Annual Report

RotoruaNZ Limited
For the year ended 30 June 2026

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Who we are

RotoruaNZ Limited
For the year ended 30 June 2026

RotoruaNZ is the Economic Development Agency (EDA) and Regional Tourism Organisation (RTO) for the Rotorua district.

Our work supports the development of the Rotorua economy, unlocking opportunities for commercial investment and providing employment, wealth and wellbeing for all of our people. RotoruaNZ is committed to developing and promoting Rotorua as a destination of choice to work, study, visit, invest and live in. RotoruaNZ's key trading activities and brands are RotoruaNZ, i-SITE, Sir Howard Morrison Centre, Energy Events Centre, and Mai Rotorua.

RotoruaNZ is a Council Controlled Organisation (CCO) that works in partnership with iwi, private sector business, local government, community organisations and central government to support their growth aspirations and enhance the Rotorua identity and reputation. We operate as a neutral entity and a trusted advisor, balancing the needs of each group of stakeholders for the benefit of the destination.

RotoruaNZ is led by Chief Executive Andrew Wilson and governed by an independent board of directors:

Tim Cossar (Chair) – appointed 9 June 2020

David Tapsell (Director) - appointed 01 May 2021

Keri-Anne Tane (Director) - appointed 01 May 2021

Sarah Meikle (Director) - appointed 01 August 2023

Darren Linton (Director) - appointed 01 August 2026

Brendan Downey-Parish (Director) - appointed 01 August 2026

Marisa Bidois (Director) - appointed 01 August 2023 (term ended 1 Aug 2025)

Paul Button (Director) - appointed 01 August 2023 (term ended 1 Aug 2026)

Mihi from the Board Chair and Chief Executive

RotoruaNZ Limited
For the year ended 30 June 2026

Tēnā koutou katoa,

We are pleased to present RotoruaNZ's Annual Report for the year ended 30 June 2026. It has been a year of solid progress in a challenging operating environment, with pressure on household spending, intense competition for visitors, events and investment, and ongoing infrastructure constraints. Against this backdrop, Rotorua continued to strengthen its appeal and demonstrate the enduring value of its people, culture, environment and distinctive visitor experiences.

RotoruaNZ remained focused on unlocking the economic potential of Rotorua through our dual role as the district's Regional Tourism Organisation and Economic Development Agency. Working alongside Rotorua Lakes Council, Te Arawa iwi and mana whenua, industry, community and government partners, we advanced activity designed to grow the visitor economy, strengthen Rotorua's reputation, support business and investment, and create a more vibrant district for residents and visitors alike.

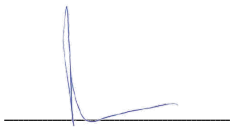
Our destination marketing translated awareness into measurable demand. Campaigns built around Matariki, Robe 2.0 and Relax Hard reached large audiences, generated referrals to local operators and contributed to stronger visitor performance at key times of the year. Rotorua's appeal, likelihood to visit and visitor advocacy also improved, providing a stronger platform for future growth.

Events and venues continued to play an important role in Rotorua's economy and community life. From the Samoa v Fiji rugby test to major participation events including Tarawera Ultra-Trail, Crankworx Rotorua and national Māori sporting tournaments, Rotorua welcomed competitors, performers, delegates and supporters from across Aotearoa and overseas. The Sir Howard Morrison Centre strengthened its role as a cultural and entertainment hub, while investment in the Energy Events Centre supported its future capability.

We also progressed work with longer-term economic significance. This included the Inner-City Blueprint, the Rotorua Investment Prospectus, the Live, Work, Invest Plan, geothermal opportunities and bioeconomy initiatives. These projects support a clearer investment story for Rotorua and reflect our commitment to an economy that is diverse, productive and resilient.

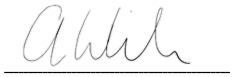
We thank our people, Rotorua Lakes Council, iwi and mana whenua, tourism and business partners, event organisers, funders and the wider Rotorua community for their continued support and collaboration. Together, we are building confidence in Rotorua and creating opportunities for our district to thrive as a place to live, visit, work, and invest.

Ngā mihi,



Tim Cossar

Board Chair



Andrew Wilson

Chief Executive

Our Focus

RotoruaNZ Limited
For the year ended 30 June 2026

RotoruaNZ exists to unlock the economic potential of Rotorua. As the district's Regional Tourism Organisation and Economic Development Agency, we work with Rotorua Lakes Council and partners to deliver the economic development priorities of the 2024-2034 Long-term Plan, while drawing on the aspirations of Te Arawa 2050. Our work is grounded in Rotorua's defining strengths: our people, natural environment, vibrant Māori culture and the distinctive experiences our district offers.

During 2025/26, our work centred on five connected areas:

- Place, brand, reputation and demand - Strengthening Rotorua's reputation and destination brand through authentic storytelling, targeted domestic and international marketing, media and trade activity, and digital platforms that convert interest into visitation and referrals to local businesses.
- Events, venues and vibrancy - Delivering the Rotorua Events Strategy and investing in a balanced programme of major, community and commercial events that grows visitation, supports local business, builds the Rotorua brand and contributes to year-round vibrancy.
- Destination sales and commercial growth - Growing the value of tourism through international trade, business events, education and group travel, venue programming and commercial partnerships, with a focus on future bookings, midweek and shoulder-season demand, revenue and long-term sustainability.
- Visitor experience and operational excellence - Providing high-quality visitor and customer experiences across i-SITE services, the Tawa Forest Hub, Waipa Forest Camp, the Sir Howard Morrison Centre and the Energy Events Centre, while improving service delivery, safety and operational efficiency.
- Strategy, investment and economic development - Supporting investment, innovation and business growth in Rotorua's areas of advantage, particularly tourism, forestry, wood processing, geothermal and the bioeconomy. This includes developing investment propositions, progressing city and destination projects, providing research and insights, removing barriers to growth and
  supporting Māori economic development aspirations.

Together, these areas connect near-term activity that supports visitation, spending and vibrancy with longer-term work to strengthen Rotorua's economy, communities and investment proposition.

Our Successes & Achievements

RotoruaNZ Limited
For the year ended 30 June 2026

RotoruaNZ delivered a broad programme of work across destination marketing, events, sales, visitor services and economic development. Highlights reported during the year include:

Strengthening destination demand and reputation

- Matariki promotional activity helped lift visitor volumes by 1.5% over Matariki weekend, compared with a national decline of 3.2%. International visitors increased by 9.1%, while the rest of New Zealand declined by 1.2%
- The Matariki mini-series achieved 1.2 million views, reached 900,000 unique users and generated more than 2,000 page views.
- Robe 2.0 delivered 8.76 million impressions and 11,567 clicks to operator websites across the core and bonus Meta activity.
- During the Spring School Holidays, Rotorua recorded a 3.6% increase in domestic overnight stays against a national decline of 0.5%. Visitor spend increased 7% to $46.8 million during the campaign period, with approximately 7,000 additional hotel room nights occupied across September.
- RotoruaNZ supported 48 media famils during 2025, generating a combined social reach of 41 million, alongside coverage through digital and traditional media channels.
- By March 2026, Rotorua's appeal as a short-break or holiday destination had increased to 36%, its domestic visitor Net Promoter Score had risen to +18, and 38% of domestic travellers said they would definitely or probably visit within the next 12 months.

Growing Rotorua's events profile and community vibrancy

- The Samoa v Fiji rugby test attracted approximately 6,000 attendees, while newly funded events such as the Hunting Fishing 4x4 Expo and Run the Forest supported off-season visitation.
- Rotorua delivered a strong summer programme including the National Māori Basketball Tournament, Tarawera Ultra-Trail by UTMB, Crankworx Rotorua, Secondary Schools Waka Ama Nationals, Volcanic Epic and the Aramex Redwoods Trail Run.
- Tarawera Ultra-Trail attracted approximately 5,500 participants, more than half from international markets, supporting accommodation demand and visitor spending.
- Marketing activity attributed more than 4,000 ticket sales to the Chiefs v Moana Pasifika fixture and secured national exposure for Rotorua and Crankworx through Seven Sharp.
- RotoruaNZ's event investment remained aligned with the Rotorua Events Strategy, with one Tier 1 event, five Tier 2 events and eight Tier 3 events supported by March 2026.

