internetnz

domain name commission nz

Group financial statements

Quarter 1, 2026/27

YTD 01 April 2026 to 30 June 2026

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Introduction

This Quarter One Report for the 2026/27 financial year, covering the period 01 April 2026 to 30 June 2026 provides a consolidated summary of the InternetNZ Group's financial performance.

The financial results have been prepared with a focus on three core areas that together present a comprehensive view of the organisations financial position and operational effectiveness:

1. Group Consolidated Reporting -Including funding and overall group financial results.
2. Operational Performance - reflecting activity across the organisation's business units.
3. Community Fund Performance - outlining investments and funding outcomes.

This report aims to provide the Board and stakeholders with a clear, transparent view of the Group's financial position and progress to date, aligned with the approved 2026/27 budget and organisational objectives.

Summary of InternetNZ Group Results - QE June 2026

	YTD Actual	YTD Budget	YTD Var
INZ Operational	518,043	124,561	393,482
INZ Community Funding	275,668	5,640	270,028
Domain Name Commission YTD Net	32,630	38,172	(5,542)
YTD Net Profit INZ Group	**826,340**	**168,373**	**657,967**

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

INZ Group Consolidated Income Statement

Internet New Zealand Group
Consolidated Income Statement
Year to date (YTD) 30 June 2026

	Notes	Group YTD	Group Budget	+/- $	+/- %	Parent YTD	Parent Budget	+/- $	+/- %
Income - Operating									
Registry Fees		3,976,490	3,865,438	111,052	3%	3,976,490	3,865,438	111,052	3%
Broadband Map		9,200	11,700	(2,500)	(21%)	9,200	11,700	(2,500)	(21%)
Sundry Income	**1 (a)**	54,311	66,558	(12,247)	(18%)	136,192	148,308	(12,116)	(8%)
Total Operating Income		**4,040,000**	**3,943,696**	**96,304**	**2%**	**4,121,882**	**4,025,446**	**96,436**	**2%**
Income - Investments									
Interest		1,568	26,142	(24,574)	(94%)	1,055	24,882	(23,827)	(96%)
Fair Value Gains/(Losses) on Managed Funds		596,462	180,261	416,201	231%	592,593	180,261	412,332	229%
Total Investment Income		**598,030**	**206,403**	**391,627**	**190%**	**593,648**	**205,143**	**388,505**	**189%**
Less Direct Expenses									
Domain Name Commission Fee	**2 (a)**	-	-	-	-	470,515	470,514	(1)	(0%)
.nz Costs		562,289	611,990	49,701	9%	562,289	611,990	49,701	9%
Other		5,487	6,105	618	11%	5,487	6,105	618	11%
Total Direct Expenses		**567,777**	**618,095**	**50,318**	**9%**	**1,038,292**	**1,088,609**	**50,317**	**5%**
Less Other Expenses									
Audit		600	-	(600)	(100%)	-	-	-	-
Amortisation & Depreciation		69,813	70,500	687	1%	62,639	65,448	2,809	4%
Communications		15,177	20,366	5,189	34%	-	5,000	5,000	0%
Community Engagement		43,949	88,878	44,929	102%	43,949	88,878	44,929	102%
Domain Name Commission		24,537	30,957	6,420	26%	-	-	-	-
Employment		2,045,297	2,111,293	65,996	3%	1,780,256	1,862,459	82,203	5%
Funding		165,000	120,000	(45,000)	(27%)	165,000	120,000	(45,000)	(27%)
Governance		48,953	60,259	11,306	23%	37,020	46,968	9,948	27%
International		125,871	107,158	(18,713)	(15%)	121,955	103,471	(18,484)	(15%)
Legal		21,132	18,249	(2,883)	(14%)	1,843	750	(1,093)	(59%)
Operational		657,065	710,932	53,867	8%	644,346	693,766	49,420	8%
Projects		-	-	-	-	-	-	-	-
Security		26,520	25,039	(1,481)	(6%)	26,520	25,039	(1,481)	(6%)
Total Expenses		**3,243,913**	**3,363,631**	**119,718**	**4%**	**2,883,528**	**3,011,779**	**128,251**	**4%**
Net Operating Profit (Loss) Before Tax		**$826,340**	**$168,373**	**$657,967**	**391%**	**$793,710**	**$130,201**	**$663,509**	**510%**

Notes: The income and expenditure lines for the individual entities do not add to the group totals because the following intra-group entries have been eliminated.

