New Plymouth
Airport



2026 ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2026

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1. Chair and Chief Executive Report

Tēnā koutou katoa,

FY2026 has been one of the most significant years in the airport's history.

It was a year defined by delivery, investment and transformation. While continuing to provide safe, reliable, efficient and diversified airport operations for the Taranaki region, the Group successfully expanded into renewable energy generation through the completion and operation of a new 10MW solar farm, Te Matakupenga. This has fundamentally broadened the airport's revenue base and strengthened its long-term resilience.

"FY2026 was a transformative year. The successful completion of Te Matakupenga solar farm has created a new revenue stream and strengthened financial resilience and positioned the Group for long-term sustainable growth."

The opening of the Te Matakupenga Solar farm on 26 September 2025 marked the culmination of several years of planning, partnership and investment. Delivered alongside Puketapu Hapu, community stakeholders, contractors and advisers, the project transitioned from construction into commercial operation during the year and quickly began generating meaningful revenue for the Group. By 30 June 2026, the Te Matakupenga Solar farm had produced 10.3 GWh of renewable electricity and generated more than $1.235 million in net revenue.

The significance of Te Matakupenga extends well beyond its financial contribution. The project supports New Zealand's transition toward a lower-emissions future while creating a long-term revenue stream for the airport that is not dependent on passenger numbers or airline schedules.

The airport also completed several major infrastructure projects that strengthen operational resilience and support future growth. These included upgrades to the waste water network, purchase of the airfield lighting assets and construction of a new rental car precinct.

The Group delivers strong financial results despite Passenger numbers actually reducing during the year as airline capacity constraints continued to affect the regional aviation sector. Demand for travel remained strong, with load factors remaining around 87%. However, the airport remains reliant on its major customer, Air New Zealand, providing more capacity to enable it to grow.

Revenue increased to $11.94 million, EBITDA increased to $6.87 million and the Group recorded a profit after tax of $1.103 million. Pleasingly, the Group's cashflow enabled PRIP to repay $1million of debt in the second half of the year.

As we enter FY2027 we have a relative subdued aviation market with little growth. However, our cashflows from both the aviation and solar farm businesses are expected to remain steady.

Finally, we would like to thank our staff, directors, airline partners, tenants, contractors, advisers, Puketapu Hapu, NPDC shareholder and the wider Taranaki community for their continued support throughout the year.



Philip Cory-Wright
Board Chair



David Scott
Chief Executive

Customers and Stakeholders

Passenger demand remained resilient throughout FY2026 despite ongoing airline capacity constraints, with 371,740 passengers travelling through the Airport and average load factors remaining strong at approximately 87%. This high low factor suggest there is unmet demand for air travel, highlighting the importance of available capacity for both business and leisure travellers.

The year was not without its challenges. Conflict involving Iran and broader instability in the Middle East contributed to volatility in global fuel markets, increasing cost pressures across the aviation sector and creating additional challenges for airline scheduling, fleet deployment and network planning. Combined with ongoing aircraft availability and maintenance constraints, these factors continued to influence airline operations throughout the year.

Despite these headwinds, PRIP maintained constructive engagement with airline partners, tenants, regulators, our shareholder, mana whenua and the wider community. New Plymouth Airport continues to play a critical role as essential regional infrastructure, supporting business connectivity, tourism, healthcare access, education and social connections throughout Taranaki.
The continued strength of passenger demand provides confidence in the long-term value of the Airport and the important role it plays in supporting the economic and social wellbeing of the region.



2. Highlights of the Year

Health, Safety and Risk

Safe, reliable and efficient airport operations remained PRIP's core priority throughout FY2026. Investment continued across airfield infrastructure, safety systems, security enhancements and operational resilience initiatives to ensure the Airport remained compliant, resilient and well positioned to support regional connectivity.

IPRIP maintained a strong focus on risk management, regulatory compliance and business continuity, working closely with airline partners, regulators and key stakeholders to support the continuity of scheduled air services.

These ongoing investments reinforce the Airport's role as critical regional infrastructure and its commitment to providing safe, reliable and efficient services to the Taranaki community.

Finance

The Group delivered a strong financial result for FY2026, generating revenue of $11.94 million, EBITDA of $6.87 million and a net profit after tax of $1.103 million. The result reflects the continued benefits of PRIP's diversified business model, with earnings generated across aeronautical activities, commercial property, car parking and renewable energy.

The year also saw the ongoing success of theTe Matakupenga Solar farm, which had generated more than $1.235 million in life-to-date net revenue as at 30 June 2026. The solar farm is now making a meaningful contribution to Group earnings, strengthening revenue diversification and reducing reliance on traditional aviation-related income streams.



Airport Property

The Airport's commercial property portfolio has continued to perform strongly, providing a stable source of non-aeronautical income and reinforcing PRIP's strategy of building a more diversified and resilient business alongside its core aviation activities.



Environmental Sustainability

Te Matakupenga was the Group's major sustainability achievement for FY2026. By 30 June 2026, the solar farm had generated 10.3 GWh of renewable electricity over 252 available operating days. Approximately 4% of generation is used to power the airport terminal, with the balance sold to third parties and customers within the Airport precinct.

The project strengthens energy resilience, supports emissions reduction and creates a long-term income stream independent of passenger activity.

This, along with PRIP’s other sustainability efforts, resulted in the Airport winning the silver catergory award in the Airports Council International (ACI) Green Airport Awards (passengers less than 5 million per year) held in Bangkok, Thailand earlier in the year.

Key hightlights

371,740
Passengers

$11.94m
Operating Revenue

$1.103m
Net profit after tax

$119m
Total Assets

$6.870m
EBITDA

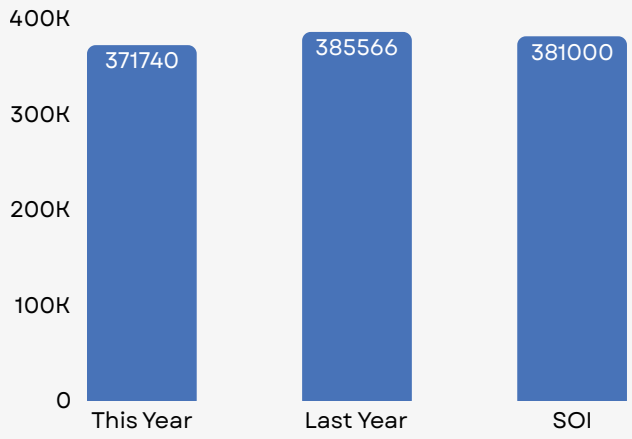
10.3GWh
Renewable electricity generated

$1.235m
Solar farm net revenue

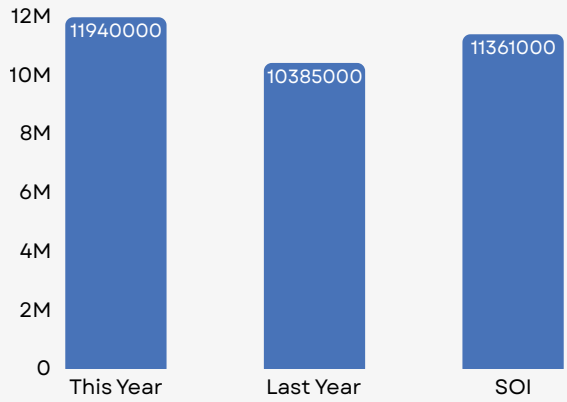
~87%
Average passenger load factor

3. Results at a Glance

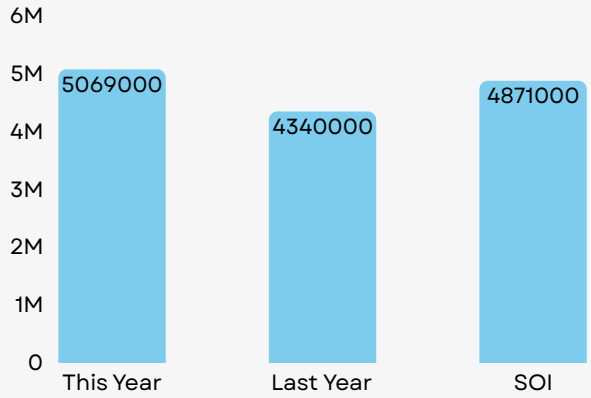
Passenger Numbers



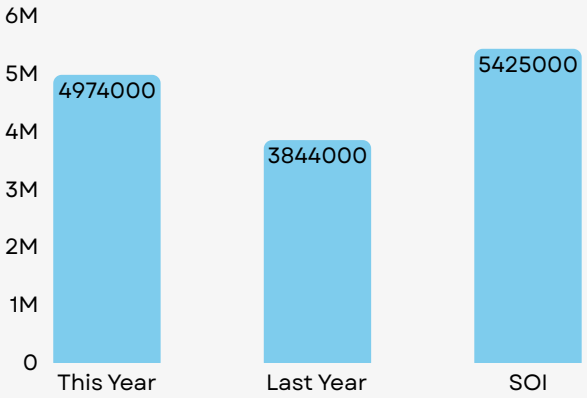
Operating Revenue



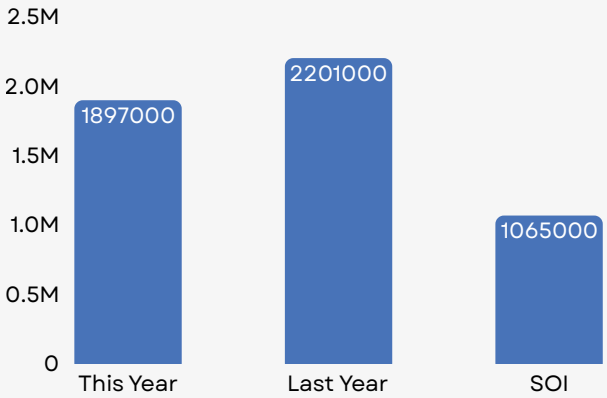
Operating Expenditure



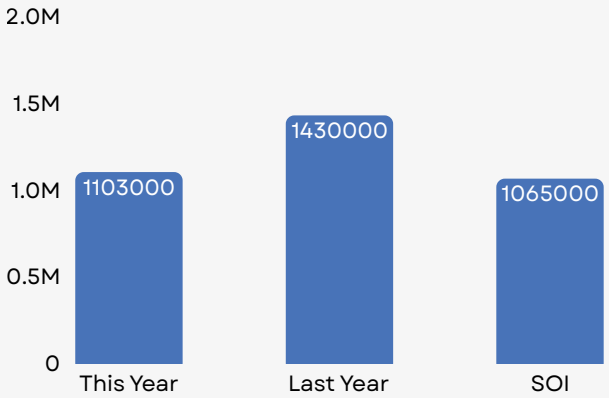
Depreciation and interest



Net profit before tax



Net profit after tax





4. Strategic and Operational Report

Airport Operations

New Plymouth Airport continued to provide safe, reliable and efficient services throughout FY2026 while operating in a challenging regional aviation environment. Passenger numbers were 371,740 for the year, with average load factors remaining around 87%, indicating that demand continued to be resilient despite reduced airline capacity. Operational priorities remained focused on regulatory compliance, service continuity, asset reliability and constructive engagement with airline partners. The Airport's role as essential regional infrastructure remained central to decision-making, supporting business connectivity, tourism and community access across Taranaki.