Building venue, business event and destination sales performance

- In the first half of the year, the Sir Howard Morrison Centre hosted 33 events and performances attended by 24,145 people. By March, total attendance had reached 46,972 and overall utilisation was on track, driven by strong community use.
- The venue presented a diverse mix of community productions and touring entertainment, including Te Tangi a Te Tūi, Whetūrangihia, We Will Rock You, Bill Bailey, Jimmy Carr and The Rock Orchestra by Candlelight.
- Four conferences representing approximately 3,250 delegate days were secured in Q3, contributing valuable future midweek visitation and venue use.
- The Kiwi North China Roadshow engaged approximately 350 travel advisors across Beijing, Shanghai, Chengdu and Gua
- ngzhou and strengthened relationships with airline and travel distribution partners.
- A Sponsorship Policy and Partner Programme were progressed, alongside work to connect Ticketmaster with major international online travel agencies and diversify future commercial revenue.

Improving visitor services and group travel

- Rotorua i-SITE accounted for 40% of national i-SITE sales during the first half of the year. In Q3, i-SITE sales were 11% higher overall and three percentage points ahead of the national average, while foot traffic was up 8% year on year.
- The Tawa Forest Hub was established as a valued service for visitors and locals, with further improvements to seating and the retail offer, while Waipa Forest Camp continued to serve mountain bikers, forest users and motorhome visitors.

- The Rotorua Education Network exceeded its $2 million annual school-booking target by March 2026. Q3 alone brought 118 school groups and almost 4,500 students to Rotorua, generating more than 18,500 individual visits to tourism operators.
- Post-event venue evaluation satisfaction reached 88% by March, ahead of the 75% target, with clients consistently recognising staff service delivery.

Advancing investment and long term economic development

- The Inner-City Blueprint and related activation work progressed, identifying committed projects, development opportunities and practical ways to increase activity, foot traffic and vibrancy.
- The Rotorua Investment Prospectus and Live, Work, Invest Plan advanced, strengthening Rotorua's proposition to investors, businesses and talent.
- Work progressed on Te Pūtake o Tawa in partnership with Tūhourangi Tribal Authority and CNI Iwi Holdings, supporting a stronger investment case and the wider vision for the site.
- RotoruaNZ supported two Te Arawa economic development projects and achieved its target for Forest Futures Action Plan activity, including a Regional Infrastructure Fund application and detailed development work for the BioFactory.
- Research and partnership activity progressed across food and beverage, geothermal opportunities, school-related economic leakage and planning for a joint Rotorua-Taupō Investment Summit.

Together, these achievements demonstrate RotoruaNZ's role in translating Rotorua's strengths into demand, investment, experiences and opportunities. They also provide a stronger platform for the organisation's continued focus on commercial sustainability, partnership and measurable value for the district.

Statement of Responsibility

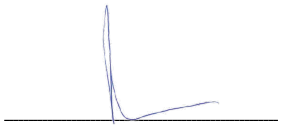
RotoruaNZ Limited
For the year ended 30 June 2026

The Directors of RotoruaNZ Limited accept responsibility for:

- the preparation of the Company's financial statements, and statements of expenses and capital expenditure, and statement of service performance, and for the judgements expressed in them;
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting and statement of service performance; and
- The accuracy of any end-of-year performance information prepared by the Company, whether or not that information is included in the annual report.

In the Directors opinion:

- The financial statements fairly reflect the financial position of the Company as at 30 June 2026 and its operations for the year ended on that date.



Chairperson

Date 28 October 2026

Entity Information

RotoruaNZ Limited
For the year ended 30 June 2026

Date of Incorporation

11 April 2012

Company Number

3776876

IRD Number

108-936-868

Nature of Business

RotoruaNZ is the Economic Development Agency (EDA) and Regional Tourism Organisation (RTO) for the Rotorua district. Our work supports the development of the Rotorua economy, unlocking opportunities for commercial investment and providing employment, wealth and wellbeing for all of our people. RotoruaNZ is committed to developing and promoting Rotorua as a destination of choice to work, study, visit, invest and live in. RotoruaNZ's key trading activities and brands are RotoruaNZ, i-SITE, Sir Howard Morrison Centre, Energy Events Centre, and Mai Rotorua.

Business Location

1167 Fenton Street, Rotorua 3010

Registered Office

1061 Haupapa Street, Rotorua, 3010

Directors

Tim Cossar (Chair) - appointed 9 June 2020
David Tapsell - appointed 01 May 2021
Keri-Anne Tane - appointed 01 May 2021
Sarah Meikle - appointed 01 August 2023
Darren Linton - appointed 01 August 2026
Brendan Downey-Parish - appointed 01 August 2026

Shareholders

Rotorua Lakes Council	100% Shareholder	100 Ordinary Shares

Main Sources of Entity's Cash and Resources

Funding under Rotorua Lakes Council Long Term Plan

Funding Applications

I-Site Retail Trading

Venues Management

Main Methods Used by the Entity to Raise Funds

Funding Applications

I-Site Retail Trading

Events Management

Venues Management

Entity's Reliance on Voluntary & Donated Goods & Services

Reliance on volunteer hours and donated goods & services is not paramount to the Entity

Auditor

Silks Audit Chartered Accountants, on behalf of the Auditor-General

Chartered Accountant

BWT Plus More Limited, Rotorua

Bankers

BNZ Bank, Rotorua

Statement of Service Performance

RotoruaNZ Limited
For the year ended 30 June 2026

The 2025-26 Key Performance Measures	Achieved 22	Not Achieved 8

Measure	June 2025 Target	Year Ending June 2026 Actual*		Status	Comments
Marketing and communications - *Strengthening Rotorua's reputation and building brand equity*					
Domestic visitor card expenditure at Rotorua merchant point of sale (Marketview, Tourism Tool)	$336.4m	≥ $335.0m	$318.6m	Not Achieved	Domestic visitor card spending continued to show resilience into early 2026 even as inflationary pressures persisted, however the rapidly increasing fuel prices resulting from the Middle East war dampened domestic visitor spending from March onwards and contributed to the target not being achieved.
International card expenditure at Rotorua merchant point of sale (Marketview, Tourism Tool)	$129.2m	≥ $135.0m	$134.0m	Not Achieved	With the return of all pre-COVID Chinese airlines to Auckland airport during the 2025 year there was good growth in international visitor card spending during the 2025/26 summer season. The Middle East war dampened growth from March onwards and contributed to the target not being achieved.
Guest nights stayed in Rotorua commercial accommodation (MBIE, Accommodation Data Programme)	1.814m	≥ 1.85m	1.967m	Achieved	There was strong growth in commercial accommodation guest nights possibly at least in part driven by increased supply as repurposed properties were returned for use as visitor accommodation, but also underpinned by good growth in demand during the summer and shoulder season months.

