
Dunedin Stadium Property Limited

Annual Report
2025

Dunedin Stadium Property Limited

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Dunedin Stadium Property Limited

Directors' report **For the year ended 30 June 2025**

This report presents Dunedin Stadium Property Limited's (the Company's) activities and results for the year ended 30 June 2025.

Principal activities of the company

The principal activity of the Company is the ownership of Forsyth Barr Stadium. In particular the Company oversees that the stadium is maintained to a standard that enables it to operate effectively.

Review of operations

During the year the stadium operated effectively, hosting a number of events operated by Dunedin Venues Management Limited (DVML).

During the year the Asset Management Plan was reviewed. It includes an appropriate budget for assets to be maintained at an operational level over the next ten years. In some cases, the timing of the maintenance spend may be altered or the budget increased over that in the Asset Management Plan, due to increased costs or so as to provide for a longer life.

Results for the year ended 30 June 2025

The Company recorded a net deficit before subventions and income tax of \$9,361,000 for the year. This deficit is \$1,783,000 larger than the previous year. This increase is almost entirely attributable to a change in the lease agreement with DVML. This change was necessary to support DVML while the operating and financial model review was underway.

This year a \$3,205,535 subvention payment was received from companies within the Dunedin City Holdings Limited group in relation to the 2024 financial year. Subvention payments are dependent on the ongoing profitability of the underlying group of companies owned by Dunedin City Holdings Limited. The Company has tax losses of \$19,300,038 to carry forward for the current year, which the Company intends to transfer to the Dunedin City Holdings Limited group in future years by means of subvention payments and tax loss offsets.

State of affairs

The Directors consider that the state of affairs of the Company is as anticipated.

Outlook

During the year ended 30 June 2025, the Dunedin City Council (the DCC) completed a review of Dunedin Venues Management Limited (DVML) and the Company. Following completion of this review, the Company continues to work with Dunedin City Holdings Limited (DCHL) and the DCC to model long-term debt repayment requirements and ensure a sustainable financial model for the stadium going forward, noting higher costs of maintenance and asset renewals as the stadium ages. Any material funding changes arising from this work are likely to be consulted on as part of DCC's 2026/27 Annual Plan consultation process.

Dunedin Stadium Property Limited

Directors' report For the year ended 30 June 2025

Changes in accounting policies

There have been no changes in accounting policies.

Borrowings

During the year, all interest payments have been met. Dunedin City Holdings Limited injected capital of \$2,250,000 during the year and a portion of this has been used to settle debt.

Auditors

The Controller and Auditor-General has contracted the audit to Audit New Zealand. The total remuneration payable by the Company to the auditor for the year was \$45,103 (2024: \$37,238).

Directors' interests in contracts

No material contracts involving Directors' interests were entered into during the year ended 30 June 2025 or existed at the end of this twelve month period.

Directors' insurance

As allowed by the Company's Constitution, Dunedin Stadium Property Limited has arranged policies of Directors' Liability Insurance which, together with a deed of indemnity, ensure that the Directors will incur no monetary loss as a result of actions undertaken by them as Directors, provided that they operate within the law.

Directors' remuneration

<i>Director</i>	<i>Position</i>	<i>Remuneration</i>
W Cockerill	Chair (ceased 30 June 2025)	\$ 22,343
D O'Malley	Non-executive director (Chair from 1 July 2025)	\$ 1,862
T Loan	Non-executive director	Nil
S Johnstone	Non-executive director	Nil
C Milne	Non-executive director	Nil
G Anderson	Non-executive director	Nil

Directors' benefits

No Director of Dunedin Stadium Property Limited has, since the end of the previous financial year, received or become entitled to receive a benefit other than a benefit included in the total remuneration received or due and receivable by the Directors as shown in the financial statements.

There were no notices from Directors of the Company requesting use of company information received in their capacity as Directors which would not otherwise have been available to them.

Financial statements

The audited financial statements for the year ended 30 June 2025 are attached to this report.

Dunedin Stadium Property Limited

Greenhouse gas emissions summary For the year ended 30 June 2025

The Dunedin City Holdings Limited Group continues to annually assess and measure its Greenhouse Gas (GHG) emissions.

This process is completed in accordance with the requirements of the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and ISO 14064-1:2006 Specification with Guidance at the Organisation Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals.

Results

All emissions associated with the Company's asset – Forsyth Barr Stadium – are measured and reported by Dunedin Venues Management Limited, as the entity that makes decisions regarding the operation of the asset.

There is a small amount of administrative servicing conducted for Dunedin Stadium Property Limited by the Dunedin City Holdings Limited management team; emissions associated with that work are captured within Dunedin City Holdings Limited's emissions measurement, which is reported in that entity's Annual Report.

Dunedin Stadium Property Limited therefore has zero emissions to report directly.

Dunedin Stadium Property Limited does, however, have a role to play in reducing emissions and waste associated with Forsyth Barr Stadium, as the owner of the asset. The company developed an emissions and waste reduction strategy in 2022 and has continued to implement the actions from this strategy in 2025. All capital expenditure proposals include consideration of sustainability impacts and work continues to identify potential emission reduction opportunities at the Stadium.

