Tick and becoming a more accessible workplace which attracts more disabled kaimahi.

Putting disabled voices in front of new audiences, consistently and at scale, and building a 'platform' for systemic advocacy remains a strategic objective for the Foundation and FY25 saw some significant progress towards delivering on this commitment. Beginning in late 2024, the Communications and Marketing Team set about rebuilding the Group's social media properties, with an increased focus on lived experience, sector voices and frontline success stories. The reprioritisation saw a personalising of our brand presence, centring disabled voices and building a community where disabled people and allies could share a dialogue. Since November last year, the Group has seen social reach averages exceeding 300,000 per month, with significant increases in engagement and impressions. This is serving to both amplify disabled voices and broaden their impact.

In addition to our grants, Spectrum Foundation also provides shared services for its operating subsidiaries disability support provider Spectrum Care and community housing provider Homes of Choice, including finance, HR, IT, communications, quality oversight and cultural support.

Achievements across these services over the year have included the Group's Learning and Development Team developing and delivering a comprehensively updated monthly induction programme to new recruits, and the IT team taking significant strides towards the deployment of a new property management system for Homes of Choice and a new customer relationship management system for Spectrum Care.

Alongside this, the Payroll and Finance teams have completed a comprehensive review of the Group's Holidays Act remediation position, with KPMG validating both our process and its outcomes.

Service KPIs for these functions are regularly reviewed and it's pleasing, year after year, to see our stakeholders in Spectrum Care and Homes of Choice report satisfaction levels averaging more than 90 per cent.

Spectrum Care

The year started with ongoing challenges about certainty of funding and access for people in residential services. This lack of clarity has made it difficult to plan and accommodate future needs while Disability Support Services worked through a review of contracts and pricing models. Added to these challenges was the government announcement to discontinue all pay equity claims of which Spectrum Care was a party. This announcement effectively shut the door for us to address pay discrimination, despite our significant efforts over a number of years to have these issues addressed.

Despite the challenges of contract certainty, fair pricing and fair pay, Spectrum Care saw a number of milestones achieved over the 2024-25 financial year, key among which were the achievement of an Accessibility Tick in recognition of our commitment to building an inclusive and accessible workplace, and the delivery of Programme Astra, which is an all-of-organisation staff development initiative, co-created with the disability-led team at All is for All, featuring a video training series grounded in lived experience. The training programme built around this video series centres on the real stories of disabled people, their whānau and the staff who support them. It contains stories about connection and choice which set a benchmark for all our staff of what good support really looks like.

Whānau engagement was further increased through a range of projects centred around external advocacy and support for individuals without whānau support, and significant strides were also made in uplifting the voice of Māori and Pasifika within the organisation.

Our Whānau Engagement Lead has created engagements with community groups, churches and people's wider natural networks, and built partnerships with community organisations such as Parent to Parent, aimed at increasing support for whānau through peer-to-peer support networks. Spectrum Care's Whānau Advisory Group continues to evolve with ongoing input into key policy and workforce development initiatives, while recognising there is further opportunity to work in partnership in continuously improving how we support tāngata whaikaha/disabled people and whānau.

Significant work has been undertaken with disabled people/tāngata whaikaha, whānau and kaimahi/staff to uplift the voice of Māori, with regional hui driving our Te Ao Māori aspirations and planning. This has seen a strengthening of our provider, hapu and iwi connections.

Our Pasifika Cultural Group continues to ensure the voices of Pasifika within our services are heard and involved in the planning of our Pacific Calendar. Improving our delivery of cultural support has seen a significant review of how we meet the needs of Pasifika disabled people and aiga through analysis of our internal systems with a Pacific equity lens. This will inform a highly intentional and equity focused approach to service development and design over the coming years.

Initiatives and prioritisations such as these reflect a genuine commitment towards improving the quality of life for disabled New Zealanders and addressing the long-term challenges faced by the disability support sector.

Homes of Choice

Having a suitable home with security of tenure and financial stability is the fundamental starting point for changing people's lives – a home that's right-sized, healthy and safe.

However, the challenges disabled people face in securing accessible and affordable housing are well-known and require urgent action.

Home ownership and financial security are rare for people with intellectual disabilities or their families, which leads to the stark reality that older adults with intellectual disability are more likely than other New Zealanders to end up living alone, often in deprived areas. Disabled New Zealanders shouldn't have to fight so hard to have their basic needs met.

We know that access to safe, affordable and accessible living options is a key enabler for disabled people to live their lives of choice, and community housing providers like Homes of Choice are playing an increasingly important role in addressing these needs, creating welcoming home environments tailored to people's needs.

At the beginning of last year, Homes of Choice secured $8.6m of Government grant funding, along with support from impact investor Soul Capital through their Te Pai ki te Rangi Fund, to build 14 units across four developments, which will deliver a total of 48 bedrooms.

Three of the four projects were completed in the 2024-25 financial year, with a one final Affordable Housing Fund project due for completion in December 2025.

Partnerships and collaborations have been pivotal to projects like this, and we'd like to acknowledge our many partners and stakeholders for their essential roles in these developments. It was only through their shared commitment that we've been able to deliver such a remarkable outcome.

Across our full development portfolio, Homes of Choice has so far delivered 45 bedrooms in five developments, with 20 bedrooms of these fully accessible, and have another 19 bedrooms in two development sites due for completion in the coming months. More information is set out in our Statement of Service Performance later in this document.

In total, Homes of Choice is currently in the process of delivering a development pipeline that will see more than $23m invested into safe, affordable homes that are tailored to people's needs.

Conclusion

We thank our trustees and directors across Spectrum Group for their valuable contributions and diverse expertise, including lived experience of disability, which strengthens our governance, and our Executive Team for their leadership and dedication to our purpose and strategy.

We are grateful to all our management and staff teams for their commitment to our shared Vision and for upholding our Values, even when faced with challenges day to day.

We're grateful to the people and whānau we support for trusting us as partners to help achieve positive outcomes together. With this shared commitment, Spectrum Group remains well placed to fulfil our Vision of An Aotearoa in which all disabled people have equal opportunity to live good lives.

Ko te mea nui, ko te tangata. Ahākoa ko wai te tangata, ahākoa nō hea. – The important thing is people. No matter who the person is, no matter from where.

Graeme Edwards
Chair
Spectrum Foundation

Sean Stowers
Chief Executive
Spectrum Foundation

Spectrum Group

Each of our three entities fulfils our Vision in different ways across our sectors of operation – philanthropy, disability support and community housing.

Each entity therefore has its own supporting purpose.

Spectrum Foundation's purpose is:
'To break the barriers those most in need face in achieving equitable outcomes in health, housing, education, employment and self-determination.'

Spectrum Care's purpose is:
'To help maximise the potential of the people we support.'

Homes of Choice's purpose is:
'To empower new possibilities by providing welcoming homes, tailored to people's needs.'

Our Group Vision is:

'An Aotearoa in which all disabled people have equal opportunity to live good lives.'

Our Group Values are:

Equity – Mana taurite: 'We treat everyone fairly.'

Dignity – Whakaute: 'We honour and respect each other.'

Ambition – Pae tawhiti: 'We dream big.'

Sustainability – Ka ora: 'We do what's best.'

Our Group Whakatauki is:

'Ko te mea nui, ko te tangata. Ahākoa ko wai te tangata, ahākoa nō hea.' – 'The important thing is people. No matter who the person is, no matter from where.'

Corporate Information

Trustees

Registered Office

205 Great South Road
Greenlane
Auckland 1051
New Zealand

Principal place of business

205 Great South Road
Greenlane
Auckland 1051
New Zealand
Phone: 64 9 634 3790
Website: www.spectrumfoundation.org.nz

Bankers

ASB Bank Limited
17 Ronwood Avenue
Manukau City 2104
New Zealand

Westpac
PO Box 934
Shortland Street
Auckland 1140
New Zealand

Bank of New Zealand
80 Queen Street
Auckland 1010
New Zealand

Auditor

Grant Thornton New Zealand Audit Limited
152 Fanshawe Street
Auckland 1010
New Zealand

Trustees

The names and details of Spectrum Foundation's Trustees in office at the end of the financial year and at the date of this report are as follows. Trustees were in office for this entire period unless otherwise stated.

Graeme Edwards BA, LLB (Hons) [Chair]

Graeme joined the Spectrum Foundation Board in December 2021 and was appointed Board Chair in October 2022. His other governance roles include being a director of Lifetime Group, PPS Mutual and ASB Group Investments, and a member of the Financial Advice Code Committee.

Graeme is a commercial barrister specialising in financial services and corporate governance, and has previously held senior leadership roles with financial services organisations in New Zealand and Australia.

Jade Farrar [Trustee]

Jade joined the Spectrum Foundation Board in June 2018 and also serves as chair of the national Enabling Good Lives Leadership Group, leading several portfolios relating to System Transformation within the disability support sector.

Jade is a director of a communications and strategic advice consultancy and is committed to the pursuit of equity, working in strategic roles across the disability sector providing advice and partnering to create authentic opportunities to strengthen the voice and leadership of disabled people and whānau.

Mariette van Ryn BA, LLB [Trustee]

Mariette joined the Spectrum Foundation Board in December 2021 and is an experienced director and senior executive, having worked in professional services, corporate management and governance.

Now a consultant, Mariette is currently a member of the Financial Markets Authority and Insurance and Financial Services Ombudsman Limited.

Mariette has previously held a range of senior leadership and independent board roles, including at Simpson Grierson, Westpac NZ Group, Milford Asset Management Group and the New Zealand Markets Disciplinary Tribunal. Mariette has a particular interest in risk management, organisational redesign and productivity improvement.

Peter Fergusson PGDipMgtSt, DipDMktg [Trustee]

Peter joined the Spectrum Foundation Board in January 2023. He has over 28 years' experience as a Chief Executive Officer across a range of sectors, including disability. He also chairs the Board of Osteoporosis New Zealand and is a trustee for YMCA New Zealand, New Zealand Soldiers Great War Memorial Trust and Reel Recovery New Zealand.

As a father of a son living with disability, Peter is immersed in, and acutely aware of, the challenges that individuals and families encounter on a regular basis. He is committed to leading and influencing improvement across the disability sector.

Tanya Black BBus (Comms) [Trustee]

Tanya joined the Spectrum Foundation Board in January 2023. Tanya has a lived experience of disability and has served on several not-for-profit boards that promote and provide opportunities for disabled people.

Tanya currently works in economic development with Wellington's film industry and also runs a UNESCO programme supporting underrepresented and underserved communities to connect with film culture, education and employment.

Tanya has completed a Bachelor of Broadcast Communications, specialising in the media representation of disabled people and people of difference.

Teresa (Terri) Eggleton BBS, CA, PGDipBus, GradDipEconDev, NZCert (Te Reo) [Trustee]

Terri joined the Spectrum Foundation Board in January 2022 and has held governance roles in education, philanthropy and impact investing. Terri also spent time in public practice as a Chartered Accountant before moving into consultancy and governance roles.

Terri has formal qualifications in business studies, management, accounting and economic development, as well as experience in the philanthropic and SME sectors, and has a passion for promoting sustainable practices and driving impactful change through investment.


The Rolling Stones

Spectrum Foundation
Statement of Service Performance

Spectrum Foundation is a registered charity and philanthropic funder that seeks to break the barriers disabled people and their whānau face in achieving equitable outcomes in health, housing, education, employment and self-determination.

SPECTRUM FOUNDATION
Ahākoa ko wai te tangata, ahākoa nō hea

Spectrum Foundation is part of Spectrum Group, a charitable group of entities with a more than 30-year history, which includes Spectrum Care and Homes of Choice.

Spectrum Foundation's role is to support community groups and organisations that meet our strategic goals for change through accessible and equitable funding.

Our funding priority areas are health and wellbeing, housing, education and employment. Our aim is to distribute $1 million annually to support unmet need across these priority areas.

Spectrum Care is a registered charity and disability support provider that aims to maximise the potential of the people and whānau it supports by empowering choice, freedom and independence.

Spectrum Care offers a wide array of support options catered to those with learning and physical disability, brain injury and/or multiple diagnosis across all ages and stages of a disabled person's life.

Homes of Choice is a registered charity and community housing provider which delivers great homes enabling choice, accessibility and affordability for disabled New Zealanders. Homes of Choice works in partnership with the Crown, philanthropists and impact investors to provide a better life for disabled people and their whānau.

Our Vision

An Aotearoa in which all disabled people have equal opportunity to live good lives.

Our Purpose

To break the barriers those most in need face in achieving equitable outcomes in health, housing, education, employment and self-determination.

Our Whakatauki

'Ko te mea nui, ko te tangata. Ahākoa ko wai te tangata, ahākoa nō hea.' – 'The important thing is people. No matter who the person is, no matter from where.'