Measure	June 2025	Year Ending June 2026		Status	Comments
% of local visitor economy stakeholders satisfied with RotoruaNZ services (RotoruaNZ, Stakeholder Satisfaction Survey)	72.6%	≥ 70%	72.3%	Achieved	Question in the RotoruaNZ stakeholder satisfaction survey, asking Rotorua businesses to rate their satisfaction that RotoruaNZ supports 'Rotorua as a whole', 'their industry' and 'their own business'. The figure is calculated as an average of these three selections using % satisfied plus % very satisfied (Tourism, Accommodation and Hospitality & Food Services businesses only).
% of domestic travelers that have visited Rotorua overnight within the past 12 months (Angus & Associates, Visitor Insights Programme)	11%	≥ 11%	11%	Achieved	Rotorua's market share of overnight domestic visitors has remained the same as the previous year at 11%, which is an improvement over the decline occurring in each of the more recent years. Roading improvements such as the Waikato Expressway have possibly contributed to some substitution of overnight stays for day visitation.
% of domestic travelers find Rotorua highly appealing as a destination for a short break or holiday (Angus & Associates, Visitor Insights Programme)	33%	≥ 35%	36%	Achieved	Rotorua's domestic traveller appeal has increased over the previous year and is on track for further growth.
Net Promoter Score (NPS) of domestic visitors to Rotorua within the past 12 months who would recommend Rotorua as a travel destination (Angus & Associates, Visitor Insights Programme)	+13	≥ +15	+21	Achieved	Rotorua's domestic visitor Net Promoter Score has increased over the previous year and is positive indicating the word of mouth promotion from loyal supporters recommending Rotorua as a travel destination outweighs the voice of detractors.

Measure	June 2025	Year Ending June 2026		Status	Comments
% of domestic travelers considering a short break or holiday in Rotorua in the next 12 months (Angus & Associates, Visitor Insights Programme)	37%	≥ 34%	38%	Achieved	Domestic traveller intention to visit Rotorua has increased over the previous year and is an opportunity for converting intention into visitation by ensuring marketing messages pitch time-sensitive reasons to visit and/or new experiences.
Destination sales - *Delivering sales across key commercial venues (Energy Events Centre and Sir Howard Morrison Centre), international, business events, education and groups, and in-destination*					
i-SITE to be financially self-sufficient (Xero, i-SITE profit and loss report)	+$3,531	≥ $0	-$438,080	Not Achieved	Retail revenue is up on the same period of the previous year, however this has been more than offset by a decline in ticket sales revenue and overall has resulted in a net loss.
Delegate days at business events won by the RotoruaNZ team in financial year (Momentus, Event bookings; Hubspot, Leads won)	30,041	≥ 24,000	25,622	Achieved	Delegate days won in the current year followed a similar pattern to the previous year with much of the business typically secured in the final months of the reporting year.
Education and Group Bookings – annual value of school bookings through the Rotorua Education Network (Xero, i-SITE profit and loss report)	$2.867m	≥ $2.0m	$2.928m	Achieved	There has been strong demand for school group bookings with the target achieved and revenue up on the same period of the previous year.
Days the four larger commercial spaces in the Sir Howard Morrison Centre (SHMC) are utilised for events	32.3%	≥ 32.3%	34.5%	Achieved	Overall utilisation of SHMC was achieved, driven by strong growth in community use. 1) Utilisation is based on a 'space day' calculation, which is the total number of potential days across the key spaces being utilised. 2) Building maintenance bookings are excluded from the sum of 'space days' utilised and attendees. 3) Details for events are often updated as more information becomes available. For example actual attendance is often not available immediately after an event has been held and therefore the sum of previously reported quarterly attendance does not reconcile to the year-end value.

Measure	June 2025	Year Ending June 2026		Status	Comments
· SHMC Commercial utilisation	18.0%	≥ 18.0%	15.2%	Not Achieved	Although the SHMC commercial utilisation target was not achieved, it did improve over the previous year despite a significant annual commercial event pencil booked for an entire month cutting down 3 days at short notice leaving insufficient time to secure another booking.
· SHMC Community utilisation	14.4%	≥ 14.4%	19.4%	Achieved	Community utilisation of SHMC was well ahead of the previous year and exceeded target.
The number of people attending events in the four larger commercial spaces at the SHMC (Momentus, Event bookings)	52,331	≥ 52,300	65,831	Achieved	There was a steady demand for people attending events hosted at the SHMC in the current year with strong growth over the previous year.
Days the five larger commercial spaces in the Energy Events Centre (EEC) are utilised for events	22.9%	≥ 22.9%	17.4%	Not Achieved	• EEC had a long shutdown, negatively impacting utilisation due to Montana committing a significant investment into the kitchen as part of their exclusive catering contract. • RLC decided to make the most of this construction period and similarly invested a significant amount which stretched the project out longer than expected. • The moving dates of the project created uncertainty in real availability. • NZICC opened in Auckland this FY which absorbed a large number of typical domestic conferences, this impacted regional conferencing across the rest of NZ. Notes 2-4 for SHMC above also apply to EEC
· EEC Commercial utilisation	20.8%	≥ 20.8%	16.1%	Not Achieved	As above
· EEC Community utilisation	2.2%	≥ 2.2%	1.3%	Not Achieved	As above
The number of people attending events in the five larger commercial spaces at the EEC (Momentus, Event bookings)	62,384	≥ 62,300	42,991	Not Achieved	As above

Measure	June 2025	Year Ending June 2026		Status	Comments
Major events and events delivery support - *Strengthening Rotorua's reputation, enhancing vibrancy and delivering economic impact*					
Distribution of event funding · Tier 1	53%	30-50%	45%	Achieved	Provided funding to one Tier 1 event: Crankworx
· Tier 2 (>= $30k funding each)	27%	20-40%	34%	Achieved	Provided funding to five Tier 2 events
· Tier 3 (< $30k funding each)	20%	20-40%	21%	Achieved	Provided funding to eight Tier 3 events
Number of events funded · Tier 1	1	≥ 1	1	Achieved	As above
· Tier 2 (Xero, Event Investment Fund transaction report)	6	≥ 5	5	Achieved	As above
Visitor services and venue operations - *Providing high-quality service delivery across operational teams*					
Client satisfaction with service delivery for events held at SHMC & EEC (RotoruaNZ, Post-Event Venue Evaluation Survey)	77.9%	≥ 75%	86.8%	Achieved	Client satisfaction is high with many respondents complimenting the venue staff on their excellent service delivery.
Strategy and investment - *Delivering economic development initiatives, with a focus on priority sectors – tourism and forestry – and facilitating investment attraction*					
The number of Te Arawa economic development projects directly supported by RotoruaNZ (RotoruaNZ, Investment business records)	2	≥ 2	2	Achieved	• Supported Maori-led regional infrastructure fund application for cultural tourism product • Directly supporting CNI Iwi Holdings with an investment and vision plan for Te Putake o Tawa
The number of actions supported or delivered by RotoruaNZ in the Forest Futures Action Plan (RotoruaNZ, Investment business records)	2	≥ 2	2	Achieved	• Delivered Biofactory RIF application with BSI and Biofactory and supported with comms plan • Supported Biofactory with WSP project on detailed costings for both building and infrastructure

Measure	June 2025	Year Ending June 2026		Status	Comments
The number of projects identified in the Rotorua Destination Management Plan directly delivered or supported by RotoruaNZ (RotoruaNZ, Investment business records)	4	≥ 4	4	Achieved	• Inner city blueprint work has continued to be led by RotoruaNZ • Inner city development site work completed and passed by council • Inner City Activations workstream development • Food and Beverage research conducted with Rotorua locals and Auckland visitors
The number of submissions written by RotoruaNZ and/or projects supported to apply for a government fund (RotoruaNZ, Investment business records)	3	≥ 3	3	Achieved	• Ports and Maritime Inquiry submission completed • Draft Geothermal Strategy submission completed • BOPRC Annual Plan and LTP amendment submission
% of local businesses satisfied with the quality of RotoruaNZ's destination data and insights developed to support decision making by businesses (RotoruaNZ, Stakeholder Satisfaction Survey)	74.1%	≥ 70%	76.8%	Achieved	Question in the RotoruaNZ stakeholder satisfaction survey, asking Rotorua businesses to rate RotoruaNZ effectiveness at providing 'Data, research and insights'. The figure is calculated using the weighted average of responses on the five point effectiveness scale.

* 'Actual' values published in the table above were correct as at their respective year ending period, but many are subject to revision as more information becomes available (eg. actual event attendance is not always immediately available post event; card expenditure is revised if errors in merchant classification and/or geographical location are identified) and therefore the 'Actual' values published in the table above may not reconcile to the latest value published by the source.