In line with the DCHL Carbon Roadmap, the Company has committed to reducing emissions and working with DCC and DCHL to identify and scope further opportunities to contribute to Dunedin's citywide goal to be net zero carbon by 2030. Net zero carbon means that any greenhouse gases (excluding biogenic methane) emitted into the atmosphere in Ōtepoti Dunedin are in balance with the amount of carbon absorbed out of the atmosphere by trees, also known as sequestration.

Dunedin Stadium Property Limited

Directors' declarations of interest For the year ended 30 June 2025

Director	Declarations of Interests
William H Cockerill 7 June 2016 - 30 June 2025	Chair, Dunedin Stadium Property Limited Director, Robotic Technologies Limited Director and Shareholder, Octa Associates Limited Director and Shareholder, Octa Group Limited
David C R O'Malley 1 June 2025 - present	Director, Dunedin Stadium Property Limited Director and Shareholder of Octa Associates Limited Director, Atco Enterprises Limited
Greg Anderson 1 July 2023 - present	Director, Dunedin City Holdings Limited Director, Dunedin City Treasury Limited Director, Dunedin Stadium Property Limited Director, Dunedin Railways Limited Director, Holmes GP Products Limited (including related entities: Switchback GP Limited, Whoosh GP Limited, Whoosh Hold GP Limited) Director and Shareholder, Northington Partners Limited (including subsidiary companies Northington Agricapital Limited, NPL Investments Limited and NPL No.1 Holdco Limited) Director and Shareholder, Cultivate Ventures GP Limited (including related entity NPL No. 2 LP Limited) Director and Shareholder, NZ Drinks Holdings Limited (including subsidiary NZ Drinks Limited) Director and Shareholder, Hedgebook Limited Director and Shareholder, Stirling Sports Limited Director and Shareholder, Reliable Foundations Holdings Limited (including subsidiary companies and related entities: Reliable Foundations NZ Limited, Reliable Foundations (South Island) Limited, RFL Earthworks NZ Limited, RFL Earthworks (South Island) Limited, Reliable Foundations GP Limited, NPL No.1 LP Limited) Director and Shareholder, Agri Realty Limited Director and Shareholder, Ra Tuatahi No. 1 Limited Trustee, St Margaret's College Foundation
Timothy D R Loan 3 October 2022 - Present	Director, Dunedin City Holdings Limited Director, Dunedin City Treasury Limited Director, Dunedin Stadium Property Limited Director, Dunedin Railways Limited Director & Shareholder, Abbot Insurance Brokers Southern Limited Director, Finance Now Limited (including subsidiary companies: TW Financial Services Operations Limited, The Warehouse Financial Services Ltd and SBS Money Limited) Director and Shareholder, LWB Holdings Limited Director, Presbyterian Support Southland Holding Company Limited Director, Presbyterian Support Southland Retirement Villages Limited Chair, H&J Smith Holdings Limited (including subsidiary companies: H&J Smith Limited, H&J Smith Parking Building Limited, Outdoor World Limited, Outdoor Adventures Limited (dormant), H&J's Hardware Limited (dormant), Southern Department Stores Limited (dormant), Shotover Hardware Limited, Symphony Retailing Limited, Cross Roads Properties Limited, H&J's Electrical Limited, H&J's Properties Limited, H&J Smith Corporate Limited, H&J Smith Finance Limited)

Dunedin Stadium Property Limited

Directors' declarations of interest For the year ended 30 June 2025

Director

Declarations of Interests

Susie J Johnstone

1 March 2021 - present

Director, Dunedin City Holdings Limited
Director, Dunedin City Treasury Limited
Director, Dunedin Stadium Property Limited
Director, Dunedin Railways Limited
Director & Shareholder, Shand Thomson Chartered Accountants
Director & Shareholder, Johnstone Afforestation
Director, SDH GP Limited
Trustee, Dunedin Diocese Trust Board
Trustee, Clutha Community Foundation
Trustee of various client trusts through Shand Thomson & Abacus
Nominee Companies

Chris Milne

1 July 2023 - present

Director, Dunedin City Holdings Limited
Director, Dunedin City Treasury Limited
Director, Dunedin Stadium Property Limited
Director, Dunedin Railways Limited
Director and Shareholder, Murray & Company Limited
Chair, CSO Foundation Trust

Dunedin Stadium Property Limited

Statement of responsibility For the year ended 30 June 2025

The Board of Dunedin Stadium Property Limited accepts responsibility for the preparation of the annual financial statements and the judgements used in them;

The Board of Dunedin Stadium Property Limited accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting; and

In the opinion of the Board of Dunedin Stadium Property Limited, the annual financial statements for the financial year ended 30 June 2025 fairly reflect the financial position and operations of Dunedin Stadium Property Limited.