5. Te Matakupenga Solar Farm

Renewable energy. Diversified income. Long-term resilience.

10.3 GWh
Life-to-date generation

$1.235m
Life-to-date net revenue

252
Available operating days

96%
Of long-term forecast average

FY2026 was a milestone year for the Te Matakupenga Solar farm, with the project achieving practical completion and moving from project delivery into full operation.

All major civil, electrical and structural works were completed, the grid connection was established and the required compliance approvals were secured. Practical completion was achieved ahead of the original project schedule. Operational responsibility was transferred to NewPower Energy Limited as Operations and Maintenance contractor. The project has now moved into ongoing operational management, with a focus on generation performance, asset reliability and revenue optimisation.

Te Matakupenga has strengthened PRIP's business model by adding renewable energy revenue alongside aeronautical, property, car parking and other non-aeronautical income. This provides a significant income stream that is not dependent on passenger volumes or airline schedules.







Operational and financial performance

By 30 June 2026, the Te Matakupenga Solar farm had produced 10.3 GWh over 252 available operating days. This represented 96% of the historical long-term forecast average. Life-to-date net revenue was $1.235 million, with an average life-to-date net revenue yield of $120.3/MWh.

Monthly results reflected the expected seasonality of solar generation. March 2026 production was 1.46 GWh, generating net revenue of $174,634 and finishing 2.6% above the historical long-term monthly target. May 2026 production was 1.07 GWh and generated net revenue of $145,700, approximately 20% above the historical long-term monthly target for May.

Key Results

Measure	FY2026 / life-to-date position
Practical completion	Achieved during FY2026, ahead of the original project schedule.
Operations and maintenance	Transferred to NewPower Energy Limited.
Generation to 30 June 2026	10.3 GWh over 252 available operating days.
Production against forecast	96% of the historical long-term forecast average.
Life-to-date net revenue	$1.235 million.
Average net revenue yield	$120.3/MWh.
Annual production target	14.647 GWh.
Target annual net revenue	$1.760 million at $120.25/MWh.
Airport terminal energy use	Approximately 4% of generated electricity powers the terminal; the balance is sold to third parties and Airport precinct customers.



Sustainability and energy resilience

Approximately 4% of the electricity generated is used to power the Airport terminal, with the balance sold to third parties, including customers within the Airport precinct. This has made New Plymouth Airport largely self-sufficient in energy while creating income from surplus electricity.

The project provides a platform to support future electricity demand across the Airport precinct as electrification in land and air transport evolves. It combines renewable generation, commercial resilience and long-term infrastructure investment within the Airport business.

Partnership and identity

The name Te Matakupenga was gifted by Puketapu Hapu, acknowledging the whakapapa of the area and the connection between traditional Māori knowledge and modern sustainability practices.

The project reflects PRIP's partnership with Puketapu Hapu and a shared commitment to a sustainable, culturally grounded future for Taranaki.

"The Te Matakupenga Solar farm has strengthened PRIP's resilience by combining renewable energy generation, revenue diversification and long-term sustainability benefits within the Airport precinct."

Infrastructure and Capital Projects

FY2026 was a significant year of delivery across PRIP's capital programme, with several long-standing projects completed or advanced into operational service. Investment in wastewater infrastructure, airfield lighting, the rental car precinct, security fencing, CCTV and covered walkway shelters strengthened the Airport's operational reliability, customer experience and resilience.

In November 2025, PRIP assumed ownership of the airfield power and lighting assets from Airways, bringing direct responsibility for their management and maintenance into the Airport business.

ADB Safegate was appointed to provide operations and maintenance services, while planning commenced for a multi-year renewal programme. Capital delivery continued within approved governance and financial frameworks, with an emphasis on prudent management of shareholder funds and infrastructure that supports safe, sustainable regional connectivity.



6. The Puketapu Hapu Relationship



Project participants walking beside Te Matakupenga Solar Farm.

History and Partnership Context

The relationship between PRIP and Puketapu Hapu reflects the hapu's long-standing connection with the whenua on which New Plymouth Airport and Te Matakupenga Solar farm are located. The relationship has developed through ongoing engagement on Airport projects, land, environmental matters and long-term development.

Puketapu Hapu gifted the name Te Matakupenga, acknowledging the whakapapa of the area and the connection between traditional Māori knowledge and modern sustainability practices. This partnership provides an important foundation for PRIP's approach to Puketapu Hapu engagement and for the delivery of development that is culturally grounded and supports the long-term wellbeing of Taranaki.

Engagement During the Year

Engagement with Puketapu Hapu continued throughout FY2026 through regular hui focused on Airport projects and matters of shared interest. Monthly hui records show ongoing participation by representatives of the hapu, PRIP and project advisers, with agendas and minutes used to maintain continuity and follow-up.

A major milestone during the year was the opening of Te Matakupenga Solar farm on 26 September 2025. The project was delivered in partnership with hapu and community stakeholders and reflects several years of planning, investment and collaboration. Continued engagement remains central to maintaining a constructive long-term relationship and ensuring that relevant projects and environmental matters are discussed in an open and respectful way.

7. Leadership Changes

During FY2026, the Board continued to oversee the Group's expansion into renewable energy and the transition of Te Matakupenga into commercial operation.

Jeff Kendrew was appointed as a director on 1 March 2026.

Christopher Myers ceased as a director on 30 June 2026. Chris was one of 4 foundation directors for PRIP, helping the organization transit from a council run facility into an independent CCTO, with a new terminal facility and solar farm being some of the highlights of this tenure. We would like to thank him very much for his 9 years of service to PRIP.

David Scott announced his resignation in July and will step down as Chief Executive of New Plymouth Airport at the end of September, following more than five years in the role.



Airport fire appliance operating on the airfield.

8. Environmental Sustainability

Climate and Emissions Reporting

PRIP continued its participation in the Airport Carbon Accreditation programme and remained certified at Level 2 (Reduction). Work during the year included preparation of the FY2026 greenhouse gas inventory covering direct fuel use and purchased electricity, alongside planning for future progression within the accreditation programme. Te Matakupenga, terminal energy-management systems and the wastewater infrastructure upgrade form key parts of the Airport's approach to reducing operational emissions and improving long-term resilience. The solar farm generated 10.3 GWh of renewable electricity by 30 June 2026, with approximately 4% used to power the terminal and the balance supplied to third parties and customers within the Airport precinct.



Waste, Water and Biodiversity Initiatives

Practical resource-efficiency initiatives continued during FY2026. As part of the 2023 runway overlay project, 1,650m^3 of asphalt millings were removed and, in line with PRIP's commitment to reducing waste and applying circular economy thinking, were stored on-site for reuse across future projects rather than sent to landfill. Because the millings were stored within the Airport precinct, they travelled only around 1.8 kilometres to their new use locations, avoiding the need to extract and transport virgin stone or gravel.

The repurposed millings have since supported multiple works across the Airport, most notably as the base course for the rental car precinct extension and the solar farm access road, demonstrating that reusing recovered materials can be both practical and cost-effective.

Monthly waste reporting provided improved visibility of disposal and diverted materials during the year, and work was also undertaken on options to reduce waste to landfill and improve diversion of soft plastics and food waste. The wastewater infrastructure upgrade strengthened precinct resilience and is expected to lower greenhouse gas emissions. The source material reviewed does not contain quantified FY2026 biodiversity outcomes, so no biodiversity result has been stated.



10. Company Directory

Board of Directors

The Directors who served during FY2026 are listed below. Christopher Myers ceased as a director on 30 June 2026 and Jeff Kendrew was appointed on 1 March 2026.

Director	Position / FY2026 status
Philip Cory-Wright	Board Chair
Rachel Farrant	Director
Shelley Kopu	Director
Christopher Myers	Director, ceased 30 June 2026
Jeff Kendrew	Director, appointed 1 March 2026

Senior Leadership Team

The senior leadership roles identified in the FY2026 financial reporting are the Chief Executive Officer and the Safety and Operations Manager.

Name	Role
David Scott	Chief Executive Officer
Christopher Coplestone	Safety and Operations Manager

Auditor, Banker, Lawyer, Accountant

The Group's principal professional advisers and service providers for FY2026 are listed below. Final legal-entity names and engagement descriptions should be checked against the signed financial statements before publication.