The 2024-25 Key Performance Measures	Achieved 24	Not Achieved 6

Measure	June 2024	Year Ending June 2025		Status	Comments
	Actual	Target	Actual		
Marketing and communications - *Strengthening Rotorua's reputation and building brand equity*					
Domestic visitor card expenditure in Rotorua (based on Marketview Tourism Tool dataset)	$323.5m[1]	≥ $320m	$336.4m	Achieved	There has been steady growth in domestic visitor card spending in Rotorua during the past twelve months, which enabled the target to be achieved ahead of expectations and despite cost of living challenges in New Zealand.

Measure	June 2024	Year Ending June 2025		Status	Comments
	Actual	Target	Actual		
International visitor card expenditure in Rotorua (based on Marketview Tourism Tool dataset)	$128.4m[1]	≥ $135m	$129.2m	Not Achieved	There has been strong growth in spending by US card holders in Rotorua, however that growth has been more than offset by declines in most other international markets and overall resulted in a marginal decline in international card spending in Rotorua over the previous year.
% of commercial accommodation occupied (based on MBIE ADP dataset)	55.9%	≥ 57%	55.5%	Not Achieved	Room nights occupied for the year ending June 2025 were up 4.3% over the same period of the previous year, however occupancy (ie. room nights occupied as a percent of room nights available) was down as a result of increased capacity mostly attributable to visitor accommodation that had been repurposed during COVID being returned to use as visitor accommodation. The hotel sector accounts for almost half of all commercial visitor accommodation capacity and recorded a two-percentage point lift in occupancy to 68.4% for the year ending June 2025.
% of local visitor economy stakeholders satisfied with RotoruaNZ services (Survey of Rotorua attraction, hospitality, food & beverage businesses)	80%	≥ 75%	72.6%	Not Achieved	Question in the RotoruaNZ stakeholder satisfaction survey, asking Rotorua businesses to rate their satisfaction that RotoruaNZ supports 'Rotorua as a whole', 'their industry' and 'their own business'. The figure is calculated as an average of these three selections using % satisfied plus % very satisfied (Tourism, Accommodation and Hospitality & Food Services businesses only).
% of domestic travellers that have visited Rotorua overnight within the past 12 months (based on Angus & Associates, VIP dataset)	11%	≥ 15%	11%	Not Achieved	Rotorua's market share of overnight domestic visitors has remained the same as the previous year at 11%, which although below target is an improvement over the decline occurring in each of the more recent years. Roading improvements such as the Waikato Expressway have possibly contributed to some substitution of overnight stays for day visitation.

Measure	June 2024	Year Ending June 2025		Status	Comments
	Actual	Target	Actual		
% of domestic travellers find Rotorua highly appealing as a destination for a short break or holiday (based on Angus & Associates, VIP dataset)	36%	≥ 37%	33%	Not Achieved	After an uplift in the previous year, Rotorua's domestic traveller appeal has again declined to the survey low point and possibly indicates the ongoing challenge of rebuilding Rotorua's brand reputation.
Net Promoter Score (NPS) of domestic visitors to Rotorua within the past 12 months who would recommend Rotorua as a travel destination (based on Angus & Associates, VIP dataset)	+21	≥ +12	+13	Achieved	Rotorua's domestic visitor Net Promoter Score was +13 (versus +11 national benchmark), indicating the word of mouth promotion from loyal supporters recommending Rotorua as a travel destination continues to outweigh the voice of detractors.
% of domestic travellers who definitely or probably will visit Rotorua within the next 12 months (based on Angus & Associates, VIP dataset)	37%	≥ 35%	37%	Achieved	Domestic traveller intention to visit Rotorua was the same as the previous year and is an opportunity for converting intention into visitation by ensuring marketing messages pitch time-sensitive reasons to visit and/or new experiences.
Destination sales - *Delivering sales across key commercial venues (Energy Events Centre and Sir Howard Morrison Centre), international, business events, education and groups, and in-destination*					
i-SITE to be financially self-sufficient	+$177,654	≥ $0	+$3,531	Achieved	The i-SITE achieved a financially self-sufficient position driven by good growth in revenue and despite costs associated with a delayed start in a new revenue stream.
Business events - value of bids won in financial year (based on MBIE CDS dataset and RotoruaNZ lead sheet confirmed conferences)	$12.60m[2]	≥ $10m	$10.22m	Achieved	The combined efforts of RotoruaNZ Business Events team and the Events & Venues Rotorua sales team have successfully achieved their target in a challenging sales environment, following the post-COVID surge of 'catch-up' events. Together, the team secured several high-profile business events including one valued at over $1.2 million in visiting delegate spend, as well as two others valued at more than $500,000 each.
Education and Group Bookings - annual value of school bookings through the Rotorua Education Network	$2.073m	≥ $1.45m	$2.867m	Achieved	There was very strong demand for school group bookings throughout the whole year, resulting in the annual target being attained only six months into the reporting year.

Measure	June 2024	Year Ending June 2025		Status	Comments
	Actual	Target	Actual		
The number of event days that the Sir Howard Morrison Centre is utilised from total possible available days using booking information	Not measured	Establish baseline	Total: 32.3%	Achieved	Utilisation is based on a 'space day' calculation, which is the total number of potential days across the key spaces being utilised. Only the larger commercial spaces have been included in this calculation. Maintenance is not included. Baseline utilisation calculated using Momentus booking information for finalised events in the 2024 calendar year as extracted in April 2025.
· Commercial	Not measured	Establish baseline	18.0%	Achieved	As above
· Community	Not measured	Establish baseline	14.4%	Achieved	As above
The number of people attending events at the Sir Howard Morrison Centre	Not measured	Establish baseline	52,331	Achieved	As above, people attending events is based on the larger commercial spaces and excluding maintenance. People attending events is calculated using Momentus 'actual attendance' data for finalised events in the 2024 calendar year as extracted in April 2025.
The number of event days that the Energy Events Centre is utilised from total possible available days using booking information	Not measured	Establish baseline	Total: 22.9%	Achieved	As above for SHMC utilisation
· Commercial	Not measured	Establish baseline	20.8%	Achieved	As above
· Community	Not measured	Establish baseline	2.2%	Achieved	As above
The number of people attending events at the Energy Event Centre	Not measured	Establish baseline	62,384	Achieved	As above for SHMC people attended
Major events and events delivery support - *Strengthening Rotorua's reputation, enhancing vibrancy and delivering economic impact*					
Delivery against the event strategy: Fund distribution · Tier 1	Not measured	Establish baseline	53%	Achieved	Baseline distribution of funds is as per the proposed event strategy criteria as at October 2024.
· Tier 2	Not measured	Establish baseline	27%	Achieved	As above
· Tier 3	Not measured	Establish baseline	20%	Achieved	As above

Measure	June 2024	Year Ending June 2025		Status	Comments
	Actual	Target	Actual		
Delivery against the event strategy: Events funded · Tier 1	Not measured	Establish baseline	1	Achieved	As above
· Tier 2	Not measured	Establish baseline	6	Achieved	As above
Visitor services and venue operations - *Providing high quality service delivery across operational teams*					
Post event evaluation satisfaction rate	Not measured	Establish baseline	77.9%	Achieved	Question in the RotoruaNZ venue perception survey, asking event organisers to rate RotoruaNZ effectiveness on six service delivery metrics at the EEC and SHM venues. The figure is calculated using the weighted average of responses on the ten point effectiveness scale for responses received as at 30 June 2025.
Business growth, insights, and innovation - *Delivering economic development initiatives, with a focus on priority sectors – tourism and forestry – and facilitating broader business growth initiatives*					
The number of Te Arawa economic development projects directly supported by RotoruaNZ	2	≥ 2	2	Achieved	• Supporting Marae / Papakainga / Cultural tourism project through regional infrastructure fund process. • Supporting potential new Maori tourism development opportunity through feasibility
The number of actions supported or delivered by RotoruaNZ in the Forest Futures Action Plan	2	≥ 2	2	Achieved	• Action 13: Identify and drive opportunities for the uptake of wood-based bio-products (e.g., biofuels, biochemicals, bio plastics etc.) - Leading the project with Scion on the creation of Bio-innovation park as part of the regional infrastructure fund application • Action 12: Establish a bio-pilot testing facility in Rotorua. - Working alongside Scion on the BioFactory business case and Regional Infrastructure Fund application.

