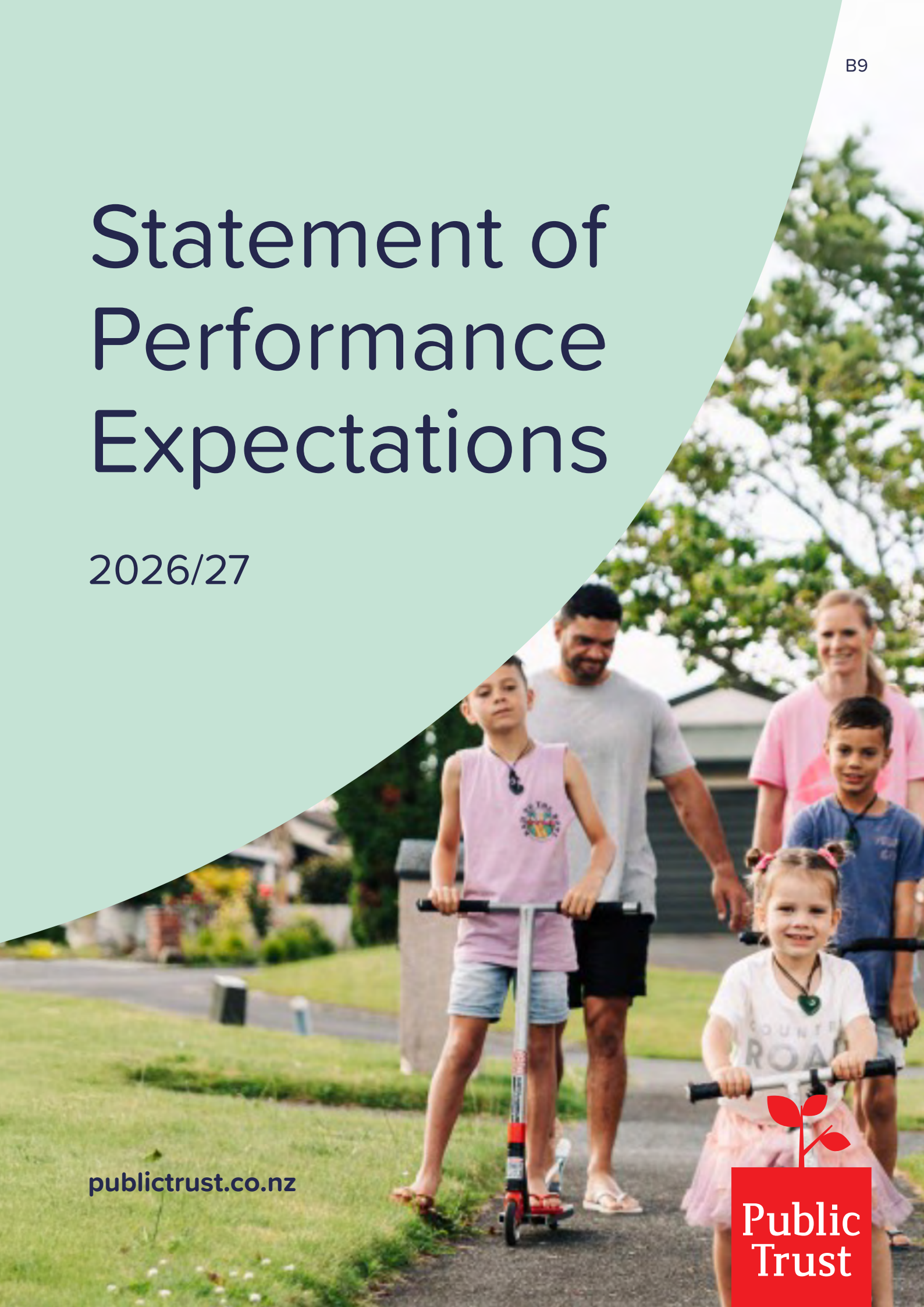
Statement of Performance Expectations

2026/27



publictrust.co.nz

Public Trust

Board statement

This Statement of Performance Expectations is submitted by the Board of Public Trust and has been prepared in accordance with the Crown Entities Act 2004. It outlines our short-term performance measures and targets and financial forecasts for the year ahead. It should be read together with our Statement of Intent, which sets out our strategy to 2030.

The Board acknowledges responsibility for the prospective consolidated financial statements presented, including the appropriateness of the assumptions made in preparing the financial information and all other disclosures.

Signed on behalf of the Public Trust Board:



Karen Price
Chair
12 November 2026



Will Peet
Deputy Chair
12 November 2026

This Statement of Performance Expectations has been reissued on 12 November 2026 following an amendment to reported figures, see page 12.

Contents

Introduction 4

What we seek to achieve for New Zealanders 8

Our specialist capabilities 11

Measuring our progress 12

Contribution to Crown outputs 13

Common Fund reporting 15

Prospective consolidated statement of total comprehensive income 17

Prospective consolidated statement of changes in equity 17

Prospective consolidated statement of financial position 18

Prospective consolidated statement of cash flows 19

Notes to the prospective consolidated financial statements 20

Introduction

Public Trust is New Zealand's largest and best-known provider of trustee, estate planning and administration services.

We support New Zealanders through the specialist legal and financial services we provide at key moments in their lives, helping them protect what matters most.