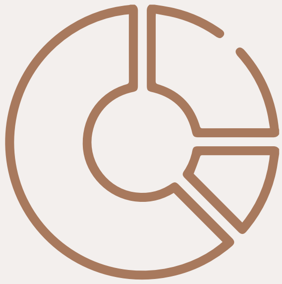
Key highlights

$1,122,112
in grants **distributed**[1]
↑ from $632,986[1] in 2024

$10,718
in **discretionary support**

45
applications **assessed by the Panel**
↑ from 19 in 2024

26
applications **approved**
↑ from 12 in 2024



$522,251
in grants distributed in **Health and Wellbeing**
↑ from $0 in 2024

$245,361
in grants distributed in **Employment**
↑ from $165,000 in 2024

$207,500
in grants distributed in **Self-determination**
↓ from $420,986 in 2024

$60,000
in grants distributed in **Housing**[2]
↑ from $0 in 2024

$87,000
in grants distributed in **Education**
↑ from $47,000 in 2024

Grants by priority area

Priority area	Applications approved		Grants distributed	
	2024	**2025**	**2024**	**2025**
Self-determination	7	0	$420,986	$207,500
Health and Wellbeing	0	17	0	$522,251
Employment	3	6	$165,000	$245,361
Education	1	2	$47,000	$87,000
Housing	1	1	0	$60,000
Total	12	26	$632,986	$1,122,112

Note 1: During the FY25 reporting period, we changed the way we report philanthropic grants from 'grants approved' to 'grants distributed'. This change removed the possibility of approved funds being distributed in a different financial year to those in which they were reported.

Note 2: This is exclusive of the significant impact and outcomes delivered by Spectrum Group community housing provider Homes of Choice.

Recipients

- Gig Buddies Auckland
- Parent to Parent
- The D List
- Ember Innovations
- Autism NZ – Every step together
- Taimahi
- Disability Connect – helping families
- Auckland Disability Law
- SPELD NZ (Spelead New Zealand Inc)
- Brain Injury Waikato
- Interlock Trust
- Project Employ
- Disability Sport Auckland
- Recreate NZ
- RE Aotearoa
- FASD-CAN Fetal Alcohol Spectrum Disorder Care Action Network
- Glass Ceiling Arts Collective
- Achilles International New Zealand
- Xabilities.com Neurodiversity Centre
- Access Matters Aotearoa

Customer feedback

In surveys soon after our funding rounds, applicants rated the process to have an accessibility rating of

4.74/5

↑ from 4.7/5 in 2024

100 per cent of unsuccessful applicants were notified of their application outcome. Commentary was received from respondents saying they appreciated the help and support they received during the application process.

"We are really grateful for the funding we have received and are pleased that the application process focuses on developing relationships with the organisation and what we do. We feel that Spectrum Foundation understands and values the impact of our mahi. Great job!"

Spectrum Foundation funding applicant

Commentary

Spectrum Foundation distributed **$1,132,830** in funding and further support during the 2024-2025 financial year.

To ensure the community does not miss out at this particularly fiscally constrained time, the Spectrum Foundation Board approved for the 2025-2026 philanthropic target to be increased by nearly $200,000 to ensure the funding can be utilised by the community.

Following feedback from the Spectrum Foundation Philanthropy Moderation Panel, community organisations and internal groups, Spectrum Foundation updated and clarified its funding approach this year. The new approach has a specific focus on supporting the self-determination of disabled people in all funding provided by the Foundation. This means self-determination is no longer a specific funding priority, but rather a theme to run through each successful funding application.

Spectrum Foundation aims to support the self-determination of disabled people through an expectation of funded entities to include disabled people as part of their leadership or in important decision-making for the initiative or organisation. To support organisations to do this, and in recognition of feedback from community groups in many external forums, Spectrum Foundation has set aside a small portion of its funding to assist groups during their funding period on a discretionary basis. Sixty-nine per cent of approved funding initiatives this financial year are disabled-led. It is expected that this figure will rise as the new funding approach becomes embedded.

Spectrum Foundation funding applicants select the priority to which their initiative is most relevant. An outcome of removing the self-determination funding priority and providing more clarity on Spectrum Foundation's funding focus areas is that a greater number of applications will be in the Health and Wellbeing funding priority. It is expected this trend will continue. However, it remains true that funded programmes often have benefits across more than one priority area.

Due to changes in expected funding availability over the year, the 2024-2025 financial year saw a one-off extraordinary funding round at Spectrum Foundation in December 2024. It is not anticipated for this to occur on a regular basis. However, this instance released $137,040 of further funding to community groups in addition to the September 2024 and March 2025 funding rounds.

Spectrum Foundation continues to be the only disabled-led philanthropic funder whose funding decision-making and prioritisation are guided by a unique and diverse Philanthropy Moderation Panel with lived experience of disability. This reflects the value we place on self-determination.

Our work to gain an Accessibility Tick this year will also help us to focus on becoming a more accessible workplace and attract more disabled people onto our team.

The Foundation will continue to use a mixed funding framework. The funding approach review confirmed this balanced model reflects Spectrum Foundation's approach – being accessible, leveraging connections in the sector and creating collaborative relationships.

Both the September 2024 and one-off December 2024 distributions formed the open funding round and disbursed $405,090 across 17 initiatives. A further $509,522 of funding was distributed from the March 2025 funding round across nine initiatives, along with an additional $10,718 provided as part of the new discretionary fund. Just under half of distributed funding was done so in collaboration with other funders. Funding collaboration, especially for larger social change-based initiatives continues to be a strategic focus.

Stories from 2025

Riding for Disabled Cambridge

There's something grounding about arriving at Riding for Disabled Cambridge. Nestled in a quiet valley and surrounded by paddocks, the centre hums with a gentle energy. A soft snort from the stables. The sound of hooves in the covered riding school. Children out in the field with their horses, returning from their morning ride.

The centre runs goal-based riding sessions for disabled children, combining the mahi of dedicated volunteers and trained staff. But support here goes far beyond the saddle. Whether it's designing adaptive equipment or offering groundwork sessions for tamariki who aren't yet ready to ride, the team meets each child where they're at.

Our funding helped cover operational costs – keeping the gates open, the horses cared for and the sessions running – so more kids can access the therapeutic benefits of riding.

Illuminate Night Markets

What started as a local event has grown into a movement. Illuminate, the night market run by Recreate NZ, brings people together in a way that's open, welcoming and full of heart. It's become a space where the disability community and wider public connect through food, music and creativity – and where belonging isn't just a buzzword, it's a feeling.

But Illuminate isn't just about connection. It's about opportunity. The market also provides real employment for disabled people and others from marginalised groups, supporting both social inclusion and financial independence.

Our funding helped Recreate grow the event and expand what's possible. More stalls, more roles, more people coming together to celebrate the value of everyone.

Taimahi Trust

Taimahi Trust is based in Whangārei and supports young adults with learning and intellectual disabilities to build practical skills and step into the workforce. Trainees gain experience in real working environments – from their café and retail shop to the garden, commercial kitchen and admin hub – all while building confidence, connection and self-belief.

Our funding in both 2024 and 2025 supported the Trust's kaupapa of providing pre-employment and ongoing employment support. That means walking alongside each trainee for the long haul. Not just to help them learn, but to help them thrive.

From first-day nerves to first paydays, Taimahi is helping young people find their place and their power in the workforce.

Accessibility Tick awarded

Spectrum Group recently earned the Accessibility Tick – a formal recognition of our commitment to building an inclusive and accessible workplace.

It's about making sure disabled and neurodiverse people can thrive here – whether that be our kaimahi, all of you, or the disabled people/ tāngata whaikaha we support.

To help keep everyone in the know, we've set up an Accessibility Tick Hub. It includes:

- our commitment to disability inclusion
- what the Tick is and why we're doing it
- a look at our action plan and what comes next.

So, what does this actually mean in practice?

Some of the changes already underway (or coming soon) include:

- making our job ads and recruitment processes more accessible
- making sure accessibility is baked into new builds and refurbishments
- improving the accessibility of our internal comms and digital tools
- making it easier for staff to ask for the adjustments they need
- providing training so we can all grow our confidence around disability and inclusion.

It's a lot – but it's the kind of mahi that makes a real difference. And it's work worth doing properly.


COLOUR DASH
Harcourts
Cooper & Co
PROUD TO SUPPORT OUR LOCAL COMMUNITY
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COLOUR DASH
unleash your smile

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Key highlights

How we've delivered on our strategic intent over the past 12 months.

Customer feedback

The financial year ending in June 2025 was the third year of our new annual customer satisfaction survey.

88%	of the people we support like Spectrum Care	↓ from 90% in 2024

What our customers say about us

"I like Spectrum Care. Staff are friendly. They are easy to interact [with] and [are] always making sure of my safety."

"I like that they help me and they're always there for me, even if I don't want help."

"We like how the staff help us and look after us while my brother and I are at Spectrum. Also, we love that we get to go out for a drive somewhere over the weekend while we are there. It's good to have a change of scenery."

"I love going swimming and going out every day."

"I like how the carer cares for me."

"It's fun. I do different things. They are caring. I need to find a part-time job. Some of my friends are nice. I like them."

Whānau feedback

62%	of whānau would recommend Spectrum Care*	↑ from 60% in 2024

*28 per cent are passive and 11 per cent are detractors *[30% and 10% in 2024].*

What whānau say about us

"Very happy with the support my daughter receives through Spectrum Care, and so no reservations in recommending Spectrum Care to others needing similar kinds of support."

"We love the fact that the people looking after our daughter are the same generation as her and go to some trouble to engage her in everyday community activities, taking her to shows and concerts and so on."

"Great service... Always striving to give or do their best for their clients, understanding, caring. Will highly recommend to anyone."

"Happy with interactions I have had with Spectrum Care to date."

"I cannot fault the care my son receives from the staff at his home. He is treated with the utmost respect and love, which we appreciate so much!"

"We are very happy with the support that Spectrum has shown us over the past 11 years, especially during the transition from respite care to residential."

My Life Survey

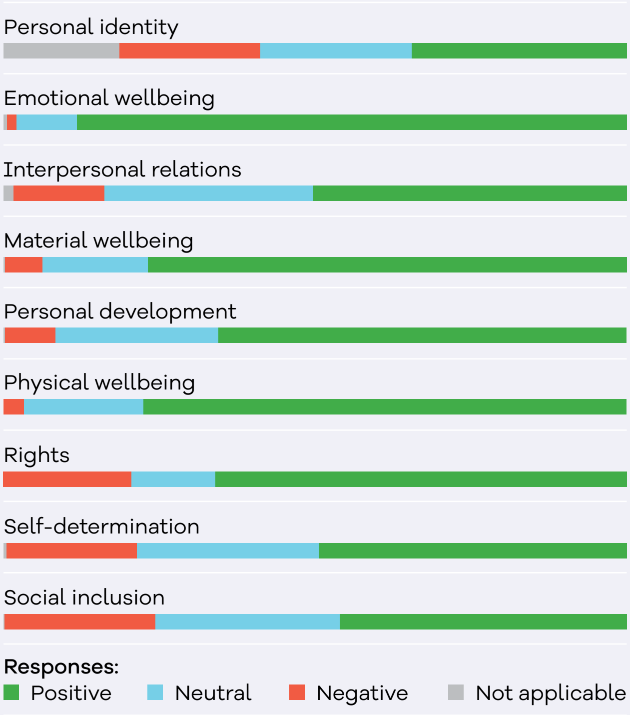
This quality of life survey was designed to provide reliable data about how well we deliver person-centred, individualised outcomes for the people we support in residential settings, based on Personal Goal Plans.

We employ disabled people to complete peer reviews of the face-to-face surveys.

We surveyed 371 people we support between 1 July 2023 and 30 June 2025 (relative to 345 people surveyed between 1 July 2022 and 30 June 2024).*

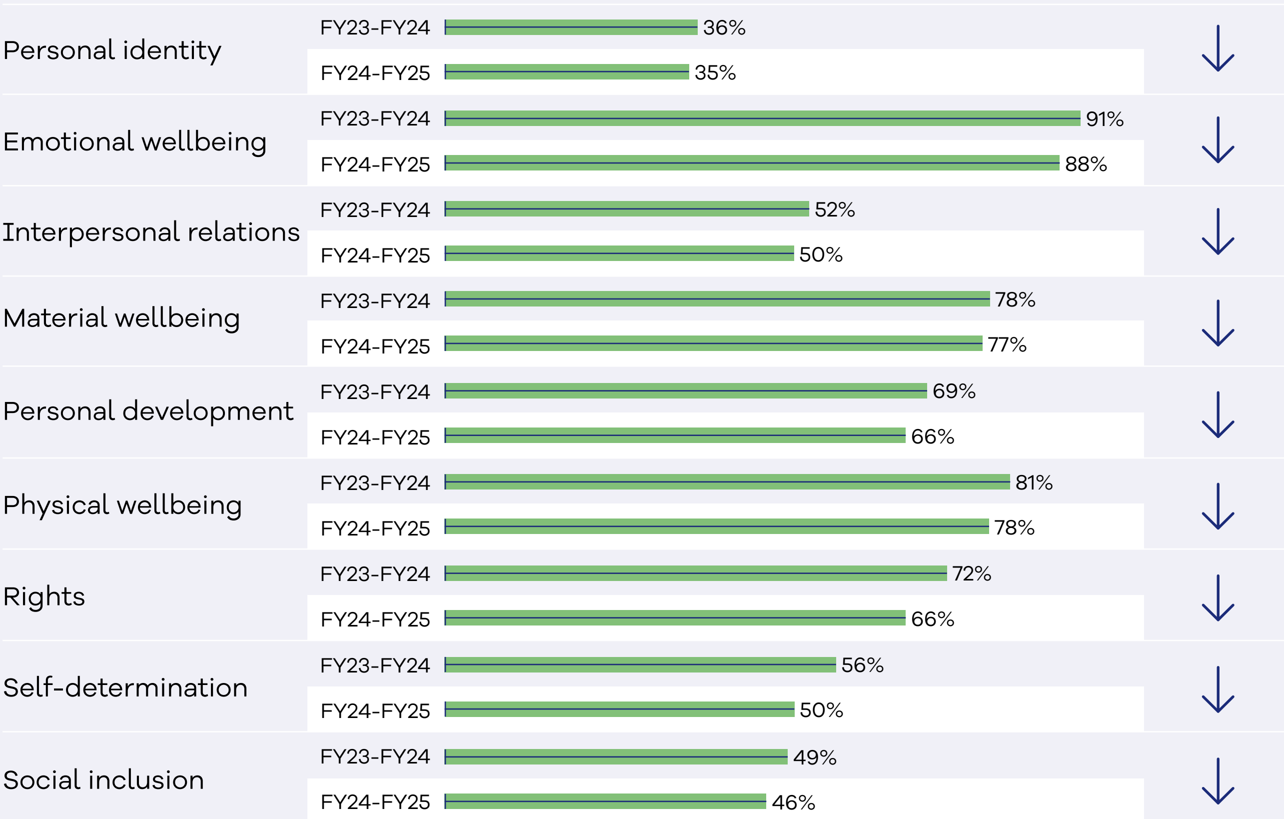
NOTE: My Life Survey survey is completed over a rolling biennial cycle, with approximately half of the population surveyed each financial year. As a result, this metric has changed from a one-year snapshot to a rolling two-yearly count.

