

Group financial statements

For the quarter ended 31 December 2018



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Internet New Zealand Group
Consolidated Income Statement
For the Quarter Ended 31 December 2018

	Group		INZ		DNCL	
	Qtr	YTD	Qtr	YTD	Qtr	YTD
Income						
Registry Fees	2,704,610	8,095,776	2,704,610	8,095,776	-	-
Broadband Map	5,581	36,166	5,581	36,166	-	-
Management Fees	-	-	-	-	330,000	990,000
Interest Received	111,993	265,480	109,059	256,311	2,934	9,169
Managed Funds Income	(196,660)	(7,539)	(196,660)	(7,539)	-	-
Sundry Income	35,198	103,804	86,006	245,228	6,000	29,000
Total Income	2,660,722	8,493,689	2,708,596	8,625,944	338,934	1,028,169
Less Direct Expenses						
DNC Fee	-	-	330,000	990,000	-	-
.nz Costs	125,393	368,106	125,393	368,106	-	-
Other IT	62,789	151,612	62,789	151,612	-	-
Total Direct Expenses	188,182	519,718	518,182	1,509,718	-	-
Less Other Expenses						
Audit Costs	1,000	9,768	1,000	9,768	-	-
Governance Costs	105,833	274,831	98,053	248,520	7,780	26,311
International Travel	138,472	317,539	123,517	274,892	14,955	42,647
International Membership	36,352	38,396	-	-	36,352	38,396
Community Investment	387,830	791,592	387,830	791,592	-	-
Legal Fees	8,034	59,908	8,034	47,760	-	12,148
Office Costs	166,829	505,135	152,775	470,404	70,862	205,155
Project Costs	14,947	49,149	-	-	14,947	49,149
Employment Costs	1,311,900	3,823,562	1,170,096	3,379,837	141,803	443,725
Other Operating Expenses	450,590	1,172,071	420,375	1,078,383	30,215	93,689
Other Comprehensive Items	82,025	383,805	5,400	5,400	76,625	378,405
Total Expenses	2,703,812	7,425,756	2,367,081	6,306,555	393,539	1,289,625
Net Profit (Loss) Before Tax	(231,272)	548,215	(176,667)	809,672	(54,605)	(261,456)
Less Provision for Tax	-	-	-	-	-	-
Net Profit (Loss) After Tax	(\$231,272)	\$ 548,215	(\$176,667)	\$ 809,672	(\$54,605)	(\$261,456)

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

Internet New Zealand Group
Consolidated Income Statement - Activity Based
For the Quarter Ended 31 December 2018

	Group		INZ		DNCL	
	Qtr	YTD	Qtr	YTD	Qtr	YTD
Income						
Registry Fees	2,704,610	8,095,776	2,704,610	8,095,776	-	-
Broadband Map	5,581	36,166	5,581	36,166	-	-
Management Fees	-	-	-	-	330,000	990,000
Interest Received	111,993	265,481	109,059	256,311	2,934	9,169
Managed Funds Income	(196,660)	(7,539)	(196,660)	(7,539)	-	-
Sundry Income	35,198	103,804	86,006	245,228	6,000	29,000
Total Income	2,660,722	8,493,689	2,708,596	8,625,944	338,934	1,028,169
Less Activity Expenditure						
Policy	213,044	550,590	213,044	550,590	-	-
Outreach & Engagement						
Funding	226,845	563,686	226,845	563,686	-	-
Communications	182,371	422,870	182,371	422,870	-	-
Engagement	191,643	460,351	191,643	460,351	-	-
.nz Operations	377,290	1,067,813	489,739	1,451,503	274,358	776,733
Commercial	121,680	319,833	121,680	319,833	-	-
Broadband	28,443	58,215	28,443	58,215	-	-
Projects	14,947	49,149	-	-	14,947	49,149
Technology Services	444,938	1,301,348	444,938	1,301,348	-	-
Technical Research	113,409	358,526	113,409	358,526	-	-
International Engagement	157,497	370,226	142,542	327,579	14,955	42,647
Organsational & Governance	512,777	1,472,305	504,997	1,445,994	7,780	26,311
Other Operating Expenses	225,085	566,755	220,211	550,376	4,874	16,380
Other Comprehensive Items	82,025	383,806	5,400	5,400	76,625	378,405
Total Expenses	2,891,993	7,945,474	2,885,263	7,816,272	393,538	1,289,625
Net Profit (Loss) Before Tax	(231,272)	548,215	(176,667)	809,672	(54,605)	(261,456)
Less Provision for Tax	-	-	-	-	-	-
Net Profit (Loss) After Tax	(231,272)	\$548,215	(\$176,667)	\$809,672	(\$54,605)	(\$261,456)