1 (a) GSE paid by DNCL ($84,881) to INZ & **2** (a) DNCL fee paid by INZ ($470,515) to DNCL

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

INZ Group Consolidated Income Statement – By Function

Internet New Zealand Group Consolidated Income Statement - Function Based Year to date (YTD) 30 June 2026									
	Notes	**Group YTD**	**Group Budget**	**+/- $**	**+/- %**	**Parent YTD**	**Parent Budget**	**+/- $**	**+/- %**
Income - Operating									
Domain Name Commission - Sundry		7,381	4,260	3,121	73%	-	-	-	-
Investment Returns (Funding)		440,668	125,640	315,028	251%	440,668	125,640	315,028	251%
Te Puni Whakawhanake Rawa (Customer and Product)		3,995,196	3,908,050	87,146	2%	3,995,196	3,908,050	87,146	2%
Te Puni Whiria (Public Impact)		40,305	32,646	7,659	23%	42,386	34,596	7,790	23%
Te Puni Māori		-	-	-	-	2,682	2,682	-	0%
Te Puni Raupa (Organisational Performance)		154,481	79,503	74,978	**94%**	234,598	159,621	74,977	**47%**
Total Operating Income		**4,638,030**	**4,150,099**	**487,931**	**12%**	**4,715,530**	**4,230,589**	**484,941**	**11%**
Less Activity Expenditure									
Domain Name Commission	**2 (a)**	360,385	351,852	(8,533)	(2%)	-	-	-	-
Funding		165,000	120,000	(45,000)	(27%)	165,000	120,000	(45,000)	(27%)
Te Puni Whakawhanake Rawa (Customer and Product)	**1 (a)**	1,586,944	1,617,333	30,389	2%	2,057,459	2,087,847	30,388	1%
Te Puni Whiria (Public Impact)		587,376	700,523	113,147	19%	587,376	700,523	113,147	19%
Te Puni Māori		92,438	166,218	73,780	80%	92,438	166,218	73,780	80%
Te Puni Raupa (Organisational Performance)		1,019,547	1,025,800	6,253	1%	1,019,547	1,025,800	6,253	1%
Total Expenses		**3,811,690**	**3,981,726**	**170,036**	**4%**	**3,921,820**	**4,100,388**	**178,568**	**5%**
Net Operating Profit (Loss) Before Tax		**$826,340**	**$168,373**	**$657,967**	**391%**	**$793,710**	**$130,201**	**$663,509**	**510%**

Notes: The income and expenditure lines for the individual entities do not add to the group totals because the following intra-group entries have been eliminated.

1 (a) GSE paid by DNCL ($84,881) to INZ & **2** (a) DNCL fee paid by INZ ($470,515) to DNCL

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

INZ Group Consolidated Movements in Equity

Internet New Zealand Group Statement of Movements in Equity Year to date (YTD) 30 June 2026			
	GROUP	**INZ**	**DNCL**
Equity at start of period			
Opening Retained Earnings	10,937,331	10,646,927	290,404
Shares Subscribed	-	-	580,000
	10,937,331	10,646,927	870,404
Net Profit (Loss) After Tax	826,340	793,710	32,630
Equity at end of period	**$11,763,672**	**$11,440,637**	**$903,034**