Service	Organisation
Auditor	Audit New Zealand, on behalf of the Auditor-General
Banker	Westpac New Zealand Limited
Legal advisers	Auld Brewer Mazengarb & McEwen; Ford Sumner; MinterEllisonRuddWatts
Chartered accountant	Unlimit Limited

12. Financial Statements

Papa Rererangi i Puketapu Limited
For the year ended 30 June 2026

Prepared by: UNLIMIT Limited

Financial Statements - Contents

Papa Rererangi i Puketapu Group

For the year ended 30 June 2026

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Directory

Papa Rererangi i Puketapu Group
For the year ended 30 June 2026

Company Number	6315607
Companies Act	Papa Rererangi i Puketapu Limited and Te Matakupenga Limited are registered under the Companies
Reporting entity	Act 1993. Papa Rererangi i Puketapu Group: Papa Rererangi i Puketapu Limited (parent) and Te Matakupenga Limited (100% subsidiary, incorporated 26 September 2025).
Registered Office	Tandem Group Limited, 369 Devon Street East, Strandon, NEW PLYMOUTH 4312
Shareholders	New Plymouth District Council - 35,000,000 Ordinary (parent)
Directors	Philip Cory-Wright (Chair); Rachel Farrant; Shelley Kopu; Christopher Paul Myers (ceased 30 June 2026); Jeffrey Wayne Kendrew (appointed 1 March 2026)
Bankers	Westpac Bank, NEW PLYMOUTH
Solicitors	Auld Brewer Mazengarb & McEwen, NEW PLYMOUTH; Ford Sumner, WELLINGTON; Minter Ellison Rudd Watts, AUCKLAND
Chartered Accountant	Unlimit Limited, NEW PLYMOUTH

Approval of Financial Report

Papa Rererangi i Puketapu Group

For the year ended 30 June 2026

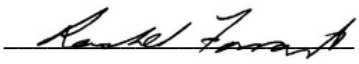
The Directors are pleased to authorise the approved financial report including the historical financial statements of the Papa Rererangi i Puketapu Group for the year ended 30 June 2026.

APPROVED

For and on behalf of the Board of Directors.



Date: 25 / 09 / 2026 Philip Cory-Wright, Chair



Date: 25 / 09 / 2026 Rachel Farrant

Statutory Information

PapaRererangiiPuketapu Group
Fortheyearended30June 2026

Entries in the Interest Register

The directors have declared that general disclosure of interest in the following entities:

Philip Cory-Wright

- Chair, Papa Rererangi i Puketapu Limited
- Director, Te Matakupenga Limited
- Chair, South Port NZ Limited
- Chair, New Zealand Local Government Funding Agency Limited
- Director, Matariki Forests Group
- Director, Powerco Limited
- Director, NZ Windfarms Limited (ceased 30 July 2025)

Director Remuneration (PRIP) Paid in the year to 30 June 2026: $77,399 (2025: $71,500)

Shelley Kopu

- Director, Papa Rererangi i Puketapu Limited
- Director, Te Matakupenga Limited
- Trustee, Te Kotahitanga o Te Atiawa
- Director, Tui Ora Limited
- Principal, Shelley Kopu Law
- Board Member, St Peters College
- Trustee, Joseph Mika Foundation
- Board Member, Youthline

Director Remuneration (PRIP) Paid in the year to 30 June 2026: $49,608 (2025: $37,000)

Rachel Farrant

- Director, Papa Rererangi i Puketapu Limited
- Director, Te Matakupenga Limited
- Director & Shareholder via Trust, BDO Wellington Limited
- Director, Skellerup Holdings Limited
- Director, The Property Group Limited

Director Remuneration (PRIP) Paid in the year to 30 June 2026: $44,058 (2025: $42,478)

Christopher Paul Myers (ceased as a director 30 June 2026)

- Director, Papa Rererangi i Puketapu Limited
- Director, Te Matakupenga Limited
- Chairperson, Pricetech Limited t/a MarginFuel
- Director, Forever Forests Limited
- Trustee, Venture Taranaki
- Director, Ekos Forever Forest Limited

Director Remuneration (PRIP) Paid in the year to 30 June 2026: $40,544 (2025: $40,857)

Jeffrey Wayne Kendrew (appointed 1 March 2026)

- Director, Papa Rererangi i Puketapu Limited
- Director, Te Matakupenga Limited
- Director, Port Taranaki Limited
- Director, KiwiRail Holdings Limited
- Director & Shareholder, Sage Investments NZ Limited

Director Remuneration (PRIP) Paid in the year to 30 June 2026: $14,686

Other benefits paid in the year to 30 June 2026: $8,500, being consultancy fees paid to Sage Investments NZ Limited.

David Scott

- Chief Executive, Papa Rererangi i Puketapu Limited
- Board Member, New Zealand Airports Board

Christopher Coplestone

- Safety and Operations Manager, Papa Rererangi i Puketapu Limited

Donations

Donations paid during the year were $Nil (2025: $Nil).

Statement of Service Performance

Papa Rererangi i Puketapu Group

For the year ended 30 June 2026

Nature of Business

Papa Rererangi i Puketapu Limited (PRIP) is a Council Controlled Organisation whose prime purpose is to operate the New Plymouth Airport on a sustainable commercial basis, and to ensure the ongoing safe and successful operation of the Airport. PRIP owns passenger terminals, aircraft hangars, airside infrastructure (car parking areas, roading and underground utilities). These facilities are sited on land occupied under a long-term lease from the New Plymouth District Council (NPDC).

Ownership

PRIP's sole shareholder is the New Plymouth District Council.

Performance Targets

1. Passenger Numbers

	Actual 2025/26	SOI Budget 2025/26	Actual 2024/25
Passenger Numbers	371,740	381,000	385,566
Total Passenger Numbers	371,740	**381,000**	385,566

The dollar values in sections 2 and 3 are rounded to $000.

2. Financial Performance ($000s)

	Actual 2025/26	SOI Budget 2025/26	Actual 2024/25
Operating Profit			
Operating Revenue	11,940	11,361	10,385
Other Income	-	-	-
Operating Expenditure	(5,069)	(4,871)	(4,340)
Depreciation and Interest	(4,974)	(5,425)	(3,844)
Net Profit before Tax	**1,897**	**1,065**	2,201
Taxation			
Taxation	(794)	-	(771)
Total Taxation	**(794)**	**-**	(771)
Net Profit (Loss) After Tax	**1,103**	**1,065**	1,430

3. Forecast Statement of Financial Position ($000s)

	Actual 2025/26	SOI Budget 2025/26	Actual 2024/25
Assets			
Current Assets	4,813	3,457	2,129
Deferred Tax Asset	-	-	-
Property, Plant & Equipment and Other	114,502	102,686	108,883
Loans Provided	-	-	-
Total Assets	**119,315**	**106,143**	111,012
Liabilities			
Current Liabilities	1,152	889	2,910
Current Borrowings	-	-	-
Non-Current Borrowings	35,096	36,568	33,096
Deferred Tax Liability	13,393	9,396	10,942
Total Liabilities	**49,641**	**46,853**	46,948
Net Assets	**69,674**	**59,290**	64,064

Explanation of Major Variances to Budget

Statement of Comprehensive Revenue and Expense

Revenue

Passenger numbers have continued to track below both 2025 levels and forecast expectations. Ongoing cost of living pressures have impacted travel demand, resulting in a slower than anticipated recovery towards pre-COVID passenger volumes. In addition, flight reductions associated with the Iran conflict and resulting disruptions to airline operations have further constrained passenger growth during the period.

The major revenue streams, landing charges and car parking revenues, were higher as a result of pricing increases passed on to the consumer, while rental revenue was marginally lower. The Group also earned energy revenue of $1,233,782 from the solar farm and private energy network, a new revenue stream in 2026. Revenue was $11,940,489 which was an increase of 5.1% on a forecast of $11,361,000.

Expenses

Operational expenses were over budget circa $198,000. The main contributing factors were the first year of solar farm and energy network operating costs and inflationary cost rises in other operating expenditure.

Statement of Financial Position

Property, Plant & Equipment and Other

All interest payments were made to council as scheduled. During the 2026 year PRIP repaid $1,000,000 of loan principal to New Plymouth District Council and drew down a further $3,000,000 to complete larger scale ongoing capital projects which cannot be funded from revenue alone.

4. Operational Performance

To operate an essential infrastructure transport hub for New Plymouth and the Taranaki region and to provide facilities that are safe, efficient and welcoming to all users

KPI	Outcome
Maintain the Airport facilities to avoid any disruption of scheduled commercial flights other than for weather or airline related problems.	The existing Airport facilities have been well maintained throughout the year and there has been no diversion of regular passenger transport services resulting from Airport operations.
Meet all the operating, maintenance, capital expenditure and interest costs.	All operating costs associated with the day-to-day management of the Airport have been met from Airport revenue. Loans have been made available from NPDC to assist with capital expenditure have been taken up in the 2026 financial year and interest is being fully serviced from Airport revenue.
Recovery of the aeronautical portion of Airport operational costs through landing charges.	Passenger numbers have continued to decrease compared to 2025 numbers and not increased to forecasted levels as the cost of living crisis impacted on the return of passenger numbers back towards pre-covid numbers.
Manage New Plymouth Airport in full compliance with the approved operating procedures of the Civil Aviation Authority Rule Part 139.	Under an agreement with the Civil Aviation Authority (CAA), PRIP manages the Airport on behalf of the Aerodrome Operator Certificate holder, NPDC. During the period the Airport has been managed in full compliance with the CAA Rule Part 139.