For many people, this begins with planning ahead – making a will or appointing an enduring power of attorney (EPA). Too many New Zealanders still do not have these important legal protections in place and we're working to change that. By helping people get their future planning sorted and doing our job well, we make it easier for families to navigate challenging times and free up the Courts.

Our role is broader than many people realise. We are the country's biggest KiwiSaver supervisor, and through the regulated supervision of managed investment schemes and financial products, we protect the interests of over a million investors.

We also manage hundreds of charities that distribute millions of dollars in community funding each year, and we provide an education escrow service that safeguards student fees for more than 200 private training establishments.

Public Trust is a mainstay of New Zealand's social services framework. The Courts appoint us to manage the financial affairs of New Zealanders who have capacity issues, and to apply protective financial checks that help ensure vulnerable people are not subject to financial abuse. As trustee of last resort, we are here to ensure no one is left without support.

At some point in life, every New Zealander may need one of our offerings, and we want to be there for them when they need us most. This Statement of Performance Expectations sets out how we will deliver on this role in the year ahead. It aligns with our Statement of Intent 2027-2030 and supports the Minister's Letters of Expectations. Through our work, we play an important role in supporting Government objectives by empowering New Zealanders to build and protect their legacies.



Legislated responsibilities and essential functions

Established over 150 years ago, Public Trust is an autonomous Crown entity governed by the Public Trust Act 2001 and Crown Entities Act 2004. This guarantees Public Trust's independence in fulfilling our fiduciary obligations. It also provides the Board authority to deliver on Public Trust's strategy, which is determined as having regard to government policy and the expectations set by our responsible Minister.

The Chief Executive has responsibility for the day-to-day management of the business. We have a team of over 400 people working across 20 locations, ensuring we remain closely connected to the customers and communities we serve.

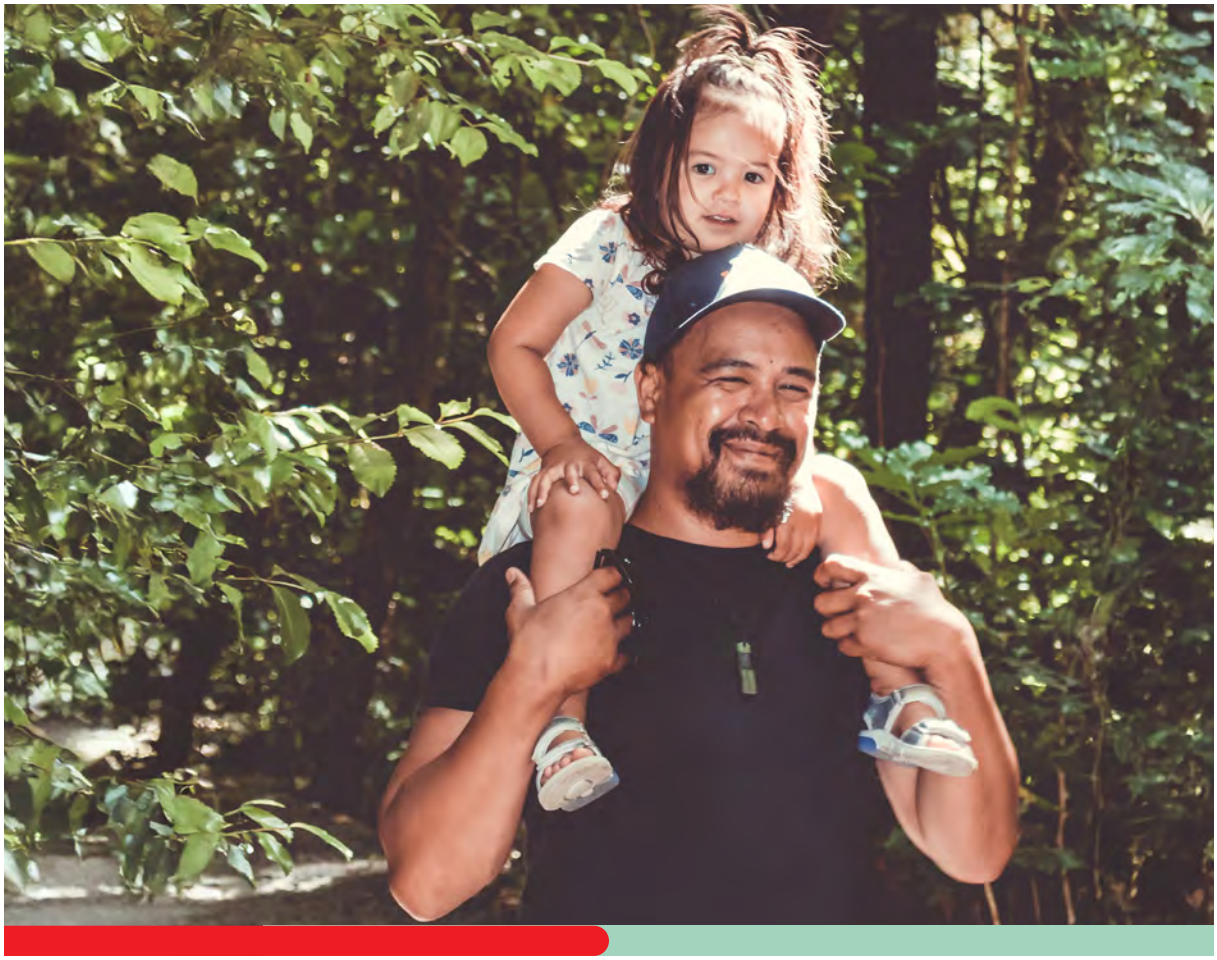
While our main objective as defined in our Act is to operate as an effective business, we also have clear obligations to care for New Zealanders and our people.