Chair
25 September 2025



Director
25 September 2025

Dunedin Stadium Property Limited

Statement of comprehensive revenue and expense For the year ended 30 June 2025

	Note	Actual 2025 \$'000	Budget 2025 \$'000	Actual 2024 \$'000
Operating revenue	1	1,000	1,000	2,647
Financial revenue	2	2	-	4
Total revenue		1,002	1,000	2,651
Less expenses:				
Operating expenses	4	1,240	1,658	1,143
Interest expense	3	3,744	4,138	3,880
Depreciation	6	5,379	5,783	5,206
Total expenditure		10,363	11,579	10,229
Surplus / (deficit) before tax		(9,361)	(10,579)	(7,578)
Subvention receipt		3,206	1,521	1,244
Income tax expense / (benefit)	5	-	-	-
Net surplus / (deficit) after tax		(6,155)	(9,059)	(6,334)
Other comprehensive revenue and expense		-	-	-
Total comprehensive revenue and expense for the year		(6,155)	(9,059)	(6,334)

Statement of changes in equity For the year ended 30 June 2025

		Actual 2025 \$'000	Budget 2025 \$'000	Actual 2024 \$'000
Opening equity		52,069	51,511	56,153
Share capital contributions	12	2,250	2,250	2,250
Total comprehensive revenue and expense for the year	12	(6,155)	(9,059)	(6,334)
Closing Equity		48,164	44,702	52,069

The accompanying notes and accounting policies form an integral part of these financial statements.

Dunedin Stadium Property Limited

Statement of financial position As at 30 June 2025

	Note	Actual 2025 \$'000	Budget 2025 \$'000	Actual 2024 \$'000
Current assets				
Cash and cash equivalents	9	20	20	20
Trade and other receivables	10	107	55	313
Total current assets		127	75	333
Non-current assets				
Property, plant and equipment	6	133,718	133,942	138,159
Total non-current assets		133,718	133,942	138,159
Total assets		133,845	134,017	138,492
Current liabilities				
Trade and other payables	11	317	131	356
Current portion of term borrowings	7	806	964	767
Total current liabilities		1,123	1,095	1,123
Non-current liabilities				
Term borrowings	7	84,558	88,220	85,300
Total non-current liabilities		84,558	88,220	85,300
Equity				
Share capital	12	133,929	133,929	131,679
Accumulated comprehensive revenue and expense	12	(85,765)	(89,227)	(79,610)
Total equity		48,164	44,702	52,069
Total liabilities and equity		133,845	134,017	138,492

The accompanying notes and accounting policies form an integral part of these financial statements.

Dunedin Stadium Property Limited

Statement of cash flows For the Year Ended 30 June 2025

	Note	Actual 2025 \$'000	Budget 2025 \$'000	Actual 2024 \$'000
Cash flow from operating activities				
<i>Cash was provided from:</i>				
Receipts from customers		1,000	1,000	2,647
Subvention receipts		3,206	1,521	1,244
Interest received		2	-	7
Net GST received		-	-	26
		4,208	2,521	3,924
<i>Cash was disbursed to:</i>				
Interest paid		3,705	4,097	3,823
Net GST paid		137	24	-
Payments to suppliers		1,257	1,687	1,163
		5,099	5,808	4,986
Net cash inflow/(outflow) from operating activities	17	(891)	(3,287)	(1,062)
Cash flow from investing activities				
<i>Cash was provided from:</i>				
Proceeds received from property, plant and equipment		308	-	-
<i>Cash was disbursed to:</i>				
Purchase of property, plant and equipment		925	1,205	3,132
Net cash inflow/(outflow) from investing activities		(617)	(1,205)	(3,132)
Cash flow from financing activities				
<i>Cash was provided from:</i>				
Shareholder capital		2,250	2,250	2,250
Receipt from borrowings		6,135	5,181	7,738
		8,385	7,431	9,988
<i>Cash was disbursed to:</i>				
Repayment of borrowings		6,877	2,940	5,808
		6,877	2,940	5,808
Net cash inflow/(outflow) from financing activities		1,508	4,491	4,180
Net increase/(decrease) in cash		0	0	(14)
Opening cash and cash equivalents		20	20	34
Closing cash and cash equivalents	9	20	20	20

The accompanying notes and accounting policies form an integral part of these financial statements.

Dunedin Stadium Property Limited

Notes to the Financial Statements For the Year Ended 30 June 2025

Reporting entity

The financial statements presented here are for the reporting entity Dunedin Stadium Property Limited (the Company).

Dunedin Stadium Property Limited is a Council Controlled Organisation as defined in the Local Government Act 2002. The Company, incorporated in New Zealand under the Companies Act 1993, is wholly owned by Dunedin City Holdings Limited, and its ultimate shareholder is Dunedin City Council.

The registered address of the Company is 50 The Octagon, Dunedin.

The primary objective of Dunedin Stadium Property Limited is to own and maintain the Forsyth Barr Stadium and receive a rental from the tenant.

The financial statements of the Company are for the year ended 30 June 2025.

Dunedin Stadium Property Limited is a Public Benefit Entity.

Statement of compliance

Under the accounting standards framework, the Company is deemed a Tier 2 PBE (RDR) on the basis that it is not considered publicly accountable or large (expenditure is less than \$33m per annum).

The financial statements were authorised for issue by the Directors on 25 September 2025.