Measure	June 2024	Year Ending June 2025		Status	Comments
	Actual	Target	Actual		
The number of projects identified in the Rotorua Destination Management Plan directly delivered or supported by RotoruaNZ	4	≥ 4	4	Achieved	• In-depth Auckland qualitative and quantitative market research conducted, aligned to our tourism strategic objective to grow key markets • Tourism forecasts have been completed, mapping out Rotorua's potential market growth over the next 10 years • Creating a more connected destination: creation of digital My Card system and process • Inner city blueprint project has kicked off
The number of submissions written by RotoruaNZ and/or projects supported to apply for a government fund	Not measured	≥ 3	3	Achieved	• Geothermal Plan Change • Science System Phase 2 Review • DOC submissions - DOC consultation on charging for access to conservation land - DOC consultation on modernising conservation land management
% of local businesses satisfied with the quality of RotoruaNZ's destination data and insights developed to support decision making by business (Survey of all Rotorua businesses)	72%	≥ 75%	74.1%	Not Achieved	Question in the RotoruaNZ stakeholder satisfaction survey, asking Rotorua businesses to rate RotoruaNZ effectiveness at providing 'Data, research and insights'. The figure is calculated using the weighted average of responses on the five point effectiveness scale. The overall result across all industries is marginally short of the target, however filtering the responses to the visitor industry results in higher satisfaction, which is possibly reflective of the increased resources invested into reporting tourism data and insights.

1 Marketview spend is subject to revision and therefore the value published herewith and in the Statement of Intent will not reconcile to the latest value published by Marketview for the June 2024 year.

2 Events are typically won more than 12 months in advance of the event date. As business events occur the tentative room nights held are adjusted to reflect actual room nights and therefore the value published herewith and in the Statement of Intent will not reconcile to the latest value in RotoruaNZ business records for the June 2024 year.

Statement of Comprehensive Revenue and Expense

RotoruaNZ Limited
For the year ended 30 June 2026

	NOTES	2026	2025
Revenue			
Council Funding	2	9,373,706	8,082,663
Government Funding	2	3,769,224	507,325
Other Income	3	10,141,417	7,569,240
Interest Received		46,484	56,973
Total Revenue		**23,330,831**	**16,216,201**
Expenses			
Advertising, Marketing and Communications	5	6,367,042	3,634,165
Depreciation and Amortisation	12	350,460	129,823
Personnel Costs	6	7,726,566	6,069,321
Other Expenses	7	4,063,729	2,779,444
Cost of Sales		4,822,219	3,003,337
Total Expenses		**23,330,016**	**15,616,092**
Surplus/(Deficit) before tax		**815**	**600,109**
Surplus/(Deficit) after tax		**815**	**600,109**
Total comprehensive income & expense		**815**	**600,109**

NOTE: The accompanying notes from an integral part of these financial statements.

Statement of Financial Position

RotoruaNZ Limited
As at 30 June 2026

	NOTES	30 JUN 2026	30 JUN 2025
Assets			
Current Assets			
Cash and Cash Equivalents	9	2,882,332	1,225,689
Trade and Other Receivables	10	765,619	2,004,801
Inventories		553,511	457,333
Other Current Assets	11	166,157	120,872
Total Current Assets		**4,367,619**	**3,808,695**
Non-Current Assets			
Property, Plant and Equipment	12	540,614	390,027
Intangible Assets	14	322,121	306,982
Total Non-Current Assets		**862,735**	**697,009**
Total Assets		**5,230,354**	**4,505,705**
Liabilities			
Current Liabilities			
Trade and Other Payables	15	3,536,914	2,895,601
Employee Entitlements	16	708,936	626,415
Total Current Liabilities		**4,245,851**	**3,522,016**
Total Liabilities		**4,245,851**	**3,522,016**
Net Assets		**984,503**	**983,688**
Equity			
Share Capital	17	232,493	232,493
Retained Earnings	17	752,010	751,195
Total Equity		**984,503**	**983,688**

NOTE: The accompanying notes form an integral part of these financial statements.

Statement of Changes in Equity

RotoruaNZ Limited
For the year ended 30 June 2026

	NOTES	2026	2025
Equity			
Balance 1 July		983,688	383,579
Surplus/(Deficit)	17	815	600,109
Balance at 30 June		**984,503**	**983,688**

NOTE: The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

RotoruaNZ Limited
For the year ended 30 June 2026

	NOTES	2026	2025
.			
Cash flows from Operating Activities			
Interest Received		46,484	56,973
Receipts from Providing Goods and Services		15,262,175	6,668,228
Receipts from Rotorua Lakes Council funding		9,373,706	8,082,663
Realised Currency Gains/(Losses)		(18,103)	1,040
Payments to Suppliers and other operating activities		(14,915,061)	(8,027,763)
Payment to employees		(7,618,538)	(5,724,921)
Directors Remuneration Paid		(93,317)	(103,750)
Goods and Services Tax (net)		118,285	43,931
Resident Witholding Tax Paid to IRD		11,769	3,544
Net Cash Flows from Operating Activities		**2,167,400**	**999,945**
Cash flows from Investing Activities			
Purchase of Property, Plant & Equipment		(514,094)	(275,497)
Receipts from Sale of Property, Plant & Equipment		3,337	2,939
Net Cash Flows from Investing Activities		**(510,757)**	**(272,558)**
Cash flows from Financing Activities			
Loan Repayments		-	-
Proceeds from Shareholders		-	-
Net Cash Flows from Financing Activities		**-**	**-**
Net Increase/(Decrease) in Cash & Cash Equivalents		1,656,643	727,387
Cash and Cash Equivalents at the beginning of the Year		1,225,689	498,302
Cash and Cash Equivalents at the end of the Year	9	2,882,332	1,225,689

NOTE: The accompanying notes from an integral part of these financial statements.

Notes to the Financial Statements

RotoruaNZ Limited
For the year ended 30 June 2026

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

RotoruaNZ Limited ('the Company') is a limited liability company incorporated in New Zealand under the Companies Act 1993 and is domiciled in New Zealand. The Company is fully owned by the Rotorua Lakes Council and is a Council Controlled Organisation as defined under section 6 of the Local Government Act 2002.

The Company has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements of the Company are for the year ended 30 June 2026. The audited financial statements were authorised for issue by the directors on 28 October 2026.

Basis of Preparation

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the year.

Statement of compliance

The Company is a reporting entity for the purposes of the Financial Reporting Act 2013. These financial statements comply with the Financial Reporting Act 2013, the Companies Act 1993, and Section 69 of the Local Government Act 2002, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements have been prepared in accordance with Tier 2 PBE Reduced Disclosure Regime (RDR) accounting standards.

The entity is eligible and has elected to report in accordance with Tier 2 PBE RDR Standards on the basis that the entity has no public accountability and has expenses >$2m and <$30m.

These financial statements comply with PBE standards.

Measurement base

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

Functional and presentation currency

The financial statements are presented in New Zealand dollars. The functional currency of the Company is New Zealand dollars.

SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies which materially affect the measurement of financial results and financial position have been adopted in the preparation of the financial statements.

Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Council and Government Funding
Council and Government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

Sale of goods
Revenue from the sale of goods is recognised when the goods are sold to the customer.

Sale of services
Revenue from the sale of services is recognised when the service is provided.

Interest
Interest income is recognised as it is earned during the year.

Income Tax

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year,plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by balance date. Deferred tax is the amount of income tax payableor recoverable in future periods in respect of temporary differences and unused tax losses.

Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly in equity.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and call deposits.