The Public Trust Act 2001 sets out that we must:

- be as efficient as comparable businesses that are not owned by the Crown,
- prudently manage our assets and liabilities,
- maintain financial viability in the long term,
- be a good employer, and
- be an organisation that exhibits a sense of social responsibility by having regard to the interests of the communities in which we operate.

Our core legislated functions are the provision and promotion of comprehensive estate management and administration services, including associated legal and financial services.

As the public trustee we perform unique functions under a range of different legislation associated with the protection and holding of assets, and our expertise as a fiduciary. This includes situations where there is a higher duty of care needed that is not met by the commercial market. We fulfil a safeguarding function in New Zealand law for infants, minors and those who lack mental capacity.



We are also the only entity in New Zealand that can be appointed to the role of trustee of last resort. This means that we will step in and act as trustee where no other appropriate person or entity is available to perform the trustee role.

Government priorities, as articulated in our Minister's Letters of Expectations, are a key focus of the Board and our senior leadership.

The changing world in which we operate

Public Trust operates in a rapidly changing environment, shaped by an ageing and increasingly diverse population, the great wealth transfer now underway, and the growing influence of digital technologies. Together, these forces are transforming how New Zealanders plan for the future and driving demand for our core services.

The scale of the intergenerational wealth transfer represents a watershed moment for New Zealand. Inheritances are expected to grow from around $27 billion today to a cumulative total of $1.6 trillion by 2050,[1] increasing the need for trusted support to help people plan ahead.

Demographic change is also accelerating. By 2028, around one million New Zealanders will be aged 65 or older,[2] and by 2050 almost 170,000 people are expected to be living with dementia.[3] At the same time, New Zealand's population is also becoming more diverse. Within the next decade, New Zealand's Māori, Pacific and Asian populations are forecast to grow significantly.[4]

Customer behaviour has shifted as digital access becomes the norm and demand for omni-channel service delivery grows. Today, customers can connect with us through more channels than ever before, including video, phone, email, online chat and face-to-face appointments – with 70 percent of new wills and enduring powers of attorney now completed through our online channels.

As New Zealand grows and diversifies, we are repositioning our organisation to seize these opportunities and respond to the changing needs of New Zealanders. Our strategic priorities are:

> Readying Public Trust for imminent generational change

> Closing the relevance gap for all New Zealanders

> Building on our data and technology foundations

With customer needs becoming more complex, and expectations for digital services rising, targeted investment in digital capability and customer experience will enable us to operate more efficiently, reduce our cost to serve, and improve outcomes for the people and communities who rely on us.

Public Trust recognises we have a responsibility, as an autonomous Crown entity, to provide services that are relevant and accessible to all New Zealanders. This includes strengthening relationships with Māori through our Te Pā Harakeke framework, and deepening our understanding of, and engagement with, New Zealand's diverse and growing ethnic communities.

Delivering value in the year ahead

Public Trust is a self-funded Crown business. This means we must generate revenue through the services we provide and investments we manage to grow capital, return a dividend, and reinvest in the capability needed to better serve New Zealanders.

In the year ahead, we expect to demonstrate our ability to deliver for customers, adapt to changing circumstances and embrace new ways of working. We will continue to invest in modernising our service delivery to show up where, when and how customers need us, and use data driven insights, digital tools and channels to enhance customer experience.

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1 NZ Bequest Report, JBWere, February 2025

2 National population projections: 2023 (base) - 2078, Stats NZ Tatauranga Aotearoa, June 2025

3 Dementia in Focus: Alzheimers NZ with Auckland University, September 2025

4 National ethnic population projections: 2023 (base) - 2048, Stats NZ Tatauranga Aotearoa, September 2025

At the same time, we remain focused on operating as a successful, efficient business. In a tight economic environment, anticipated inflationary pressures and softer consumer spending require disciplined cost management, while maintaining high service standards. Our customers are sensitive to cost and risk, which means we must continue to innovate to deliver our products and services in a way that is compelling, relevant and accessible to meet their expectations of value for money, balanced with high standards of compliance and legislative rigour.

Improving New Zealander's uptake of wills and enduring powers of attorney (EPAs), which are key to financial wellbeing and personal protection, remains a strategic priority. Recent declines in estate volumes reflect a legacy pipeline effect, with lower will sales between 2013 and 2019 now translating into fewer estates entering administration. This reinforces the importance of growing the number of New Zealanders with a will today, alongside strengthening and differentiating our estate administration proposition to drive future growth and support sustainable performance in the longer term.

Some of Public Trust's revenue is driven by external market forces that are outside the organisation's control. For example, revenue earned from investment funds we supervise or directly manage is exposed to movements in financial markets. The global environment remains highly uncertain, with geopolitical tensions and volatile financial markets continuing to affect investor confidence and economic conditions. This uncertainty is expected to continue and may result in slower revenue growth or a potential decline in the year ahead.

Domestically, sustained cost-of-living pressures are influencing household behaviour. Further changes to the Official Cash Rate, coupled with a weaker economic environment, may place pressure on demand for services, compressing sales volumes and revenue growth.