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

Internet New Zealand Group
Statement of Movements in Equity
For the Quarter Ended 31 December 2018

	Group		INZ		DNCL	
	Qtr	YTD	Qtr	YTD	Qtr	YTD
Equity at start of period						
Opening Retained Earnings	11,623,977	10,844,278	11,385,180	10,398,841	238,797	445,438
Shares Subscribed	-	-	-	-	580,000	580,000
	11,623,977	10,844,278	11,385,180	10,398,841	818,797	1,025,438
Net Profit (Loss) After Tax	(231,272)	548,216	(176,667)	809,672	(54,605)	(261,456)
Equity at end of period	\$11,392,705	\$11,392,494	\$11,208,513	\$11,208,513	\$ 764,192	\$ 763,982

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 31 December 2018

	Group	INZ	DNCL
	Qtr	Qtr	Qtr
Current Assets			
Cash and Cash Equivalents	15,660,289	14,830,640	829,649
Managed Funds	2,872,580	2,872,580	-
Other Current Assets	1,286,430	1,262,550	23,881
Total Current Assets	19,819,299	18,965,769	853,530
Property, Equipment & Software			
Fixed Assets at Cost	3,466,000	3,258,108	207,892
Less Accumulated Depreciation	(2,872,139)	(2,680,769)	(191,370)
Intangible Assets	237,113	237,113	-
Investments	-	-	-
Shares and Loans	-	580,000	-
Total Assets	20,650,273	20,360,221	870,052
Less Liabilities:			
Deferred Income	8,373,794	8,373,794	-
Trade and Other Payables	815,149	709,289	105,860
Total Liabilities	9,188,943	9,083,082	105,860
Net Assets	\$ 11,461,331	\$ 11,277,139	\$ 764,192
Represented By:			
Total Equity	\$ 11,461,331	\$ 11,277,139	\$ 764,192

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 3 months ended 31 December 2018

	GROUP Oct-Dec 2018	INZ Oct-Dec 2018	DNCL Oct-Dec 2018
Operating Activities			
Receipts from customers	3,740,965	3,351,631	389,334
Payments to suppliers and employees	(\$3,240,881)	(\$2,850,362)	(\$390,519)
Movement from other operating activities	(\$195,803)	(\$191,333)	(\$4,470)
Net Cash Flows from Operating Activities	304,280	309,936	(5,655)
Investing Activities			
Proceeds from sale of property, plant and equipment	47,983	47,983	0
Payment for property, plant and equipment	(114,055)	(110,995)	(3,060)
Other cash items from investing activities	283,124	278,656	4,468
Net Cash Flows from Investing Activities	217,052	215,645	1,408
Financing Activities			
Other cash items from financing activities	(395,058)	(349,105)	(45,952)
Net Cash Flows from Financing Activities	(395,058)	(349,105)	(45,952)
Net Cash Flows	126,275	176,475	(50,200)
Cash and Cash Equivalents			
Cash and cash equivalents at beginning of period	15,534,014	14,654,165	879,850
Cash and cash equivalents at end of period	15,660,289	14,830,640	829,649
Net change in cash for period	126,275	176,475	(50,200)

Cash Flow Reconciliation YTD	YTD	YTD	YTD
Net Profit (Loss) After Tax	548,215	809,672	(\$261,456)
Plus (Less) non cash items	537,966	521,586	16,380
Subtotal	(10,250)	(288,086)	277,836
Movement in Working Capital			
(increase) decrease in receivables	3,545,162	3,160,298	384,864
increase (decrease) in payables	(2,947,554)	(2,557,035)	(390,519)
increase (decrease) in deferred income	(293,327)	(293,327)	
Net Cash Flow from operations	304,280	309,936	(5,655)

