



Group financial statements

For the quarter ended 30 September 2020

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Internet New Zealand Group
Consolidated Income Statement
For the Quarter ended 30 September 2020

	GROUP		INZ		DNCL	
	Q2	YTD	Q2	YTD	Q2	YTD
Income						
Registry Fees	2,719,359	5,426,471	2,719,359	5,426,471	-	-
Broadband Map	14,950	28,106	14,950	28,106	-	-
Management Fees	-	-	-	-	362,425	724,850
Interest Received	96,369	136,297	93,099	133,020	3,269	3,277
Managed Funds Income	145,838	441,467	145,838	441,467	-	-
Sundry Income	15,462	29,492	73,300	137,168	2,000	12,000
Total Income	2,991,977	6,061,832	3,046,545	6,166,231	367,694	740,126
Less Direct Expenses						
DNC Fee	-	-	362,425	724,850	-	-
.nz Costs	163,022	345,412	163,022	345,412	-	-
Other IT	48,375	99,330	48,375	99,330	-	-
Total Direct Expenses	211,398	444,742	573,823	1,169,592	-	-
Less Other Expenses						
Audit Costs	-	-	-	-	-	-
Governance Costs	76,513	113,713	69,338	95,763	7,175	17,949
International Travel	243	877	(584)	49	827	827
International Membership	4,700	20,593	4,661	20,364	39	228
Community Investment	378,904	437,270	378,904	437,270	-	-
Legal Fees	53,642	133,838	26,903	49,800	26,739	84,038
Office Costs	235,270	407,838	223,668	388,546	71,440	138,968
Project Costs	221,997	317,029	221,997	311,113	-	5,916
Employment Costs	1,714,405	3,240,523	1,537,081	2,916,494	177,324	324,029
Other Operating Expenses	201,259	369,848	169,494	319,787	31,766	50,061
Other Comprehensive Items	-	-	-	-	-	-
Total Expenses	2,886,934	5,041,528	2,631,462	4,539,188	315,310	622,016
Net Profit (Loss) Before Tax	(106,355)	575,561	(158,739)	457,451	52,384	118,110
Less Provision for Tax	-	-	-	-	-	-
Net Profit (Loss) After Tax	(\$106,355)	\$575,561	(\$158,739)	\$457,451	\$52,384	\$118,110

Notes:

The income and expenditure lines for the individual entities do not add to the Group totals due to the following intra-group entries being eliminated:

1. The DNCL fee paid by INZ to DNCL.
2. GSE paid by DNCL to INZ.

DNCL Legal fees include amounts incurred in the ongoing US litigation matters.

Internet New Zealand Group
Consolidated Income Statement - Activity Based
For the Quarter ended 30 September 2020

	GROUP		INZ		DNCL	
	Q2	YTD	Q2	YTD	Q2	YTD
Income						
Registry Fees	2,719,359	5,426,471	2,719,359	5,426,471	-	-
Broadband Map	14,950	28,106	14,950	28,106	-	-
Management Fees	-	-	-	-	362,425	724,850
Interest Received	96,368	136,297	93,099	133,020	3,269	3,277
Managed Funds Income	145,838	441,467	145,838	441,467	-	-
Sundry Income	15,462	29,492	73,300	137,168	2,000	12,000
Total Income	2,991,977	6,061,832	3,046,545	6,166,231	367,694	740,127
Less Activity Expenditure						
Policy	299,606	577,369	299,606	577,369	-	-
Outreach & Engagement						
Communications	177,970	332,788	177,970	332,788	-	-
Engagement	106,072	160,541	106,072	160,541	-	-
Funding	504,970	677,201	504,970	677,201	-	-
.nz Operations	762,895	1,518,308	905,120	1,806,440	220,200	436,718
Commercial	367,343	596,217	367,343	596,217	-	-
Compliance	9,371	11,413	-	-	9,371	11,413
Broadband & Defenz	48,375	99,330	48,375	99,330	-	-
Projects	37,248	43,163	37,248	37,248	-	5,916
Technical Research	115,380	233,371	115,380	233,371	-	-
Technology Strategy	72,602	154,169	72,602	154,169	-	-
International Engagement	62,871	129,018	62,005	127,962	866	1,055
Org. Services, Governance & Security	525,430	937,257	506,652	900,015	78,615	156,917
Other Operating Expenses	8,198	16,126	1,940	6,130	6,258	9,996
Other Comprehensive Items	-	-	-	-	-	-
Total Expenses	3,098,331	5,486,270	3,205,284	5,708,780	315,310	622,016
Net Profit (Loss) Before Tax	(106,354)	575,561	(158,739)	457,451	52,384	118,111
Less Provision for Tax	-	-	-	-	-	-
Net Profit (Loss) After Tax	(\$106,354)	\$575,561	(\$158,739)	\$457,451	\$52,384	\$118,111