Trends in KiwiSaver significant financial hardship withdrawals further reflect the financial pressures many households are currently experiencing. KiwiSaver financial hardship application volumes are forecast to exceed 50,000 this year – double the number recorded just two years ago. Public Trust remains committed to responding to 95% of completed withdrawal applications within two business days.

Te Ara Ahunga Ora Retirement Commission, in its latest Review of Retirement Income Policies, has recommended making hardship withdrawals easier and more consistent for those who need help. As New Zealand's largest KiwiSaver supervisor, Public Trust is focused on introducing automation and standardisation that lifts performance across the industry. We've built a system designed to streamline hardship and serious illness withdrawal applications for both members and KiwiSaver providers, enhancing consistency, processing times, transparency and fairness.

Our continued commercial success enables us to reinvest in our people, systems and services, supporting improved outcomes for customers and communities now and into the future.

What we seek to achieve for New Zealanders

Our purpose is to empower all New Zealanders to build and protect their legacies. To achieve this, we aim to relentlessly deliver value through compelling, relevant and accessible services that lead and shape our industry.

Public Trust delivers trustee and comprehensive estate planning and administration services for individuals through our Retail business. We provide corporate trustee, supervisory and custodial services through our Corporate Trustee Services business. We also have an important role to play in the charitable trust sector and supporting vulnerable people who have lost capacity through our property manager services.

Estate planning and management

We deliver day-to-day estate planning and trustee services to everyday New Zealanders through our national network of customer centres, contact centre and online services.

We provide guidance to New Zealanders to ensure that the people and things that matter the most to them are taken care of after they have passed away. We work with our customers to maintain and review their estate plans, ensuring they remain relevant and up to date over their lifetime.

We specialise in helping customers with:

- **Wills**: A legal document that sets out wishes regarding the care of children, funeral arrangements as well as how to distribute assets or special items after their death.
- **Statement of wishes:** A document that accompanies a will that outlines special instructions and guidance to those involved in administering their estate. It is not legally binding but helps clarify a willmaker's intentions.
- **Enduring powers of attorney:** A legal document appointing an attorney to step in to manage financial and property affairs or personal care if they can't.
- **Trusts:** A legal arrangement to protect the assets, and future assets, of their whānau.

Estate administration

We act as executor for estates. This critical service helps whānau at a very difficult time and ensures that the wishes of the will maker are carried out so their legacy can continue.

Executor Assist service

We work with lawyers and private executors to help them with some or all of the tasks associated with being an executor. We complete probate applications, collect assets, pay liabilities, complete tax returns and completely manage estates on behalf of executors if required.

Personal Assist service

We offer a tailored personal management service to help customers with their financial and property matters, including paying bills, managing bank accounts, buying or selling assets, arranging caregiving, home repairs and applying for pensions.

Services under the Protection of Personal and Property Rights Act

We provide personal management services for vulnerable New Zealanders under the Protection of Personal and Property Rights Act 1988. This involves Public Trust being appointed by Court order as the property manager for customers who no longer have mental capacity to manage their own affairs.

Public Trust also undertakes examinations of the financial statements of private property managers on behalf of the Courts, to ensure that those without capacity are having their finances managed appropriately.

Services funded by the Ministry of Justice

We are entrusted to look after the financial affairs of New Zealanders who risk being unable to access services from the commercial market and or where there is a higher duty of care needed that cannot be met by the market. Public Trust receives funding from the Ministry of Justice to provide personal management services for vulnerable New Zealanders under the Protection of Personal and Property Rights Act 1988, who are without the means to pay.

Trustee of last resort

We are also required, in some instances, to act as trustee of last resort and provide fiduciary services to individuals when there is no other provider or when their needs are unlikely to be met by private sector trustee organisations.

Charities

As one of New Zealand's largest charitable trust administrators and advisers, Public Trust is proud to empower others to give for good.

In FY26 we have distributed $13.7 million in grants through the charitable trusts we administer (as at 31 March 2026), supporting a wide range of community groups.

We manage over 430 charities, including Smedley Station, New Zealand's largest cadet training farm, and the TG Macarthy Trust. We take care of registration, reporting, gifting, legal, accounting and taxation, and make sure that assets are invested to provide lasting benefits.



Fee Protect service

We safeguard student fees on behalf of 200 private training establishments through our Fee Protect service. This service protects 38,203 (as at 31 March 2026), tertiary students each year from losses outside of their control (for example, due to closure or insolvency of a course provider). It also creates confidence in New Zealand as an education destination as student funds are protected until students have received their education.

Investment services for fiduciary customers

We provide investment management services to our fiduciary customers, designed to help meet their current and future needs.

Our products aim to provide sustainable, risk-adjusted investment returns and appropriate income streams. We invest funds on behalf of our fiduciary customers, including our charitable trusts, in our Common Fund or our Public Trust Investment Service.

Our Common Fund (around $342 million as at 31 March 2026) is used primarily for Retail customers requiring shorter term liquidity and for our Fee Protect customers. Deposits held in our Common Fund are government guaranteed. In addition, we have around $1.3 billion funds under management in our Public Trust Investment Service (as at 31 March 2026). These funds comprise assets we manage on behalf of clients with longer-term investment needs, which includes the charities Public Trust administers. All funds are managed within well-defined investment policies and a robust governance framework.