INZ Consolidated Balance Sheet

Internet New Zealand Group Balance Sheet As at 30 June 2026				
	Notes	**GROUP**	**INZ**	**DNCL**
Current Assets				
Cash and Cash Equivalents		7,775,612	7,008,782	766,830
Managed Funds		13,059,301	12,885,432	173,869
Other Current Assets		2,570,298	2,525,818	44,480
Total Current Assets		23,405,211	22,420,032	985,179
Non-current Assets				
Property, Equipment & Software		3,057,908	2,728,804	329,104
less: Accumulated Depreciation		(1,725,943)	(1,431,498)	(294,445)
Intangible Assets		4,356,741	4,356,741	-
less: Amortisation		(2,373,781)	(2,373,781)	-
Investments		-	-	-
Shares and Loans	**3 (a)**	-	580,000	-
Total Assets		26,720,136	26,280,299	1,019,838
Less Liabilities:				
Deferred Income		13,567,666	13,567,666	-
Trade and Other Payables		1,388,799	1,271,996	116,803
Total Liabilities		14,956,465	14,839,662	116,803
Net Assets		**$11,763,672**	**$11,440,637**	**$903,034**
Represented By:				
Current Year Earnings	**4 (a)**	826,340	793,710	32,630
Retained Earnings	**5 (a)**	10,937,331	10,646,927	290,404
Share Capital	**3 (a)**	-	-	580,000
Total Equity		**$11,763,672**	**$11,440,637**	**$903,034**

Notes:

3 (a) Shares in DNCL wholly owned by InternetNZ. Share subscription with respect to shares issued to InternetNZ by DNCL.

4 (a) Current earnings include funding earnings and distributions net $275,668.

5 (a) Within the retained earnings is the ring-fenced funding of $10,542,988.

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

Outlined below is a summary of each function.

Te Puni Whakawhanake Rawa/ Customer and Product

- Running of the .nz registry and Broadband Map services.
- Data insights and analytics
- IT infrastructure and product technology

Te Puni Whiria/Public Impact

- Public policy, internet governance, including international
- Community Engagement, including membership, Communications – External and brand and Events Management
- .nz rules

Te Puni Māori

- Māori sector partnership and relationships
- Rautaki Māori
- Māori cultural intelligence and cultural capability

Te Puni Raupa/Organisation Performance

- Governance, Strategy, planning, and performance.
- Security, compliance (including legal) and Privacy.
- HR and Finance, Technology Strategy, and Internal IT

INZ Group Operating Income Statement

Internet New Zealand Group
Operating Income Statement (excludes funding)
Year to date (YTD) 30 June 2026

	Notes	Group YTD	Group Budget	+/- $	+/- %	Parent YTD	Parent Budget	+/- $	+/- %
Income - Operating									
Registry Fees		3,976,490	3,865,438	111,052	3%	3,976,490	3,865,438	111,052	3%
Broadband Map		9,200	11,700	(2,500)	(21%)	9,200	11,700	(2,500)	(21%)
Sundry Income	1 (a)	54,311	66,558	(12,247)	(18%)	136,192	148,308	(12,116)	(8%)
Total Operating Income		**4,040,000**	**3,943,696**	**96,304**	**2%**	**4,121,882**	**4,025,446**	**96,436**	**2%**
Income - Investments									
Interest		712	3,102	(2,390)	(77%)	199	1,842	(1,643)	(89%)
Fair Value Gains/(Losses) on Managed Funds		156,650	77,661	78,989	102%	152,782	77,661	75,121	97%
Total Investment Income		**157,362**	**80,763**	**76,599**	**95%**	**152,981**	**79,503**	**73,478**	**92%**
Less Direct Expenses									
Domain Name Commission Fee	2 (a)	-	-	-	-	470,515	470,514	(1)	(0%)
.nz Costs		562,289	611,990	49,701	9%	562,289	611,990	49,701	9%
Other		5,487	6,105	618	11%	5,487	6,105	618	11%
Total Direct Expenses		**567,777**	**618,095**	**50,318**	**9%**	**1,038,292**	**1,088,609**	**50,317**	**5%**
Less Other Expenses									
Audit		600	-	(600)	(100%)	-	-	-	-
Amortisation & Depreciation		69,813	70,500	687	1%	62,639	65,448	2,809	4%
Communications		15,177	20,366	5,189	34%	-	5,000	5,000	0%
Community Engagement		43,949	88,878	44,929	102%	43,949	88,878	44,929	102%
Domain Name Commission		24,537	30,957	6,420	26%	-	-	-	-
Employment		2,045,297	2,111,293	65,996	3%	1,780,256	1,862,459	82,203	5%
Governance		48,953	60,259	11,306	23%	37,020	46,968	9,948	27%
International		125,871	107,158	(18,713)	(15%)	121,955	103,471	(18,484)	(15%)
Legal		21,132	18,249	(2,883)	(14%)	1,843	750	(1,093)	(59%)
Operational		657,065	710,932	53,867	8%	644,346	693,766	49,420	8%
Projects		-	-	-	-	-	-	-	-
Security		26,520	25,039	(1,481)	(6%)	26,520	25,039	(1,481)	(6%)
Total Expenses		**3,078,913**	**3,243,631**	**164,718**	**5%**	**2,718,528**	**2,891,779**	**173,251**	**6%**
Net Operating Profit (Loss) Before Tax		**$550,673**	**$162,733**	**$387,940**	**238%**	**$518,043**	**$124,561**	**$393,482**	**316%**

