



# Interim Report

For the six months ended  
31 December 2025



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## Directors' report

The Directors of Dunedin Railways Limited are pleased to present their report for the six months ended 31 December 2025.

## Result

The company returned a loss after tax of \$810,000 in the half year to 31 December 2025 compared with a loss after tax of \$934,000 in the half year to 31 December 2024.

## Review of operations

During the six months ended 31 December 2025, Dunedin Railways Limited (DRL) advanced its transition out of hibernation, focusing on re-establishing operations and executing the foundations of its five year strategic plan. Management focused on sharpening commercial discipline, improving service mix and ensuring operational effort was aligned to the strongest revenue and brand opportunities.

The Taieri Gorge service operated five days per week, with the Deep Stream stop offered at limited capacity. Two themed Christmas Trains were popular, one was sold out with the second close to full capacity, reflecting strong local engagement. Passenger numbers rose 21% to 15,584 across 167 services, while 11 cruise services recorded average pax of 231 passengers, up from 174 in the prior comparable period.

These results demonstrate growing market confidence in DRL's tourism offering and provide a solid platform for continued expansion and profitability in the year ahead.

## Dividends

No dividends were paid by the Company.

## Events after balance sheet date

There were no significant events after the reporting period that require adjustment or disclosure.

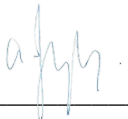
## Statement of responsibility

The Directors accept responsibility for the preparation of the interim financial statements and the judgements used in them.

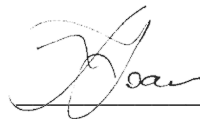
The Directors accept responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting; and

In the opinion of the Directors, the interim financial statements to 31 December 2025 fairly reflect the financial position and operations of Dunedin Railways Limited.

On behalf of the Directors:



\_\_\_\_\_  
Director



\_\_\_\_\_  
Director

Date: 29 January 2026

**Statement of comprehensive income  
 For the six months ending 31 December 2025**

	<b>Unaudited 6 months to 31 Dec 2025 \$'000</b>	<b>Unaudited 6 months to 31 Dec 2024 \$'000</b>	<b>Audited full year to 30 Jun 2025 \$'000</b>
Operating Revenue	1,848	1,129	3,204
Impairment Reversal	-	-	2,297
Interest	6	14	26
<b>Total income</b>	<b>1,854</b>	<b>1,143</b>	<b>5,527</b>
Less expenses:			
Audit fees	57	23	94
Directors remuneration	33	-	33
Depreciation	168	21	47
Other operating expenses	2,406	2,033	4,212
<b>Total expenses</b>	<b>2,664</b>	<b>2,077</b>	<b>4,386</b>
<b>Net profit / (loss) before tax</b>	<b>(810)</b>	<b>(934)</b>	<b>1,141</b>
Income tax (expense)/credit	-	-	-
<b>Net profit / (loss) after tax</b>	<b>(810)</b>	<b>(934)</b>	<b>1,141</b>
Other comprehensive income:			
Interest rate swap hedges gains (losses) during the year	-	-	-
Total other comprehensive income	-	-	-
<b>Total comprehensive income / (loss)</b>	<b>(810)</b>	<b>(934)</b>	<b>1,141</b>

**Statement of changes in equity**  
**For the six months ending 31 December 2025**

	Share capital	Retained earnings	Total equity
	\$'000	\$'000	\$'000
<b>Unaudited</b>			
<b>Equity as at 1 July 2025</b>	12,097	(9,401)	2,696
Shareholder contributions	1,000	-	1,000
Profit / (Loss) after income tax	-	(810)	(810)
Other comprehensive income for the period	-	-	-
<b>Equity as at 31 December 2025</b>	<b>13,097</b>	<b>(10,211)</b>	<b>2,886</b>
<b>Equity as at 1 July 2024</b>	10,847	(10,542)	305
Shareholder contributions	1,250	-	1,250
Profit / (Loss) after income tax	-	(934)	(934)
Other comprehensive income for the period	-	-	-
<b>Equity as at 31 December 2024</b>	<b>12,097</b>	<b>(11,476)</b>	<b>621</b>
<b>Audited</b>			
<b>Equity as at 1 July 2024</b>	10,847	(10,542)	305
Shareholder contributions	1,250	-	1,250
Profit / (Loss) after income tax	-	1,141	1,141
Other comprehensive income for the period	-	-	-
<b>Equity as at 30 June 2025</b>	<b>12,097</b>	<b>(9,401)</b>	<b>2,696</b>