Corporate Trustee Services

Public Trust has a specialised corporate trustee team who supervise a number of New Zealand financial services businesses to help ensure consumer and investor trust in the financial system is maintained.

We are licensed by the Financial Markets Authority, under the Financial Markets Supervisors Act 2011 to oversee and provide guidance to our clients, ensuring that they meet the standards expected of them and that investors' interests are protected.

Our Corporate Trustee Services team provide specialist services including:

- Supervision of regulated investment schemes and trusteeship of unregulated schemes e.g. wholesale schemes.
- Supervision of KiwiSaver schemes, including four of the six default providers. One million New Zealanders are covered by our KiwiSaver oversight. Part of this role involves assessing early withdrawal applications for KiwiSaver members experiencing significant financial hardship or serious illness.
- Custodial services, we hold listed and unlisted securities in safekeeping and are responsible for all associated cash and security transactions along with all reporting and tax obligations on our clients' assets.
- Structured finance transactions, covering debt issues and securitisations.



Our specialist capabilities

Underpinning our services is a strong base of specialist capability. Public Trust brings together in-house legal expertise in trust, estate, family, property and taxation law, alongside experienced investment and financial professionals, including chartered accountants. This multidisciplinary expertise enables us to deliver high-quality trustee, investment, and financial services, manage complex and sensitive matters, and meet our fiduciary and statutory obligations with confidence and care.

- Trustee and fiduciary expertise
- Property management
- Financial management
- Investment management
- Charitable trust management
- Escrow
- Securities custody



Measuring our progress

This Statement of Performance Expectations (SPE) sets out the key measures we use to track our progress and success across people, customer and financial performance.

It sits alongside our 2027-2030 Statement of Intent (SOI), which outlines the strategic priorities and the outcomes we intend to achieve over the next four years. Our strategy focuses on:

- Readying Public Trust for imminent generational change
- Closing the relevance gap for all New Zealanders
- Building on our data and technology foundations.

The table below sets out our annual objectives and how we will measure progress towards achieving our longer-term vision outlined in our SOI. These performance measures hold us accountable to our legislated objectives to operate as an effective commercial business. They set ambitious targets to improve outcomes for our customers and communities, sustain financial strength and support our people. The measures are aligned with the Minister's expectations for efficient and cost-effective delivery of our functions, and an appropriate return to the Crown.

We regularly review our performance framework to ensure our measures remain robust, relevant and transparent. Performance against these measures will be reported through our Annual Report.

Objectives	What success looks like	Measure	2024/2025 Actual	2025/2026 Forecast	2026/2027 Plan
Serving our customers and communities	Our products and services are compelling, relevant and accessible to all New Zealanders and we empower them to build and protect their legacies	New business sales for wills	7,206	6,936	8,958
		New business sales for EPAs	4,833	4,451	5,536
		New business sales for wills and EPAs completed online compared to total sales	68.0%	74.0%	71.0%
		Number of new estates administered each year	1,307	1,086	1,040
		Net Promoter Score	38.7*	35.6*	42.0*
		KiwiSaver hardship applications processed within two business days (not including day of receipt)	98.6%	97.0%	95.0%
Being a good employer	Our culture of care ensures our people are highly engaged, healthy, safe and well	Total Recordable Injury Frequency Rate	1.13	1.13	Target to not exceed 1.71
Delivering financial growth	We deliver a strong financial performance that enables us to return a dividend to our owner and continue to reinvest in our business to drive better outcomes for the customers we serve	Return on equity**	7.5%	9.2%	10.0%
		Cost to income ratio**	90.5%	88.1%	87.1%

* The FY25 NPS result was previously reported as 41.6. This has been now recalculated as 38.7 following the inclusion of customer feedback that had historically been excluded. The FY26 NPS forecast was also recalculated, and now represents the actual FY26 result. Based on these changes, the FY27 target has been reset to 42.0.

** The return on equity and cost to income ratio are non-GAAP (Generally Accepted Accounting Practice) financial performance measures calculated using underlying profit, which is not defined by New Zealand GAAP. The underlying profit includes the value of services provided to eligible customers under our agreement with the Ministry of Justice in excess of the funding received.

Contribution to Crown outputs

Public Trust has one reportable class of outputs under section 149E(1)(a) of the Crown Entities Act 2004, which arises from its services agreement with the Crown (acting through the Minister of Justice). At the time of issuing this Statement of Performance Expectation, the services agreement for 2026/27 has not been negotiated. Accordingly, the information outlined below is based on an assumption that both funding and deliverables will remain consistent with financial year 2025/26 arrangements.

Under the services agreement, the Crown purchases non-commercial fiduciary services from Public Trust to ensure that affordability does not prevent New Zealanders from accessing these services.

Providing these services helps advance the Crown's objective to protect the most vulnerable members of our society. The outputs arising from this contract are intended to enable access to fiduciary services for New Zealanders who are either vulnerable or unable to obtain these services within their own means.

In financial year 2026/27 Public Trust expects to be funded to deliver services to incapacitated persons with less than $30,000 assets under the Protection of Personal and Property Rights Act 1988 or under Public Trust agencies.

As a service provider, Public Trust will remain focused on delivering our role as efficiently and effectively as possible.



How performance will be assessed

The services agreement will specify the scope of services Public Trust provides. Performance under the agreement will be monitored through regular reporting to the Ministry of Justice. Public Trust will assess its performance under the agreement by measuring the number of clients served and total hours spent providing services.