MLS-Rolling two-year results-FY24-FY25



My Life Survey Questions

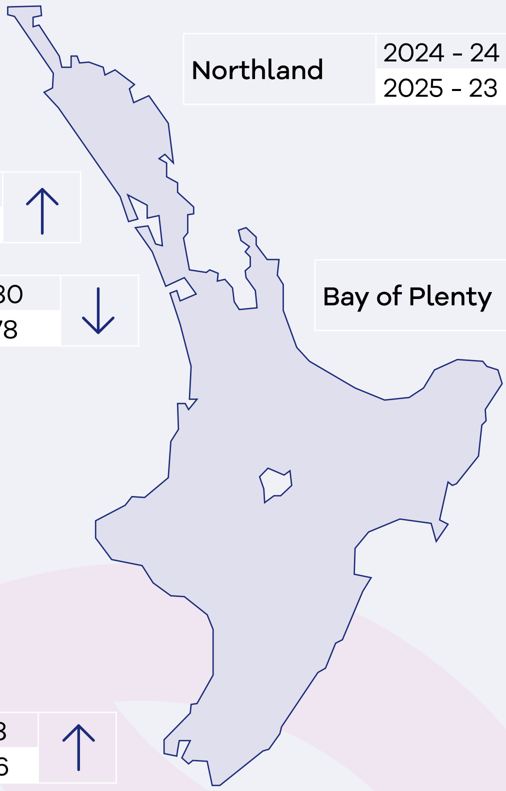
The green lines indicate positive responses provided by people we support in relation to their wellbeing, rights, etc.



Number of people/whānau supported by service*

Community Residential Support Services	2024 - 451 2025 - 446	↓
Supported Independent Living	2024 - 71 2025 - 129	↑
Choices in Community Living	2024 - 32 2025 - 37	↑
Home Support	2024 - 477 2025 - 462	↓
Respite	2024 - 349 2025 - 355	↑
School Holiday Programmes	2024 - 125 2025 - 145	↑
Aspirations	2024 - 164 2025 - 155	↓
Cultural Support	2024 - 99 2025 - 95	↓
Community Participation and Very High Needs (MSD)	2024 - 66 2025 - 67	↑
Transitions support	2024 - 35 2025 - 29	↓
Living My Life (ACC)	2024 - 0 2025 - 4	↑

Number of people/whānau supported by region*



Northland	2024 - 24 2025 - 23	↓
Auckland	2024 - 1384 2025 - 1429	↑
Waikato	2024 - 80 2025 - 78	↓
Bay of Plenty	2024 - 43 2025 - 42	↓
Wellington	2024 - 128 2025 - 146	↑

*Note that many people/whānau access multiple support options across Spectrum Care.

Stories from 2025

Increasing equity and inclusion

Spectrum Group recently earned the Accessibility Tick – a formal recognition of our commitment to building an inclusive and accessible workplace.

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- providing training so we can all grow our confidence around disability and inclusion.

It's a lot – but it's the kind of mahi that makes a real difference. And it's work worth doing properly.

Increasing choice and independence

Something pretty special has just launched: Programme Astra – our new staff development kaupapa co-created with the disabled-person-led team at All is for All.

For the past two years, we've been working together to create a video series grounded in lived experience – centred on the real stories of disabled people, their whānau and the staff who support them. Stories about connection. Stories about choice. Stories that remind us what good support really looks like.

At the heart of it all? Whanaungatanga. Tino rangatiratanga. Mana. And in April, those stories lit up the cinema at The Vic in Tāmaki Makaurau – with many of the stars sitting right there in the audience.

The people we support, who bravely and beautifully shared their journeys, got to see themselves on screen for the first time. Their friends and whānau came along too – some smiling wide, some wiping their tears. It wasn't just special. It meant something. To be seen like that and to share that moment with the people who matter most.

Programme Astra is part of our commitment to keep learning, listening and making sure the values we talk about – like dignity and ambition – show up in our everyday mahi.

Increasing the voice of whānau

Over the past year, our Whānau Engagement Lead has led an important project identifying individuals without whānau support and increasing external advocacy for this group. This work has created engagements with community groups, churches and people's wider natural networks, as well as external advocacy organisations. It's also led to a partnership with Parent to Parent aimed at increasing support for whānau through peer-to-peer support networks.

Extensive work has also been undertaken by the Whānau Engagement Lead to identify individuals who are capable of living more independently and working with individuals and their whānau to put the supports in place to achieve this.

Ongoing work with Spectrum Care's Whānau Advisory Group continues to ensure whānau voices are heard and embedded in the review of policies, management standards and standard operating procedures.

Most importantly, the Whānau Engagement Lead has been able to work with a wide array of Spectrum Care whānau over the past year to promote positive change across the organisation.

Increasing the voice of Māori

Over the past year, the Pou Tikanga has worked closely with disabled people/tāngata whaikaha, whānau and kaimahi to uplift the voice of Māori across our organisation. Regional hui across Te Ika-a-Māui created space for kōrero on Te Ao Māori aspirations and strengthened local connections.

Initiatives like Karakia Live with Fata, tuakiri and pepeha sessions, and regular kapa haka and waiata sessions have embedded tikanga into our daily rhythms and fostered cultural expression. The introduction of the kaikōkiri-a-rohe role, supported by the Awhi Group, has strengthened regional Māori leadership. A second cohort of senior management has successfully completed the five-day comprehensive Cultural Competency and Tiriti o Waitangi programme, showcasing our commitment to a leader-led approach.

Collaborations across business units have helped embed Māori perspectives into planning and delivery, for example, incorporating Te Whare Tapa Whā into the induction progress note session. These efforts, alongside mentoring, kaupapa Māori events and strategic input, reflect a strong and ongoing commitment to authentically embedding Te Ao Māori across our organisation. In June, the Awhi Group wānanga was a key milestone, building cultural confidence, connection and shared purpose.

Increasing the voice of Pasifika

Over the past year, the Pasifika Cultural Group has remained deeply committed to increasing the voice of Pasifika within our services and across the wider community. A key part of this has been the delivery of ongoing community cultural support, walking alongside Pasifika individuals and families in times of need. This approach ensures our people are met with understanding, respect and guidance that reflects their cultural values.

We also continued to strengthen our visibility through key Pacific Cultural Calendar events, including the Luau Night, Fiafia Night and Pasifika Christmas. These events showcased the vibrancy of our cultures through language, music, dance and traditional food. They created a welcoming space for celebration and connection, while also reaffirming the value of our voices and stories.

Every gathering was a powerful reminder that culture is not just a backdrop, it's a source of strength and a foundation for wellbeing. Through our cultural support and community-led events, we continue to create spaces where Pasifika voices are seen, heard and uplifted, ensuring they influence how services are shaped and delivered for generations to come.

Homes of Choice

Statement of Service Performance

Homes of Choice is a registered charity and community housing provider which delivers great homes, enabling choice and affordability for disabled New Zealanders.

We work in partnership with the Crown, philanthropists and impact investors to provide a better life for disabled people and their whānau.

Homes of Choice is part of Spectrum Group, a charitable group of entities with a more than 30-year history, which includes Spectrum Foundation and Spectrum Care.

Our Vision

An Aotearoa in which all disabled people have equal opportunity to live good lives.

Our Purpose

To empower new possibilities by providing welcoming homes, tailored to people's needs.

Key highlights

How we've delivered on our strategic objectives of 'Housing more people', 'Housing people better' and 'Growing through funding and partnerships' over the past 12 months.

867	people served.	↑ from 722 in 2024
30	planned property upgrades completed.	↑ from 21 in 2024
10	affordable rental units – seven x four-bedroom and three x two-bedroom – developed and delivered through a partnership with the Ministry of Housing and Urban Development and impact investor Soul Capital in Howick and Manurewa in Auckland.	↑ from 2 in 2024
9	units of one-, two- and four-bedrooms now under development.	↓ from 14 in 2024
3	sites demolished and redeveloped.	↑ from 2 in 2024

All 123 Homes of Choice-owned homes are now Healthy Homes compliant.

Ongoing funding relationship secured with ASB.

Development partnerships established with Sentinel Homes, Mike Greer Commercial and Miles Construction.

Customer feedback[1]

86%	of the people we support think their house is comfortable and homely.	→ from 86% in 2024, 78% in 2023
88%	of whānau think their loved one's house is comfortable and homely.	↑ from 78% in 2024, 81% in 2023

Note 1: During the FY25 reporting period, we changed the way we measure customer satisfaction. Previously, we reported a survey conducted with a randomised selection of 16 residents (N=722), which changed each year. This created anomalous variations in the longitudinal data. As a result, we've changed to a customer satisfaction survey which encompasses all people supported in our residential settings. While this change impacts the comparability of this data with previous years, response rates are nearly 10 times the size of the previous survey and are significantly more reliable as an indicator of customer sentiment.

What the people we support told us

"I really like the house and the staff. They consistently offer me the support I need and I feel well taken care of here."

"I feel comfortable and safe living in [my home]."

"I really like the house and the staff."

"I am happy living here."

"I am satisfied living in this house because I am able to maintain my independence."

What whānau told us

"The home provides a safe, happy environment with excellent care. I'm confident that my loved one is well cared for here."

"The home itself is beautiful and I truly appreciate how well maintained and tidy the staff keep it. Their attention to detail makes it a warm and welcoming place."

Property portfolio 2025

123
Owned properties

↑ from 111 in 2024

87
Rented properties

→ from 87 in 2024

New additions 2025 +7
(Owned: 7, Rented: 0)

New additions 2024 +41
(Owned: 0, Rented: 41)

↓

Property portfolio by region

Region	2024	2025	
Auckland	Owned 102, Rented 34, Offices 1	Owned 113, Rented 36, Offices 1	↑
Bay of Plenty	Rented 2	Rented 1	↓
Northland	Owned 1, Rented 2	Owned 1, Rented 2	→
Waikato	Owned 5, Rented 6	Owned 5, Rented 6	→
Wellington	Owned 3, Rented 41, Offices 1	Owned 4, Rented 40, Offices 1	↑

Owned Rented Offices

Portfolio composition

Property type	2024	2025	
Owned	111	123	↑
Rental	87	87	→
Total	198	210	↑

Property use by region

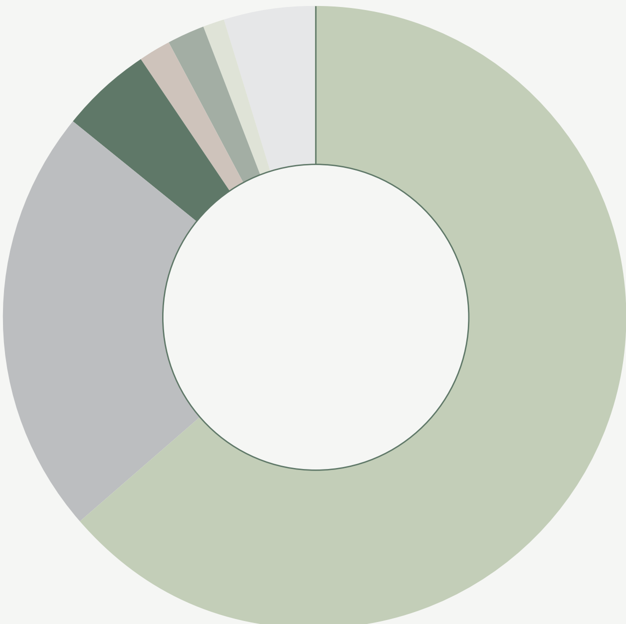
Northland – 3 properties
100% CRSS* (3)

Auckland – 150 properties
71% CRSS* (107)
13% Supported Independent Living (20)
5% Respite (7)
2% Aspirations facility (3)
1% Land for development (2)
1% Office (1)
7% Affordable Rental (10)

Waikato – 11 properties
100% CRSS* (11)

Bay of Plenty – 1 property
100% Respite (1)

Wellington – 45 properties
32% CRSS* (14)
60% Supported Independent Living (27)
4% Respite (2)
2% Aspirations (1)
2% Office (1)



- CRSS* – 135 [137 in 2024]
- Supported Independent Living – 47 [40 in 2024]
- Respite – 10 [10 in 2024]
- Aspirations – 4 [4 in 2024]
- Land for development – 2 [5 in 2024]
- Offices – 2 [2 in 2024]
- Affordable Rentals – 10 [0 in 2024]

Note: CRSS = Community Residential Support Services

Stories from 2025

Ciara's Story: A Place to Breathe

Ciara lives with autism, ADHD and fibromyalgia. Managing day-to-day life can be tough – especially on a student budget in Wellington. For years, she moved from place to place, stuck in housing that was expensive, noisy and all wrong for her health.