Trade debtors and other receivables

Trade debtors and other receivables are recognised at their face value less any provision for doubtful debts. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Property, Plant & Equipment

Property plant and equipment consists of:

Operational assets

These assets include building fit-out and various plant and equipment.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Company and the cost of the item can be measured reliably.

Disposal
Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are recognised in the statement of comprehensive revenue and expense.

When revalued assets are sold, the amount included in revaluation reserve in respect to those assets is transferred to retained earnings.

Depreciation
Depreciation is provided on a diminishing value basis on all property, plant and equipment at rates that will write-off the cost of the assets over their useful lives.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Capital work in progress
Work in progress is recognised at cost less impairment and is not depreciated.

Operational assets
Building Fit-Out 8 - 20%DV
Plant and equipment 8 - 100% DV

Intangible assets
Software acquisition and development
Computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly attributable to the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred.
Costs associated with maintaining computer software are recognised as an expense when incurred. Costs associated with development and maintenance of the website are recognise as an expense when incurred

Goodwill
Goodwill on acquisition of businesses is included in intangible assets at cost.
Franchise Rights
Initial franchise fees paid on acquisition of a franchise licence are capitalised as an intangible asset and recorded at cost.

Amortisation
The carrying value of an intangible asset with a finite life is amortised on a straight–line basis over its useful life. Amortisation

begins when the asset is available for use and ceases at the date that the asset is derecognised. Intangible assets that have an indefinite useful life are not subject to amortisation.

The amortisation charge for each financial year is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:
Computer software 40% SL
Franchise Rights - 5 years SL

Trade creditors and other payables

Trade creditors and other payables are stated at their face value. Creditors and accrued expenses are measured at the amount owed.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, the sacrifice of economic benefits is probable and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at balance date. taking into account the risks and uncertainties surrounding the obligation.

Employee entitlements

Liabilities for accumulating short-term entitlements are measured at nominal value based on unused entitlement accumulated at current rate of pay at balance date.

Leases

The Company leases buildings in the normal course of its business. The majority of these leases have terms between 12 and 60 months which are cancellable on certain conditions.

Leases can be renewed at the Company's option, with rents set by reference to current market rates for items of equivalent age and conditions. There are no restrictions placed on the company by ay of the leasing arrangements.

Goods and Services Tax

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.
The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from the Inland Revenue Department, includingGST relating to the investing and financing activities, is classified as an operating cash flow in the statement of cash flows.
Commitments and contingencies are disclosed exclusive of GST.

Critical accounting estimates and assumptions

In preparing these financial statements the company has made estimates and assumptions concerning the future. These estimates and assumptions may differ from subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

Any estimates and assumptions that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities will be specified in the note disclosures.

Other changes in accounting policies

There have been no changes in accounting policies.

2. Council and government funding

	2026	2025
Rotorua Lakes Council Funding		
Council Funding (ED targeted rate)	5,284,561	5,048,000
Council Funding (General rate - Venues funding)*	2,634,145	1,647,172
Council Funding (General rate - Events Investment funding)*	555,000	485,000
Council Funding (Revenue subsidy - Venues)*	900,000	902,491
Total Rotorua Lakes Council Funding	**9,373,706**	**8,082,663**
MBIE - Funding	3,769,224	507,325
Total Council and government funding	**13,142,930**	**8,589,988**

***** The Venues and Events functions transferred to RotoruaNZ from Rotorua Lakes Council on 01 November 2024. As a result, the prior year comparative for General rate funding (Venues and Events investment) and Revenue subsidy (Venues) reflects eight months of funding only, from 01 November 2024 to 30 June 2025. The current year figure reflects a full 12 months of funding and is not directly comparable to the prior year on a like-for-like basis.
^ MBIE funding of $3,769,224 (2024: $507,325) was received for delivery of Regional Tourism Boost campaign activity. All MBIE funding recognised during the year was applied to Tourism Boost campaign costs, in line with the funding agreement with MBIE.

3. Other income

	2026	2025
Commission received	750,205	790,244
Events & Roadshows	527,771	443,811
Promotion Income	96,959	72,875
Sundry Income	237,357	497,986
Trading Revenue	8,529,125	5,764,324
Total Other income	**10,141,417**	**7,569,240**

4. Interest received

	2026	2025
Interest Received	46,484	56,973
Total Interest received	**46,484**	**56,973**

5. Advertising, marketing and communications

	2026	2025
Advertising, Marketing and Communications	5,807,042	3,149,165
Event Investment	560,000	485,000
Total Advertising, marketing and communications	**6,367,042**	**3,634,165**

	2026	2025
6. Personnel Costs		
Salaries & Wages	7,497,229	5,895,272
Defined contribution plan employer contributions	229,337	174,049
Total Personnel Costs	**7,726,566**	**6,069,321**

	2026	2025
Employees remuneration exceeding $100,000:		
$100,000 - $119,999	8	2
$120,000 - $139,999	2	3
$140,000 - $159,999	4	4
$160,000 - $189,999	1	1
$190,000 - $219,999	1	1
$220,000 - $299,999	1	1
Total Employees	**17**	**12**

Wages,salaries and annual leave are recorded as an expense as staff provide services and become entitled to wages,salaries and leave entitlements.

Performance payments are recorded when the employee is notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

Severance payments

For the year ended 30 June 2026, the Company made severance payments totalling $30,000 (2025:$272,530).

	2026	2025
7. Other Expenses		
Accident Compensation Levies	17,116	14,372
Contractors and Consultants	755,371	573,869
Directors Fees	91,875	112,500
Fees to Silks Audit for financial statements audit	29,516	36,899
Fees to Silks Audit for audit disbursements	500	-
Lease	348,038	215,154
Other Expenses	2,212,576	1,446,486
Travel and Accommodation	265,611	151,696
Utilities	343,126	228,468
Total Other Expenses	**4,063,729**	**2,779,444**

	2026	2025

8. Income Tax

Components of tax expense		
Current tax	-	-
Deferred tax expense	-	-
Tax Expense	**-**	**-**

Relationship between income tax expense and accounting surplus		
Surplus/(Deficit) for the year	14,658	600,109
Add Timing Differences	75,323	163,228
Add Permanent Differences	11,961	12,525
Total Taxable Income	101,942	775,863
Tax at 28%	28,544	217,242
Plus/(Less) tax effects of:		
Tax losses utilised	-	(42,037)
Group tax loss offsets	28,544	(175,205)
Total tax expense	-	-

A deferred tax asset has not been recognised in relation to temporary differences of $61,492 (2025:$40,402).

	2026	2025

9. Cash & cash equivalents

BNZ business bank account	657,507	756,164
BNZ isite bank account	624,097	-
BNZ savings account	1,516,455	-
Venue Levy Account	70,473	11,503
BNZ Tourism bank account	-	444,223
Cash on hand	13,800	13,800
Total cash and cash equivalents	**2,882,332**	**1,225,689**

The Company has a Visa Card with a credit facility up to $100,000.

	2026	2025

10. Receivables

Receivables from Exchange Transactions		
Trade Receivables		
Trade Receivables (gross)	825,786	2,051,125
Provision for Doubtful Debts	(60,167)	(46,324)
Total Trade Receivables	**765,619**	**2,004,801**
Total Receivables from Exchange Transactions	**765,619**	**2,004,801**

Receivables from Non-Exchange Transactions

	2026	2025
GST Receivable	-	-
Total Receivables from Non-Exchange Transactions	**-**	**-**
Total Receivables	**765,619**	**2,004,801**

RotoruaNZ Limited is pursuing a total debt of $56,091 (excl. GST) from Hei Ahuru Mowai, Māori Cancer Leadership Aotearoa (Charity) under a signed agreement for booking the venue for the Charity's annual conference. Included in total deposits in Note 15 is $39,174 (excl. GST) payable to the Charity.