			2024/2025 actual		2025/2026 forecast		2026/2027 plan	
Service	**Measure**	**Client asset pool**	**No. of clients**	**Hours**	**No. of clients**	**Hours**	**No. of clients**	**Hours**
Providing services to incapacitated persons under the Protection of Personal and Property Rights Act 1988 or under Public Trust agencies	Number of clients served and hours to manage and advise under the Protection of Personal and Property Rights Act 1988	$0-$20k	466	10,092	$Nil*			
		$0k-$30k	-	-	636	13,963	700	15,235

* In 2025/26 the $0-$20k client asset pool qualifying category changed to $0-$30k.

Revenue and expenses

In financial year 2026/27, it is likely that demand from qualifying customers will exceed the funding provided by the Crown. This is reflected below, with anticipated expenses being greater than revenue. Public Trust will report the cost of providing services to qualifying customers that are more than the funding received in its Annual Report.

- Expected revenue 2026/27: $1.984 million (GST exclusive).
- Proposed expenses 2026/27: $3.74 million (GST exclusive) – proposed expenses include only the direct costs incurred to deliver these services.
- Maximum potential revenue 2026/27: The maximum potential revenue under the agreement is $1.984 million.

Common Fund reporting

Public Trust's Common Fund contains fiduciary customers' money and is guaranteed by the New Zealand Government. The Common Fund is invested in the manner provided by the Trusts Act 2019 and Public Trust Act 2001.

Investments made from the Common Fund are not made on account of, and do not belong to, any particular estate and are subject to strict investment guidelines to ensure a conservative risk-return profile is maintained.

The primary measures used to monitor the risk exposure of the investments made from the Common Fund are credit quality, issuer concentration ratio and the liquidity test. The risk exposure of the investments made from the Common Fund is also assessed using the value at risk method. Taken together, these measures are a subset of, and in alignment with, controls in the Common Fund's Statement of Investment Policy and Objectives, which sets out the governance, strategy, investment approach, constraints and risk management policies.

Credit quality

Credit quality assesses the creditworthiness or default risk of the investments made from the Common Fund and is based on published external credit ratings.

Measure	2024/2025 actual	2025/2026 forecast	2026/2027 plan
Aggregate percentage of investments held with a long-term S&P-equivalent credit rating between BBB and A-, measured monthly, must not exceed 20%, and none may be held with a long-term S&P-equivalent credit rating of BBB- or lower	BBB to A-: 6.1%, monthly average BBB- or lower: no investments held during the year	BBB to A-: 7.6%, monthly average BBB- or lower: no investments held during the year	Aggregate value of investments held with a long-term S&P-equivalent credit rating of BBB to A-: will not exceed 20% of the total investments, and none rated with a long-term S&P-equivalent credit rating of BBB- or lower

Issuer concentration ratio

The issuer concentration ratio offers a measure of market concentration within the portfolio of investments made from the Common Fund and indicates the exposure of the investments to non-bank issuers (other than the New Zealand Government and the New Zealand Local Government Funding Agency (LGFA)).

Measure	2024/2025 actual	2025/2026 forecast	2026/2027 plan
Credit exposure* to a single non-bank issuer (other than government, LGFA) must not exceed 4% of total investments, measured monthly	Credit exposure did not exceed 4%	Credit exposure will not exceed 4%	Credit exposure will not exceed 4%

* Credit exposure is the market value of all investments held with a single non-bank issuer (e.g., non-bank issuer of commercial paper, floating rate note, or corporate bond, other than those issued by the New Zealand Government and LGFA) as a percentage of the total market value of all investments held.

Liquidity test

A liquidity test measures the proportion of liquid assets relative to the total value of an investment portfolio. An asset is considered liquid if it can be quickly converted into cash. An appropriate level of liquid assets must be maintained to ensure that the funding requirements of the fiduciary customers are met.

Measure	2024/2025 actual	2025/2026 forecast	2026/2027 plan
Percentage of total investments (by dollar value) that can be liquidated within 100 days, measured monthly	50.0% monthly average, with no month below 33%	50.1% monthly average, with no month below 33%	At least 33% (by dollar value) of total investments can be liquidated within 100 days

Value at risk

Value at risk (VaR) is a statistical measure of the risk of loss in an investment portfolio given normal market conditions over a defined period within a given probability/confidence level. In other words, VaR defines the maximum level of acceptable loss for a portfolio given normal market conditions over a given period of time.

VaR is an estimate of the risk of a loss within a portfolio. By setting VaR measures, portfolio managers attempt to keep the risk of loss within agreed levels.

Measure	2024/2025 actual	2025/2026 forecast	2026/2027 plan
VaR, excluding term deposits, measure of 0.4% at 95% confidence level*	0.29% monthly average	0.23% monthly average, with no month exceeding 0.4%	VaR will not exceed 0.4%

* The VaR measure of 0.4% at 95% confidence is the same as stating that Public Trust is confident that losses will not exceed 0.4% of the total value of investments over any one day.