Statement of Comprehensive Revenue and Expense

Papa Rererangi i Puketapu Group
For the year ended 30 June 2026

	Notes	2026	2025
Exchange Revenue			
Car Parking Revenue		1,521,858	1,453,785
Landing Charges Revenue		8,119,828	7,823,993
Rental Revenue		968,355	1,008,352
Energy Revenue		1,233,782	-
Other Revenue		95,456	97,532
Finance Revenue		1,210	967
Total Revenue		**11,940,489**	**10,384,628**
Expenses			
Terminal Building Operations		804,684	679,102
Personnel Costs		1,626,974	1,601,069
Solar & Energy Operations		255,839	-
General & Operational Expenditure	4	2,378,321	1,950,646
Loss on Disposal of Assets		2,936	108,970
Total Expenses		**5,068,754**	**4,339,788**
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)		**6,871,735**	**6,044,840**
Non Operating Expenses			
Interest Costs to Related Parties	4	1,401,108	1,278,722
Depreciation & Amortisation Expense	9	3,573,013	2,564,973
Total Non Operating Expenses		**4,974,121**	**3,843,696**
Surplus before Taxation		**1,897,614**	**2,201,145**
Income Tax Expense (Benefit)	5	793,622	770,691
Surplus (Deficit) after Taxation		**1,103,992**	**1,430,453**
Other Comprehensive Revenue and Expense			
Gain on Property, Plant & Equipment Revaluation		6,164,021	5,482,573
Movement in Deferred Tax at Revaluation	5	(1,658,391)	(1,535,121)
Total Other Comprehensive Revenue and Expense		**4,505,630**	**3,947,453**
Total Comprehensive Revenue and Expense		**5,609,622**	**5,377,906**

Statement of Financial Position

Papa Rererangi i Puketapu Group

As at 30 June 2026

	Notes	30 June 2026	30 June 2025
Assets			
Current Assets			
Cash and Cash Equivalents	6	2,910,086	894,978
Trade and Other Receivables	7	1,128,546	911,572
GST Receivable		-	289,608
Taxation Receivable	5	504,418	-
Consumables on Hand		270,274	32,471
Total Current Assets		**4,813,324**	**2,128,629**
Non-Current Assets			
Property, Plant & Equipment, Capital Works & Work In Progress	9	114,265,479	108,645,960
Intangible Asset (RFS)		237,000	237,000
Total Non-Current Assets		**114,502,479**	**108,882,960**
Total Assets		**119,315,803**	**111,011,588**
Liabilities			
Current Liabilities			
Trade and Other Payables	8	793,260	2,542,269
GST Payable		128,861	-
Employee Entitlements	12	230,225	192,400
Provision for Tax	5	-	175,099
Total Current Liabilities		**1,152,346**	**2,909,767**
Non-Current Liabilities			
Borrowings	11	35,095,927	33,095,927
Deferred Tax	5	13,393,479	10,941,466
Total Non-Current Liabilities		**48,489,406**	**44,037,392**
Total Liabilities		**49,641,752**	**46,947,160**
Net Assets		**69,674,051**	**64,064,429**
Equity			
NPDC Current Equity	14	49,138,485	49,138,485
Retained Earnings (Deficit)		(1,301,545)	(2,405,537)
Revaluation Reserve		21,837,111	17,331,481
Total Equity		**69,674,051**	**64,064,429**

Statement of Changes in Equity

Papa Rererangi i Puketapu Group

For the year ended 30 June 2026

	2026	2025
Equity		
Opening Balance	64,064,429	58,686,522
Increases		
Total Comprehensive Revenue & Expense for the year	5,609,622	5,377,906
Total Equity	**69,674,051**	**64,064,429**

Statement of Cash Flows

Papa Rererangi i Puketapu Group

For the year ended 30 June 2026

		2026	2025
Operating Activities			
Cash was provided from:			
Receipts from customers		11,766,010	10,283,577
Interest received		1,210	967
Total Cash was provided from		**11,767,220**	**10,284,544**
Cash was applied to:			
Payments to suppliers and employees		5,390,908	4,105,280
Interest paid		1,444,817	1,114,422
Tax payments		679,517	1,281,157
Net GST		(371,788)	349,718
Total Cash was applied to		**7,143,454**	**6,850,577**
Net Cash Flows from Operating Activities		**4,623,766**	**3,433,967**
Investing Activities			
Cash was applied to:			
Payment for property, plant and equipment		4,608,658	19,234,271
Payment for other items		-	14,471
Net Cash Flows from Investing Activities		**(4,608,658)**	**(19,248,742)**
Financing Activities			
Cash was provided from:			
Proceeds from New Plymouth District Council Loans		3,000,000	10,600,000
Cash was applied to:			
Payments to New Plymouth District Council Loans		1,000,000	-
Net Cash Flows from Financing Activities		**2,000,000**	**10,600,000**
Net Increase / (Decrease) in Cash & Cash Equivalents		**2,015,108**	**(5,214,775)**
Opening Cash & Cash Equivalents		894,978	6,109,753
Closing Cash & Cash Equivalents (Note 6)	6	2,910,086	894,978

Notes to the Financial Statements

Papa Rererangi i Puketapu Group

For the year ended 30 June 2026

1. Statement of Accounting Policies

Reporting Entity

These are the consolidated financial statements of the Papa Rererangi i Puketapu Group (the Group), comprising Papa Rererangi i Puketapu Limited (PRIP, the parent) and its wholly owned subsidiary Te Matakupenga Limited (TML). PRIP was established on 3 July 2017 and is a public benefit entity (PBE) company, incorporated and domiciled in New Zealand. PRIP is a wholly owned subsidiary of the New Plymouth District Council (the Council) and is a Council Controlled Trading Organisation as defined in Section 6 of the Local Government Act 2002. PRIP is a reporting entity for the purposes of the Financial Reporting Act 2013 and complies with that Act and the Companies Act 1993.

On 26 September 2025 PRIP incorporated TML, a 100% owned subsidiary, to hold and operate the solar farm and private energy network. These are the first consolidated financial statements prepared for the Group. The financial statements are for the year ended 30 June 2026 and were authorised for issue by the Board on 25 September 2026.

Basis of Consolidation

The consolidated financial statements combine the financial statements of the parent and its subsidiary, line by line, adding together like items of assets, liabilities, equity, revenue and expenses. All intra-group balances, transactions, revenue and expenses are eliminated in full on consolidation. The subsidiary is consolidated from the date control is obtained. TML is wholly owned; there is no non-controlling interest. Te Matakupenga Limited has been consolidated from 26 September 2025, the date of its incorporation.

Comparative Information

The Group did not exist in the year ended 30 June 2025. The comparative figures presented are those of PRIP (the parent) on a standalone basis, as reported in its signed FY2025 annual report. Comparative information has been revised where appropriate to conform to changes in presentation in the current year and to enhance comparability.

Statement of Compliance

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR). The Group is eligible and has elected to report in accordance with Tier 2 PBE Standards RDR on the basis that it has no public accountability and is not large as defined in XRB A1.

Basis of Preparation

These financial statements have been prepared on a going concern basis and the accounting policies, methods of computation and classification have been applied consistently throughout the periods within this report.

The Directors have determined the going concern basis is appropriate based on the following key estimates and judgments:

- Future passenger numbers are forecasted for the period FY27-29 to reflect a slowing rate of recovery.
- Major capital programmes are coming to completion, reducing the need to incur borrowings from NPDC at previous levels.
- Cashflow forecasts for the period FY27-29 indicate sufficient cash to meet operational expenditure requirements

Presentation Currency

These financial statements are presented in New Zealand (NZ) dollars ($), which is also the Group's functional currency.

The financial statements are rounded to the nearest dollar.

Changes in Accounting Policies

There have been no new or revised accounting standards, interpretations and amendments effective during the period which have a material impact on the Group's accounting policies or disclosures. There have been no changes in accounting policies during the year. New accounting policies were adopted for transactions arising for the first time in FY2026 (energy revenue; solar farm infrastructure measured at cost less accumulated depreciation and impairment) - these are new policies for new transactions, not changes to existing policies.

2. Summary of SignificantAccounting Policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below. These policies are consistent with those applied by PRIP in the year ended 30 June 2025 and, on consolidation, are applied uniformly across the Group.

Consumables

Consumables are stocks of inventories held for use in the Group's operations, comprising fire rescue service stock, solar farm inverter spares and airfield lighting components, and are recorded at cost. There have been no material write-downs of consumables during the period.

Goods and Services Tax

These financial statements have been prepared exclusive of GST, except for receivables and payables, which are GST inclusive. Where GST is not recoverable as an input tax, 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.

Impairment Policies

At the end of each reporting period the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the greater of market value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

For non-revalued assets, impairment losses are recognised as an expense immediately. For revalued assets, the impairment loss is treated as a revaluation decrease to the extent it reverses previous accumulated revaluation increments for that asset. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, subject to the restriction that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase to the extent that any impairment losses on the same asset had previously been charged to equity.

Intangible Assets

Intangible assets have arisen primarily from the acquisition of the Rescue Fire Service. They reflect the benefit to the Group of acquiring the business. The intangible assets are recognised initially at the cost of acquisition. The intangible assets have an indefinite useful life, as the Rescue Fire Service is an integral part of the operations of the Group. The carrying amount of the assets is reviewed at balance date to determine if there is any indication of impairment.

Statement of Cash Flow Policies

Operating activities include cash received from all the Group's income sources and record the cash payments for the supply of goods and services. Investing activities are those activities relating to the acquisition and disposal of non-current assets. Financing activities comprise activities that change the Group's equity and debt capital structure.

Critical Accounting Estimates and Assumptions

In preparing these financial statements the Group has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the actual results. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed reasonable under the circumstances. In the future, actual experience may differ from those estimates and assumptions. Significant judgments, estimates and assumptions regarding the value of property, plant and equipment (refer Note 9) have been made by management in preparing these financial statements.

Specific Accounting Policies

Specific accounting policies are contained within the relevant notes.

3. Revenue

Accounting Policy

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

Exchange Revenue

Landing fees are fees charged to the users of the Airport's aeronautical facilities. Revenue from landing fees is recognised upon use of the runway. Lease receipts under an operating sub-lease are recognised as revenue on a straight-line basis over the lease term. Interest income is recognised using the effective interest method. Parking revenue is recognised when the parking ticket is paid. Boardroom hire is recognised at the time of hire. Energy revenue comprises solar and energy sales and public electric-vehicle charging revenue, and is recognised as the electricity or charging service is supplied.