"My last place was basically the size of my living room now. The kitchen barely worked. I had a bar fridge. It was fine, but it was getting expensive – and it didn't feel like it could hold everything I needed."

Things came to a head just before another university year. Ciara was still studying – training to become a primary school teacher – and it was clear something had to give. That's when her support worker told her about Frederick Street.

"It was about needing something cheaper, needing more space and needing a little more support."

Moving to Frederick Street changed everything.

"It's off the main road, so there's no road noise. No more students partying outside my window when I'm trying to sleep. It's a small thing, but it makes a massive difference."

There were other details, too – not the kind you usually find in flat listings, but the kind that matter more than most.

"The whole area is flat – walking anywhere isn't a struggle, which is important for me because of my chronic pain. The bus stop's right outside Briscoes. I can get to class, or the supermarket, or town, without overthinking it."

It's the first time she's had a space that feels calm. That holds what she needs. That doesn't make everything feel harder.

She's still thinking ahead – about teaching and probably heading to Australia in a few years like many other new grads – but for now, having a home base that works makes all the difference.

"It feels like a real home. And that's something I didn't really have before."

Felicia's Story: Holding the Keys

Felicia sees it all.

As Homes of Choice Tenancy Manager at Frederick Street, also known as Te Ki a Alasdair, she's the one people go to when they've lost their key fob, need help logging a maintenance request, or just want someone to talk to.

"Some days I feel like a support person or a parent," she says with a smile. "And I don't mind that. I just want people to feel safe and supported where they live."

The building was developed by Kirva Trust and features 75 apartments, all with wet-floor bathrooms, including three that are fully wheelchair accessible.

Homes of Choice manages 27 of the apartments, while the rest are supported by Emerge Aotearoa, who walk alongside tenants from a range of backgrounds – including people with experience of mental health challenges, homelessness, or the justice system. Of the 75 homes, 23 were designed to better support disabled people and those with complex needs.

"We're all really different organisations, but we work together really well," Felicia says. "That collaboration makes a huge difference. Everyone respects each other's role and the tenants know they're backed, no matter who's on."

She's seen people grow in big and small ways. One young woman, living on a female-only floor Felicia introduced to help vulnerable tenants feel safer, has started walking to work and making close friends. Another tenant was so anxious about leaving home, he nearly missed his sign-up appointment. Now he's walking around the city, chatting with staff and building a life that feels his own.

"For a lot of people, this is their first time feeling safe at home," she says. "They have their own key. Their own space. Visitors meet them in the lobby. It's those small things that make it feel like home."

"Kirva Trust helped make this possible. It's not just about building homes. It's about backing people."

What gives her hope?

"More of this," she says. "More places to grow."

Pitt Avenue Manurewa

Pitt Avenue is an example of our ongoing collaboration with the Ministry of Housing and Urban Development, through its Affordable Housing Fund, and impact investor Soul Capital through their Te Pai ki te Rangi Fund.

Completed May 2025, this four x four-bedroom unit development features fully accessible ground-floor bedrooms, bathrooms and toilets. These are affordable rentals, in which tenants pay 80 per cent of market rent.

From Housing to Home: A Resident's Story

Before moving into Frederick Street, one of our accessible buildings in the heart of Wellington, this resident was living in a boarding house. She's deaf and the place she was in wasn't just hard to live in – it was hard to feel safe in. Shared bathrooms. Shared kitchens. Shared everything.

"I had to share the kitchen, laundry, bathroom – everything."

There was no privacy. No peace. No sense of home.

She found out about Frederick Street through a local seniors' programme. With the help of her support worker, she applied. They walked her through one of the apartments and, for the first time in a long time, she saw a future that looked good.

"I liked it straight away. It felt safe."

Her new apartment has features that make a real difference day-to-day. Flashing lights are connected to the fire alarm – one portable, one mounted on the wall – so she'll always know if something's wrong. The building is secure, too: entry is by keycard and the lift only takes you to your own floor.

"That makes a big difference. I know I'll be safe. I don't have to worry."

For the first time, she can have people over. Serve tea in her own kitchen. Sit in her own lounge.

"I love having my friends over for morning tea. It makes me feel really good."

But it was a quiet comment to her support worker that said it all.

"I'm so grateful. I love it here. This is my home."

Her support worker puts it perfectly:

"There's a big difference between housing and home. State housing is often cold, crowded or unsafe. Frederick Street is different. It's been thought through. It's built to last. It gives people back their dignity."

When someone has a place that meets their needs – where they feel safe, where they can welcome others – that's not just a house. That's home.

Oliver's Story: Living Life His Way

Oliver lives with partial trisomy 22 – a rare chromosomal condition that affects his learning and fine motor skills. He's been told he might be the only person in Aotearoa with it. That's not something he leads with, though. He's more likely to talk to you about sports, his whānau, or the mullet he proudly rocks.

In fact, Oliver doesn't even identify with the term "disability".

"I call it a diffability, because we can still do things. Just in different ways."

He first heard about Frederick Street when a parent at athletics training mentioned it to his mum. That led to a meeting and not long after, Oliver moved into his own place in the heart of the city.

"It makes it easy to catch up with friends, go out, do things. I like being able to walk everywhere."

He'd always felt supported living at home, but this move meant something different.

"It's giving me the independence to make a lot more of my own choices and decisions in my life."

When his friends and whānau came to visit for the first time, he was proud to show them around – the All Blacks memorabilia on the wall, the way the flat reflected who he is and what he cares about.

When asked what feeling at home means to him, Oliver put it simply:

"It makes me feel relaxed and happy and comfortable. I like having my own time, it's really relaxing. I'm quite a busy person, so it's good to have a place that's mine."

And when asked why housing like this matters, especially for people with disabilities, he didn't hesitate:

"It gives a safe and secure home for people who might be a bit different. And it shows we can live by ourselves. People probably think we can't. But we can."

There's a difference between what people assume and what's possible when someone has the right space around them. For Oliver, Frederick Street isn't just a place to live. It's a place that proves what he already knew – he can do this.

Disclosure of Judgements

Our Statements of Service Performance report our non-financial performance against each entity's Vision and Purpose. Each statement uses both indicators that measure our outputs (the services provided) and the narratives that illustrate the impact our activities, services and programmes have for the disabled community with whom we work. These outcomes are what enable us to achieve our Group Vision and deliver on each entity's Purpose.

These statements were developed in consultation with Spectrum Group's Executive Team and approved by the respective boards of Trustees and Directors for Spectrum Foundation, Spectrum Care and Homes of Choice.

Financial Statements

Statement of Comprehensive Revenue and Expenses

For the year ended 30 June 2025

	Notes	GROUP 2025 $000	GROUP 2024 $000	Spectrum Foundation 2025 $000	Spectrum Foundation 2024 $000
Contract income		111,163	105,881	-	-
Other service income and recoveries		1,453	778	170	143
Interest revenue		3,688	1,609	252	475
Fair value gain/(loss) on investments		774	93	774	93
Philanthropic capital charge revenue		-	-	1,838	1,838
Philanthropic donation and fundraising revenue		74	18	43	11
Other revenue	3, 20	223	81	9,075	9,209
Revenue		117,375	108,461	12,151	11,767
Cost of services provided		(90,972)	(87,238)	(509)	(534)
Operating surplus		26,403	21,223	11,642	11,233
Administrative expenses	18	(16,363)	(15,088)	(9,080)	(8,755)
Grants	27	(613)	(877)	(841)	(1,023)
Depreciation and amortisation expense	9, 10	(2,351)	(2,042)	(333)	(284)
Total expenses		(19,328)	(18,006)	(10,254)	(10,062)
Surplus for the year		7,076	3,217	1,388	1,172
Other comprehensive revenue and expenses					
Gain on revaluation of land	9, 15	1,695	-	-	-
Total comprehensive revenue and expenses for the year		8,770	3,217	1,388	1,172
Surplus attributable to the owners of the controlling entity		8,770	3,217	1,388	1,172
Total comprehensive revenue and expenses attributable to the owners of the controlling entity		8,770	3,217	1,388	1,172

The above Statement of Comprehensive Revenue and Expenses should be read in conjunction with the accompanying notes.

The adjacent Statement of Changes in Net Assets should be read in conjunction with the accompanying notes.

Statement of Changes in Net Assets

For the year ended 30 June 2025

Group	Trust Settlement Funds $000	Asset Revaluation Reserve $000	Accumulated Surplus $000	Systems Transformation Reserve $000	Total Equity $000
Balance as at 1 July 2024	1,857	56,165	50,255	500	108,776
Surplus for the year	-	-	7,076	-	7,076
Other comprehensive revenue & expenses	-	1,695	-	-	1,695
Total comprehensive revenue & expenses for the year	-	1,695	7,076	-	8,770
Derecognition of property revaluation on disposal	-	(398)	-	-	(398)
Derecognition of write down of assets	-	(2,073)	-	-	(2,073)
Derecognition of property revaluation on sale	-	(46)	46	-	-
Balance as at 30 June 2025	1,857	55,342	57,377	500	115,075
Balance as at 1 July 2023	1,857	56165	47,038	500	105,559
Surplus for the year	-	-	3,217	-	3,217
Other Comprehensive revenue & expenses	-	-	-	-	-
Total comprehensive revenue & expenses for the year	-	-	3,217	-	3,217
Derecognition of property revaluation on disposal	-	-	-	-	-
Derecognition of write down of assets	-	-	-	-	-
Derecognition of property revaluation on sale	-	-	-	-	-
Balance as at 30 June 2024	1,857	56,165	50,255	500	108,776

Spectrum Foundation	Trust Settlement Funds $000	Asset Revaluation Reserve $000	Accumulated Surplus $000	Systems Transformation Reserve $000	Total Equity $000
Balance as at 1 July 2024	1,857	37,258	43,801	500	83,417
Surplus for the year	-	-	1,388	-	1,388
Other comprehensive revenue & expenses	-	-	-	-	-
Total comprehensive revenue & expenses for the year	-	-	1,388	-	1,388
Balance as at 30 June 2025	1,857	37,258	45,189	500	84,805
Balance as at 1 July 2023	1,857	37,258	42,630	500	82,245
Surplus for the year	-	-	1,172	-	1,172
Other Comprehensive revenue & expenses	-	-	-	-	-
Total comprehensive revenue & expenses for the year	-	-	1,172	-	1,172
Balance as at 30 June 2024	1,857	37,258	43,801	500	83,417

Statement of Financial Position

As as 30 June 2025

	Notes	GROUP 2025 $000	GROUP 2024 $000	Spectrum Foundation 2025 $000	Spectrum Foundation 2024 $000
ASSETS					
Current assets					
Cash and cash equivalents	6	24,335	19,793	12,068	11,907
Investments	7	1,116	3,116	1,116	3,116
Receivables from non-exchange transactions	8	11,300	13,027	1,490	1,671
GST and PAYE receivable		-	-	62	-
Other current assets		577	542	323	375
Total current assets		37,328	36,478	15,059	17,069
Non-current assets					
Property, plant and equipment	9	94,922	87,790	839	538
Investments	7	12,867	6,093	12,867	6,093
Investment in subsidiary	14	-	-	65,817	73,817
Intangible assets	10	447	791	111	120
Total non-current assets		108,235	94,673	79,634	80,568
TOTAL ASSETS		145,564	131,152	94,692	97,637
LIABILITIES					
Current liabilities					
Trade and other payables	11	1,903	1,463	856	814
Interest-bearing loans and borrowings	22	2,861	13	-	-
GST and PAYE payable		1,540	1,608	-	50
Employee entitlements	12	15,166	14,073	971	885
Provisions	13	458	344	458	344
Other liabilities		24	-	-	-
Related party payable	20	-	-	7,169	11,686
Funding received in advance	21	2,285	1,544	432	441
Total current liabilities		24,236	19,046	9,887	14,220
Non-current liabilities					
Interest-bearing loans and borrowings	22	3,087	2,595	-	-
Funding received in advance	21	3,166	734	-	-
Total non-current liabilities		6,252	3,329	-	-
TOTAL LIABILITIES		30,488	22,375	9,887	14,220
NET ASSETS		115,075	108,776	84,805	83,417
EQUITY					
Trust settlement funds	16	1,857	1,857	1,857	1,857
Accumulated Surplus		57,377	50,255	45,189	43,801
System transformation reserve	15, 24	500	500	500	500
Asset revaluation reserve	15	55,342	56,165	37,258	37,258
TOTAL EQUITY		115,075	108,776	84,805	83,417

For and on behalf of the Board, who authorised the issue of these financial statements on 22 September 2025.