Notes:

The income and expenditure lines for the individual entities do not add to the Group totals due to the following intra-group entries being eliminated.

1. The DNCL fee paid by INZ to DNCL.
2. GSE paid by DNCL to INZ.

Internet New Zealand Group
Statement of Movements in Equity
For the Quarter ended 30 September 2020

	GROUP		INZ		DNCL	
	Q2	YTD	Q2	YTD	Q2	YTD
Equity at start of period						
Opening Retained Earnings	11,140,223	10,458,306	10,787,380	10,171,189	352,843	287,117
Shares Subscribed	-	-	-	-	580,000	580,000
	11,140,223	10,458,306	10,787,380	10,171,189	932,843	867,117
Net Profit (Loss) After Tax	(106,355)	575,561	(158,739)	457,451	52,384	118,110
Equity at end of period	\$11,033,867	\$11,033,867	\$10,628,640	\$10,628,640	\$985,227	\$985,227

Notes:

The components that make up the total opening equity at the beginning of the period have been removed to calculate Group Totals upon consolidation.

1. Share Subscribed: shares are wholly owned by InternetNZ.

Internet New Zealand Group
Balance Sheet
As at 30 September 2020

	GROUP	INZ	DNCL
Current Assets			
Cash and Cash Equivalents	13,610,487	12,618,788	991,700
Managed Funds	4,499,351	4,499,351	-
Other Current Assets	1,595,091	1,549,485	45,606
Total Current Assets	19,704,929	18,667,624	1,037,306
Non-current Assets			
Property, Equipment & Software	2,986,962	2,873,438	113,523
less: Accumulated Depreciation	(2,117,351)	(2,054,948)	(62,402)
Intangible Assets	1,087,473	1,087,473	-
less: Amortisation	(225,251)	(225,251)	-
Investments	-	-	-
Shares and Loans	-	580,000	-
Total Assets	21,436,763	20,928,336	1,088,427
Less Liabilities:			
Deferred Income	9,203,413	9,203,413	-
Trade and Other Payables	1,199,483	1,096,283	103,200
Total Liabilities	10,402,896	10,299,696	103,200
Net Assets	\$ 11,033,867	\$ 10,628,640	\$ 985,227

Represented By:

Total Equity	\$ 11,033,867	\$ 10,628,640	\$ 985,227
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Notes:

The following items have been removed upon consolidation:

1. Shares in DNCL wholly owned by InternetNZ.
2. Share Subscription with respect to shares issued to InternetNZ by DNCL.

Internet New Zealand Group
Statements of Cashflows
For the Quarter ended 30 September

	GROUP	INZ	DNCL
Operating Activities			
Receipts from customers	3,541,388	3,116,030	425,358
Payments to suppliers and employees	(3,549,738)	(3,231,407)	(318,331)
Movement from other operating activities	177,947	205,604	(27,658)
Net Cash Flows from Operating Activities	169,597	90,227	79,369
Investing Activities			
Proceeds from sale of property, plant and equipment	-	-	-
Payment for property, plant and equipment	(169,672)	(147,389)	(22,282)
Other cash items from investing activities	(1,021,611)	(1,033,232)	11,620
Net Cash Flows from Investing Activities	(1,191,283)	(1,180,621)	(10,662)
Financing Activities			
Other cash items from financing activities	408,567	406,097	2,470
Net Cash Flows from Financing Activities	408,567	406,097	2,470
Net Cash Flows	(\$613,120)	(\$684,297)	\$71,177
Cash and Cash Equivalents			
Cash and cash equivalents at beginning of period	14,223,607	13,303,084	920,522
Cash and cash equivalents at end of period	13,610,487	12,618,788	991,700
Net change in cash for period	(\$613,120)	(\$684,297)	\$71,177