Non-Exchange Revenue

Non-exchange revenue consists of grants and subsidies. The grant revenue is recognised when the conditions attached to the grant have been complied with. Where there are unfulfilled conditions attached to the grant, the amounts relating to the unfulfilled conditions are recognised as liabilities and released to revenue as the conditions are fulfilled.

4. Expenses

Accounting Policy

General and operational expenditure is recognised as goods and services are received. All borrowing costs are recognised as an expense in the financial year in which they are incurred. Interest expenses are accrued on a time basis using the effective interest method. During the year the interest rates charged on the Council loans ranged from 3.27% to 4.32% (2025: 4.19% to 4.66%).

General and Operational Expenditure	2026	2025
Rescue Fire Service Operations	52,760	50,788
Lease Property Maintenance	189,658	193,904
Directors Fees	226,295	191,835
Director Expenses	16,742	14,639
Overhead Charges (New Plymouth District Council)	57,306	72,786
Audit fees for the review of financial statements by The Audit Office, New Zealand	92,060	73,531
Bank Fees	1,358	1,366
Bad Debts Written Off	338	-
Other Expenses	1,741,804	1,351,797
Total General and Operational Expenditure	**2,378,321**	**1,950,646**

Interest Costs

Interest Costs	2026	2025
Interest Costs to Related Parties	1,401,108	1,278,722
Total Interest Costs	**1,401,108**	**1,278,722**

5. Income Tax Expense

Accounting Policy

Income tax expense is the aggregate of current period movements in relation to current and deferred tax. Current tax is the amount of income tax payable, based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years. The current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods, in relation to 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 surplus.

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. 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 surpluses will be available against which the deductible temporary differences or tax losses can be utilised. Current tax and deferred tax are recognised against the surplus or deficit for the period, except to the extent that they relate to transactions recognised in other comprehensive revenue and expense or directly in equity. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects to recover or settle the carrying amount of its assets and liabilities.

Income Tax Expense	2026	2025
Surplus before tax	1,897,614	2,201,145
Income & Deferred Tax		
Tax at 28%	531,332	616,321
Permanent Differences	48,629	47,540
Prior Period Adjustment	-	-
Deferred Tax Adjustment for Buildings	213,661	106,831
Total Tax Expense	**793,622**	**770,691**
Components of Taxation Expenses (Benefits)		
Current Tax	-	720,599
Deferred Taxation	793,622	50,093
Total Components of Taxation Expenses (Benefits)	**793,622**	**770,691**

Deferred Taxation	2026	2025
Balance comprises temporary differences attributable to:		
Property, plant and equipment	(13,761,189)	(10,985,960)
Employee provisions	38,653	27,410
Other provisions	1,788	17,084
Tax Losses	327,269	-
Total Deferred Taxation	**(13,393,479)**	**(10,941,466)**
Movements		
Opening Balance	(10,941,466)	(9,356,252)
Charged to Profit or Loss	(793,622)	(50,093)
Charged to Equity	(1,658,391)	(1,535,121)
Closing Balance	**(13,393,479)**	**(10,941,466)**

For financial reporting purposes the transfer of the solar farm asset from PRIP to TML at its cost of $17,221,099 is an asset sale between Group entities with no gain or loss recognised in profit or loss, and it is eliminated on consolidation. For income tax purposes each entity is assessed separately: the asset was constructed for the dominant purpose of sale and was accordingly held by PRIP as revenue account property under section CB 4 of the Income Tax Act 2007, and as it was held only as trading stock and used only as necessary to prepare it for sale (section DI 2(1B)), the asset is not treated as having previously been used or available for use, and TML's acquisition is of a new investment asset rather than a second-hand asset.

6. Cash and Cash Equivalents

Accounting Policy

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The carrying value of cash at bank and the carrying value of term deposits with maturities of less than three months approximate their fair value.

Although cash and cash equivalents at 30 June 2026 are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised as the amount is trivial.

Cash and Cash Equivalents	2026	2025
Cash at Bank	2,910,086	894,978
Total Cash and Cash Equivalents	**2,910,086**	**894,978**

7. Trade and Other Receivables

Accounting Policy

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The Group applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. In measuring expected credit losses, short-term receivables have been assessed on a collective basis by debtor type as they possess shared credit risk characteristics, and have been grouped based on the days past due.

Short-term receivables are written off when there are no reasonable expectations of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

Trade and Other Receivables	2026	2025
Exchange Receivables		
Accounts Receivable	739,852	839,815
Less: Allowance for Credit Losses	(6,384)	(58,158)
Accrued Revenue	366,828	65,522
Other Receivables	8,929	-
Prepayments	19,321	64,394
Total Exchange Receivables	**1,128,546**	**911,572**
Total Trade and Other Receivables	**1,128,546**	**911,572**

The expected credit loss rates for receivables at 30 June 2026 are based on industry knowledge of the payment profile of revenue. The loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the recoverability of receivables. Given the short period of credit risk exposure, the effect of macroeconomic factors is not considered significant. Credit losses as at 30 June 2026 are calculated based on the likelihood and impact of the credit risk exposure.

Ageing profile of receivables at year end	2026	2025
Not Past Due	704,588	756,611
Past Due 1 - 30 Days	27,602	24,715
Past Due 31 - 60 Days	7,757	14,620
Past Due Over 60 Days	(95)	43,868
Total (Accounts Receivable)	**739,852**	**839,815**

8. Trade and Other Payables

Accounting Policy

Trade and other payables are measured at the amount payable.

Trade and Other Payables	2026	2025
Exchange Payables		
Trade Creditors	255,892	426,016
Contract Retentions	73,343	242,226
Accruals	102,512	74,027
Accrued Project Costs	-	1,411,264
Credit Cards	4,314	10,963
Income in Advance	10,273	-
Amounts Due to Related Parties	25,072	12,210
Interest Payable to NPDC	321,854	365,563
Total Exchange Payables	**793,260**	**2,542,269**
Total Trade and Other Payables	**793,260**	**2,542,269**

9. Property, Plant and Equipment

Accounting Policy

Property, plant and equipment consists of the following asset classes: Land, Airport Runway (runway, taxiway and aprons), Buildings, General Infrastructure, Plant and Equipment, Solar Farm Infrastructure, Artwork, Motor Vehicles and Work In Progress.

Individual assets, or a group of assets, are capitalised if their cost is greater than $1,000.

Land and artwork are measured at fair value. Buildings, runway infrastructure and general infrastructure are measured at fair value less accumulated depreciation and impairment losses. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

The Group's solar farm comprises solar farm infrastructure (photovoltaic modules, mounting structures, inverters, transformers, cabling and grid connection assets) and a battery energy storage system. Cost includes all expenditure directly attributable to bringing the assets to the location and condition necessary for their intended use. Borrowing costs are recognised as an expense in the period in which they are incurred and are not capitalised as part of the cost of these assets.

Significant Changes

The asset classes presented in 2026 differ from those presented in 2025. The Airspresso chattels, furniture and fittings and IT equipment asset classes are presented within plant and equipment in the tables below. Solar farm infrastructure is presented as a separate asset class. This is a change in presentation only. There is no change to the recognition or measurement of any asset, no effect on the carrying amount of property, plant and equipment and no effect on the surplus or deficit for the year. During the year the solar farm was commissioned and transferred to TML effective 1 December 2025, from which date depreciation commenced; the battery energy storage system remained in work in progress at balance date.

Revaluations
Revaluations of property, plant and equipment are accounted for on a class-of-asset basis.

Land and Buildings, Runway Infrastructure, General Infrastructure and Artwork are revalued with sufficient regularity to ensure that the carrying amount does not differ materially from their fair value, and at least every three years.

The carrying values of revalued asset classes are assessed annually to ensure they do not differ materially from fair value. If there is a material difference, the asset class is revalued prior to the three-yearly cycle. Subsequent additions between valuations are recorded at cost.

Revaluation increments are credited to the asset revaluation reserve, except to the extent that they reverse a revaluation decrease for the same asset previously recognised as an expense, in which case the increase is recognised in surplus or deficit to the extent of the decrease previously charged. A decrease in carrying amount arising on revaluation is charged as an expense to the extent that it exceeds the balance, if any, held in the asset revaluation reserve for that asset. On disposal, the attributable revaluation surplus remaining in the revaluation reserve, net of any related deferred taxes, is transferred directly to retained earnings.

Additions
The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Group and the cost of the item can be measured reliably. Capital work in progress is recognised at cost less impairment and is not depreciated, and transferred to the appropriate asset class when it is probable that future economic benefits or service potential associated with the project will flow to the Group and the cost can be reliably measured. In most instances, an item of property, plant and equipment is initially recognised at its cost. Cost represents the fair value of the consideration given to acquire the asset and the value of other directly attributable costs incurred in bringing the asset to the location and condition necessary for its intended service.

Expenditure on the solar farm, including the battery energy storage system, is recognised as capital work in progress until the assets are commissioned. The battery energy storage system is not a separate asset class. On commissioning, accumulated costs are transferred to the relevant asset class and depreciation commences. The solar farm was commissioned on 1 December 2025, the date on which the assets were transferred from PRIP to TML at carrying value and depreciation commenced.

Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Disposals
Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset and are included in surplus or deficit. When a revalued asset is sold, the amount included in the asset revaluation reserve in respect of the disposed asset is transferred to retained earnings.

Subsequent Costs
Costs incurred subsequent to initial acquisition are capitalised if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Group and the cost of the item can be measured reliably.

Revaluation and Fair Value Assessments

The Group engaged Bayleys Valuations Limited; specifically Nigel Fenwick Registered Valuer, BBS (VPM), NZIV, MRICS, Director - Valuation and Advisory Services, to undertake the valuation as the fair value assessment of the following asset categories as at 30 June 2026.