Prospective consolidated statement of total comprehensive income

for the period 1 July 2025 to 30 June 2027

	Forecast 2026 ($000)	Plan 2027 ($000)
Revenue		
Interest from investment securities	12,290	11,377
Interest from advances to customers	226	187
Less: Interest paid to customers	(6,017)	(5,378)
	6,499	**6,186**
Revenue from contracts with customers	81,390	87,499
Net revenue	**87,889**	**93,685**
Expenses		
Employee benefits	(54,322)	(56,257)
Depreciation	(3,065)	(2,857)
Amortisation of intangible assets	(1,916)	(2,459)
Operating lease costs	(188)	(130)
Other expenses	(18,923)	(21,176)
Total operating expenses	**(78,414)**	**(82,879)**
Finance costs	(310)	(259)
Net gains from investment securities	32	-
Profit before tax for the year	**9,197**	**10,547**
Income tax expense	(2,575)	(2,953)
Profit after tax for the year	**6,622**	**7,594**
Total comprehensive income for the year	**6,622**	**7,594**

Prospective consolidated statement of changes in equity

for the period 1 July 2025 to 30 June 2027

	Forecast 2026 ($000)	Plan 2027 ($000)
Equity at the start of the year	**81,429**	**85,801**
Profit after tax for the year	6,622	7,594
Total comprehensive income for the year	**6,622**	**7,594**
Return of capital paid to the Crown	(2,250)	-
Dividend paid to the Crown	-	(1,324)
Equity at the end of the year	**85,801**	**92,071**

Prospective consolidated statement of financial position

as at 30 June

	Forecast 2026 ($000)	Plan 2027 ($000)
Assets		
Cash	20,025	21,899
Investment securities	353,999	363,630
Trade and other receivables	4,851	5,014
Advances to customers	3,778	3,782
Total financial assets	**382,653**	**394,325**
Contract assets	11,714	12,289
Other assets	1,848	1,883
Property, plant and equipment	1,641	1,480
Right-of-use assets	11,593	10,843
Intangible assets	20,347	21,138
Deferred tax asset	3,209	256
Total assets	**433,005**	**442,214**
Liabilities		
Liabilities to customers	323,725	328,415
Trade payables	2,124	2,198
Other liabilities	926	928
Employee benefits	5,941	4,871
Provisions	1,425	1,439
Contract liabilities	197	159
Lease liabilities	12,866	12,133
Total liabilities	**347,204**	**350,143**
Equity		
Contributed equity	88,955	88,955
Retained earnings	(3,154)	3,116
Total equity	**85,801**	**92,071**
Total liabilities and equity	**433,005**	**442,214**

Prospective consolidated statement of cash flows

for the period 1 July 2025 to 30 June 2027

	Forecast 2026 ($000)	Plan 2027 ($000)
Cash flows from operating activities		
Receipts from customers	80,901	86,723
Interest received from investment securities	13,447	11,487
Payments to suppliers and employees	(75,390)	(78,578)
Interest paid to customers	(6,017)	(5,378)
Payment of interest portion of lease liabilities	(310)	(259)
Net cash flows generated from operating activities	**12,631**	**13,995**
Cash flows from investing activities		
Proceeds from sale of investment securities	382,127	376,589
Purchase of investment securities	(387,039)	(386,147)
Purchase of property, plant and equipment	(83)	(600)
Purchase of intangible assets	(8,868)	(3,250)
Net cash flows used in investing activities	**(13,863)**	**(13,408)**
Cash flows from financing activities		
Net receipts from customers	3,190	4,690
Payment of principal portion of lease liabilities	(2,128)	(2,079)
Return of capital paid to the Crown	(2,250)	-
Dividend paid to the Crown	-	(1,324)
Net cash flows (used in)/generated from financing activities	**(1,188)**	**1,287**
Net (decrease)/increase in cash	**(2,420)**	**1,874**
Cash at the beginning of the year	22,445	20,025
Cash at the end of the year	**20,025**	**21,899**

Notes to the prospective consolidated financial statements

1 | General information

Public Trust is a body corporate established and domiciled in New Zealand by the Public Trust Act 2001 (the 2001 Act) and includes those liabilities defined as the Common Fund by the 2001 Act.

Public Trust is a Crown entity for the purposes of the Crown Entities Act 2004 and an FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013.

The purpose of the prospective consolidated financial statements is to facilitate Parliament's consideration of the planned performance of Public Trust. These statements have been prepared for this purpose only and may not be suitable for other uses. There is no intention to update the prospective consolidated financial statements subsequent to presentation.

2 | Basis of preparation

The prospective consolidated financial statements of the Group have been prepared:

- in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) as it relates to prospective financial statements and comply with New Zealand Financial Reporting Standard 42 (NZ FRS 42) Prospective Financial Statements;
- on the historical cost basis;
- in New Zealand Dollars, rounded to the nearest thousand ($000), except when otherwise stated; and
- exclusive of GST, with the exception of payables and receivables that include GST.

The prospective consolidated financial statements have been prepared using management's best estimates and assumptions as at the date of preparation. Actual financial results are likely to differ from the prospective information presented, and those differences may be material. Any material variances will be disclosed and explained in the Annual Report.

3 | Basis of consolidation

The prospective consolidated financial statements comprise Public Trust (the Parent) and its subsidiaries (collectively, the Group).

All intra-group balances and transactions are eliminated on consolidation.

Subsidiaries are consolidated from the date on which control commences until the date control ceases. When control is lost, related assets, liabilities, and equity components are derecognised, and any retained interest in the former subsidiary is measured at fair value.

4 | Presentation of cash flows

Cash flows from operating activities are cash flows from the principal revenue-producing activities of the Group.

Cash flows from the sale and purchase of investment securities relate to investments made from the Common Fund.