Basis of preparation

The financial statements have been prepared in accordance with the requirements of the LGA 2002, which includes the requirements to comply with NZ GAAP.

The financial statements have been prepared on an historical cost basis.

These financial statements are presented in New Zealand dollars because that is the currency of the primary economic environment in which the Company operates. The financial statements are rounded to the nearest thousand (\$000).

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2025 and the comparative information for the year ended 30 June 2024.

Goods and Services Tax (GST)

Revenues, expenses, assets and liabilities are recognised net of the amount of Goods and Services Tax (GST), except for trade receivables and trade payables which are recognised inclusive of GST.

Notes to the Financial Statements For the Year Ended 30 June 2025

Critical accounting estimates and assumptions

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual result. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. No estimates or assumptions made are considered to have a material risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

At each balance date, the useful lives and residual values of property, plant and equipment are reviewed. Assessing the appropriateness of useful life and residual value estimates requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset, and expected disposal proceeds from the future sale of the asset.

Critical judgements in applying accounting policies

There have been no critical judgements in applying accounting policies for the year ended 30 June 2025.

Changes in accounting policies

There have been no changes in accounting policies.

Dunedin Stadium Property Limited

Notes to the Financial Statements For the Year Ended 30 June 2025

1. Operating Revenue

Accounting policy

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and GST.

Revenue from services rendered is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity. The stage of completion at balance date is assessed based on the value of services performed to date as a percentage of the total services to be performed.

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

Subvention receipts are received to the value of the losses available to be utilised by companies within the consolidated tax group. Annual subvention receipts are recognised when due and payable. Subvention receipt for loss utilisation is recognised upon completion of the consolidated tax return.

	2025 \$'000	2024 \$'000
Rental and reimbursements from Dunedin Venues Management Limited	1,000	2,647
	<u>1,000</u>	<u>2,647</u>

2. Financial Revenue

Accounting policy

Interest income is accrued, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

	2025 \$'000	2024 \$'000
Interest received from funds on deposit	2	4

The rate of interest earned on deposits is 4.37% (2024: 5.50% p.a.)

3. Interest Expense

Accounting policy

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of comprehensive revenue and expense in the period in which they are incurred.

	2025 \$'000	2024 \$'000
Interest to Dunedin City Treasury Limited	3,744	3,880

Dunedin Stadium Property Limited

Notes to the Financial Statements For the Year Ended 30 June 2025

4. Operating Expenses

	2025 \$'000	2024 \$'000
Audit fees - for audit of financial statements	42	37
Audit fees - cost recovery from last year's audit	3	-
Directors remuneration	24	22
Other expenses	1,171	1,084
Total operating expenses	1,240	1,143

5. Taxation

Accounting policy

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive revenue and expense because it excludes items of revenue or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the balance date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of financial performance, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

	2025 \$'000	2024 \$'000
Surplus / (deficit) for the year before income tax	(9,361)	(7,578)
Income tax credit at 28%	(2,621)	(2,122)
<i>Tax effect of following adjustments</i>		
Non-deductible building depreciation	759	213
Deferred tax on losses not recognised	1,862	1,909
Tax losses to be utilised	-	-
Adjustment to previous years taxation provision	-	-
Income tax expense / (benefit)	-	-

Dunedin Stadium Property Limited

Notes to the Financial Statements For the Year Ended 30 June 2025

The Company has not recognised a deferred tax asset in relation to tax losses of \$19,300,038 (2024: \$24,148,831) and temporary differences of nil (2024: nil).

The Company intends to transfer the tax losses to the DCC Group in future years by means of subvention payments and tax loss offsets.

6. Property, Plant and Equipment

Accounting policy

Property, plant and equipment are those assets held by the Company for the purpose of carrying on its business activities on an ongoing basis.

The Company's entire property, plant and equipment (known as Forsyth Barr Stadium) is subject to an operating lease with Dunedin Venues Management Limited.

All property, plant and equipment is stated at cost less any subsequent accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost of assets on the straight-line basis. Rates used have been calculated to allocate the assets cost less estimated residual value over their estimated remaining useful lives. Depreciation commences when the assets are ready for their intended use.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation rates and methods used are as follows:

	<i>Rate</i>	<i>Method</i>
Buildings	2%	Straight line
Fit out	2% to 30%	Straight line
Pitch construction	7.5% to 13.5%	Straight line
External site works	2% to 10.5%	Straight line
Furniture, fittings & equipment	4% to 67%	Straight line

Impairment of assets

At each balance date, the Company reviews the carrying amounts of its 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is immediately recognised as an expense.

Dunedin Stadium Property Limited

Notes to the Financial Statements For the Year Ended 30 June 2025

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is immediately recognised as revenue.