Graeme Edwards
Board Chair

Teresa Eggleton
Chair, Finance and Audit Committee

Cash Flow Statement

For year ended 30 June 2025

	Notes	GROUP 2025 $000	GROUP 2024 $000	Spectrum Foundation 2025 $000	Spectrum Foundation 2024 $000
Cash flows from operating activities					
Receipts for services performed		120,036	104,325	11,473	10,994
Payments to suppliers and employees		(108,575)	(100,636)	(10,581)	(9,746)
Interest received/(paid)		4,591	1,779	1,026	568
Net cash flows from/(used in) operating activities	17	16,052	5,469	1,918	1,815
Cash flows from investing activities					
Proceeds from sale of fixed assets		2,484	72	14	15
Purchase of property, plant and equipment and intangible assets		(12,559)	(6,277)	(627)	(281)
Investment in term deposits		(4,774)	(4,093)	(4,774)	(5,121)
Net cash flows from/(used in) investing activities		(14,849)	(10,298)	(5,386)	(5,387)
Cash flows from financing activities					
Cash advances from/(to) subsidiary		-	-	3,629	5,302
Cash receipts from development loan		3,340	2,608	-	-
Net cash flows from/(used in) financing activities		3,340	2,608	3,629	5,302
Net increase/(decrease) in cash during the year		4,542	(2,221)	161	1,730
Cash balances at beginning of year		19,793	22,013	11,907	10,178
Cash balances at end of year	6	24,335	19,793	12,068	11,907

The adjacent Statement of Financial Position should be read in conjunction with the accompanying notes.

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements
for the year ended 30 June 2025

1. General information

Spectrum Foundation is an independent, philanthropic, charitable trust and parent body to two wholly owned subsidiaries – disability support provider Spectrum Care and community housing provider Homes of Choice.

The objectives of the Trust are;

(a) to promote and support the wellbeing of disabled people, including without limitation:
   i. to promote and support the material, intellectual, spiritual and physical health and welfare of disabled people; and
   ii. to establish, or enter partnerships to deliver, support services for disabled people to optimise their wellbeing;

(b) to promote and support the development of disabled people taking a "whole life approach" so as to enable them to enjoy their right as New Zealanders to live a normal life, including without limitation, to promote and support:
   i. the right of disabled people to appropriate training, education and other support that is necessary to empower, inspire and enable disabled people to understand the direction for change, to exercise more choice and control over their supports, and to develop their abilities fully; and
   ii. education of families and whānau to assist them to support their disabled family member to lead a normal life and develop aspirations about what can be achieved;

(c) to acquire, improve, construct and manage residential properties for and on behalf of disabled people;

(d) to promote and support home ownership among disabled people;

(e) to foster and provide opportunities for public understanding of, and involvement in, the welfare of disabled people and to train volunteers, interns and employees to further the development of, and to support, disabled people and their whānau;

(f) to enlist support of individuals, government and all public and private organisations for the benefit, and contribution to the welfare, of disabled people;

(g) to do such other things as are, in the reasonable opinion of the Trustees, incidental or conducive to the attainment of any of the above objects.

These financial statements are for the year ended 30 June 2025. Comparative information presented is for the year ending 30 June 2024.

These financial statements for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the Trustees on 22 September 2025.

2. Statement of compliance

These consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP') and the Financial Reporting Act 2013. They comply with Public Benefit Entity International Public Sector Accounting Standards ('PBE IPSAS') and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for not-for-profit entities. For the purposes of complying with NZ GAAP, the Group is a public benefit not-for-profit entity and is applying Tier 1 Not-For-Profit PBE IPSAS as it has expenditure of more than $30 million.

The Board of Trustees has also elected to present Spectrum Foundation financial statements in addition to the consolidated financial statements. The Spectrum Foundation financial statements are prepared following the same standards and framework as the Group.

3. Summary of significant accounting policies

A) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for land and buildings which have been measured at fair value.

B) Functional and presentation currency

The financial statements are presented in New Zealand dollars which is the Spectrum Foundation and the Group's functional currency. All values are rounded to the nearest thousand dollars ($000) unless otherwise stated.

The financial statements for the Group are the consolidated financial statements of the Spectrum Foundation, Spectrum Care and Homes of Choice. The financial statements of Spectrum Foundation are for Spectrum Foundation as a separate legal entity.

C) Basis of consolidation

The Group financial statement incorporates the assets and liabilities of Spectrum Foundation and its controlled entities as at 30 June 2025. Controlled entities are all entities over which the controlling entity has the power to govern the financial and operating policies so as to benefit from its activities.

The controlled entities are consolidated from the date on which control is transferred and are deconsolidated from the date that control ceases. In preparing the consolidated financial statements, all inter-entity balances and transactions, and unrealised gains and losses arising within the consolidated entity, are eliminated in full. The accounting policies of the controlled entities are consistent with the policies adopted by the Group and have a 30 June reporting date.

D) Changes in accounting policies

There were no changes in accounting policies during the year.

E) New standards

There were no new standards implemented this year.

F) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand, and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash. These are subject to an insignificant risk of changes in value. For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

G) Investments

Investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents. Investments are held with registered trading banks and are classified as current assets if they have maturities of less than one year from reporting date. As at balance date, there were no term deposits with a maturity greater than 12 months. After initial recognition, investments are measured at amortised cost using the effective interest method less impairment.

In addition, Spectrum Foundation has managed funds comprising interest and equity asset classes. They are measured at fair value through surplus or deficit. The managed funds are seen as a long- term investment with the intention to have it for over a year post balance date.

H) Property, plant and equipment

Plant and equipment is measured at historical cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Land and buildings are carried at revalued amounts which are the fair values at the date of the revaluation. The fair value of land and buildings is estimated using the revaluation process on a two yearly basis with the last revaluation performed in March 2025. Land and buildings are generally not depreciated as their residual values are not expected to be less than the current carrying value. Building improvements are depreciated.

Any revaluation gain or loss is recognised in Other Comprehensive Revenue and Expenses and assigned to the asset revaluation reserve. When there is a revaluation loss, this is only done to the extent of the revaluation reserve balance accumulated from previous year gains.

When no revaluation reserve balance is available to offset a revaluation loss, the revaluation deficit is reported as a write-down of assets in the Statement of Comprehensive Revenue and Expenses for the reporting period.

Revaluation surplus and deficit are offset for assets within the same class of asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is reclassified to retained earnings. Depreciation is calculated on a straight-line basis over the estimated useful life of the specific assets as follows:

- Land – zero rated
- Buildings – depreciation is zero-rated as the future residual value of property is not expected to be less than carrying value
- Building improvements – costs are presented together with the revalued buildings and are depreciated at three to ten years
- Plant and equipment – three to four years
- Motor vehicles – five years.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Comprehensive Revenue and Expense.

I) Intangible assets

Intangible assets, provided that the software does not meet the definition of software as a service, include acquired software used in administration. It is accounted for using the cost model whereby capitalised costs are amortised on a straight line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

- Software – three to five years.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the surplus or deficit when incurred.

J) Leases

Operating lease payments where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense in the Statement of Comprehensive Revenue and Expenses on a straight-line basis over the lease term.

K) Impairment

Assets are checked for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Group and Foundation revalue its land and buildings on a periodic basis, with sufficient frequency to ensure the current carrying value is not significantly different to fair values, and monitors its plant and equipment and intangible assets for indications 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. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

L) Payables under exchange transactions

Trade and other payables are carried at amortised cost, however, due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Group and Foundation prior to the end of the financial year that are unpaid and arise when the Group and Foundation becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

M) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Borrowing costs

Borrowing costs are recognised as an expense when incurred as there are no material qualifying assets.

N) Employee entitlements

Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Long service leave and gratuities

The liability for long service leave and gratuities are recognised and measured as the present value of expected future payments to be made. This is in respect to services provided by employees up to the reporting date using the projected unit credit method. The liability for long service leave is recognised for staff with service periods from the time they started employment and provision for the liability is based on a probability of employment continuity to 10, 15 and 20 years. The liability for gratuity payment only applies to staff that commenced employment prior to 1996, and this reward is subject to Chief Executive discretion. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity that matches, as closely as possible, the estimated future cash outflows.

O) Revenue

Revenue is recognised to the extent that it is probable that an economic benefit will flow to the Group and Foundation and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised:

Revenue from non-exchange transactions

Spectrum Care receives revenue from non-exchange transactions and is recognised in the period when the Company provides services to children, young people and adults with disabilities, and their families. The majority of the consideration for these services is received as funding from Disability Support Services – Ministry of Social Development, Te Whatu Ora – Health New Zealand, Ministry of Social Development and Oranga Tamariki – Ministry for Children.

Contract revenue is earned from the provision of 24-hour support for people living in residential homes throughout the Auckland, Northland, Wellington and Waikato regions, respite care for adults in the Auckland, Waikato, Wellington and Bay of Plenty, and respite care for children in Auckland and Wellington. In addition, it includes Very High Needs care and support, Behavioural Support, Transitions, Care In Community Living, Supported Independent Living and Aspirations services, as well as the provision of accommodation and living cost assistance for people in the greater Auckland region. The Company also receives funding for running a School Holiday Programme of activities for children. Revenue is recognised either for the number of hours of services rendered or bulk funded according to the service contracts.

Other service income and recoveries includes rental income.

Interest revenue

Interest revenue is recognised as it accrues, using the effective interest method. During the 2025 financial year, Homes of Choice recognised $3,189,426 (2024: $508,821) as interest received relating to the discounting and effective interest from a Ministry of Housing and Urban Development grant received for property development. To calculate this, an interest rate of seven per cent was used.

Philanthropic capital charge revenue

A monthly capital charge is applied to each of the wholly owned subsidiaries and provides revenue to the parent for use in its philanthropic activities. The capital charge amounts are set during budgeting and apply throughout the financial year. Revenue is recognised over time.

Other revenue
A Service Level Agreement exists between Spectrum Foundation and Homes of Choice for administrative services provided by the Foundation to Homes of Choice. The amounts charged are set during budgeting and apply throughout the financial year. Revenue is recognised over time. More information on this can be found in Note 20.

A Service Level Agreement exists between Spectrum Foundation and Spectrum Care for administrative services provided by the Foundation to Spectrum Care. The amounts charged are set during budgeting and apply throughout the financial year. Revenue is recognised over time.

P) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

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

Cash flows are included in the Statement of Cash Flow on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the IRD is classified as part of operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from or payable to the IRD.

Q) 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 the:

- entity's management model for financial assets; and
- contractual cash flow characteristics of the financial asset.

Financial assets shall be measured at amortised cost if both the following conditions are met and 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's cash and cash equivalents, short-term investments and receivables are classified and measured at amortised cost. These assets were previously classified as “loans and receivables”.

Financial assets shall be measured at FVTOCRE if both of the following conditions are met:

- the financial asset is held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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 fair value. Other net gains and losses are recognised in other comprehensive revenue and expenses. On derecognition, gains and losses accumulated in other comprehensive revenue and expenses are reclassified to surplus or deficit.

All financial assets not classified as measured at amortised cost or FVTOCRE, as described above, are measured at FVTSD. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in surplus or deficit.

The Group does not have any financial assets at FVTOCRE.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its management model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the management model.

Except for short-term receivables and payables, at initial recognition, an entity shall measure a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at FVTSD, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Financial liabilities

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 of deficit.

All financial liabilities of the Company are classified and measured at amortised cost.

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.

R) Income tax

Spectrum Foundation, Spectrum Care and Homes of Choice are registered charities and are therefore exempt from income tax.

S) Operating expenses

Operating expenses are recognised in the Statement of Comprehensive Revenue and Expenses upon utilisation of the service or at the date of their origin.

T) Cash flow Statement

The Cash flow Statement has been prepared using the direct approach already defined in the cash policy.

Operating activities included are the principal revenue-producing activities and other activities that are not investing or financing activities.

Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

Financing activities are activities that result in changes in the size and composition of the equity and borrowings of the Foundation and Group.

U) Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations, as a result of a past event, will probably lead to an outflow of economic resources from the Group and Foundation and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values where the time value of money is material.

Any reimbursement that the Group and Foundation can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised. Possible inflows of economic benefits to the Group and Foundation that do not yet meet the recognition criteria of an asset are considered contingent assets.

V) Equity

Accumulated surplus include all current and prior period retained surplus/(deficit). The asset revaluation reserve within equity is used to record increases and decreases in the fair value of land and buildings only to the extent that they offset each other.

4. Financial risk management objectives and policies

The Group and Foundation's principal financial instruments comprise receivables, payables, cash and short-term deposits, managed funds and interest-bearing loans and borrowings. The Foundation also has investments in its two wholly owned subsidiaries.

Primary responsibility for identification and control of financial risks rests with the Chief Executive under the authority of the Board. The Board reviews and agrees policies for managing each of the risks identified below, including interest rate risk and future cash flow forecast projections.