Notes: The income and expenditure lines for the individual entities do not add to the group totals due to the elimination of the following intra-group entries.

1 (a) GSE paid by DNCL ($84,881) to INZ & **2** (a) DNCL fee paid by INZ ($470,515) to DNCL

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

INZ Group Operational Revenue Analysis to the Period ending 30 June 2026

Consolidated Revenue	Actual	Budget	Variance	% of Total Sales
Registry Fees	3,976,490	3,865,438	111,052	96.5%
BBM	9,200	11,700	(2,500)	0.2%
Membership	40,305	109,064	7,659	2.5%
Sundry - Misc.	11,006	30,914	(19,908)	0.3%
Domain Name Commission	3,000	3,000	-	0.1%
Total Operating Revenue	**4,040,001**	**3,943,698**	**96,303**	**100%**

- Positive variance due to growth in Registry Fees.

INZ Group Operational Expenditure Analysis by Function to the Period ending 30 June 2026

Consolidated Expenditure by Function		Actual	Budget	Variance	% of Total Expenditure
Domain Name Commission	1 (a)	360,385	351,852	(8,533)	10%
Te Puni Whakawhanake Rawa/Cust & Prod		1,586,944	1,617,333	30,389	44%
Te Puni Whiria/Public Impact		587,376	700,523	113,147	16%
Te Puni Maori		92,438	166,218	73,780	3%
Te Puni Raupa/Organisational Performance		1,019,547	1,025,800	6,253	28%
Total Operating Expenditure		**3,646,690**	**3,861,726**	**215,036**	**100%**

Notes: The DNCL expenditure line excludes:

1 (a) GSE paid by DNCL ($84,881) to INZ

At the end of the first quarter, all the variances by functions are mainly due to phasing.