2025	Land	Buildings	Fit out	Pitch construction	External site works	Fixtures fittings & equipment	Work in Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cost								
Balance at beginning of year	28,526	126,465	47,192	2,223	7,101	11,619	227	223,351
Additions	-	-	120	-	-	-	818	938
Disposals	-	-	(134)	-	-	-	-	(134)
Transfers	-	350	328	-	-	6	(684)	-
Balance at end of year	28,526	126,815	47,506	2,223	7,101	11,625	361	224,155
Accumulated depreciation								
Balance at beginning of year	-	32,670	37,359	2,183	2,768	10,213	-	85,193
Depreciation	-	2,531	2,236	39	206	367	-	5,379
Disposals	-	-	(134)	-	-	-	-	(134)
	-	35,201	39,461	2,222	2,974	10,580	-	90,438
Net book value at end of year	28,526	91,614	8,045	1	4,127	1,045	361	133,718
2024	Land	Buildings	Fit out	Pitch construction	External site works	Fixtures fittings & equipment	Work in Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cost								
Balance at beginning of year	28,526	126,465	46,865	2,223	7,101	11,753	13	222,944
Additions	-	-	2,663	-	-	-	227	2,890
Disposals	-	-	(2,349)	-	-	(134)	-	(2,483)
Transfers	-	-	13	-	-	-	(13)	-
Balance at end of year	28,526	126,465	47,192	2,223	7,101	11,619	227	223,352
Accumulated depreciation								
Balance at beginning of year	-	30,140	37,697	2,122	2,562	9,949	-	82,470
Depreciation	-	2,530	2,011	61	206	398	-	5,206
Disposals	-	-	(2,349)	-	-	(134)	-	(2,483)
	-	32,670	37,359	2,183	2,768	10,213	-	85,193
Net book value at end of year	28,526	93,795	9,833	40	4,333	1,406	227	138,159

Dunedin Stadium Property Limited

Notes to the Financial Statements For the Year Ended 30 June 2025

7. Term Borrowings

Accounting policy

Term borrowings are recorded gross of directly attributable transaction costs and measured at amortised cost. The total facility amount available to the Company is \$90.00 million. Finance charges are accounted for on an accrual basis to the statement of financial performance using the effective interest method and are included in the current portion of the term borrowings.

	2025 \$'000	2024 \$'000
Loan balance owing to Dunedin City Treasury Limited	85,364	86,067
The repayment period on the borrowings is as follows:		
Less than one year (current portion)	806	767
Greater than one year (non-current portion)	84,558	85,300
	<u>85,364</u>	<u>86,067</u>

Debt repayment is reviewed annually. Term borrowings are planned to be reduced each year with any surplus funds available after expenses.

The Company continues to work with Dunedin City Holdings Limited and its subsidiary companies on maintaining cash funding through subvention receipts and equity contributions.

The weighted average interest rate for the loan facility at year end was 4.41% (2024: 4.6%).

All borrowings are provided under a facility agreement with Dunedin City Treasury Limited (DCTL), a related party of the Company. DCTL provides corporate treasury services to Dunedin City Council (DCC), Dunedin City Holdings Limited (DCHL) and its subsidiaries. DCTL sources external debt and on-lends to DCC and the council-controlled organisations based on an average cost of borrowings. The borrowings are not required to be repaid provided the borrower is not in default and continues to meet the terms of the borrowing. The borrower may repay principal balances at any time.

The Company has assessed that the fair value of borrowings on initial recognition is the face value. The interest rate set by DCTL is considered a market rate as it is based on an internal borrowing index for a fixed interest period. Debt is sourced by DCTL on ordinary commercial terms, arranged by major trading banks. DCTL also borrows from the Local Government Funding Agency (LGFA). DCTL has a credit rating equal to that of DCC and has assessed the same level of credit risk for all borrowers within the DCC group since they are ultimately owned by DCC and rely on their underlying support in a stress scenario. Accordingly, DCTL does not apply different credit spreads to different borrowers.

For the reasons noted above, the Company continues to deem it appropriate to measure its loan from DCTL at amortised cost.

Notes to the Financial Statements For the Year Ended 30 June 2025

8. Financial Instruments

Accounting policy

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. All financial assets and financial liabilities are recognised at amortised cost.

Capital risk management

When managing capital, management's objective is to ensure the entity continues as a going concern. The Company is undercapitalised, however the Company has uncalled capital of \$111,071,089 and the Company's ability to make calls on this uncalled capital will enable the Company to manage the capital risk.

Categories of financial instruments

	2025 \$'000	2024 \$'000
Financial assets:		
Bank current account	20	20
Debtors and other receivables	16	312
Interest receivable	1	1
Financial liabilities:		
Creditors and accrued expenses	317	309
Borrowings (current and non-current)	85,364	86,067

9. Cash and cash Equivalents

Accounting policy

Cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

	2025 \$'000	2024 \$'000
Bank current account	20	20
	<u>20</u>	<u>20</u>

Cash and short-term deposits comprise cash held by the Company and short-term deposits. The carrying amount of these assets approximates their fair value.

Dunedin Stadium Property Limited

Notes to the Financial Statements For the Year Ended 30 June 2025

10. Trade and Other Receivables

Accounting policy

Trade and other receivables are stated at cost less any expected credit losses.