**Statement of financial position  
 As at 31 December 2025**

	<i>Note</i>	<b>Unaudited 6 months to 31 Dec 2025 \$'000</b>	<b>Unaudited 6 months to 31 Dec 2024 \$'000</b>	<b>Audited full year to 30 Jun 2025 \$'000</b>
<b>Current assets</b>				
Cash and cash equivalents		221	342	430
Trade and other receivables		588	260	47
Inventories		186	86	167
Prepayments		59	69	-
Current taxation asset		(98)	(48)	32
<b>Total current assets</b>		<b>956</b>	<b>708</b>	<b>676</b>
<b>Non-current assets</b>				
Property, plant and equipment	3	2,528	394	2,650
Intangible assets		-	-	-
<b>Total non - current assets</b>		<b>2,528</b>	<b>394</b>	<b>2,650</b>
<b>Total assets</b>		<b>3,484</b>	<b>1,102</b>	<b>3,326</b>
<b>Current liabilities</b>				
Trade and other payables		384	336	451
Contract liabilities		29	1	-
Provision for employee entitlements		185	144	179
Other current liabilities (provisions)		-	-	-
<b>Total current liabilities</b>		<b>598</b>	<b>481</b>	<b>630</b>
<b>Non-current liabilities</b>				
Provisions		-	-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>598</b>	<b>481</b>	<b>630</b>
<b>Equity</b>				
Share capital		13,097	12,097	12,097
Retained earnings (deficits)		(10,211)	(11,476)	(9,401)
<b>Total equity</b>		<b>2,886</b>	<b>621</b>	<b>2,696</b>
<b>Total liabilities and equity</b>		<b>3,484</b>	<b>1,102</b>	<b>3,326</b>

**Statement of cash flows**  
**For the six months ending 31 December 2025**

	<i>Note</i>	<b>Unaudited 6 months to 31 Dec 2025 \$'000</b>	<b>Unaudited 6 months to 31 Dec 2024 \$'000</b>	<b>Audited full year to 30 Jun 2025 \$'000</b>
<b>Cash flow from operating activities</b>				
<i>Cash was provided from</i>				
Receipts from customers		1,302	1,094	3,212
Net GST received		35	107	-
Interest received		6	11	26
		1,343	1,211	3,238
<i>Cash was disbursed to</i>				
Interest paid		-	-	-
Payments to suppliers & employees		2,518	2,239	4,091
Income tax paid		1	4	2
Net GST paid		-	-	4
		2,519	2,243	4,097
Net cash flow from operating activities		(1,176)	(1,032)	(859)
<b>Cash flow from investing activities</b>				
<i>Cash was disbursed to</i>				
Purchase of property, plant and equipment		33	93	179
Net cash flow from investing activities		(33)	(93)	(179)
<b>Cash flow from financing activities</b>				
<i>Cash was provided from</i>				
Funds from shareholders		1,000	1,250	1,250
Borrowings from DCTL		-	-	-
		1,000	1,250	1,250
<i>Cash was disbursed to</i>				
Repayment of borrowings to DCTL		-	-	-
		-	-	-
Net cash flow from financing activities		1,000	1,250	1,250
<b>Net increase/(decrease) in cash and cash equivalents</b>		(209)	125	213
Opening cash and cash equivalents		430	217	217
<b>Closing cash and cash equivalents</b>		221	342	430



## **Notes to the financial statements (Unaudited) For the six months ending 31 December 2025**

### **1 Reporting entity**

The financial statements presented are for the reporting entity Dunedin Railways Limited.

Company Details:

Incorporated in NZ under the Companies Act 1993.