- Buildings
- Land

The Group engaged Bayleys Valuations Limited; specifically Tony Pratt Registered Plant and Machinery Valuer, FPINZ, MRICS, AAPI (CPV - Plant and Machinery), National Director - Head of Plant, Equipment and Infrastructure, to undertake the valuation as the fair value assessment of the following asset categories as at 30 June 2026.

- Runway Infrastructure
- General Infrastructure

From the assessment, the Directors have adopted the valuation and have revalued Land, Buildings, Airport Runway and General Infrastructure as at 30 June 2026.

Land and Buildings

Assets were inspected on 12 March 2026 with the valuation undertaken for financial reporting purposes as at 30 June 2026 and assessed the fair value of the assets in accordance with:

- International Valuation Standards (IVS),
- NZIV standards,
- PBE IPSAS 17 Property, Plant and Equipment
- NZVGP 502 Valuations of Real Property, Plant and Equipment for use in New Zealand Financial Reports.

The valuation adopted fair value as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The property was valued as a specialised operational airport asset and was considered unlikely to transact independently from the airport operation as a whole. Accordingly, a combination of valuation methodologies was applied.

Land was valued using the Comparable Sales Method, with reference to market evidence from comparable sales and adjustments for location, zoning, land quality, contour, size and other relevant characteristics. The valuer assessed separate land categories reflecting differing land quality and operational utility across the airport estate.

Buildings and associated improvements were valued using the Depreciated Replacement Cost (DRC) methodology. Due to the specialised nature of the airport facilities and the absence of an active market for comparable assets, replacement costs were estimated using industry construction data, market cost indices and professional judgement, with depreciation applied based on asset age, condition, remaining useful life and expected service potential.

Significant Judgements and Special Considerations

The valuation incorporates a number of assumptions and significant judgements, including:

- The airport continues to operate as a going concern and remains in its current use as a regional airport, which was assessed as its highest and best use.
- The property is a specialised infrastructure asset within a Special Purpose Airport Zone and Coastal Overlay area under the New Plymouth District Plan.
- These planning controls, together with operational requirements and cultural considerations, influence the value and future development potential of the property.
- The valuation assumes all necessary resource consents, operational approvals and existing use rights remain in place.
- The valuation assumes the site is free from material contamination. No allowance has been made for remediation costs, although historic transport and hydrocarbon-related activities were identified as potential environmental risk factors.
- The valuation assumes building seismic performance is consistent with information available to the valuer. The recently completed terminal building was assumed to meet current seismic requirements, while other buildings were assessed based on estimated seismic ratings. A low seismic rating and asbestos-containing materials were specifically identified in the Power Centre building and taken into account within the valuation assessment.

Runway and General Infrastructure

Depreciated replacement cost (DRC) is defined as the current gross replacement cost of the asset, adjusted for age, physical wear and tear, and technical or functional obsolescence, considering the asset's total estimated useful life and any anticipated residual value.

Key characteristics of specialised assets include:

- Are only useful to a limited number of uses or users;
- Rarely, if ever, sell on the open market, except as part of the business entity;
- Are generally specialised structures; and
- Earn revenue that has not been derived from an open market and for which market -based evidence does not exist.

In general, specialised assets possess physical or locational attributes that significantly limit their usefulness beyond their original intended purpose.

Given the specialised nature of assets and the absence of comparable market data, for all assets, the DRC method has been employed. For any newly capitalised assets where there would not been any material difference in value, net book value was adopted as appropriate.

The valuations have been completed in accordance with International Valuation Standards, Property Institute of New Zealand Valuation Guidance Papers and in particular with:

- IVS (International Valuation Standards 2025) Framework and General Standards
- NZ VGP502 Valuations of Real Property, Plant and Equipment for use in New Zealand Financial Reports
- PBE IPSAS 17 Property, Plant and Equipment

Depreciation and Amortisation

Depreciation commences when the asset is ready for use and is charged to surplus or deficit on all property, plant and equipment other than work in progress over their estimated useful lives, using the straight-line method. The useful lives and estimated residual values are reviewed at each balance date and amended if necessary.

When property, plant and equipment is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to reflect the revaluation.

The useful lives and associated depreciation rates for each class of asset are as follows:

Asset Class	Useful Life
Artwork	Non-Depreciable
Buildings	1 - 50 years
General Infrastructure	Non-Depreciable - 80 years
Motor Vehicles	10 - 20 years
Plant and Equipment	
Airspresso Assets	Non-Depreciable - 13 years
Furniture & Fittings	1 - 49 years
IT Equipment	1 - 7 years
Solar Farm Infrastructure	10 - 40 years
Runway Sub-base	Non-Depreciable
Runway, Taxiway & Aprons	0.3 - 69 years

Estimates and Assumptions Applied in Determining the Value of PPE

The determination of the carrying value of property, plant and equipment requires the application of estimates and assumptions relating to construction and replacement costs, asset condition, useful lives, residual values, depreciation rates and the level of future economic benefit or service potential expected to be derived from the assets.

Construction and replacement costs are determined with reference to recent airport construction and maintenance projects, market evidence and relevant industry cost indices. Also considered are prevailing economic conditions, construction cost inflation and market factors existing at the reporting date.

Useful lives are estimated based on the nature, condition and expected utilisation of each asset. Significant buildings and infrastructure assets are componentised where components have different useful lives or replacement cycles. Depreciation is generally calculated on a straight-line basis over the estimated useful life of each asset or component. Asset useful lives were determined with reference to discussions with airport staff and economic lives; estimates of remaining useful life can be affected by local conditions such as weather patterns and air traffic growth.

Estimates and Assumptions Regarding Finance Leased Assets

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. The lease term is the non-cancellable period for which the lessee has contracted to lease the asset, together with any further terms for which the lessee has the option to continue to lease the asset when at the inception of the lease it is reasonably certain the option will be exercised. The land occupied by the Airport is owned by the Council and leased to PRIP. In accordance with paragraph 28 of IPSAS 13, at the commencement of the lease term the land is recognised as an asset in the statement of financial position at fair value with a corresponding credit to equity, as the transaction is effectively an in-substance equity contribution.

The Crown retains a 50% beneficial interest in the land and any proceeds if it were to be sold in the future, and the land cannot be disposed of without prior consent from the Crown.

PRIP has a renewable 99-year lease over this land at a peppercorn rental of $1 per year. The leasehold interest in the land was last valued as at 30 June 2026 by Bayleys Valuations Limited (fair value $16,277,900; 2025: $16,034,015).

Cost roll-forward

Asset class	Opening Cost	Additions	Disposals	Revaluation	Transfers	Closing Cost
Artwork	732,705	(1)	-	-	-	732,704
Buildings	40,381,610	100,289	2,936	(493,433)	-	39,985,530
General Infrastructure	13,230,867	124,536	-	(455,354)	1,927,381	14,827,430
Motor Vehicles	1,832,818	64,113	-	-	-	1,896,931
Land	16,034,115	-	-	243,785	-	16,277,900
Plant and Equipment	2,878,199	64,224	-	-	16,652	2,959,075
Solar Farm Infrastructure	-	-	-	-	17,221,100	17,221,100
Runway, Taxiways & Aprons	19,120,993	-	-	1,981,742	35,207	21,137,942
Work In Progress	16,873,546	2,678,289	-	-	(19,200,340)	351,495
Total cost	**111,084,853**	**3,031,450**	**2,936**	**1,276,740**	**-**	**115,390,107**

Accumulated depreciation and net book value

Asset class	Opening Acc Dep	Depreciation	Acc Dep Disp/Reval	Closing Acc Dep	Net Book Value
Artwork	-	-	-	-	732,704
Buildings	-	1,440,345	1,440,345	-	39,985,530
General Infrastructure	865,266	783,965	1,649,231	-	14,827,430
Motor Vehicles	92,499	99,352	-	191,851	1,705,080
Land	-	-	-	-	16,277,900
Plant and Equipment	365,537	224,566	(1)	590,104	2,368,971
Solar Farm Infrastructure	-	342,673	-	342,673	16,878,427
Runway, Taxiways & Aprons	1,115,594	682,112	1,797,706	-	21,137,942
Work In Progress	-	-	-	-	351,495
Total Property, Plant and Equipment	**2,438,896**	**3,573,013**	**4,887,281**	**1,124,628**	**114,265,479**

Comparative roll-forward - year ended 30 June 2025 (parent)

Asset class	Opening Cost	Additions	Disposals	Revaluation	Transfers	Closing Cost
Artwork	732,705	-	-	-	-	732,705
Buildings	36,686,927	550,000	-	3,099,328	45,355	40,381,610
General Infrastructure	10,165,870	591,820	85,036	-	2,558,213	13,230,867
Motor Vehicles	145,000	-	-	-	1,687,818	1,832,818
Land	16,034,115	-	-	-	-	16,034,115
Plant and Equipment	2,453,650	117,967	23,934	-	330,516	2,878,199
Runway, Taxiways & Aprons	18,237,584	-	-	-	883,409	19,120,993
Work In Progress	3,342,828	19,036,029	-	-	(5,505,311)	16,873,546
Total cost	**87,798,679**	**20,295,816**	**108,970**	**3,099,328**	**-**	**111,084,853**

Asset class	Opening Acc Dep	Depreciation	Acc Dep Disp/Reval	Closing Acc Dep	Net Book Value
Artwork	-	-	-	-	732,705
Buildings	1,219,458	1,163,787	2,383,245	-	40,381,610
General Infrastructure	415,764	449,498	-	865,262	12,365,605
Motor Vehicles	4,775	87,723	-	92,498	1,740,320
Land	-	-	-	-	16,034,115
Plant and Equipment	166,695	198,843	-	365,538	2,512,661
Runway, Taxiways & Aprons	450,473	665,122	-	1,115,595	18,005,398
Work In Progress	-	-	-	-	16,873,546
Total Property, Plant and Equipment	**2,257,165**	**2,564,973**	**2,383,245**	**2,438,893**	**108,645,960**

10.Capital Commitments

As part of the Solar Power Plant project the Group has committed to the purchase of a Battery Energy Storage Solution from Thundergrid. The contracted price was $665,000 as at 30 June 2025, of which a 20% deposit of $133,000 had been paid at 30 June 2026; the remaining commitment is $532,000. The system remained in work in progress at balance date.