	2025 \$'000	2024 \$'000
Interest receivable	1	1
Debtors and other receivables	16	312
GST Receivable	90	-
	<u>107</u>	<u>313</u>
Total receivables comprise:		
Receivables from non-exchange transactions	-	-
Receivables from exchange transactions	107	313

11. Trade and Other Payables

Accounting policy

Trade and other payables are stated at cost.

	2025 \$'000	2024 \$'000
Trade creditors and accrued expenses	317	309
GST Payable	-	47
	<u>317</u>	<u>356</u>

12. Equity

	2025 \$'000	2024 \$'000
Share capital		
Shares on issue \$1 per share	245,000	245,000
Called and fully paid capital:		
Opening balance	131,679	129,429
Call on capital during the year	2,250	2,250
Balance at the end of the year	<u>133,929</u>	<u>131,679</u>
Uncalled capital	<u>111,071</u>	<u>113,321</u>

Fully paid ordinary shares carry one vote per share, carry a right to dividends and, upon winding up, a pro rata share of the Company's net assets.

Accumulated comprehensive revenue and expense

Opening balance	(79,610)	(73,276)
Net surplus / (deficit) for the year after taxation	(6,155)	(6,334)
Balance at the end of the year	<u>(85,765)</u>	<u>(79,610)</u>

Dunedin Stadium Property Limited

Notes to the Financial Statements For the Year Ended 30 June 2025

13. Capital Expenditure and Operating Lease Commitments

Capital commitments

At balance date, the Company had the following contractual commitments in respect of property, plant and equipment:

Fit-out \$118,606 (2024: \$207,750)

Operating lease commitments as lessee

The Company had no operating lease commitments as lessee at year end (2024: \$nil).

Operating lease commitments as lessor

The Company has entered into a rental agreement with Dunedin Venues Management Limited to rent the stadium assets for a term of 20 years from 1 August 2011. A variation of lease came into effect on 1 July 2024 with the rental being \$1,000,000 per annum (2024: \$2,000,000).

	2025 \$'000	2024 \$'000
Rent receivable within one year	1,000	1,000
Rent receivable between one to five years	4,000	4,000
Rent receivable later than five years	1,083	2,083
	<u>6,083</u>	<u>7,083</u>

14. Contingent Liabilities

There were no contingent liabilities at year end (2024: \$nil).

15. Related Party Transactions

Transactions with Dunedin City Council and its controlled entities:

The Company provided services and traded with Dunedin City Council and its controlled entities in respect of the following transactions:

	2025 \$'000	2024 \$'000
Dunedin City Council		
Rates paid	180	171
	<u>180</u>	<u>171</u>
Dunedin City Treasury Limited		
Interest paid	3,744	3,880
Interest received	2	4
	<u>3,746</u>	<u>3,884</u>
<i>As at balance date:</i>		
Payable to Dunedin City Treasury Limited:		
Loan – refer Note 7	85,364	86,067
	<u>85,364</u>	<u>86,067</u>

The receipt from borrowings and repayment of borrowings is disclosed in the Statement of Cash

Receivable from Dunedin City Treasury Limited:

Interest receivable	1	1
	<u>1</u>	<u>1</u>

Dunedin Stadium Property Limited

Notes to the Financial Statements For the Year Ended 30 June 2025

Dunedin Venues Management Limited

Rent and costs received	1,000	2,647
Management fee paid	(70)	(70)
Reimbursements for capital expenditure	(938)	(305)
Reimbursements for operating expenses	(333)	(307)
	<u>(341)</u>	<u>1,965</u>

As at balance date:

Payable to Dunedin Venues Management Limited:	270	268
Receivable from Dunedin Venues Management Limited:	-	(308)
	<u>270</u>	<u>(40)</u>

City Forests Limited

Subvention payment received	1,777	1,244
	<u>1,777</u>	<u>1,244</u>

During the year, losses were transferred to City Forest Limited by subvention payment of \$1,777k and loss offset of \$4,568k.

Aurora Energy Limited

Subvention payment received	1,429	-
	<u>1,429</u>	<u>-</u>

During the year, losses were transferred to Aurora Energy Limited by subvention payment of \$1,429k and loss offset of \$3,675k.

No related party debts have been written off or forgiven during the year and no provision has been required for impairment of any receivables from related parties.

Compensation of key management personnel

The remuneration of Directors during the year was \$24,205 (2024: \$22,343).

A management agreement is in place with the Dunedin City Holdings Limited (DCHL) to provide management and accounting services to the Company. DCHL does not intend to charge the Company for these services. The necessary governance is provided by the Chair and Directors of the Company. The majority of Directors are also Directors of DCHL and are remunerated by DCHL. One Director, who was appointed to the Board in June 2025 and became Chair in July 2025, is not a Director of DCHL and was remunerated directly by the Company for their service during June. The Chair continued to be remunerated by the Company.

Notes to the Financial Statements For the Year Ended 30 June 2025

16. Explanations of major variances against budget

Explanations for major variances from the Company's 2024/25 budget figures are as follows:

Statement of comprehensive revenue and expense

The subvention receipt for the year was \$3,205,535, compared to a budgeted \$1,512,000. The higher receipt reflects the utilisation of prior year tax losses, made possible by higher taxable profits across the Group.

