Domain Name Commission Limited

Financial Statements
For the year ended 31 March 2021

Domain Name Commission Limited

Contents

Domain Name Commission Limited

Statement of Comprehensive Revenue and Expense
For the year ended 31 March 2021

	Notes	2021 $	2020 $
OPERATING ACTIVITIES			
Exchange revenue			
Authorisation Fees		12,000	15,000
DRS Complaint Fees		20,000	18,000
Management Fees	13	1,449,699	1,840,004
Other Income		46,612	-
Total Exchange Revenue		1,528,311	1,873,004
Total Operating Revenue		1,528,311	1,873,004
Operating expenses			
Audit Fees		4,500	4,500
Board Expenses		6,681	6,586
Communications		58,621	16,614
Compliance	16	55,666	25,564
Depreciation	9	7,710	10,192
Amortisation	10	16,761	3,669
Directors Fees	13	33,000	25,000
Disputes Resolution Service		50,532	60,102
DNC Registrar Activities		8,473	14,362
International Memberships and Conferences		26,011	88,635
Legal Expenses		114,492	268,333
Office and Administration		315,168	282,735
Personnel and Staff	12	782,610	601,179
Professional Services		15,814	13,394
Projects		35,324	34,159
Total Operating Expenses		1,531,363	1,455,023
Surplus/(Deficit) from Operating Activities		(3,052)	417,981
INVESTING ACTIVITIES			
Interest Income on Term Deposits		15,096	12,359
Surplus/(Deficit) from Investing Activity		15,096	12,359
SURPLUS/(DEFICIT) FOR THE YEAR		12,044	430,340
Other Comprehensive Revenue/(Expenses)		-	-
TOTAL COMPREHENSIVE REVENUE AND EXPENSES FOR THE YEAR		12,044	430,340

These financial statements have been authorised for issue by the Board.

Director	Date 1/07/2021

Director	Date 1/07/21

These financial statements should be read in conjunction with the notes to the financial statements.

Domain Name Commission Limited

Statement of Financial Position
As at 31 March 2021

	Notes	2021 $	2020 $
ASSETS			
Current			
Cash and Cash Equivalents	**6**	142,025	222,361
Other Financial Assets	**7**	779,005	729,461
Trade Debtors and Other Receivables	**8**	130,714	75,583
Total Current Assets		1,051,744	1,027,404
Non-current			
Property, Plant and Equipment	**9**	17,379	9,697
Intangible Assets	**10**	205,247	27,778
Total Non-Current Assets		222,626	37,475
TOTAL ASSETS		1,274,370	1,064,879
LIABILITIES			
Current			
Trade Creditors and Other Payables	**11**	395,209	197,763
Total Current Liabilities		395,209	197,763
TOTAL LIABILITIES		395,209	197,763
NET ASSETS		879,161	867,117
EQUITY			
Share Capital		580,000	580,000
Accumulated Funds		299,161	287,117
TOTAL EQUITY		879,161	867,117

These financial statements should be read in conjunction with the notes to the financial statements.

Domain Name Commission Limited

Statement of Changes in Net Assets
For the year ended 31 March 2021

	2021 $	2020 $
SHARE CAPITAL		
Opening Balance	580,000	580,000
CLOSING BALANCE SHARE CAPITAL	580,000	580,000
ACCUMULATED FUNDS		
Opening Balance	287,117	(143,223)
Surplus/(Deficit) for the Year	12,044	430,340
Other Comprehensive Revenue and Expense	-	-
Total Comprehensive Revenue and Expense	12,044	430,340
CLOSING BALANCE ACCUMULATED FUNDS	299,161	287,117
TOTAL EQUITY	879,161	867,117

These financial statements should be read in conjunction with the notes to the financial statements.

Domain Name Commission Limited

Statement of Cash Flows
For the year ended 31 March 2021

	Notes	2021 $	2020 $
Cash Flows from Operating Activities			
Cash was Provided from/(Applied to):			
Receipts from Customers		1,472,518	1,873,004
Interest Received		14,119	13,748
Payments to Suppliers and Employees		(1,299,941)	(1,718,656)
Net GST Received (Paid)		(7,866)	6,945
Net Cash From/(Used In) Operating Activities	**15**	178,830	175,040
Cash Flows from Investing Activities			
Cash was Provided from/(Applied to):			
Purchase of Property, Plant and Equipment		(15,392)	(10,162)
Purchase of Intangible Assets		(194,229)	(27,373)
Net Movement in Short-Term Deposits		(49,545)	(363,386)
Net Cash From/(Used In) Investing Activities		(259,166)	(400,921)
Net Increase/(Decrease) in Cash and Cash Equivalents		(80,336)	(225,881)
Cash and Cash Equivalents at the Beginning of the Year		222,361	448,242
Cash and Cash Equivalents At End of the Year	**6**	142,025	222,361

These financial statements should be read in conjunction with the notes to the financial statements.