11. Borrowings

Accounting Policy

Borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs (if any) associated with the borrowing, and are subsequently measured at amortised cost using the effective interest rate method. All borrowing costs are recognised in surplus or deficit in the period in which they are incurred.

At inception of PRIP, the Council made available a non-current loan facility and a current loan facility. Further advances of $3,000,000 were drawn during the year and principal repayments of $1,000,000 were made.

From the 2023 year there is no minimum repayment of principal required until the expiry date of the loan (30/9/2037); the loan balance is classified as non-current where it is more than 12 months from the facility expiry date.

The interest rate on the loan is set at the Council's cost of funds plus 0.15% per annum, currently 3.87% on the original Council loan facility and 3.30% on the solar farm Council loan (2025: 4.43%, disclosed for the facility as a whole).

Borrowings	**2026**	**2025**
Secured Loans from New Plymouth District Council at Amortised Cost		
Current	-	-
Non-Current	35,095,927	33,095,927
Total Borrowings	**35,095,927**	**33,095,927**

12. Employee Benefit Expenses

Accounting Policy

Employee benefits expected to be settled within 12 months of balance date are measured at nominal values, based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned to, but not yet taken, at balance date.

Three non-director employees of the Group received remuneration and benefits over $100,000 during the year (2025: three).

Employee Benefit Expenses	**2026**	**2025**
Salaries and Wages Accrued	92,179	94,507
Provision for Annual Leave	138,046	97,893
Total Employee Benefit Expenses	**230,225**	**192,400**

13. Related Parties

Asthesole shareholder of the parent, the New Plymouth District Council (NPDC) is a related party of the Group. Related-party disclosures are framed around NPDC and key management personnel. Transactions between PRIP and TML are eliminated on consolidation and are not disclosed as related-party transactions of the Group.

On 3 July 2017 PRIP entered into an agreement with the Council under which the Council transferred its interest in the assets of the New Plymouth Airport to PRIP. The agreed transfer price was $15,312,000, satisfied by the issue of 13,000,000 ordinary shares at $1 each ($13,000,000) and a secured loan from NPDC of $2,312,000. In addition to the assets, the Council leased the Airport land to PRIP under a lease agreement for 99 years at a nominal consideration of $1 per year with no rights of renewal. No debts between the parties were written off or forgiven and no transactions between the parties took place at nil or nominal value. NPDC provides services to PRIP under service level agreements, which are invoiced periodically. These agreements have not been altered during the financial year.

Transactions Occurred Between NPDC and the Group	**2026**	**2025**
Charges to the Group by the Council		
Goods and Services provided by NPDC	437,038	337,765
Advance Provided by NPDC	3,000,000	10,600,000
Interest Paid to NPDC (Note 4)	1,401,108	1,278,722
Total Charges to the Group by the Council	**4,838,146**	**12,216,487**

Charges by the Group to NPDC	**2026**	**2025**
Car Parking	4,000	1,779
Terminal Lease	-	-
Outstanding Invoices	1,380	-
Total Charges by the Group to NPDC	**5,380**	**1,779**

Balances Remaining Payable to NPDC at Balance Date	**2026**	**2025**
Borrowings (Note 11)	35,095,927	33,095,927
Interest Payable	321,854	365,563
Outstanding Invoices	25,072	12,210
Total Balances Remaining Payable to NPDC at Balance Date	**35,442,853**	**33,473,700**

Other Related Party Disclosures

Directors are considered to be related parties of the Group as they have a considerable amount of control over the governance of the Group.

14. Share Capital

Share capitalfor the year of $49,138,485 (2025: $49,138,485) comprises 13,000,000 fully paid ordinary shares issued in 2017, the 22,000,000 ordinary shares issued in 2020, and $14,138,485 relating to the finance lease of the land. Fully paid ordinary shares carry one vote per share and carry the right to dividends.

The Group paid no dividends in the 2026 financial year (2025: nil).

15. Operating Lease Commitments - the Group as Lessor

Accounting Policy

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Lease Arrangements

Operating commitments as a lessor include leases that the Group has with lessees. These commitments cannot be cancelled until the end of the lease. The lessee may sell their lease to a third party, but the Group must approve the transaction. Many leases contain rights of renewal; however, these are not guaranteed to be taken up.

Operating Lease Commitments - the Group as Lessor	2026	2025
Non-cancellable Operating Lease Receivables		
No longer than 1 year	746,463	652,551
Longer than 1 year and not longer than 5 years	2,255,804	2,253,134
Longer than 5 years	2,671,761	2,816,792
Total Operating Lease Commitments - the Group as Lessor	**5,674,028**	**5,722,477**

16. Key Management Personnel

Directors

In November 2020, PRIP management were advised by NPDC that the tenure of the four current directors would be extended to ensure continuity in the current environment and create the ability to rotate two directors every 18 months.

Chief Executive Officer and Airport Operations Manager

Key management personnel include the Chief Executive Officer, the Safety and Operations Manager and the Directors. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the Board of Directors, the Chief Executive Officer and the Airport Operations/Safety Manager.

At balance date the Group employed 15.24 full-time equivalent employees (2025: 18.2).

Key Management Personnel Compensation	2026	2025
Senior Management Team		
Senior Management Team Remuneration	429,384	437,338
Total Senior Management Team	**429,384**	**437,338**

The following table notes the number of employees and former employees of the Group, not being directors, who during the accounting period received total annual remuneration at or greater than $100,000 per annum, in brackets of $10,000. The annual remuneration of employees includes salary, overtime, employer's contribution to superannuation, and any other sundry benefits received in their capacity as employees.

Remuneration Range - $10k band	2026 (No.)	2025 (No.)
$110,000 - $119,999	-	1
$120,000 - $129,999	1	-
$140,000 - $149,999	1	1
$270,000 - $279,999	-	1
$280,000 - $289,999	1	-

Directors	2026	2025
Directors Remuneration	226,295	191,835
Total Directors	**226,295**	**191,835**
Total Key Management Personnel Compensation	**655,679**	**629,173**

Key Personnel Full Time Equivalents	2026 (No.)	2025 (No.)
Senior Management Team	2	2
Directors	1	1
Total Key Personnel Full Time Equivalents	**3**	**3**

Directors' full-time equivalents are assessed for the Board as a whole. Total directors' hours of approximately 1,040 for the year equate to 0.57 of a full-time equivalent against a 1,840-hour full-time working year, and are disclosed as one full-time equivalent (2025: one).

17. Contingencies and Commitments

TheGroup leases a solarfarm connection asset (ring main unit and switching gear), a rapid charger unit and a rapid charger electrical connection from Powerco Transmission Services Limited (PTS) under an asset lease agreement dated 27 September 2024. The leases commenced during the year - the solar farm connection asset on 1 September 2025 (30-year term) and the rapid charger unit and electrical connection on 1 December 2025 (15- and 30-year terms). The leases are accounted for as operating leases and lease payments of $115,569 were expensed during the year (2025: nil). Non-cancellable lease commitments at balance date are:

Operating Lease Commitments - the Group as Lessee	2026	2025
No longer than 1 year	145,872	-
Longer than 1 year and not longer than 5 years	583,486	-
Longer than 5 years	3,281,170	-
Total Operating Lease Commitments - the Group as Lessee	**4,010,528**	**-**

18. Events After the Balance Sheet Date

There were no significant events after the balance sheet date.

19. Financial Instrument Categories

Financial instruments arecategorised as financial assets at amortised cost (cash and cash equivalents; receivables excluding prepayments) and financial liabilities at amortised cost (payables; secured loans).

Financial Instrument Categories	2026	2025
Financial Assets - Amortised Cost		
Cash and Cash Equivalents	2,910,086	894,978
Receivables (excluding prepayments)	1,109,225	847,178
Financial Liabilities - Amortised Cost		
Payables	793,260	2,542,269
Secured Loans	35,095,927	33,095,927

15. Independent Auditor's Report

Prepared by: Audit New Zealand

The Audit Office
Te Mana Arotake



Final Report to the Board

ontheauditof

Papa Rererangi i Puketapu Limited group

For the year ended 30 June 2026

2026

Introduction

We are pleased topresent ourfinal report to the Board for the audit of Papa Rererangi i Puketapu Limited group (the group) for the year ending 30 June 2026.

Our role as your auditor is to give an independent opinion on your financial statements and service performance information.

The purpose of this report is to communicate significant matters arising from the audit and to assist the Board in its oversight of Papa Rererangi i Puketapu Limited group's financial reporting and service performance reporting processes. We also recommend improvements we identify during the audit.

Nāku noa, nā



Chris Webby

Appointed Auditor

25 September 2026

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A snapshot

Auditor's report
We intend to issue an unmodified opinion on the financial statements and performance information for the year ended 30 June 2026

Audit focus areas
We identified

4

focus areas of most significance to the audit. Our response to these areas, as well as other matters than arose during the audit are described on pages 4 to 7

Outstanding matters
Our audit is nearly complete, subject to the following outstanding matters:

- Enquiring with management and the Board whether there have been any subsequent events up to the signing of the annual report.
- Receipt of the signed letter of representation and annual report.
- Completing printer's proof review.

New recommendations raised
This report contains

1

new recommendation

See page 8

Uncorrected audit misstatements in the financial statements

Understatement/ (overstatement)	$m	%
Revaluation reserves	(1.32)	(6%)
Total assets	(1.32)	(3.7%)

We are satisfied that these are individually and collectively immaterial. Refer to the uncorrected misstatements section for more details

Materiality for the financial statements

$9.7M Asset revaluations

$0.465M Specific materiality- usedfor allotheritems

Our audit procedures have been performed using a materiality set based on total property, plant and equipment (PPE) for overall materiality and total expenditure for our lower specific materiality expenditure levels.