Operating expenses for the year were \$10,363,000, compared to a budgeted \$11,579,000. This favourable variance was driven by a combination of factors, including lower interest expense (resulting from both reduced interest rates and the higher subvention receipt), along with other operational cost variances.

Statement of financial position

Term borrowings at 30 June 2025 were \$84,558,000, compared to a budgeted \$88,220,000. The lower borrowings position is primarily attributable to the higher subvention receipt and other favourable operational cost variances.

17. Going Concern

The financial statements have been prepared using the going concern assumption.

The Company has recorded a net deficit after taxation of \$6,155,000 and a net working capital deficit of (\$996,000) at 30 June 2025.

This year subvention payments of \$3,205,535 were received from companies within the Dunedin City Holdings Limited Group in relation to the 2024 financial year. The ability to make subvention payments is dependent on the ongoing profitability of the Dunedin City Consolidated Income Tax Group. The Company has tax losses of \$19,300,038 to carry forward as at 30 June 2025, which the Company intends to transfer to the Dunedin City Holdings Limited group in future years by means of subvention payments and tax loss offsets.

The Company's position is mitigated by the uncalled capital of \$111,071,000 available to it. Under its Constitution, the uncalled capital can be drawn by the Company on demand as and when required.

The Company has ongoing borrowing facilities in place with Dunedin City Treasury Limited and is forecasting to remain within existing facility limits during the Statement of Intent forecast period to 30 June 2028.

Dunedin Stadium Property Limited

Notes to the Financial Statements For the Year Ended 30 June 2025

18. Reconciliation of Net Deficit for the Year to Cash Flows from Operating Activities	2025 \$'000	2024 \$'000
Net surplus / (deficit) for the year after taxation	(6,155)	(6,334)
<i>Items not involving cash flows</i>		
Depreciation	5,379	5,206
<i>Impact of changes in working capital items</i>		
(Increase) /decrease in debtors and other receivables	(16)	-
(Increase) /Decrease in interest receivable	-	3
(Increase) /decrease in subvention payment receivable	-	-
(Increase) /decrease in income tax receivable	-	-
Increase / (decrease) in GST payable	(137)	26
Increase / (decrease) in trade and other payables	(1)	(20)
Increase / (decrease) in interest accrued	39	57
Net cash flow from operating activities	<u>(891)</u>	<u>(1,062)</u>

19. Events After Balance Date

During the year ended 30 June 2025, the Dunedin City Council (the DCC) completed a review of Dunedin Venues Management Limited (DVML) and the Company. Following completion of this review, the Company continues to work with Dunedin City Holdings Limited (DCHL) and the DCC to model long-term debt repayment requirements. Any material funding changes arising from this work are likely to be consulted on as part of DCC's 2026/27 Annual Plan consultation process to be undertaken in the 2026 financial year.

There have been no other significant events since balance date.

**Statement of service performance
For the Year Ended 30 June 2025**

Objectives	Performance targets	Achievements
1 Ensure an Asset Management Plan which enables general use of the stadium, and meets asset warranty and guarantee requirements, is in place.	An Asset Management Plan is in place.	An Asset Management Plan is in place.
2 Ensure the Asset Management Plan remains current and relevant.	The Asset Management Plan is internally reviewed annually, and externally reviewed every three years.	The Asset Management Plan has been internally reviewed during the 2025 financial year. The external review took place in the 2024 financial year, the next external review is due in the 2027 financial year.
3 Ensure assets are appropriately maintained.	A current Building Warrant of Fitness is always maintained for the stadium. The Board monitors progress against the Asset Management Plan and material changes to approved budgets.	A current Building Warrant of Fitness is in place. The Board monitored progress against the Asset Management Plan and considered any material changes to the approved budgets at Board meetings during the year.
4 Ensure an appropriate debt management programme is in place.	A debt management programme is in place and reviewed by the Board annually.	DSPL's current plan is to direct any available funds, after expenses, to debt reduction. This was reviewed as part of consideration of the budget for FY2026 to FY2028 and results for the year. DSPL borrowings decreased by \$0.7m in FY2025 and are forecast to continue to remain relatively flat in the forecast period. DSPL is working with DCHL and DCC to model long-term debt repayment requirements in advance of DCC's next Annual Plan.
5 Ensure Statement of Intent is consistent with objectives of the shareholder.	A draft 2025/2026 Statement of Intent will be submitted to the shareholder by 1 March 2025.	The draft 2025/2026 Statement of Intent was submitted to DCHL and DCC by 1 March 2025.
6 Contribute to Council's Carbon Neutrality initiatives.	Refine and continue to implement DSPL's carbon emissions strategy and achieve and publicly report progress against our targets. Refine and continue to implement DSPL's waste reduction strategy and achieve and publicly report progress against our targets. Measure and publicly report our Greenhouse Gas (GHG) emissions, and progress towards our emissions and waste reduction strategies and targets, in our Annual Report.	DSPL continues to implement its strategy. Carbon emission impacts are considered as part of all capital expenditure proposals and opportunities to reduce carbon emissions have been identified. No formal targets were set for FY2025. DSPL continues to implement its strategy. Waste impacts are considered as part of all capital expenditure proposals. No formal targets were set for FY2025. DSPL does not report a GHG emissions footprint because all emissions associated with Forsyth Barr Stadium are measured and reported by sister company Dunedin Venues Management Limited