Notes to the financial statements

1 Reporting entity

These financial statements comprise the financial statements of Domain Name Commission Limited (the 'Company') for the year ended 31 March 2021.

The principal activity of the Company is to manage the .nz domain name space and to protect the interests and rights of everyone involved in using it.

The Company is a Public Benefit Entity (PBE) as its primary objective is to provide goods or services to the community for social benefit rather than for a financial return.

2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Tier 2 PBE Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards Reduced Disclosure Regime (PBE IPSAS RDR) and other applicable Financial Reporting Standards as appropriate to PBEs.

The Company is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and annual expenditure of the Company does not exceed $30 million.

(b) Basis of measurement

The financial statements have been prepared on a historical costs basis.

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

At the start of the financial year a global pandemic impacted the business. Revenue has not been impacted in the current year (2020: None).

(c) Presentation currency

The financial statements are presented in New Zealand dollars.

All numbers are rounded to the nearest dollar ($), except when otherwise stated.

(d) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

3 Summary of significant accounting policies

The accounting policies of the Company been applied consistently to all years presented in these financial statements.

(a) Property, plant and equipment

Items of property, plant and equipment are measured at cost, less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Additions and subsequent costs

Subsequent costs and the cost of replacing part of an item of property, plant and equipment are recognised as an asset if, and only if, it is probable that future economic benefits or service potential will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value at the acquisition date.

All repairs and maintenance expenditure is charged to surplus or deficit in the year in which the expense is incurred.

Disposals

A item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use. When an item of property, plant or equipment is disposed of, the gain or loss recognised in the surplus or deficit is calculated as the difference between the net sale proceeds and the carrying amount of the asset.

Depreciation

Depreciation is recognised as an expense in the reported surplus or deficit and measured on a straight line (SL) basis on all property, plant and equipment over the estimated useful life of the asset. The following depreciation rates have been applied:

Office equipment	13.0% - 50%	SL

The residual value, useful life, and depreciation methods of property, plant and equipment are reassessed annually.

(b) Intangible assets

Intangible assets acquired separately are initially recognised at cost.

The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange.

Intangible assets acquired by the Company, that have finite useful lives, are measured at cost less accumulated amortisation and any impairment losses.

Intangible assets are amortised using the straight line method of amortisation using the following amortisation rates:

Software	20% - 100%	SL

Residual values and useful lives are assessed at each reporting date.

Disposals

Gains or losses on derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in the surplus or deficit for the year.

(c) Leased assets

Leases, where the Company assumes substantially all the risks and rewards incidental to ownership of the leased assets, are classified as finance leases. All other leases are classified as operating leases.

Lease payments on finance leases are apportioned between finance charges and the reduction of the lease obligation so as to achieve a constant rate of interest (the effective interest rate) on the remaining balance of the liability. Finance charges are charged directly against the surplus or deficit, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs.

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

(d) Provisions

A provision is recognised for a liability when the settlement amount or timing is uncertain, when there is a present legal or constructive obligation as a result of a past event, it is probable that expenditure will be required to settle the obligation and a reliable estimate of the potential settlement can be made. Provisions are not recognised for future operating losses.

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. Provisions are discounted to their present values, where the time value of money is material. The increase in the provision due to the passage of time is recognised as an interest expense.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

(e) Employee entitlements

Employee benefits, previously earned from past services, that the Company expects to be settled within 12 months of the reporting date, are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to the reporting date and annual leave earned, but not yet taken, at the reporting date.

(f) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In this case recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. An asset's or CGU's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use.

Where the carrying amount of an asset or the CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised immediately in surplus or deficit.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in surplus or deficit.

Notes to the financial statements

(g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument in another entity.

Financial instruments comprise trade debtors and other receivables, cash and cash equivalents, short term deposits and trade creditors and other payables.

Initial recognition and measurement

Financial assets and financial liabilities are recognised initially at fair value plus transaction costs attributable to the acquisition, except for those carried at fair value through surplus or deficit, which are measured at fair value.

Financial assets and financial liabilities are recognised when the reporting entity becomes a party to the contractual provisions of the financial instrument.

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or if the Parent or Company transfers the financial asset to another party without retaining control or all substantial risks and rewards of the asset.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

All financial assets except for those classified as fair value through surplus or deficit are subject to review for impairment at minimum at each reporting date.

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on their classification, which is primarily determined by the purpose for which the financial assets were acquired. The Company has classified its financial assets as loans and receivables. Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. The Company's cash and cash equivalents, trade debtors and most other receivables fall into this category of financial instruments.

After initial recognition, such financial assets are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in Companys, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified Company.