Audit focus areas

1. Valuation of property, plant and equipment

We are satisfied that the revalued property, plant and equipment is fairly stated.

Risk description

The company revalues its property, plant and equipment (PPE) when there is an expectation of a material movement in the fair value of those assets or every three years.

There is a risk that PPE is not recorded at fair value due to the judgements and assumptions applied in determining fair values, including the valuation methodology and key valuation inputs used.

Action taken

We completed our testing of the valuation which included:

- reviewing the valuation reports;
- reviewing the methodology and assumptions for reasonableness;
- reviewing the related accounting entries and disclosures; and
- developing an independent auditor's estimate to assess the reasonableness of the valuation.

Our findings

We are satisfied that the valuation of PPE is fairly stated in the financial statements. As noted in the other findings below, the fixed asset register requires updating to ensure revised asset values, useful lives, and depreciation rates are accurately reflected and consistent with the valuation report.

2. Consolidation of Te Matakupenga Limited

The group financial statements have been appropriately prepared with intercompany transactions and balances being eliminated.

Risk description

Te Matakupenga Limited was incorporated during the year to purchase the solar farm assets from Papa Rererangi i Puketapu Limited.

This is the first year that consolidated financial statements have been prepared. There is a risk that the consolidation has not been appropriately performed, including the elimination of intercompany transactions and balances.

Action taken

We performed audit procedures at the group level to obtain assurance over the consolidated financial statements. Our work included testing the consolidation process and assessing whether intercompany transactions and balances had been appropriately identified and eliminated.

Our findings

We are satisfied that the consolidated financial statements have been appropriately prepared and that intercompany transactions and balances have been appropriately eliminated.

3. Accounting for impairment, capitalisation of costs, and recognition of completed assets

We are satisfied that capitalised costs have been appropriately recognised and classified as PPE in the financial statements.

Risk description

The group had significant capital development projects underway during the year, including the solar farm.

There is a risk that impairment indicators are not appropriately identified and assessed, including for projects remaining in work in progress (WIP) at year end, that costs of an operational nature are inappropriately capitalised, or that completed projects are not transferred to PPE and depreciated on a timely basis.

Action taken

We tested costs capitalised during the year, including expenditure recorded in WIP and completed assets transferred to PPE. Our work included assessing whether expenditure met the relevant capitalisation criteria, was appropriately classified, whether impairment indicators had been appropriately considered, and whether completed assets were transferred from WIP in a timely manner.

Our findings

We are satisfied that capitalised costs have been appropriately recognised as PPE. The expenditure sampled met the relevant capitalisation criteria and was appropriately classified between WIP and completed assets. We are also satisfied that impairment indicators were appropriately assessed for capital projects at year end.

During the audit, we identified an opportunity to improve the useful lives policy disclosed in the financial statements. This was discussed with management and the disclosure has been updated accordingly.

4. The risk of management override of internal controls

No instances of management override of controls or fraudulent financial reporting were identified.

Risk description

There is an inherent risk in every organisation of fraud resulting from management override of internal controls.

Action taken

Our audit response included:

- Testing the appropriateness of selected journal entries;
- Reviewing accounting estimates for indications of bias; and
- Evaluating any unusual or one-off transactions, including those with related parties.

Our findings

No instances of management override of controls or fraudulent financial reporting were identified.

Other findings

Matter	Description or finding
Post-revaluation depreciation	As reported in the previous year, we identified audit differences relating to the depreciation of revalued infrastructure and runway assets. Following the prior valuation, useful lives and depreciation rates were not updated to align with the assumptions adopted by the valuer. As a result, depreciation expense recorded in the financial statements differed from the depreciation reflected in the valuation model. During the current year, management updated the depreciation calculations to reflect the assumptions used in the previous valuation. A full revaluation of assets was completed as at 30 June 2026. We understand that the accounting service provider intends to update the fixed asset register after completion of the audit to reflect the revised asset values, componentisation, and useful lives arising from the valuation. **We recommend** management ensure the fixed asset register is updated promptly following the revaluation and that an independent review is performed to confirm the revised asset values, useful lives, and depreciation rates have been accurately reflected and are consistent with the valuation report. This will help ensure depreciation expense is calculated appropriately in future reporting periods.

Financial statements and service performance information

Judgements made in significant accounting estimates

Judgement areas	Missta ted	Cauti ous	Balanced	Optim istic	Misstated
Land and building valuation ($56.3M)					
General Infrastructure and runway valuation ($40M)					
Useful economic lives of property, plant and equipment and intangible assets ($3.6M)					

These are our views on the level of prudence in key judgements in this year's financial statements, relating to accounting estimates.

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Appendix 1: Uncorrected misstatements

During the course ofour audit, we identifiedthe uncorrected misstatementsand requested that they be corrected. Management has concluded that these matters are not material after considering the size and nature of the misstatements, to either the financial statements as a whole or to the particular classes of transactions, account balance or disclosures.

The uncorrected misstatement below has been included as part of those charged with governance's letter of representation to us.

Uncorrected financial misstatements

Description	Line items affected	Revenue	Expenses	Assets	Liabilities	Equity
		Dr (Cr)	Dr (Cr)	Dr (Cr)	Dr (Cr)	Dr (Cr)
As part of the audit procedures over the runway and general infrastructure valuation, the audit team developed an independent range, based on relevant cost indices since the last valuation. This range fell outside the valuer's assessed range which was $1.32 million higher, resulting in a misstatement being raised.	General infrastructure and runway assets			($1.32m)		
	Revaluation reserve					($1.32m)

Management's explanation for not correcting

The difference is not material, and the Board and management have relied on the valuer's assessment which is appropriate.

Appendix 2: Other communications

Our responsibilities in conducting the audit

We carried out this audit on behalf of the Controller and Auditor General. We are responsible for expressing an independent opinion on the financial statements and performance information. This responsibility arises from section 15 of the Public Audit Act 2001.

The audit of the financial statements and performance information does not relieve management or the Board of their responsibilities. Our audit engagement letter contains a detailed explanation of the responsibilities of the auditor and the Board.

Auditing standards

We carry out our audit in accordance with the Auditor-General's Auditing Standards. The audit cannot and should not be relied upon to detect every instance of misstatement, fraud, irregularity, or inefficiency that are immaterial to your financial statements and performance information. The Board and management are responsible for implementing and maintaining a system of internal control for detecting these matters.

Independence

We confirm that, for the audit of the Papa Rererangi i Puketapu Limited group's financial statements and performance information for the year ended 30 June 2026, we have maintained our independence in accordance with the requirements of the Auditor-General standards, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with or interests in the Group or subsidiary.

Fees

The audit fee for the year is $87,060 (GST exclusive), as detailed in our Audit Proposal Letter. A cost recovery of $5,000 from the 2024/25 audit was charged. No other fees have been charged in this period.

Appendix 3: Quality and timeliness of information provided for audit

The Board'sresponsibilities includeunderstanding whether management produce qualityinformation,and whetherthereare adequate resources, skills, and expertise applied in the reporting process. Our expectations were informed by the FMA's *Audit Quality Monitoring Report* (expectations for directors) and *Guidance and expectations for keeping proper accounting records.*

Expectation	Needs attention ... Excellent	Explanation
Financial statements prepared by management comply with accounting standards		Misstatements were identified which needed to be corrected.
Quality supporting financial information is prepared and available on a timely basis		First set of financial statements was received late and valuation and tax needed to be updated.
Management prepares accounting papers for unusual or more complex transactions and estimates		
Governors challenge the process and the outcomes of management's judgements		
Service performance reporting prepared by management complies with accounting standards		
Quality supporting service performance information is prepared and available on a timely basis		
Issues raised in our previous reports are addressed in a timely manner		

The Audit Office
Te Mana Arotake

The Audit Office
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Photo credit: © Erica Sinclair, Truestock

The Audit Office
Te Mana Arotake

Independent Auditor's Report

To the readers of Papa Rererangi i Puketapu Limited's group financial statements and performance information for the year ended 30 June 2026

The Auditor-General is the auditor of Papa Rererangi i Puketapu Limited group (the Group). The Auditor-General has appointed me, Chris Webby, using the staff and resources of The Audit Office, to carry out the audit of the financial statements and performance information on his behalf.

Opinion

We have audited:

- the financial statements of the Group that comprise the statement of financial position as at 30 June 2026, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include material accounting policy information and other explanatory information on pages 9 to 32; and
- the performance information of the Group for the year ended 30 June 2026 as contained in the statement of service performance on pages 6 to 8.

In our opinion:

- The financial statements of the Group 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 Public Benefit Entity Standards Reduced Disclosure Regime.
- The performance information of the Group accurately reports, in all material respects, the Group's actual performance compared against the performance targets and other measures by which the Group's performance can be judged in relation to the Group's objectives in its statement of intent for the year ended 30 June 2026, and has been prepared in all material respects in accordance with section 68 of the Local Government Act (the Act).

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 the performance information

The Board of Directors is responsible on behalf of the Group for preparing:

- Financial statements that are fairly presented and comply with Public Benefit Entity Standards Reduced Disclosure Regime.
- Performance information in accordance with section 68 of 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 Group for assessing the Group'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 Group or to cease operations, or there is no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Act.

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 performance information, our procedures were limited to checking that the information agreed to the Group'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 the 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 Group'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 Group'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 financial statements and performance information 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 Group 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 Group's readers to judge the actual performance of the Group 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 in 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 the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the 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 the 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 the 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 Group 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)* as applicable for audits of public interest entities 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 Group.



Chris Webby
The Audit Office
On behalf of the Auditor-General
Palmerston North, New Zealand
25 September 2026