The carrying amounts of financial instruments presented in the Statement of Financial Position relate to the following categories of assets and liabilities:

Group 2025	Weighted Average Effective Interest Rate %	0-6 Months $000	7-12 Months $000	1-2 Years $000	3-5 Years $000	5+ Years $000	Total Carrying Amount $000
Financial assets (loans and receivables at amortised cost)							
Cash and cash equivalents	0.48	24,335	-	-	-	-	24,335
Investments	5.85	1,000	116	12,867	-	-	13,982
Receivables from non-exchange transactions	0.00	11,300	-	-	-	-	11,300
		36,635	116	12,867	-	-	49,618
Financial liabilities (at amortised cost)							
Soul Capital Loan	7.00	-	2,797	-	-	-	2,797
ASB Loan	5.00	32	32	64	192	2,818	3,138
Payables under exchange transactions	0.00	1,903	-	-	-	-	1,903
	0.00	1,935	2,829	64	192	2,818	7,838

Group 2024	Weighted Average Effective Interest Rate %	0-6 Months $000	7-12 Months $000	1-2 Years $000	3-5 Years $000	5+ Years $000	Total Carrying Amount $000
Financial assets (loans and receivables at amortised cost)							
Cash and cash equivalents	1.27	19,793	-	-	-	-	19,793
Investments	6.00	3,000	116	6,093	-	-	9,209
Receivables from non-exchange transactions	0.00	13,027	-	-	-	-	13,027
		35,820	116	6,093	-	-	42,029
Financial liabilities (at amortised cost)							
Soul Capital Loan	6.86	24	35	73	249	2,227	2,608
Payables under exchange transactions	0.00	1,463	-	-	-	-	1,463
	0.00	1,487	35	73	249	2,227	4,071

Spectrum Foundation 2025	Weighted Average Effective Interest Rate %	0-6 Months $000	7-12 Months $000	1-2 Years $000	3-5 Years $000	5+ Years $000	Total Carrying Amount $000
Financial assets (loans and receivables at amortised cost)							
Cash and cash equivalents	0.98	12,068	-	-	-	-	12,068
Investments	5.85	1,000	116	12,867	-	-	13,982
Receivables from non-exchange transactions	0.00	1,490	-	-	-	-	1,490
Available-for-sale							
Investment in subsidiary		-	-	-	-	65,817	65,817
		14,558	116	12,867	-	65,817	93,357
Financial liabilities (at amortised cost)							
Payables under exchange transactions	0.00	856	-	-	-	-	856
Related party payable	0.73	7,169	-	-	-	-	7,169
		8,026	-	-	-	-	8,026

Spectrum Foundation 2024	Weighted Average Effective Interest Rate %	0-6 Months $000	7-12 Months $000	1-2 Years $000	3-5 Years $000	5+ Years $000	Total Carrying Amount $000
Financial assets (loans and receivables at amortised cost)							
Cash and cash equivalents	2.10	11,907	-	-	-	-	11,907
Investments	6.00	3,000	116	6,093	-	-	9,209
Receivables from non-exchange transactions	0.00	1,671	-	-	-	-	1,671
Available-for-sale							
Investment in subsidiary		-	-	-	-	73,817	73,817
		16,578	116	6,093	-	73,817	96,603
Financial liabilities (at amortised cost)							
Payables under exchange transactions	0.00	814	-	-	-	-	814
Related party payable	3.68	11,686	-	-	-	-	11,686
		12,501	-	-	-	-	12,501

Interest rate risk

The interest rate risk is not material as the Group and the Foundation's cash and cash equivalents, as well as the investments, are all held at market rates.

Credit risk

Credit risk arises from the financial assets of the Group and Foundation, which comprise cash and cash equivalents, investments and receivables from non-exchange transactions. The Group and Foundation's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at the reporting date is addressed in each applicable note. The Group and Foundation trades only with New Zealand registered banks that have a Standard and Poor rating of A or better as published by the Reserve Bank of New Zealand and, as such, collateral is not requested. In addition, the long term managed funds that Spectrum Foundation holds is significantly diversified with numerous fixed interest investments and equities. In addition, receivable balances are monitored on an on-going basis with the result that the Group and Foundation's exposure to bad debts is not significant. Management considers that all financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

	GROUP		Spectrum Foundation	
Maximum Credit Risk	**2025 $000**	**2024 $000**	**2025 $000**	**2024 $000**
Financial assets				
Loans and borrowings				
Cash and cash equivalents	24,335	19,793	12,068	11,907
Investments	13,982	9,209	13,982	9,209
Receivables from non-exchange transactions				
Not more than three months	11,300	13,027	1,490	1,671

Concentration risk

There is usually a significant concentration of credit risk with respect to receivables of which a major amount is owed by the Company's principal funder, Ministry of Social Development. As at 30 June 2025, Ministry of Social Development receivables were $9,088,081 (2024: $10,147,123). Another significant concentration of credit risk is the Group and Foundation's bank balances and short term deposits with its principal operating bank, the ASB Bank Limited. Some diversity in credit risk has been achieved by holding short term investments with the Group and Foundation's other bankers, BNZ and Westpac. In addition, diversification of investments have been achieved by way of managed funds.

Liquidity risk

The Group and Foundation's objective is to maintain a balance between continuity of operations from internal cash reserves. The actual cash flows will include interest based on the contractual interest rates applicable to each financial asset/liability. The interest earned is compounded to the principal upon maturity for renewal. The interest expenses are recognised in the surplus or deficit.

The risk implied from the values reflects a balanced view of cash inflows and outflows. The Board regularly monitors and reviews the investment position.

Group 2025	0-6 Months $000	7-12 Months $000	1-2 Years $000	3-5 Years $000	5+ Years $000	Total Gross Amount $000	Total Carrying Amount $000
Financial assets (loans and receivables at amortised cost)							
Cash and cash equivalents	24,335	-	-	-	-	24,335	24,335
Investments	1,000	116	12,867	-	-	13,982	13,982
Receivables from non-exchange transactions	11,300	-	-	-	-	11,300	11,300
	36,635	116	12,867	-	-	49,618	49,618
Financial liabilities (at amortised cost)							
Soul Capital Loan	-	2,998	-	-	-	2,998	2,797
ASB Loan	110	109	216	630	5,928	6,993	3,138
Payables under exchange transactions	1,903	-	-	-	-	1,903	1,903
	2,013	3,107	216	630	5,928	11,893	7,838

Group 2024	0-6 Months $000	7-12 Months $000	1-2 Years $000	3-5 Years $000	5+ Years $000	Total Gross Amount $000	Total Carrying Amount $000
Financial assets (loans and receivables at amortised cost)							
Cash and cash equivalents	19,793	-	-	-	-	19,793	19,793
Investments	3,000	116	6,093	-	-	9,209	9,209
Receivables from non-exchange transactions	13,027	-	-	-	-	13,027	13,027
	35,820	116	6,093	-	-	42,029	42,029
Financial liabilities (at amortised cost)							
Soul Capital Loan	92	122	244	732	3,570	4,760	2,608
Payables under exchange transactions	1,463	-	-	-	-	1,463	1,463
	1,555	122	244	732	3,570	6,223	4,071

Spectrum Foundation 2025	0-6 Months $000	7-12 Months $000	1-2 Years $000	3-5 Years $000	5+ Years $000	Total Gross Amount $000	Total Carrying Amount $000
Financial assets (loans and receivables at amortised cost)							
Cash and cash equivalents	12,068	-	-	-	-	12,068	12,068
Investments	1,000	116	12,867	-	-	13,982	13,982
Receivables from non-exchange transactions	1,490	-	-	-	-	1,490	1,490
Available-for-sale							
Investment in subsidiary	-	-	-	-	65,817	65,817	65,817
	14,558	116	12,867	-	65,817	93,357	93,357
Financial liabilities (at amortised cost)							
Payables under exchange transactions	856	-	-	-	-	856	856
Related party payable	7,169	-	-	-	-	7,169	7,169
	8,026	-	-	-	-	8,026	8,026

Spectrum Foundation 2024	0-6 Months $000	7-12 Months $000	1-2 Years $000	3-5 Years $000	5+ Years $000	Total Gross Amount $000	Total Carrying Amount $000
Financial assets (loans and receivables at amortised cost)							
Cash and cash equivalents	11,907	-	-	-	-	11,907	11,907
Investments	3,000	116	6,093	-	-	9,209	9,209
Receivables from non-exchange transactions	1,671	-	-	-	-	1,671	1,671
Available-for-sale							
Investment in subsidiary	-	-	-	-	73,817	73,817	73,817
	16,578	116	6,093	-	73,817	96,603	96,603
Financial liabilities (at amortised cost)							
Payables under exchange transactions	814	-	-	-	-	814	814
Related party payable	11,686	-	-	-	-	11,686	11,686
	12,501	-	-	-	-	12,501	12,501

Fair value risk

Group 2025	Loans and Receivables at Amortised Cost $000	Other Amortised Cost $000	Total Carrying Amount $000	Fair Value $000
Financial assets (loans and receivables at amortised cost)				
Cash and cash equivalents	24,335	-	24,335	24,335
Investments	13,982	-	13,982	13,982
Receivables from non-exchange transactions	11,300	-	11,300	11,300
	49,618	-	49,618	49,618
Financial liabilities (at amortised cost)				
Soul Capital Loan	-	2,797	2,797	2,797
ASB Loan	-	3,138	3,138	3,138
Payables under exchange transactions	-	1,903	1,903	1,903
		7,838	7,838	7,838

Group 2024	Loans and Receivables at Amortised Cost $000	Other Amortised Cost $000	Total Carrying Amount $000	Fair Value $000
Financial assets (loans and receivables at amortised cost)				
Cash and cash equivalents	19,793	-	19,793	19,793
Investments	9,209	-	9,209	9,209
Receivables from non-exchange transactions	13,027	-	13,027	13,027
	42,029	-	42,029	42,029
Financial liabilities (at amortised cost)				
Soul Capital Loan	-	2,608	2,608	2,608
Payables under exchange transactions	-	1,463	1,463	1,463
		4,071	4,071	4,071

Spectrum Foundation 2025	Loans and Receivables at Amortised Cost $000	Other Amortised Cost $000	Total Carrying Amount $000	Fair Value $000
Financial assets (loans and receivables at amortised cost)				
Financial assets	12,068	-	12,068	12,068
Investments	13,982	-	13,982	13,982
Receivables from non-exchange transactions	1,490	-	1,490	1,490
Available-for-sale				
Investment in subsidiary	65,817	-	65,817	65,817
	93,357	-	93,357	93,357
Financial liabilities				
Payables under exchange transactions	-	856	856	856
Related party payable	-	7,169	7,169	7,169
	-	8,026	8,026	8,026

Spectrum Foundation 2024	Loans and Receivables at Amortised Cost $000	Other Amortised Cost $000	Total Carrying Amount $000	Fair Value $000
Financial assets (loans and receivables at amortised cost)				
Financial assets	11,907	-	11,907	11,907
Investments	9,209	-	9,209	9,209
Receivables from non-exchange transactions	1,671	-	1,671	1,671
Available-for-sale				
Investment in subsidiary	73,817	-	73,817	73,817
	96,603	-	96,603	96,603
Financial liabilities				
Payables under exchange transactions	-	814	814	814
Related party payable	-	11,686	11,686	11,686
	-	12,501	12,501	12,501

Basis for determining fair values

The following summarises the significant methods and assumptions used in estimating the fair values of financial assets and financial liabilities reflected in the tables above:

Cash and cash equivalents and receivables from non-exchange transactions

Due to their relatively short term nature, the carrying amounts of these items are considered a reasonable approximation of fair value.

Payables from exchange transactions

Due to their relatively short term nature, the carrying amounts of these items are considered a reasonable approximation of fair value.

Loans and borrowings

Loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the loans and borrowings. After initial recognition, loans and borrowings are subsequently measured at amortised cost using the effective interest method. The loan interest rate is reviewed on an annual basis to ensure it is aligned to market rates.

Investments

Due to their relatively short-term nature (less than 12 months) the carrying amounts of these items are considered a reasonable approximation of fair value. In addition, the market value of the managed funds is deemed reasonable.

Investments in subsidiaries

The investment in subsidiaries was initially recognised at the fair value of the transfer of assets to the Homes of Choice subsidiary and the Spectrum Care subsidiary. In assessing the current value of the investments in subsidiaries, management consider whether the value of the land and buildings is still reasonable and how the subsidiary is performing financially. The Group and Foundation reviews its investments on a periodic basis with sufficient frequency to ensure the current carrying value is not significantly different to fair values and monitors its plant and equipment and intangible assets for indication of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amounts is calculated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to see and value in use.

5. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires Management and the Board of Trustees to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management regularly evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

The Group based its assumptions and estimates on information available when the financial statements are prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The key significant judgement used in the preparation of these financial statements is as follows:

Fair value of land and buildings

The land and buildings are measured at fair value for financial reporting purposes. In March 2025, Homes of Choice engaged with third party qualified valuers to perform the valuation. The fair value of the assets were determined using the market approach which uses market-observable data for similar properties adjusted to recognise specific circumstances surrounding the properties. That is, date of sale, size, location, quality, condition and marketability among other factors, which requires judgement and estimates. Further information on the valuation of land and buildings are disclosed in Note 9. It is the judgement of the Trustees that the revaluation of property is performed with sufficient regularity to ensure carrying values of property do not differ materially from a fair value undertaken at reporting date. The treatment of the revaluation of assets performed in 2025 is as described in Section 3, Part H.