A Council Controlled Trading Organisation as defined in the Local Government Act 2002.

Registered address of the company is 50 The Octagon, Dunedin.

Classed as a public benefit entity for financial reporting.

Dunedin Railways Limited. Shareholding interests:

100% owned by Dunedin City Holdings who are wholly owned by Dunedin City Council.

The financial statements of Dunedin Railways Limited are for the six months ended 31 December 2025.

The financial statements are presented in New Zealand dollars (the functional currency of the company) and have been rounded to the nearest thousand.

### **2 Basis of preparation**

The financial statements for the period ended 31 December 2025 are unaudited.

The financial statements have been prepared in accordance with and comply with NZ IAS 34, Interim Financial Reporting as it applies to Tier 2 entities, and should be read in conjunction with the audited financial statements for the year ended 30 June 2025.

The financial statements are prepared on a going concern basis of accounting consistent with the prior reporting period. The comparable half year 2024 financial statements were prepared on a non-going concern basis. To address uncertainty about going concern the Directors of the Company obtained a letter of support from the shareholder stating that any funding needed to ensure that the Company can meet its obligations in the normal course of business will be provided for the 12 months following the signing of the Company's FY2025 financial statements.

The accounting policies applied are consistent with those in the annual report for the year ended 30 June 2025.

The judgements, estimates and assumptions used to prepare these interim financial statements are consistent with those used at 30 June 2025.

**Notes to the financial statements (Unaudited)  
 For the six months ending 31 December 2025**

**3 Property, plant and equipment**

	<b>6 months to 31 Dec 2025</b>	<b>6 months to 31 Dec 2024</b>	<b>12 months to 30 Jun 2025</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Additions (cost)	33	97	179
Disposals (cost)	-	-	-
Impairment Reversal	-	-	2,201

There have been no material changes in fair value for all property, plant and equipment asset classes for the current year.

**4 Financial instruments**

All financial assets are recognised at cost/face value while financial liabilities are recognised at amortised cost.

**5 Contingent liabilities**

The company has no contingent liabilities at the end of each reporting period.

**6 Industry segment reporting**

The company operates a single business stream being a tourism based passenger train service, in a single geographic segment, the South Island of New Zealand.



## Directory

### Directors

Adrian Januszkiewicz (Chair)  
Tim Loan  
Greg Anderson  
Susan Johnstone  
Chris Milne  
Shane Ellison  
Phillip O'Connell

### Registered Office

50 The Octagon  
Dunedin 9016  
New Zealand

### Bankers

Westpac Banking Corporation

### Solicitors

Anderson Lloyd Lawyers

### Tax Advisors

Deloitte

### Auditor

Audit New Zealand on behalf of the Controller and Auditor-General

**Statement of service performance  
 For the six months ending 31 December 2025**

<b>Performance targets</b>	<b>Results as at 31 December 2025</b>
Complete long-term strategic plan.	Achieved
Track maintenance plan in place. Board monitors changes to plan and approves material changes to budget.	In progress
No unplanned delays to regular scheduled passenger operations.	Achieved
Lost time incidents are less than two.	Achieved
Resources allocated to marketing efforts to regain lost markets and enhance brand recognition.	Achieved
-Increase passenger numbers to 35,000 in 2026/27.	In Progress
Maintain relationships with key community stakeholders	In Progress
Maintain an average TripAdvisor rating of 4 stars or higher.	Achieved
A draft 2026/2027 Statement of Intent will be submitted to the shareholder by 1 March 2026.	In progress
Ensure that all direct employees are paid at living wage or above.	Achieved
Refine and continue to implement DRL's carbon emissions and waste reduction strategies.	Achieved

Performance targets	Results as at 31 December 2025
Measure and publicly report our Greenhouse Gas (GHG) emissions in our Annual Report.	In Progress
Consult with the shareholders in a timely manner on DRL strategic or operational matters which could compromise Council's community outcomes.	In Progress
Report to the shareholder within 24 hours of the Board becoming aware of any substantive matter, including any matter likely to generate media coverage.	Achieved