Subsequent measurement of financial liabilities

Trade payables and other borrowings are subsequently measured at amortised cost using the effective interest method.

(h) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and revenue can be reliably measured. Revenue is measured at the fair value of consideration received.

The Company assesses its revenue arrangements against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. In an agency relationship, only the portion of revenue earned on the Company's own account is recognised as gross revenue in the Statement of Comprehensive Revenue and Expense.

The following specific recognition criteria must be met before revenue is recognised:

Rendering of services

Revenue from services rendered is recognised in the accounting periods in which the services are provided.

Interest income

Interest income is recognised as it is earned.

(i) Expenses

Expenses are recognised in the accounting period in which the services or goods are received.

(j) Income tax

Due to its charitable status, the Company is exempt from income tax.

(k) Goods and Services Tax (GST)

All amounts in these financial statements are shown exclusive of GST, except for receivables and payables that are stated inclusive of GST.

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

4 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with (PBE IPSAS RDR) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant judgements, estimates and assumptions is provided in the relevant accounting policy or provided in the relevant note disclosure.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in future years affected.

5 Capital management policy

The Company's capital is its equity, being the net assets represented by retained earnings and other equity reserves. The primary objectives of the Company's capital management policy is to ensure adequate capital reserves are maintained in order to support its activities. The Company manages its capital structure and makes adjustment to it, in light of changes to funding requirements. To maintain or adjust the capital structure, budgetary discretionary expenditure is reduced to avoid the need for external borrowings.

Domain Name Commission Limited

Notes to the financial statements

6 Cash and cash equivalents

	2021 $	2020 $
Cash at bank and on hand	142,025	186,877
Term deposits with maturities with 90 days or less	-	35,484
Cash and cash equivalents	142,025	222,361

The carrying amount of cash and cash equivalents approximates their fair value.

Cash at bank earns interest at floating rates on daily deposit balances.

7 Other financial assets

	2021 $	2020 $
Term deposits	779,005	729,461
Total other financial assets	779,005	729,461

8 Trade debtors and other receivables

	2021 $	2020 $
Accounts Receivable	56,450	657
Prepayments	72,388	74,026
Interest receivable	1,876	900
Total trade and other receivables	130,714	75,583

Trade debtors and other receivables are non-interest bearing and receipt is normally on 30 days terms. Therefore the carrying value of trade debtors and other receivables approximates its fair value.

The accounts recieveable relates to the salaries of backfill employees as a result of DNCL subject matter experts being assigned to InternetNZ Group Major Projects.

9 Property, plant and equipment

Movements for each class of property, plant and equipment are as follows:

2021	Office equipment $	Total $
Gross carrying amount		
Opening balance	96,061	96,061
Additions	15,392	15,392
Disposals	-	-
Closing balance	111,453	111,453
Accumulated depreciation and impairment		
Opening balance	86,364	86,364
Depreciation for the year	7,710	7,710
Impairment charge for the year	-	-
Depreciation written back on disposal	-	-
Closing balance	94,074	94,074
Carrying amount 31 March 2021	17,379	17,379

2020	Office equipment $	Total $
Gross carrying amount		
Opening balance	85,899	85,899
Additions	10,162	10,162
Disposals	-	-
Closing balance	96,061	96,061
Accumulated depreciation and impairment		
Opening balance	76,172	76,172
Current year depreciation	10,192	10,192
Impairment charge for the year	-	-
Depreciation written back on disposal	-	-
Closing balance	86,364	86,364
Carrying amount 31 March 2020	9,697	9,697

Capital commitments
As at balance date the Company had no capital commitments (2020: None).

Domain Name Commission Limited

Notes to the financial statements

10 Intangible assets

Movements for each class of intangible assets are as follows:

2021	Software $	Total $
Gross carrying amount		
Opening balance	149,378	149,378
Additions	194,230	194,230
Disposals	-	-
Closing balance	343,608	343,608
Accumulated amortisation and impairment		
Opening balance	121,600	121,600
Current year amortisation	16,761	16,761
Closing balance	138,361	138,361
Carrying amount 31 March 2021	205,247	205,247

2020	Software $	Total $
Gross carrying amount		
Opening balance	122,005	122,005
Additions	27,373	27,373
Disposals	-	-
Closing balance	149,378	149,378
Accumulated amortisation and impairment		
Opening balance	117,931	117,931
Current year amortisation	3,669	3,669
Closing balance	121,600	121,600
Carrying amount 31 March 2020	27,778	27,778

11 Trade creditors and other payables

	2021 $	2020 $
Accounts payable	320,758	147,658
Annual leave owing	71,089	38,877
GST payable	3,362	11,228
Total trade and other payables	395,209	197,763

Accounts payable are non-interest bearing and (normally settled on 30 day terms) therefore their carrying amount approximates their fair value.