6. Cash and cash equivalents

	GROUP 2025 $000	GROUP 2024 $000	Spectrum Foundation 2025 $000	Spectrum Foundation 2024 $000
Cash at bank and in hand and Term Deposits that mature in six months or less	24,335	19,793	12,068	11,907
	24,335	19,793	12,068	11,907

7. Investments

	GROUP 2025 $000	GROUP 2024 $000	Spectrum Foundation 2025 $000	Spectrum Foundation 2024 $000
Term deposits over six months	1,116	3,116	1,116	3,116
Managed funds	12,867	6,093	12,867	6,093
	13,982	9,209	13,982	9,209

8. Receivables from non-exchange transactions

	GROUP 2025 $000	GROUP 2024 $000	Spectrum Foundation 2025 $000	Spectrum Foundation 2024 $000
Trade receivables	10,064	11,614	-	154
Related party receivable	-	-	1,466	1,638
Other receivables	1,804	2,158	24	17
Provision for doubtful debt	(569)	(745)	-	(139)
	11,300	13,027	1,490	1,671

The trade receivables from non-exchange transactions balance contains a number of aged receivables. Although the Group expect full payment of this, management have recognised a provision for doubtful debts as the collectability of these receivables cannot be guaranteed.

9. Property, plant and equipment

GROUP	Freehold Land $000	Freehold Buildings $000	Plant and Equipment $000	Motor Vehicles $000	Total $000
At 1 July 2024 net of accumulated depreciation	54,587	28,648	898	3,656	87,790
Additions	394	10,012	790	889	12,085
Disposals	(1,413)	(1,096)	(30)	(337)	(2,876)
Revaluations*	1,695	(2,073)	-	-	(378)
Depreciation recovered on disposal	-	-	22	236	258
Depreciation charge for the year	-	(80)	(486)	(1,389)	(1,956)
At 30 June 2025 net of accumulated depreciation	55,263	35,411	1,194	3,054	94,922
At 30 Jun 2025					
Cost or fair value	55,263	35,675	2,673	7,371	100,982
Accumulated depreciation	-	(264)	(1,479)	(4,316)	(6,060)
Net carrying amount after revaluation	55,263	35,411	1,194	3,054	94,922

GROUP	Freehold Land $000	Freehold Buildings $000	Plant and Equipment $000	Motor Vehicles $000	Total $000
At 1 July 2023 net of accumulated depreciation	54,587	23,873	615	4,035	83,110
Additions	-	4,841	588	973	6,401
Disposals	-	-	(684)	(233)	(917)
Revaluations*	-	-	-	-	-
Depreciation recovered on disposal	-	-	682	111	793
Depreciation charge for the year	-	(66)	(302)	(1,228)	(1,597)
At 30 June 2024 net of accumulated depreciation	54,587	28,648	898	3,656	87,790
At 30 Jun 2024					
Cost or fair value	54,587	28,832	1,914	6,819	92,151
Accumulated depreciation	-	(183)	(1,015)	(3,163)	(4,362)
Net carrying amount after revaluation	54,587	28,648	898	3,656	87,790

Spectrum Foundation	Freehold Land $000	Freehold Buildings $000	Plant and Equipment $000	Motor Vehicles $000	Total $000
At 1 July 2024 net of accumulated depreciation	-	105	240	193	538
Additions	-	-	498	76	574
Disposals	-	-	-	(31)	(31)
Depreciation recovered on disposal	-	-	-	31	31
Depreciation charge for the year	-	(40)	(167)	(65)	(273)
At 30 June 2025 net of accumulated depreciation	-	64	570	204	839
At 30 June 2025					
Cost or fair value	-	241	1,008	524	1,773
Accumulated depreciation	-	(176)	(438)	(320)	(934)
Net carrying amount after revaluation	-	64	570	204	839

Spectrum Foundation	Freehold Land $000	Freehold Buildings $000	Plant and Equipment $000	Motor Vehicles $000	Total $000
At 1 July 2023 net of accumulated depreciation	-	145	152	143	440
Additions	-	-	176	103	279
Disposals	-	-	(666)	-	(666)
Depreciation recovered on disposal	-	-	666	-	666
Depreciation charge for the year	-	(40)	(88)	(53)	(181)
At 30 June 2024 net of accumulated depreciation	-	105	240	193	538
At 30 June 2024					
Cost or fair value	-	241	511	479	1,230
Accumulated depreciation	-	(136)	(271)	(285)	(692)
Net carrying amount after revaluation	-	105	240	193	538

*The Group engaged Long Valuation and Consultancy (an accredited independent valuer) to determine the fair value of all freehold land and building. The revaluation was performed in March 2025 and is the most recent revaluation of the land and buildings. For the purposes of this report and its intended recipients, the Directors believe the fair values at 30 June 2025 remain appropriate and are reflective of the property valuation as at 30 June 2025.

Impairment of non-financial assets

The Group and Foundation assesses impairment of its non-financial assets on a regular basis by evaluating conditions specific to its use in terms of age, safety and efficiency. For instance, its fleet of vehicles is subject to a replacement policy according to set criteria. The performance of plant and equipment is monitored for operating efficiency and effectiveness and upgraded or replaced as appropriate. Houses are subject to a schedule of maintenance and upgrade to meet safety and building standards and residents' outcomes and goals.

Estimation of useful lives of assets

The estimate of the useful lives of assets has been based on historical experience. In addition, the retention of the assets is regularly assessed against the remaining useful life, cost of on-going maintenance and replacement. Adjustments to useful lives are made when considered necessary.

10. Intangible assets

	GROUP		Spectrum Foundation	
	2025 $000	2024 $000	2025 $000	2024 $000
At 1 July net of amortisation	791	1,236	120	221
Additions	51	435	51	384
Disposal	-	(614)	-	(543)
Write down	-	179	-	161
Amortisation for the year	(395)	(445)	(60)	(103)
At 30 June net of amortisation	447	791	111	120
At 30 June				
Cost or fair value	2,830	2,780	1,058	1,007
Amortisation	(2,384)	(1,989)	(947)	(887)
Net carrying amount	447	791	111	120

11. Payables under exchange transactions

	GROUP		Spectrum Foundation	
	2025 $000	2024 $000	2025 $000	2024 $000
Trade payables	1,346	327	584	59
Related party payables	-	-	22	6
Other payables	557	1,136	250	749
	1,903	1,463	856	814

12. Employee entitlements

	GROUP		Spectrum Foundation	
	2025 $000	2024 $000	2025 $000	2024 $000
ACC levy	125	163	13	8
Accrued salaries and wages	6,495	5,809	413	387
Lieu days	1,539	1,585	2	1
Gratuities	717	752	103	97
Long service leave	846	696	-	-
Annual leave	5,289	4,907	427	380
Other	155	161	13	12
	15,166	14,073	971	885

During the year, defined employer contributions totalling Group: $1,670,633 (2024: $1,721,042); Spectrum Foundation: $131,812 (2024: $126,986) were made to KiwiSaver.

Liability for long service leave and gratuities

Management estimates the liabilities annually and the actual outcome may vary due to estimation uncertainties. The liability is based on standard rates of inflation and employee turnover trends. It also takes into account the Group's anticipation of future salary increases. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. Estimation uncertainties exist particularly with regard to employee turnover which may vary significantly in future appraisals of the Group's obligations.

13. Other Provisions

	GROUP		Spectrum Foundation	
	2025 $000	2024 $000	2025 $000	2024 $000
Opening balance 1 July	344	322	344	322
Additional provisions:				
Additional sundry accrued/provisions	170	16	170	16
Additional outcomes and inclusion provision	-	8	-	8
Amounts used during the year:				
Sundry accrued/provision	(53)	-	(53)	-
Outcomes and inclusion provision	(3)	(2)	(3)	(2)
Balance 30 June	458	344	458	344

14. Investment in subsidiary

The consolidated financial statements incorporate the assets, liabilities and results of the following significant subsidiaries in accordance with the accounting policy.

Name of Entity	Principle Activity	Equity Holding 2025	2024
Homes of Choice	Property rental	100%	100%
Spectrum Care Limited	Disability care provider	100%	100%

All investments in subsidiaries are carried at cost and eliminated on consolidation.

15.Equity

Reserves	GROUP 2025 $000	2024 $000	Spectrum Foundation 2025 $000	2024 $000
Net revaluations for the year				
Land	1,297	-	-	-
Buildings	(2,073)	-	-	-
Net change for the year	(777)	-	-	-
Closing balance asset revaluation reserve				
Land	49,865	48,614	29,708	29,708
Buildings	5,477	7,550	7,550	7,550
Total at the year end	55,342	56,165	37,258	37,258

Asset revaluation reserve

On the Spectrum Foundation's stand-alone financial statements, the revaluation reserve is transferred back to retained earnings following the asset sale to Homes of Choice. However, at a Group level the cumulative fair value of land and buildings is retained as a separate reserve within equity.

Systems transformation reserve

The government has signalled changes to the way the disability support sector will be contracted and funded. This change is known as Systems Transformation. The change will impact Spectrum Group and will influence the way business will be done in the future. To adapt and prepare for these changes the organisation has put aside some reserves to fund the anticipated organisational changes required.

Capital management

The Group and Foundation's capital includes trust settlement funds, accumulated surplus and reserves. When managing capital, the Board and Management's objective is to ensure the entity continues as a going concern as well as to maintain optimal benefits for its stakeholders. The Board and Management monitor capital through the gearing ratio (total liability/equity) and working capital ratio. There are no externally imposed covenants or other such requirements.

The Group and Foundation's policies in respect of capital management and allocation are reviewed regularly by the Board of Trustees.

There have been no material changes in the Group management of capital during the year. The Group and Foundation uses annual cash flow to fund its activities and achieve its annual objectives. Any surplus cash flow may be carried over to the next year to facilitate future activities.

16. Trust settlement funds

	GROUP 2025 $000	GROUP 2024 $000	Spectrum Foundation 2025 $000	Spectrum Foundation 2024 $000
Net assets of the Auckland Home Options Trust Board (AHOT)	1,568	1,568	1,568	1,568
Net assets of Services for People With ID Ltd (SPID)	(111)	(111)	(111)	(111)
Surplus on purchase by Spectrum Care Trust Board	400	400	400	400
Opening equity of trust funds settled at 1 July 1994	1,857	1,857	1,857	1,857

Spectrum Care Trust Board was established on 1 July 1994 with a settlement of $1,857,000 comprising:

» the transfer to Spectrum Care Trust Board of the entire AHOT balance sheet of $1,568,000
» the write back of SPID's negative equity of $111,000
» a surplus on purchase by Spectrum Care of $400,000.

17. Statement of cash flows reconciliation

	GROUP 2025 $000	GROUP 2024 $000	Spectrum Foundation 2025 $000	Spectrum Foundation 2024 $000
Reconciliation of net surplus to net cash flows from operations				
Net surplus for the year	5,226	3,217	1,388	1,172
Adjustments for:				
Depreciation and amortisation	2,351	2,042	333	284
Interest receivable	129	77	129	8
Depreciation recovered	2,009	(72)	(13)	(15)
Changes in assets and liabilities				
Provision for ACC Levy	(38)	13	5	1
Provision long service leave	150	40	-	-
Provision for lieu days	(47)	209	-	-
Provision for PAYE	(12)	72	(1)	8
Provision for annual leave	382	495	47	64
Provision for gratuities	(35)	157	7	25
Provision for salary, wages and sick leave	686	1,152	26	60
Creditors accrued	(410)	613	(329)	586
Provision for doubtful debts	(177)	159	(139)	(48)
Sundry accrued	(170)	(16)	(170)	(16)
Inter-company interest payable to Homes of Choice	-	-	(146)	70
Outcomes and inclusion provision	(56)	6	(56)	6
Grant received in advance	3,197	797	(8)	(58)
Other employee provisions	(6)	2	1	1
(Increase)/decrease in trade and other receivables	1,847	(3,158)	215	(176)
(Decrease)/increase in trade and other payables	1,025	(335)	628	(155)
Net cash from operating activities	16,052	5,469	1,918	1,815

18. Administration expenses

	GROUP		Spectrum Foundation	
	2025 $000	2024 $000	2025 $000	2024 $000
Management fees service level agreement	-	-	25	25
Non-frontline employee costs	8,036	7,501	5,813	5,296
Software expenses	1,000	791	742	565
General office expenses	433	378	285	250
Contractor and consultant expense	963	976	812	699
Advertising and marketing expense	81	60	47	43
Grant/donation spend allocation	177	242	-	-
Recruitment and training expense	834	731	741	652
Insurance	596	541	115	109
Computer maintenance	184	184	169	168
Vehicle	1,716	1,809	67	51
Travel and accommodation	133	134	61	68
Loss on disposal of fixed assets	182	9	-	-
Trustee costs	396	382	193	177
Bad debt expense	(177)	229	(139)	1
Legal	155	148	33	41
Leases	123	124	15	16
Cloud software project costs	911	456	30	426
Other expenses	621	392	72	167
	16,363	15,088	9,080	8,755

19. Operating lease commitments

The Head Office of the Foundation at 205 Great South Road, Greenlane, Auckland, was leased from Sustainable Property Investment Limited Partnership. The six-year lease which commenced in October 2020 provided for an eight-month rent free incentive at the start of the lease which is recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

The Foundation entered into a lease with Wellington Distributors Limited for a 72-month term commencing in January 2017. A three-year right of renewal commenced in January 2023. The premises are located at 250 Cuba Street, Wellington, and used as an activity centre. The Foundation pays $10,267 excl GST per month for this property.

The Foundation entered into a lease agreement with Church Bay Trust for a six-year lease commencing on November 2019. The premises is located at 4/310 Onehunga Mall, Onehunga. An incentive of $115,800.01 bond was set up over the term of lease, renewed every year.