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

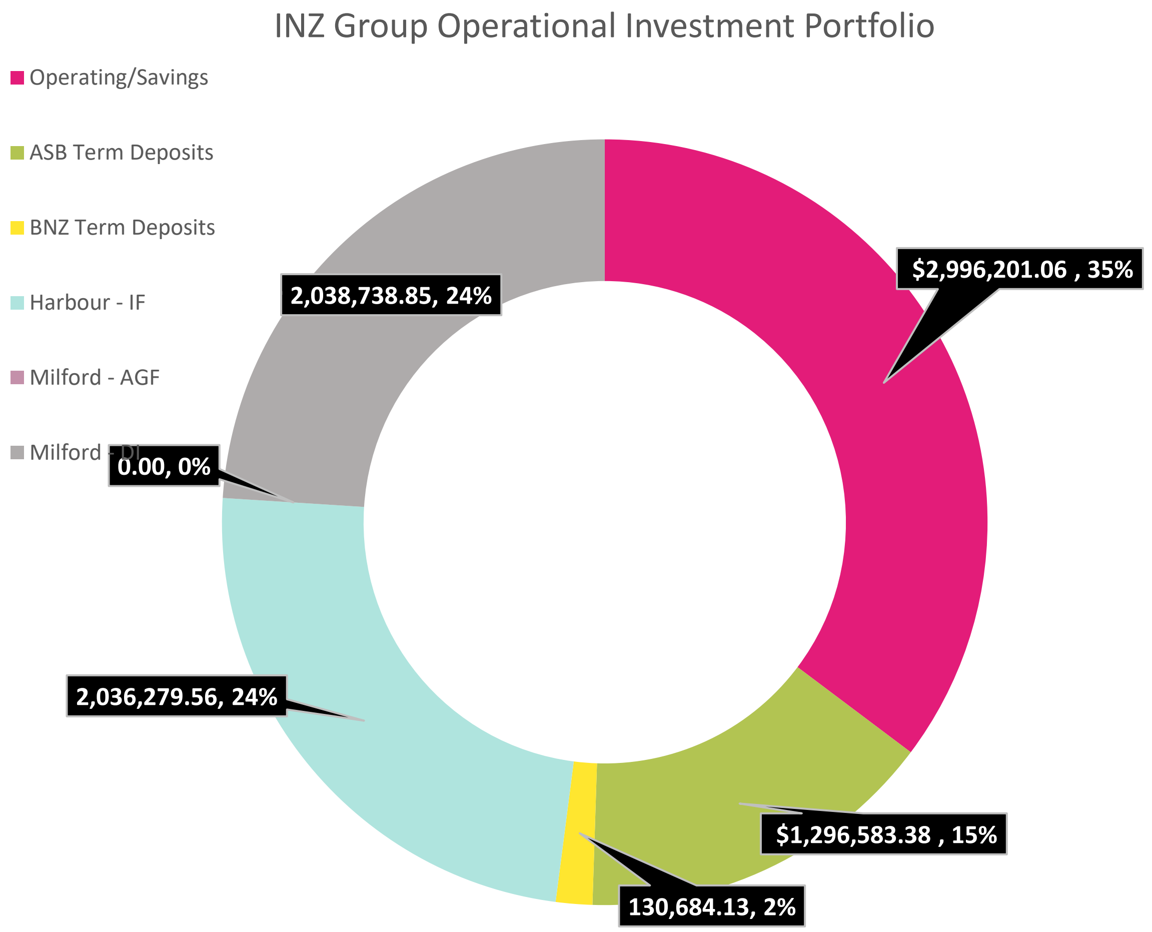
INZ Operational Cashflow

INZ operating - 2026/2027 cash flow forecast	Mar-2026	Apr-2026	May-2026	Jun-2026	Jul-2026	Aug-2026	Sep-2026	Oct-2026	Nov-2026	Dec-2026	Jan-2027	Feb-2027	Mar-2027	YEAR END
	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Opening balance start of month	$ 7,845,662	$ 8,110,741	$ 8,286,437	$ 8,747,698	$ 8,498,493	$ 8,376,986	$ 8,660,294	$ 9,108,955	$ 8,251,547	$ 8,354,336	$ 8,474,751	$ 8,423,752	$ 8,454,902	$ 8,110,741
Cash receipts														
Total cash receipts	$ 1,386,770	$ 1,791,671	$ 1,676,902	$ 1,709,709	$ 1,463,922	$ 1,847,072	$ 1,705,750	$ 1,981,307	$ 1,708,084	$ 1,601,209	$ 1,300,010	$ 1,501,207	$ 1,531,199	$ 19,818,041
Cash disbursements														
Total cash disbursements	$ 1,121,691	$ 1,615,975	$ 1,215,641	$ 1,958,914	$ 1,585,429	$ 1,563,764	$ 1,257,089	$ 2,838,715	$ 1,605,295	$ 1,480,794	$ 1,351,009	$ 1,470,057	$ 1,778,731	$ 19,721,412
Cash-flow movement	$ 265,079	$ 175,696	$ 461,261	$ (249,205)	$ (121,507)	$ 283,308	$ 448,661	$ (857,408)	$ 102,789	$ 120,416	$ (51,000)	$ 31,150	$ (247,532)	$ 96,629
Closing balance end of month	$ 8,110,741	$ 8,286,437	$ 8,747,698	$ 8,498,493	$ 8,376,986	$ 8,660,294	$ 9,108,955	$ 8,251,547	$ 8,354,336	$ 8,474,751	$ 8,423,752	$ 8,454,902	$ 8,207,370	$ 8,207,370
Represented by the following:														
Bank accounts														
Total bank accounts	$ 2,771,573	$ 2,860,017	$ 3,272,588	$ 2,996,207	$ 1,849,144	$ 2,094,994	$ 2,515,165	$ 1,629,111	$ 1,693,887	$ 1,785,336	$ 1,695,921	$ 1,697,781	$ 1,416,159	$ 1,416,159
Term deposits														
Total term deposits	$ 373,883	$ 384,219	$ 1,427,268	$ 1,427,268	$ 1,427,268	$ 1,436,394	$ 1,436,394	$ 1,436,394	$ 1,445,601	$ 1,445,601	$ 1,454,888	$ 1,454,888	$ 1,459,527	$ 1,459,527
Fund investments														
Total fund investments	$ 4,965,286	$ 5,042,202	$ 4,047,843	$ 4,075,018	$ 5,100,574	$ 5,128,906	$ 5,157,395	$ 5,186,042	$ 5,214,848	$ 5,243,815	$ 5,272,943	$ 5,302,233	$ 5,331,684	$ 5,331,684
TOTAL OPERATING FUNDS	$ 8,110,741	$ 8,286,437	$ 8,747,698	$ 8,498,493	$ 8,376,986	$ 8,660,294	$ 9,108,955	$ 8,251,547	$ 8,354,336	$ 8,474,751	$ 8,423,752	$ 8,454,902	$ 8,207,370	$ 8,207,370