11. Other current assets

	2026	2025
Other current assets		
Prepayments	156,776	103,319
Resident Withholding Tax	4,182	15,951
SHMC - Cash Clearing Account	5,099	1,503
Shareholder Current Account - RLC	100	100
Total Other current assets	**166,157**	**120,872**
Inventory	553,511	457,333

There is no write down of inventory during the year. (2025: Nil). No inventory has been pledged as security. (2025:Nil)

There is a PPSR in place between RotoruaNZ Limited and Coca-Cola Amatil (NZ) Limited, financing statement registration number F36JB2136XB730M3/l and F36JB2136XB730M3/2, and will expire 20 December 2027 11:45:17. The Collateral details are listed as Goods - Other.

12. Property, Plant and Equipment

	Equipment	Building Fit-out	Total
Opening cost 1 July 2024	364,819	256,750	621,569
Additions	168,428	-	168,428
Disposals (net of accumulated depreciation)	2,939	-	2,939
Closing cost	530,309	256,750	787,058
Accumulated depreciation opening	245,666	63,350	309,016
Depreciation expense	66,583	21,431	88,014
Accumulated depreciation closing	312,251	84,781	397,032
Opening carrying amount	119,153	193,400	312,533
Carrying amount at 30 June 2025	**218,058**	171,969	**390,207**

	Equipment	Building Fit-out	Total
Opening cost 1 July 2025	530,309	256,750	787,058
Additions	237,482	133,661	371,143
Disposals (net of accumulated depreciation)	3,336	-	3,336
Closing cost	764,455	390,411	1,154,865
Accumulated depreciation opening	312,251	84,781	397,032
Depreciation expense	168,887	48,331	217,219
Accumulated depreciation closing	481,140	133,112	614,251
Opening carrying amount	218,058	171,969	390,207
Carrying amount at 30 June 2026	**283,315**	**257,299**	**540,614**

No property, plant or equipment has restricted title or has been pledged as security.

13. Capital Work in Progress

Capital work in progress represents capital expenditure contracted for at balance date but not yet completed. There was capital expenditure of $78,101 as at balance date (2025: $15,097) for capital work in progress.

14. Intangible Assets

	Computer Software	Website Development	Goodwill	Franchise Rights	Total
Opening cost 1 July 2024	89,473	241,935	60,000	-	391,408
Additions	61,502	48,506	,	-	110,008
Disposals (net of accumulated amortisation)	-	-	-	-	-
Closing cost	150,976	290,441	60,000	-	501,417
Accumulated amortisation opening	10,836	141,790	-	-	152,626
Amortisation expense	7,556	34,253	-	-	41,809
Accumulated amortisation closing	18,392	176,044	-	-	159,435
Opening carrying amount	78,637	100,145	60,000	-	238,782
Carrying amount at 30 June 2025	**132,584**	**114,397**	**60,000**	-	**306,982**

	Computer Software	Website Development	Goodwill	Franchise Rights	Total
Opening cost 1 July 2025	150,976	290,441	60,000	-	501,417
Additions	8,225	110,154		30,000	148,379
Disposals (net of accumulated amortisation)	-	-	-	-	-
Closing cost	159,201	400,595	60,000	30,000	649,796
Accumulated amortisation opening	18,392	176,044	-	-	194,435
Amortisation expense	59,291	70,449	-	3,500	133,240
Accumulated amortisation closing	77,683	246,493	-	3,500	327,675
Opening carrying amount	132,584	114,397	60,000	-	306,982
Carrying amount at 30 June 2026	**81,518**	**154,103**	**60,000**	**26,500**	**322,121**

15. Payables and Accrued Expenses

	2026	2025
Payables from Exchange Transactions		
Creditors	2,285,878	1,915,198
E & V Deposits	179,426	370,127
Revenue in Advance	973,491	499,323
Total Payables from Exchange Transactions	**3,438,795**	**2,784,648**
Payables from Non-Exchange Transactions		
PAYE Payable	96,293	70,786
GST Payable	1,826	40,167
Total Payables from Non-Exchange Transactions	**98,119**	**110,953**
Total Payables and Accrued Expenses	3,536,915	2,895,601

16. Employee Entitlements

	2026	2025
Annual Leave	514,023	427,424
Wages Accrual	194,264	197,339
Holidays Act Recalculation Liability	649	1,653
Total Employee Entitlements	**708,936**	**626,415**

17. Equity

	2026	2025
Share Capital		
Balance 1 July	232,493	232,493
Total Share Capital	**232,493**	**232,493**
Retained Earnings		
Balance 1 July	751,195	151,086
Surplus/(deficit)	815	600,109
Total Retained Earnings	**752,010**	**751,195**
Total Equity	984,503	983,688

Equity represents the shareholder's investment in the Company and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified as share capital and retained earnings.
Fully paid ordinary shares carry one vote per share and carry the right to dividends. As there is no ready market for these shares, they are recognised at cost. The Company has 100 ordinary shares on issue, fully paid at $1 per share.

The Company is not forecasting to generate any dividend for the shareholder over the next two years. Should a situation arise where distributions to the shareholder could be considered the Board will take into account:

- The company's working capital requirements
- The retention of an appropriate level of earnings for reinvestment in the business

The Board has determined that no dividend will be paid at this time, as the Company's operations have expanded and increased cash reserves are required to meet the demands of events and venue management.

18. Related Party Transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Company would have adopted in dealing with the party at arm's length in the same circumstances.

Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions of such transactions

19. Transactions with Parent

	2026	2025
The Company entered into transactions (GST excl) with:	-	-
Grants received from Rotorua Lakes Council	9,373,706	7,975,845
Other receipts from Rotorua Lakes Council	239,747	-
Rent paid to Rotorua Lakes Council	232,320	135,520
Corporate Overhead paid to Rotorua Lakes Council	678,913	-
Other payments to Rotorua Lakes Council	373,723	-
Total Transactions with Parent	**10,898,409**	**8,111,365**

Balance Receivable/Payable - Rotorua Lakes Council

	2026	2025
Balance receivable from Rotorua Lakes Council	43,492	117,873
Balance payable to Rotorua Lakes Council	292,758	676,009

20. Key Management Remuneration

	2026	2025
Senior Management Team including Chief Executive		
Full Time Equivalent Members	6	6
Remuneration	1,006,846	846,978
Directors		
Full Time Equivalent Members	5	6
Remuneration	91,875	112,500
Total Full Time Equivalent Personnel	11	12
Total Key Management Personnel Remuneration	1,098,721	959,478

Senior Management Team remuneration increased by 159,868 (18.9%) on the prior year, with Full Time Equivalent Members unchanged. This increase is not fully like-for-like: one member of the Senior Management Team commenced employment on 24 June 2025, so the prior year figure reflects only one week of their remuneration, while the current year reflects a full year.

21. Directors Remuneration

	2026	2025
Tim Cossar	30,000	30,000
Christopher Auld (Retired 31 December 2024)	-	7,500
David Tapsell	15,000	15,000

	2026	2025
Keri-Anne Tane	15,000	15,000
Marisa Bidois (Retired 1 august 2025)	1,875	15,000
Paul Button	15,000	15,000
Sarah Meikle	15,000	15,000
Total Directors Remuneration	**91,875**	**112,500**

In addition to remuneration an amount of $6,438 (2025;$6,383) relating to insurance was paid for Director liability. No other benefits have been provided by the Company to a Director or in any other capacity. No loans have been made by the Company to a Director nor has the Company guaranteed any debts incurred by a Director.

22. Interest Register

The Company is required to maintain an interest register in which the particulars of certain transactions and matters involving the Directors must be recorded. The interest register is available for inspection at the registered office.

INFORMATION USED BY DIRECTORS
During the financial year, there were no notices received from directors of RotoruaNZ Limited as, or any subsidiary, requesting to use information received in their capacity as a director which would not otherwise have been available to them.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS
Other than the insurance disclaimed in note 21 the Company has not arranged policies of the Directors' and Officers' Liability Insurance and separate Director's and Officers' defence costs insurance.