Domain Name Commission Limited

Notes to the financial statements

12 Employee entitlements

	2021 $	2020 $
Salaries and wages	671,781	515,720
Other employment expenses	78,618	88,405
Increase (decrease) in employee entitlements	32,212	(2,946)
Total employee remuneration and expenses	782,610	601,179

During the year there were two employees who received remuneration greater than $100,000 (2020: one employee).

13 Related party transactions

Related party transactions arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the Company.

The Company has a related party relationship with any company under common control and its Key Management Personnel.

The Company received management fees of $1,449,699 (2020: $1,840,004) from InternetNZ. The decrease of $500,000 was due to special funding being provided in the prior year.

The Company paid administration fees of $236,611 (2020: $230,500) to InternetNZ.

The Company has trade debtors of $56,450 (2020: $657) owing from InternetNZ.

The Company has trade creditors of $41,823 (2020: $5,048) owing to InternetNZ.

The Company paid directors fees of $33,000 (2020: $25,000).

Key management compensation

The Company has a related party relationship with its key management personnel. Key management personnel include directors and executive officers.

Key management personnel compensation includes the following expenses:

	2021 $	2020 $
Directors fees, key management salaries and other short term benefits	263,754	229,527
Total remuneration	263,754	229,527
Number of persons recognised as key management personnel	4	4

14 Financial instruments

(a) Carrying value of financial instruments

The carrying amounts of all material financial assets and liabilities are considered to be equivalent to fair value.

Fair value is the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction.

(b) Classification of financial instruments

All financial assets held by the Company classified as "loans and receivables" are carried at cost less accumulated impairment losses.

All financial liabilities held by the Company are carried at amortised cost using the effective interest rate method.

Domain Name Commission Limited

Notes to the financial statements

	2021 $	2020 $
Financial assets (loans and receivables)		
Cash and cash equivalents	142,025	222,361
Term deposits	779,005	729,461
Trade debtors	130,714	75,583
Total financial assets	1,051,744	1,027,404
Financial liabilities (amortised cost)		
Trade creditors	391,847	186,535
Total financial liabilities	391,847	186,535

15 Reconciliation of cash flows from operating activities

	2021 $	2020 $
Surplus/(deficit) for the year	12,044	430,340
Add/(deduct) non-cash items		
Depreciation, amortisation and impairment	24,471	13,861
Fair value movements on financial instruments through surplus or deficit	-	-
Bad and doubtful debt expenses	-	-
Other non-cash items	-	-
Add/(deduct) movements classified as investing activities		
(Gain)/loss on disposal of property, plant and equipment	-	-
Add/(deduct) movements in working capital		
(Increase)/decrease in trade debtors and other receivables	(56,770)	1,588
(Increase)/decrease in prepayments	1,639	(35,057)
Increase/(decrease) in trade creditors and other payables	165,234	(232,746)
Increase/(decrease) in employee entitlements	32,212	(2,946)
Net cash flows from/ (used in) operating activities	178,830	175,040

16 Compliance

The compliance costs have increased to $55,666 which has arisen from the purchase of additional threat feeds to proactively monitor the .nz domain name space for specified threats.

17 Contingent assets and contingent liabilities

The Company has no contingent assets or continent liabilities (2020: None).

18 Events after the reporting period

There were no significant events after the balance date (2020: None).

Independent Auditor's Report

Grant Thornton New Zealand Audit Limited
L15, Grant Thornton House
215 Lambton Quay
PO Box 10712
Wellington 6143

T +64 4 474 8500
www.grantthornton.co.nz

To the Shareholder of Domain Name Commission Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Domain Name Commission Limited (the Commission) on pages 1 to 14 which comprise the statement of financial position as at 31 March 2021, and the statement of comprehensive revenue and expense, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Group as at 31 March 2021 and its financial performance and cash flows for the year then ended in accordance with Public Benefit Entity International Public Sector Accounting Standards for Not-for-Profit Entities Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

Basis for Opinion

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

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

The financial statements of the Commission for the year ended 31 March 2020 was audited by another auditor who expressed an unmodified opinion on those statements on 6 July 2020.

Director's Responsibilities for the Consolidated Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with Public Benefit Entity International Public Sector Accounting Standards for Not-for-Profit Entities Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board, and for such internal control as those charged with governance determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director's on behalf of the entity are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) 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 these consolidated financial statements.

A further description of the auditor’s responsibilities for the audit of the financial statements is located on the External Reporting Board’s website at: https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/

Restriction on use of our report

This report is made solely to the Shareholder. Our audit work has been undertaken so that we might state to the Shareholder, those matters which we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, its Shareholder, for our audit work, for this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Limited

Grant Thornton.

B Kennerley

Partner

Wellington

1 July 2021