Notes: Closing Operating Funds does not equal Group Operational Investments as cash-flow excludes DNCL.

INZ Operational Investments as of 30 June 2026

The chart below shows the percentage spread of INZ Group Operating funds invested **$8,498,486.98** across all institutions as of 30 June 2026.



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INZ Community Fund Performance

To ensure funding for public impact, a fund has been created where interest generated from the fund will support public impact grants and strategic partnerships.

Approved budget included:

- Setting public impact funding for 2026/27 at $1M.

The funds performed exceptionally well this quarter compared to previous quarter with an upswing of almost $337k.

Ring-fencing the funds within the Balance Sheet was introduced to formally reserve the Funds. The following reporting provides transparency of the ring-fenced funding performance YTD June 2026.

Community Fund Income Statement

Internet New Zealand
Funding Income Statement
Year to date (YTD) 30 June 2026

	Group	Group	+/-	+/-
Funding Investment Income	**YTD**	**Budget**	**$**	**%**
Interest Received	856	23,040	(22,184)	(96%)
Fair Value Gains/(Losses) on Managed Funds	439,811	102,600	337,211	329%
Total Investment Income	**440,668**	**125,640**	**315,028**	**251%**
Funding Rounds	100,000	70,000	(30,000)	(30%)
Strategic Partners	65,000	50,000	(15,000)	(23%)
Total Expenses	**165,000**	**120,000**	**(45,000)**	**(27%)**
Net Funding Profit (Loss)	**$275,668**	**$5,640**	**$270,028**	**4788%**

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

Community Fund Model - Balance Sheet & Statement of Movements

Internet New Zealand Funding Balance Sheet As at 30 June 2026	
	INZ
Current Assets	
Cash and Cash Equivalents	2,313,316
Managed Funds	8,810,414
Total Current Assets	11,123,730
Less Liabilities:	
Trade and Other Payables (INZ)	305,075
Operational	
Total Liabilities	305,075
Net Assets	**$10,818,655**
Represented By:	
Current Year Earnings	275,668
INZ Contribution 2026 FY	250,000
INZ Contribution 2027 FY	255,175
Opening Retained Earnings	10,037,813
Total Equity	**$10,818,655**