The Foundation also has agreements to lease seven residential properties with third parties. All leases are periodic and do not have a fixed maturity date. However, the Foundation must give one month's notice when it wishes to terminate the lease. The Foundation expects to continue leasing these properties for as long as it is able to and therefore have included the amount in the table below under 'less than one year'.

The Foundation entered into an agreement with Fujifilm Leasing New Zealand Limited for a 29-month lease commencing in May 2023 for a number of printers. The Foundation pays $10,342 excluding GST per month, of which $9,000 is paid on behalf of Spectrum Care for their proportion of printers leased.

Minimum lease payments for the leases are as follows:

	GROUP		Spectrum Foundation	
	2025 $000	2024 $000	2025 $000	2024 $000
Less than one year	2,504	2,446	880	1,084
Between one to two years	335	842	173	535
Between two to five years	101	130	-	115
More than five years	-	-	-	-
Total minimum lease payments	2,940	3,418	1,053	1,734

20. Related party transactions

Homes of Choice is a wholly owned entity of Spectrum Foundation. At 30 June 2025, the remaining payable from Homes of Choice to Spectrum Foundation amounts to $280,851 (2024: $167,433). The remaining receivable from the Foundation to Homes of Choice amounts to $3,770 (2024: $3,431).

Spectrum Care is also a wholly owned entity of Spectrum Foundation. At 30 June 2025, the remaining payable to Spectrum Care from Homes of Choice amounts to $3,452 (2024: $144). The remaining receivable from Spectrum Care to Homes of Choice amounts to $708,079 (2024: $724,534).

At 30 June 2025, the remaining payable from Spectrum Care to Spectrum Foundation amounts to $1,185,223 (2024: $1,470,671). The remaining receivable to Spectrum Care from the Foundation amounts to $17,979 (2024: $2,525).

Spectrum Care is Homes of Choice's major source of revenue. Total rental revenue for properties that are owned by Homes of Choice is $3,924,860 (2024: $3,630,507). In addition, total rental revenue for properties that are owned by third parties, which are leased by Homes of Choice and oncharged to Spectrum Care, is $1,485,538 (2024: $1,254,367). The total payable and offsetting receivable within the two entities in relation to the above rental arrangements at 30 June 2025 amounted to $451,705 (2024: $411,335).

A Service Level Agreement exists between Spectrum Foundation and Homes of Choice for administrative services provided by the Foundation to Homes of Choice for which a monthly fee of $31,130 (2024: $31,365) was agreed. Total expense and corresponding revenue during the period in relation to this agreement is $373,563 (2024: $376,379). There is an outstanding payable and offsetting receivable within the two entities in relation to this at year end of $31,130 (2024: $31,365) as it is paid a month in arrears.

A Service Level Agreement exists between Spectrum Care and Homes of Choice for property management services provided by Homes of Choice to Spectrum Care for which a monthly fee of $40,026 (2024: $37,207) was agreed. Total expense during the period in relation to this agreement is $480,312 (2024: $446,490). There is an outstanding payable and offsetting receivable within the two entities in relation to this at year end of $40,026 (2024: $37,207) as it is paid a month in arrears. In addition, Spectrum Care was invoiced $328,221 (2024: $275,221) from Homes of Choice for external property management fees. There is an outstanding payable and offsetting receivable within the two entities in relation to this at year end of $28,376 (2024: $24,524) as it is paid a month in arrears.

A Service Level Agreement exists between Spectrum Foundation and Homes of Choice for property management services provided by Homes of Choice to Spectrum Foundation for which a monthly fee of $2,067 (2024: $2,067) was agreed. Total expense and corresponding revenue during the period in relation to this agreement is $24,809 (2024: $24,809). There is an outstanding payable and offsetting receivable within the two entities in relation to these at year end of $2,067 (2024: $3,431) as they are paid a month in arrears.

During the year, Homes of Choice managed repairs for Spectrum Care for the sum of $1,604,714 (2024: $1,916,564) and Spectrum Foundation for the sum of $30,894 (2024: $5,554).

A monthly capital charge of $125,000 (2024: $125,000) was charged to Homes of Choice by Spectrum Foundation for the use of the $60,000,000 capital provided. Total expense and corresponding revenue during the period in relation to this agreement was $1,500,000 (2024: $1,500,000). The capital charge rate is determined by Spectrum Foundation and for the year of 30 June 2025 was 2.5 per cent (2024: 2.5 per cent). From July 2024, a monthly capital charge of $28,125 (2024: $28,125) was charged to Spectrum Care by Spectrum Foundation for the use of the $13,816,510 investment of the parent to the Company provided. Total expense during the period in relation to this agreement was $337,500 (2024: $337,500). The capital charge rate is determined by Spectrum Foundation and for the year of 30 June 2025 was 2.5 per cent (2024: 2.5 per cent).

A Service Level Agreement exists between Spectrum Foundation and Spectrum Care for administrative services provided by the Foundation to Spectrum Care. Total expense and corresponding revenue during the period in relation to this agreement is $8,688,711 (2024: $8,817,497). There is an outstanding payable and offsetting receivable between the two entities in relation to this at year end of $714,745 (2024: $689,364) as it is paid a month in arrears.

During the year, Spectrum Care received a grant of $207,500 (2024: $146,666) from Spectrum Foundation in relation to the Company implementing the 'Gig Buddies' programme. Within Spectrum Foundation, the full cost of this was recognised in the 2025 financial year. Within Spectrum Care, $163,374 (2024: $217,527) was recognised as donation and fundraising revenue, being the amount of costs associated with the 'Gig Buddies' programme as at 30 June 2025. The remaining $114,706 (2024: $70,579) of 'Gig Buddies' grants received from Spectrum Foundation in 2025, 2024 and 2023 are recorded as funds received in advance liability.

The $7,169,365 (2024: $11,686,486) sitting in related party payables relates to funds held on behalf of Spectrum Care by Spectrum Foundation. Of this, $1,500,000 (2024: $8,000,000) relates to the Foundation holding term deposits on behalf of the Company with funds and interest returned upon maturity. Interest on these Term Deposits of $9,181 (2024: $155,305) has been accrued within related party payables. The remaining amount relates to funding and contributions by the Ministry of Social Development that were being paid into a Spectrum Foundation bank account instead of to Spectrum Care.

Homes of Choice and Spectrum Foundation have one Director/Trustee in common on their Board of Trustees (2024: One). Homes of Choice and Spectrum Care have one Director in common on their Board of Directors (2024: One). Spectrum Care and Spectrum Foundation have two Directors/Trustees in common on their Board of Directors/Trustees (2024: Two).

Compensation to Key Management Personnel in Spectrum Care in the form of short term employee benefits totalled $360,296 (2024: $345,295). Key Management Personnel is comprised of five Directors (2024: Five) and one Chief Operating Officer (2024: One).

Compensation to Key Management Personnel in Homes of Choice in the form of short term employee benefits totalled $307,897 (2024: $303,878). Key Management Personnel is comprised of four Directors (2024: Four) and one General Manager (2024: One).

Compensation to Key Management Personnel for the Foundation in the form of short-term employee benefits or external contract costs totalled $1,785,070 (2024: $1,663,083). Across the Group there are eleven Trustees/Directors (four of which are employed on two Boards) and nine General Managers who are considered Key Management Personnel. Seven of the General Managers are employed by Spectrum Foundation for the Group.

21. Funding received in advance

	GROUP		Spectrum Foundation	
	2025 $000	2024 $000	2025 $000	2024 $000
Residential contract	235	341	-	-
Respite contract	1,122	463	-	-
Home Support contract	171	171	-	-
Other	758	570	432	441
Ministry of Housing and Urban Development grant	3,166	734	-	-
	5,451	2,278	432	441

During the 2024 financial year, Homes of Choice entered into a grant funding agreement with the Ministry of Housing and Urban Development. In exchange for the grant, Homes of Choice is to construct a series of rental homes which are then let under the Residential Tenancies Act at an agreed 80 per cent of market rental rates for a minimum of 25 years.

Within the 2025 financial year, Homes of Choice received $5,884,001 (2024: $858,872) of this funding. As the performance obligations of the grant are to construct the house and let it under the terms agreed, this will be recognised as rental revenue over the course of the 25 years post completion of the rental properties. Due to the long-term nature of the contract, a discounting component was recognised as interest revenue upon the receipt of the funding to the value of $3,189,426 (2024: $508,821).

22. Borrowing costs

Homes of Choice entered into a funding facility with Soul Capital during the 2024 financial year. This funding facility was specifically for the development of properties at Bukem Place, Favona and Buckland Road, Mangere. During the construction phase of the developments, the borrowing costs associated with this facility were capitalised as part of the cost of the developments. During the 2025 financial year the capitalised borrowing costs totalled $5,933 (2024: $80,731). On 5 May 2025, this facility was refinanced with ASB Bank.

Homes of Choice entered into an additional funding facility with Soul Capital during the 2025 financial year. This funding facility was specifically for the development of properties at Angelo Avenue, Adriatic Avenue, Buller Crescent and Pitt Avenue. During the construction of the developments, the borrowing costs associated with this facility was capitalised as part of the cost of the developments. During the 2025 financial year the capitalised borrowing costs totalled $45,454.

As at 30 June 2025, the ASB loan related to the Bukem Place and Buckland Road developments totalled $3,150,770 (2024: $2,608,049) and has an interest rate of five percent (2024: 6.89 per cent)

As at 30 June 2025, the Soul Capital loan related to the Angelo Avenue, Adriatic Avenue, Buller Crescent and Pitt Avenue developments totalled $2,797,287 and has an interest rate of seven per cent. It is expected that this loan will be refinanced upon completion of the developments in the 2026 financial year.

23. Auditor's remuneration

	GROUP		Spectrum Foundation	
	2025 $000	2024 $000	2025 $000	2024 $000
Amounts paid or payable to Grant Thornton New Zealand Audit Partnership for:				
Audit of the financial statements	123	127	29	29
Other consultancy services	-	9	-	9
	123	136	29	38

Other consultancy services in the 2024 financial year relate to Grant Thornton undertaking technical reviews of an inter entity contract and share buy-back transactions.

24. Contingent liabilities and contingent assets

There is no contingent liabilities as at 30 June 2025 (2024: Nil).

There are no contingent assets as at 30 June 2025 (2024: Nil).

25. Capital commitments

During the year, the Group entered into construction contracts with unrelated parties. As at 30 June 2025, there were total capital commitments relating to these contracts of $1,440,127 (2024: $896,150). In addition, there were capital commitments consisting of vehicle purchases and vehicle fitouts of $465,805 (2024: $349,703). As at 30 June 2025, total capital commitments were $1,905,932 (2024:$1,245,853).

26. Events after the reporting period

There were no events subsequent to the reporting period that would materially affect the financial statements (2024: Nil).

27. Grants

Grants are recognised when they are approved by the Spectrum Foundation Board. Grants to the following organisations were approved during the 2025 financial year:

- Access Matters Aotearoa Trust
- Achilles Track Club New Zealand
- Auckland Disability Law
- Auckland Whānau Special Needs Support Group Inc
- Autism New Zealand Inc.
- Brain Injury Waikato Inc
- Catalytic Foundation
- Disability Connect Incorporated
- Disability Sport Auckland
- Ember Innovations Limited
- FASD-CAN Inc
- Flying Kites
- Gig Buddies
- Glass Ceiling Arts Collective Limited
- Horowhenua Hearing Association Incorporated
- InterlockNZ Trust
- Parent to Parent NZ Inc
- Project Employ Limited
- Recreate NZ
- RespectEd Aotearoa
- Riding for the Disabled – Cambridge Inc
- Spectrum Care Limited
- SPELADD NZ Inc
- Taimahi Trust
- TalkLink Trust
- THE D LIST
- Thrive Whanganui Trust


Thank you

Independent Auditor's Report

To the Shareholder of Spectrum Foundation Limited

Grant Thornton

Report on the Audit of the general purpose financial report

Opinion

We have audited the financial report of The Spectrum Foundation (the "Entity") and its wholly owned subsidiaries (the "Group") which comprise the consolidated financial statements on pages 40 to 70 and the service performance information on pages 10 to 38. The complete set of consolidated financial statements comprise the statement of financial position as at 30 June 2025, and the statement of comprehensive revenue and expenses, statement of changes in net assets, and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

- the financial position of the Entity and Group as at 30 June 2025 and its financial performance and its 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 Entity and Group's measurement bases or evaluation methods

in accordance with the Public Benefit Entity International Public Sector Accounting Standards (Not For Profit) 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 service performance information in accordance the ISAs (NZ) and New Zealand Auditing Standard (NZ AS) 1 (Revised) The Audit of Service Performance Information. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity 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 Entity and Group.

Other Information

The Trustees are responsible for the other information accompanying the consolidated financial statements. The other information comprises of the Corporate Information and Trustees' details but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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 Those Charged with Governance for the Financial Report

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

- the preparation, and fair presentation of the financial 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 Entity and 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 financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, those charged with governance are responsible for assessing the Entity's and 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 Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the Audit of the Financial report

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

A further description of the auditor's responsibilities for the audit of the 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/

Restriction on use of our report

This report is made solely to the Entity's Trustees, 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 Trustees, as a body, for our audit work, this report or for the opinion we have formed.

Grant Thornton

Grant Thornton New Zealand Audit Limited

Auckland, New Zealand
22 September 2025

We face challenges together and empower capabilities.

SPECTRUM
FOUNDATION
Ahākoa ko wai te tangata, ahākoa nō hea

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