Net cash flows from financing activities substantially comprise of movements in liabilities to customers, which are cash payments and receipts relating to monies held on behalf of customers within the Common Fund. These transactions reflect the customers' activities rather than those of Public Trust and are therefore disclosed on a net basis.

5 | Changes in accounting policies

There have been no changes in accounting policies adopted for the purposes of preparing these prospective consolidated financial statements.

New accounting standards, interpretations or amendments issued but not yet effective are not expected to have a material impact on the prospective consolidated financial statements. The Group continues to assess the potential future impact of NZ IFRS 18 Presentation and Disclosure in Financial Statements, which is effective for periods beginning on or after 1 January 2027.

6 | Significant accounting judgements, estimates and assumptions

The preparation of the prospective consolidated financial statements requires the application of judgements and assumptions that may affect the reported prospective consolidated financial statements. These judgements and assumptions are based on information available at the date of preparation and are inherently subject to uncertainty.

Significant assumptions

The prospective consolidated financial statements have been prepared on the basis of assumptions as to the future market environment and events that Public Trust reasonably expects to occur, associated with the actions that Public Trust reasonably expects to take, as at the date that this information was prepared.

The statements are based on the following significant assumptions listed in order of their relative impact on the prospective consolidated financial statements:

1. The 2026 forecast financials include actuals up to 31 December 2025 and six months of forecast.
2. Operating costs are projected to increase on the expectation of staff remuneration and supplier cost increases, in line with inflation expectations, partially offset by lower average personnel numbers following efficiencies derived from the completion of a major IT system upgrade.
3. Retail revenue is projected to grow due to price increases, growth in demand for Protection of Personal and Property Rights (PPPR) services, and marketing initiatives to increase executor assist, wills and enduring power of attorney sales.
4. Corporate Trustee Services revenue is projected to grow driven by market growth, continued KiwiSaver member contributions, new revenue streams, and planned business development activities.
5. Investments revenue is projected to decline slightly resulting from an expectation of a lower average OCR in financial year 2026/27, partially offset by increased Public Trust Investment Service revenue, driven by growth in funds under management.
6. Digital revenue and transaction volumes are forecast to grow year-on-year as a result of targeted marketing activity and improvements to the online platform.
7. Fee Protect revenue is expected to increase, driven by continued growth in New Zealand's international and domestic student market for private training establishments.
8. The 2027 financial plan assumes capital expenditure on intangible assets and property, plant and equipment of $3.9 million.
9. Costs associated with compensation and legal claims arising from service delivery issues in financial year 2026/27 are assumed to remain at the levels observed in financial year 2025/26. Provisions are based on the best available estimates.
10. The funding cap for the services agreement between the Ministry of Justice and Public Trust has been assumed to remain at $1.98 million in financial year 2026/27.

7 | Revenue from contracts with customers

The Group's core business is providing estate planning and management services; trustee services for individuals, businesses, corporates and charities; personal management services; investments for fiduciary customers and protective fiduciary services to New Zealanders.

Forecast revenue reflects management's expectations of service delivery under existing arrangements, having regard to historical performance, anticipated volumes, pricing, and expected future conditions. Revenue is recognised at a point in time in accordance with the underlying service contract when control of the asset is transferred to the customer, generally as work is performed or as time elapses over a fixed term contract.

Where revenue includes variable elements, forecast amounts reflect management's best estimate of the consideration to which it will be entitled in exchange for transferring the services to the customer, based on historical experience and current information.

Under NZ IFRS 15, variable consideration exists as a result of the 5% cap provision (under section 122 of the 2001 Act), volume rebates and

annual management fees being calculated as a percentage of the gross value of assets under ongoing administration.

To estimate the variable consideration to which the Group is entitled resulting from the 5% cap and annual management fees, the Group applies the expected value method and only recognises revenue to the extent it is highly probable that a significant reversal in cumulative revenue recognised will not occur when the uncertainty is subsequently resolved.

8 | Expenses

Forecast expenses are recognised in the period to which they are expected to relate. Employee benefit costs, operating expenses, depreciation and amortisation are based on current cost structures and forecast changes over the planning period.

9 | Income tax

Income tax expense included in the prospective consolidated statement of comprehensive income comprises expected current tax and movements in deferred tax balances, based on forecast taxable income and enacted tax rates.

Deferred tax assets and liabilities are offset in the prospective consolidated statement of financial position where there is a legal enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

10 | Liabilities to customers

Public Trust holds some of the monies it is responsible for on behalf of its fiduciary customers within the Common Fund. These customer deposits, which are available at call, are recognised as liabilities to customers in the prospective consolidated statement of financial position. The capital and interest of liabilities to customers in the Common Fund is Crown guaranteed. The guarantee on capital for those deposits is provided by section 52 of the 2001 Act and is not time limited. The interest on customer deposits is covered by the Crown guarantee provided under section 65ZD of the Public Finance Act 1989.

Interest payable to customers whose money constitutes the Common Fund is recognised in profit or loss, calculated on the daily balances and paid at a rate and at intervals determined by Public Trust in accordance with the 2001 Act.

11 | Leases

Lease related balances and expenses included in the prospective consolidated financial statements are based on existing lease arrangements and management's expectations regarding lease terms and renewal decisions. Judgement is applied in assessing whether lease extension options are reasonably certain to be exercised, particularly in relation to office buildings.

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