Internet New Zealand Statement of Movements in Equity - Funding Year to date (YTD) 30 June 2026		
	2027	**2026**
Equity at start of period		
Opening Retained Earnings	10,037,813	10,606,378
	10,037,813	10,606,378
INZ Operations Contribution	505,175	0
Net Profit (Loss) After Tax	275,668	(568,565)
Equity at end of period	**$10,818,655**	**$10,037,813**

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

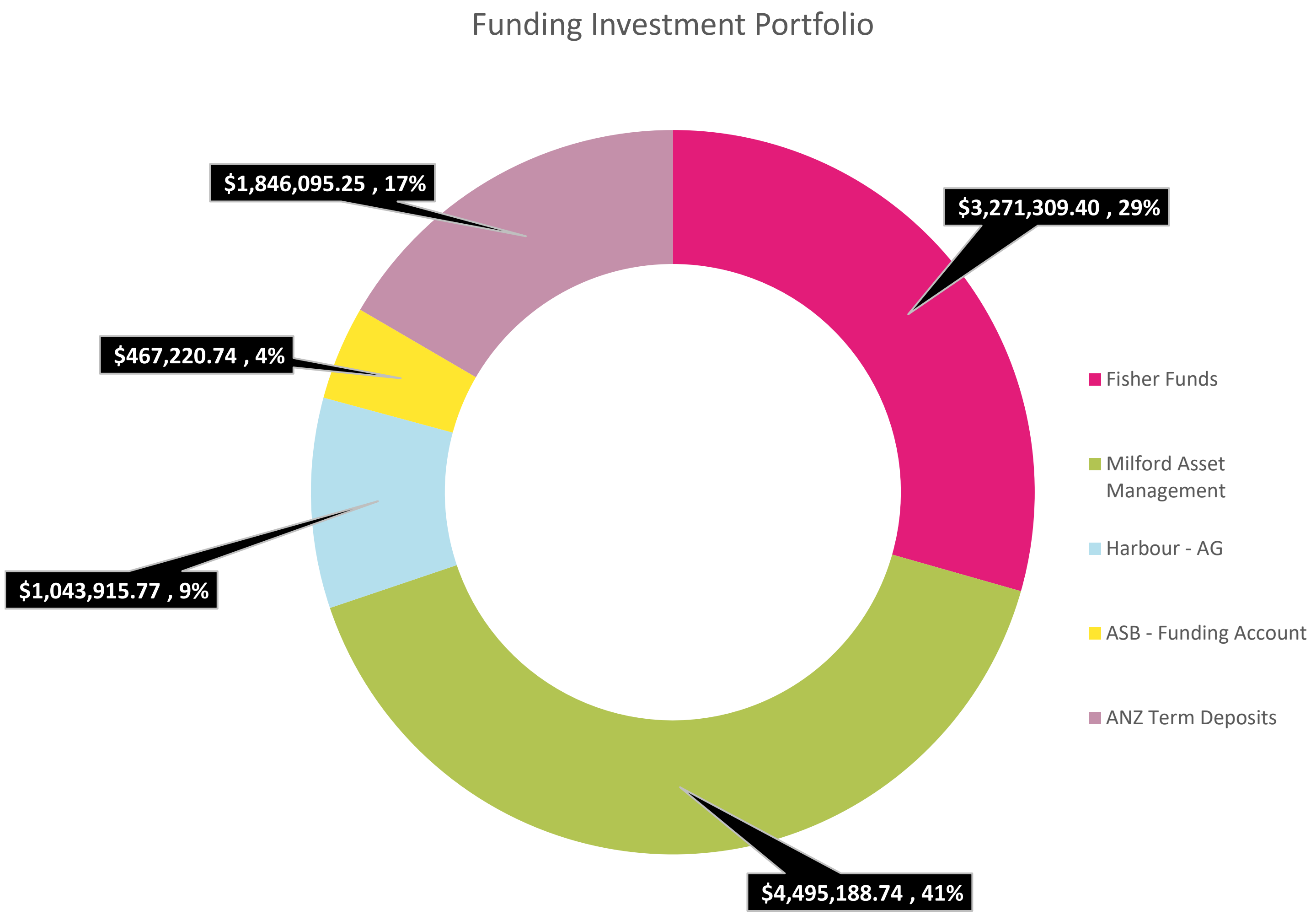
Community Fund Model Cashflow

Community fund - 2026/2027 cash flow forecast	Mar-2026	Apr-2026	May-2026	Jun-2026	Jul-2026	Aug-2026	Sep-2026	Oct-2026	Nov-2026	Dec-2026	Jan-2027	Feb-2027	Mar-2027	YEAR END
	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Opening balance start of month	$ 10,915,290	$ 10,510,063	$ 10,448,853	$ 10,590,296	$ 11,123,730	$ 11,138,009	$ 10,924,851	$ 10,987,531	$ 11,050,655	$ 11,129,652	$ 11,193,663	$ 11,023,689	$ 11,088,604	$ 10,510,063
Cash receipts														
Total cash receipts	$ (313,227)	$ 213,290	$ 141,442	$ 613,934	$ 64,279	$ 77,543	$ 62,680	$ 63,124	$ 78,996	$ 64,011	$ 80,026	$ 64,915	$ 315,374	$ 1,839,615
Cash disbursements														
Total cash disbursements	$ 92,000	$ 274,500	$ -	$ 80,500	$ 50,000	$ 290,700	$ -	$ -	$ -	$ -	$ 250,000	$ -	$ 75,000	$ 1,020,700
Cash-flow movement	$ (405,227)	$ (61,210)	$ 141,442	$ 533,434	$ 14,279	$ (213,157)	$ 62,680	$ 63,124	$ 78,996	$ 64,011	$ (169,974)	$ 64,915	$ 240,374	$ 818,915