Dunedin Stadium Property Limited

Statement of service performance For the Year Ended 30 June 2025

- | | | | |
|---|--|--|--|
| 7 | Consult with the shareholder in a timely manner on DSPL strategic or operational matters which could compromise the Council's community outcomes. | No such matters that were not escalated to the shareholder in a timely manner. | There were no matters requiring escalation to the shareholder. |
| 8 | Report to the shareholder within 24 hours of the Board becoming aware of any substantive matter, including any matter likely to generate media coverage. | No such matters that were not reported to the shareholder within 24 hours. | There were no matters of substance to report to the shareholder. |

Financial forecasts	\$'000	Achievement	\$'000
EBITDA	(658)	EBITDA	(238)
Net surplus/(deficit) after tax	(9,059)	Net surplus/(deficit) after tax	(6,155)
Cash flow from operations	(3,287)	Cash flow from operations	(891)
Capital expenditure	1,205	Capital expenditure	938
Term loans	88,220	Term loans	84,558
Shareholder's funds	44,702	Shareholder's funds	48,164
Shareholder's funds to total assets	33%	Shareholder's funds to total assets	36%
Dividend distributions	Nil	Dividend distributions	Nil

The financial forecasts in the Statement of Intent were impacted by increased subvention receipts, as the Company was able to utilise prior year tax losses due to higher taxable profits across the group. The Company continues to work with Dunedin City Holdings Limited and Dunedin City Council to model long-term debt repayment requirements and ensure a sustainable financial model for the stadium.

The operating deficit before tax and subventions for the year was \$9,361,000 compared to a budgeted deficit of \$10,579,000. This favourable variance reflects a range of factors, including lower interest expense (due to a reduced interest rate and the higher subvention receipt), and other operational cost variances.

Dunedin Stadium Property Limited

Directory

Directors

William Cockerill (7 June 2016 - 30 June 2025)

David O'Malley (1 June 2025 - present)

Timothy Loan (3 October 2022 - present)

Susie Johnstone (1 March 2021 - present)

Chris Milne (1 July 2023 - present)

Greg Anderson (1 July 2023 - present)

Shane Ellison (1 July 2025 - present)

Registered office

50 The Octagon

Dunedin 9016

Bankers

Westpac Banking Corporation

Solicitors

Anderson Lloyd

Taxation advisors

Deloitte

Auditor

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

Independent Auditor's Report

To the readers of Dunedin Stadium Property Limited's financial statements and statement of service performance for the year ended 30 June 2025

The Auditor-General is the auditor of Dunedin Stadium Property Limited (the Company). The Auditor-General has appointed me, Rudie Tomlinson, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and statement of service performance of the Company on his behalf.

We have audited:

- the financial statements of the Company on pages 8 to 23, that comprise the statement of financial position as at 30 June 2025, 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 accounting policies and other explanatory information; and
- the statement of service performance of the Company for the year ended 30 June 2025 on pages 24 to 25.

Opinion

In our opinion:

- the financial statements of the Company:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2025; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards Reduced Disclosure Regime; and
- the statement of service performance:
 - accurately reports, in all material respects, the Company's actual performance compared against the performance targets and other measures by which the Company's performance can be judged in relation to the Company's objectives in its statement of intent for the year ended 30 June 2025; and
 - has been prepared, in all material aspects, in accordance with section 68 of the Local Government Act 2002 (the Act).

Our audit was completed on 26 September 2025. This is the date at which our opinion is expressed.

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 for the audit of the financial statements and the statement of service performance* 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 statement of service performance

The Board of Directors is responsible on behalf of the Company for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Directors is also responsible for preparing the statement of service performance in accordance with 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 statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the statement of service performance, the Board of Directors is responsible on behalf of the Company for assessing the Company'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 the Board of Directors either intend to liquidate the Company or to cease operations or has 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 the statement of service performance

Our objectives are to obtain reasonable assurance about whether the financial statements and the statement of service performance, 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 the statement of service performance.

For the budget information reported in the financial statements and the statement of service performance, our procedures were limited to checking that the information agreed to the Company's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the statement of service performance.

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 the statement of service performance, 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 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 Company'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 Company'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 the statement of service performance 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 Company 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 statement of service performance, including the disclosures, and assess whether the statement of service performance achieves its statutory purpose of enabling the Company's readers to judge the actual performance of the Company 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 during 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 the information included in the annual report other than the financial statements and the statement of service performance, and our auditor's report thereon.

Our opinion on the financial statements and the statement of service performance 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 statement of service performance, 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 statement of service performance, 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 Company in accordance with the independence requirements of 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)* issued by the New Zealand Auditing and Assurance Standards Board.

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



Rudie Tomlinson
Audit New Zealand
On behalf of the Auditor-General
Dunedin, New Zealand