	2026	2025
23. Reconciliation of Net Surplus/(Deficit) to Net Cash Flow from Operating Expenses		
Net surplus/(deficit)	14,658	600,109
Add/(less) non-cash items		
Depreciation and amortisation	350,460	129,823
Total non-cash items	**350,460**	**129,823**
Add/(less) items classified as investing activities		
(Gain)/loss on sale of property,plant, and equipment	(36)	-
Total items classified as investing activities	**(36)**	**-**
Add/(less) movements in statement of financial position items		
(Increase)/decrease in receivables	1,058,198	(1,746,660)
(Increase)/decrease in other current assets	(141,464)	(60,256)
Increase/(decrease) in payables and accrued expenses	808,455	2,045,090
Fixed assets in trade payables	(5,392)	44,567
Increase/decrease) in employee entitlements	82,521	-
Total net movement in working capital items	**1,802,318**	**282,741**
Net cash flow from operating activities	2,167,400	1,012,673

	2026	2025

24. Financial Instruments

Financial assets at amortised cost		
Cash and cash equivalents	2,882,332	1,225,689
Receivables (excluding tax receivable)	765,619	2,004,801
Total Financial assets at amortised cost	**3,647,951**	**3,230,491**

Financial liabilities at amortised cost		
Payables (excluding taxes payable)	3,438,795	2,784,650
Total Financial liabilities at amortised cost	**3,438,795**	**2,784,650**

RotoruaNZ Ltd complies with Rotorua Lakes Council policies to manage the risk associated with financial instruments and is risk averse and seeks to minimise exposure from its financial instruments. The Council has established liability management and investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

25. Reporting against Statement of Intent

	Actual 2026	**SOI 2026**	**Variance 2026**
Revenue			
Council Funding (Economic Development)	5,284,561	5,284,561	-
Council Funding (General Rates - Events and Venue)	3,189,145	3,189,145	-
Council Funding (Revenue subsidy)	900,000	900,000	-
Government Funding	3,769,224	-	3,769,224
Visitor Services Trading Revenue	4,867,108	2,784,366	2,082,742
Venue Management Trading Revenue	5,274,309	2,343,590	2,930,719
Interest Received	46,484	33,000	13,484
Total Revenue	**23,330,831**	**14,534,662**	**8,796,169**
Expenses			
Advertising, Marketing and Communications	5,807,042	1,428,100	4,378,942
Depreciation and Amortisation	350,460	130,000	220,460
Event Investment	560,000	555,000	5,000
Personnel Costs	7,726,566	7,409,656	316,910
Other Expenses	8,872,105	5,004,683	3,867,422
Total Expenses	**23,316,173**	**14,527,439**	**8,788,734**
Net Surplus/(Deficit)	**14,658**	**7,223**	**7,435**

Commentary:

Revenue

Council funding was received as expected. Total revenue was $8.8 million above the SOI target, mainly due to $3.77 million of government funding from MBIE that had not been confirmed when the 2026 SOI was prepared. This funding allowed RotoruaNZ to deliver additional projects during the year. Trading revenue also ran well ahead of budget, with Visitor Services $2.09 million higher and Venue Management $2.93 million higher than the SOI target.

Expenditure

Total expenditure was $8.79 million above the SOI target, largely in step with the additional revenue and government funding received. Advertising, marketing and communications costs were $4.38 million above budget, reflecting the extra campaign and project work the government funding made possible. Personnel costs were 4.3% ($316,910) above budget, covering additional staff brought on to support the expanded work programme. Other expenses were $3.87 million above budget, mostly being direct cost of sales tied to the higher trading revenue.

26. Auditors

The Auditor General is appointed under Section 15 of the Public Audit Act 2001. Silks Audit has been appointed to provide these services on his behalf. Provision for audit fee including disbursements for the year was $35,500 excl. GST (2025 $36,899 excl. GST).

27. Donations

No donations were made by the company during the year (2025:Nil).

28. Contingent Liabilities

The company has no contingent liabilities at balance date (2025:Nil).

29. Operating Leases

Commitment Type	2026	2025
Not later than one year	260,212	260,212
Later than one year and not later than five years	917,658	945,550
Later than five years	58,080	290,400
Total Operating Leases	**1,235,950**	**1,496,162**

Operating leases relate to leasing of 1167 Fenton Street, Rotorua and Unit 1 Red Stag Mountain Biking Complex Rotorua.

30. Events after Balance Date

There have been no significant events after the balance date.

31. Capital Management

The Company's capital is its equity, which comprise shareholders' funds. Equity is represented by net assets.

The objective of managing the Company's equity is to ensure that the Company effectively achieves its goals and objectives for which it has been established while remaining a going concern.

The Company is reliant for a large part of its revenue from its 100% parent Rotorua Lakes Council.

The Council has accepted the Company's Statement of Intent, which includes funding up to 30 June 2027.

The funding agreement indicates that support will be provided until 30 June 2027. The support provided to RotoruaNZ Limited shall include: $9.274m excl. GST to support the necessary budgeted operating activities in a timely manner (and all obligations and liabilities incidental to such activities)

Council Funding by Stream - Statement of Intent Budget:

Funding Stream	**2026/2027 SOI Budget**	**2025/2026 SOI Budget**
ED Targeted rate	5,381,819	5,284,561
General rate - Venues funding	2,738,000	2,634,145
General rate - Events Investment funding	555,000	555,000
Revenue subsidy - Venues	600,000	900,000
Total Council Funding	**9,274,819**	**9,373,706**

Under the Statement of Intent, Council funding budgeted for 2026/27 totals $9.275m (2025/26 budget: $9.374m), down $98,887 (1.1%) on the 2025/26 budget. Rate-funded lines increase modestly in line with normal escalation (ED targeted rate up 1.84%, venues general rate up 3.94%, events investment flat), while the Revenue subsidy for venues is budgeted to fall by a third, from $900,000 to $600,000.

The Audit Office
Te Mana Arotake

Independent Auditor's Report

To the readers of RotoruaNZ Limited's financial statements and performance information for the year ended 30 June 2026

The Auditor-General is the auditor of RotoruaNZ Limited (the Company). The Auditor-General has appointed me, Cameron Town, using the staff and resources of Silks Audit Chartered Accountants Ltd, to carry out the audit of the financial statements and performance information on his behalf.

Opinion

We have audited:

- the financial statements of the Company that comprise the statement of financial position as at 30 June 2026, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information on pages 22 to 41; and
- the performance information that consists of the statement of service performance for the year ended 30 June 2026 on pages 11 to 21.

In our opinion:

- the financial statements of the Company present fairly, in all material respects its financial position as at 30 June 2026 and its financial performance and cash flows for the year then ended in accordance with the Public Benefit Entity Standards Reduced Disclosure Regime.
- the performance information accurately reports, in all material respects, the Company's actual performance compared against the performance targets and other measures adopted for the year ended 30 June 2026.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the financial statements and performance information

The Board of Directors is responsible on behalf of the Company for preparing financial statements that are fairly presented and comply with the Public Benefit Entity Standards Reduced Disclosure Regime. The Board of Director is also responsible for preparing the performance information contained in the statement of service performance of the Company in accordance with the Act.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and performance information, the Board of Directors is responsible on behalf of the Company for assessing the Company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the Company or to cease operations, or there is no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and performance information, 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and performance information.

For the budget information reported in the financial statements and performance information, our procedures were limited to checking that the information agreed to the Company's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

Also:

- We identify and assess the risks of material misstatement of the financial statements and performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We evaluate the overall presentation, structure and content of the performance information, including the disclosures, and assess whether the performance information achieves its statutory purpose of enabling the Company's readers to judge the actual performance of the Company against its objectives in its statement of intent.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Directors is responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and performance information, and our auditor's report thereon.

Our opinion on the financial statements and performance information 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 financial statements and performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, 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.

Independence

We are independent of the Company in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of 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.

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



Cameron Town
Silks Audit Chartered Accountants Ltd
On behalf of the Auditor-General
Whanganui, New Zealand
28 October 2026