Closing balance end of month	$ 10,510,063	$ 10,448,853	$ 10,590,296	$ 11,123,730	$ 11,138,009	$ 10,924,851	$ 10,987,531	$ 11,050,655	$ 11,129,652	$ 11,193,663	$ 11,023,689	$ 11,088,604	$ 11,328,978	$ 11,328,978
Represented by the following:														
Bank accounts														
Total bank accounts	$ 316,986	$ 42,504	$ 42,507	$ 467,221	$ 517,484	$ 226,784	$ 226,784	$ 226,784	$ 226,784	$ 226,784	$ 618,610	$ 618,610	$ 793,610	$ 793,610
Term deposits														
Total term deposits	$ 2,865,524	$ 2,865,524	$ 1,846,095	$ 1,846,095	$ 1,748,292	$ 1,763,590	$ 1,763,590	$ 1,763,590	$ 1,779,021	$ 1,779,021	$ 1,152,761	$ 1,152,761	$ 1,152,761	$ 1,152,761
Fund investments														
Total fund investments	$ 7,327,554	$ 7,540,826	$ 8,701,693	$ 8,810,414	$ 8,872,233	$ 8,934,478	$ 8,997,158	$ 9,060,282	$ 9,123,847	$ 9,187,858	$ 9,252,318	$ 9,317,233	$ 9,382,607	$ 9,382,607
TOTAL COMMUNITY FUNDS	$ 10,510,063	$ 10,448,853	$ 10,590,296	$ 11,123,730	$ 11,138,009	$ 10,924,851	$ 10,987,531	$ 11,050,655	$ 11,129,652	$ 11,193,663	$ 11,023,689	$ 11,088,604	$ 11,328,978	$ 11,328,978

Due to rounding of cents, numbers presented throughout this report may not add up precisely to the totals provided in dollars.

Community Fund Investments as of 30 June 2026

The chart below shows the percentage spread of funding investments of **$11,123,729.90** across all institutions as of 30 June 2026.



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