

## GREAT SOUTH AND SPACE OPERATIONS NEW ZEALAND LTD STATEMENT OF INTENTS 2026-2029

**To:** Council

**Meeting Date:** Tuesday 22 September 2026

**From:** Michal Gray, Governance Specialist

**Approved:** Trudie Hurst – Group Manager – Community Engagement and Corporate Services

**Approved Date:** Thursday 17 September 2026

**Open Agenda:** No

**Public Excluded Agenda:** Yes

| Section of the Act | Subclause and Reason under the Act                                                                                                                                      | "Plain English" Reason | When Report Can Be Released                 |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------------------------------------|
| 7(2)               | (i) Enable any local authority holding the information to carry on, without disadvantage, prejudice or negotiations (including commercial and industrial negotiations). | Commercial Negotiation | Future date to be confirmed with redactions |

### Purpose and Summary

The purpose of this report is for Council to receive the final Statement of Intents (SOIs) for Southland Regional Development Agency (Great South) and Space Operations New Zealand Ltd (SpaceOps New Zealand)

A SOI must be adopted by Great South and by SpaceOps New Zealand under the Local Government Act 2002.

### Recommendations

That Council:

1. Receives the report "Great South and Space Operations New Zealand Ltd Statements of Intents 2026-2029".

2. Confirms receipt of the Great South Southland Regional Development Agency Statement of Intent 2026-2029 and the Space Operations New Zealand Ltd Statement of Intent 2026-2029.

## Background

Section 64 of the Local Government Act 2002 (LGA) requires Great South, as a Council Controlled Organisation and SpaceOps New Zealand, as Council Controlled Trading Organisation, to each adopt a Statement of Intent.

Schedule 8 of the LGA sets out requirements in relation to the Statements of Intent of both Council Controlled Organisations and Council Controlled Trading Organisations.

The Boards of Great South and SpaceOps New Zealand, provided the shareholders with draft Statements of Intent for review, as required by Clause 1 of Schedule 8.

At its meeting on 13 March 2025, the Great South Joint Shareholders Committee (JSC) received the draft Statements of Intent and requested the following change be made by the Board:

- That two KPIs relating to geospatial data be deferred to a future Statement of Intent. This was requested to enable alignment with the local government Long-term Planning process and to allow for further discussion on the respective roles of Great South and Environment Southland within this scope of work, with the intent of avoiding duplication.

## Issues

The final Statement of Intent delivered by the Great South Board is contained in Attachment 1 and the changes requested by the JSC have been made - the two KPIs relating to geospatial data have been removed from the Statement of Intent.

Feedback to questions has been received from Great South and this is contained in Attachment 3.

The final Statement of Intent for SpaceOps New Zealand is contained in Attachment 2 and there are no changes from the draft Statement of Intent.

## Next Steps

The SOIs will be published on Council's website as required by the LGA.

## Attachments

1. Great South Statement of Intent 2026-2029 (ID 10994199)
2. Space Operations New Zealand Ltd Statement of Intent 2026-2029 (ID 10994201)
3. Great South Statement of Comprehensive Revenue and Expense (ID 11287494)

ID 10994199



# Statement of Intent

## 2026 - 2029

## COMPANY DIRECTORY

### **SOUTHLAND REGIONAL DEVELOPMENT AGENCY LIMITED TRADING AS GREAT SOUTH**

PO Box 1306  
Invercargill 9810  
(03) 211 1400  
[www.greatsouth.nz](http://www.greatsouth.nz)

### **DIRECTORS**

Ian Collier (Chair)  
Jeff Grant  
Lucy Griffiths  
Peter Heenan  
Rachel Lindsay  
Maria Pera

### **REGISTERED OFFICE**

Southland Regional Development Agency Limited  
143 Spey Street, Invercargill

### **BANK**

Westpac New Zealand

### **AUDITORS**

KPMG (on behalf of the Office of the Auditor General)

### **SHAREHOLDERS**

*Class A Shareholders*  
Invercargill City Council  
Southland District Council  
Gore District Council  
Environment Southland

*Class B Shareholders*  
Invercargill Licensing Trust  
Mataura Licensing Trust  
Southland Chamber of Commerce  
Southern Institute of Technology

### **MEMBERS**

Community Trust South

### **LEGAL STATUS**

Southland Regional Development Agency Limited ("SRDA") was incorporated in New Zealand on 29 March 2019 under the Companies Act 1993 (NZBN 9429047359185).

### **COMPANIES OWNED BY THE SOUTHLAND REGIONAL DEVELOPMENT AGENCY LTD.**

Space Operations New Zealand Limited – 100%

### **PURPOSE OF THIS STATEMENT OF INTENT**

In accordance with the requirements of Section 64(1) of the Local Government Act 2002, this Statement of Intent publicly states the planned activities, intentions and performance measures for Great South, Southland Regional Development Agency, for the next three years. It is written in response to the shareholders' letter of expectation, received 19 September 2025.

Great South is tasked with leading the future growth aspirations of Southland on behalf of its shareholders, stakeholders and the wider Southland community.

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# Foreword

**It is my privilege to present this Statement of Intent on behalf of Great South and to reflect on the contribution Great South continues to make on behalf of its shareholders for the benefit of Murihiku Southland.**

This past year has once again highlighted the resilience, ambition and collaborative spirit that define our region and the role Great South plays in supporting the region's growth aspirations.

Our vision of **even better lives through sustainable regional development** continues to guide our work and anchor the outcomes we are committed to delivering. Every programme, partnership and investment is focused on ensuring Southland remains a place where people and businesses can thrive.

To support regional development, we are involved with geospatial planning, participating in a coordinated approach to housing, including the Build Southland platform and supporting a dedicated housing forum, with each initiative helping to ensure the region is well placed to meet changing needs.

We were privileged to take a lead role in developing the Murihiku Southland Aquaculture Pathway which will unlock one of Southland's most promising growth sectors, with clear potential to create jobs, attract investment and diversify the economy.

Regional promotion remains a powerful driver of Southland's profile and vibrancy. Targeted marketing, strong partnerships, increased city centre activation and a growing focus on business events are helping to lift visitation and support local operators, while reinforcing Southland's reputation as a distinctive and welcoming destination.

Supporting sustainable business capability and diversification is a cornerstone of our work. We are doing all we can to support major investments in aquaculture, space operations and data centre construction and participating in workforce initiatives including Southland Youth Futures, the Mayors Taskforce for Jobs and CareerFest Southland. All of these actions and activities are aimed at strengthening the region's economic foundations and future workforce.

Our commitment to sustainability and low-emissions progress remains strong. Regional emissions monitoring, the Net Zero Southland Plan and the Southland Murihiku Regional Energy Strategy are helping guide Southland toward a more resilient future, while supporting industries and communities to adapt with confidence.

Space Operations New Zealand continues to be one of our standout success stories. With enhanced infrastructure and growing international partnerships, SpaceOps is firmly positioning Southland as a leader in New Zealand's space sector while creating high-value opportunities for the region.

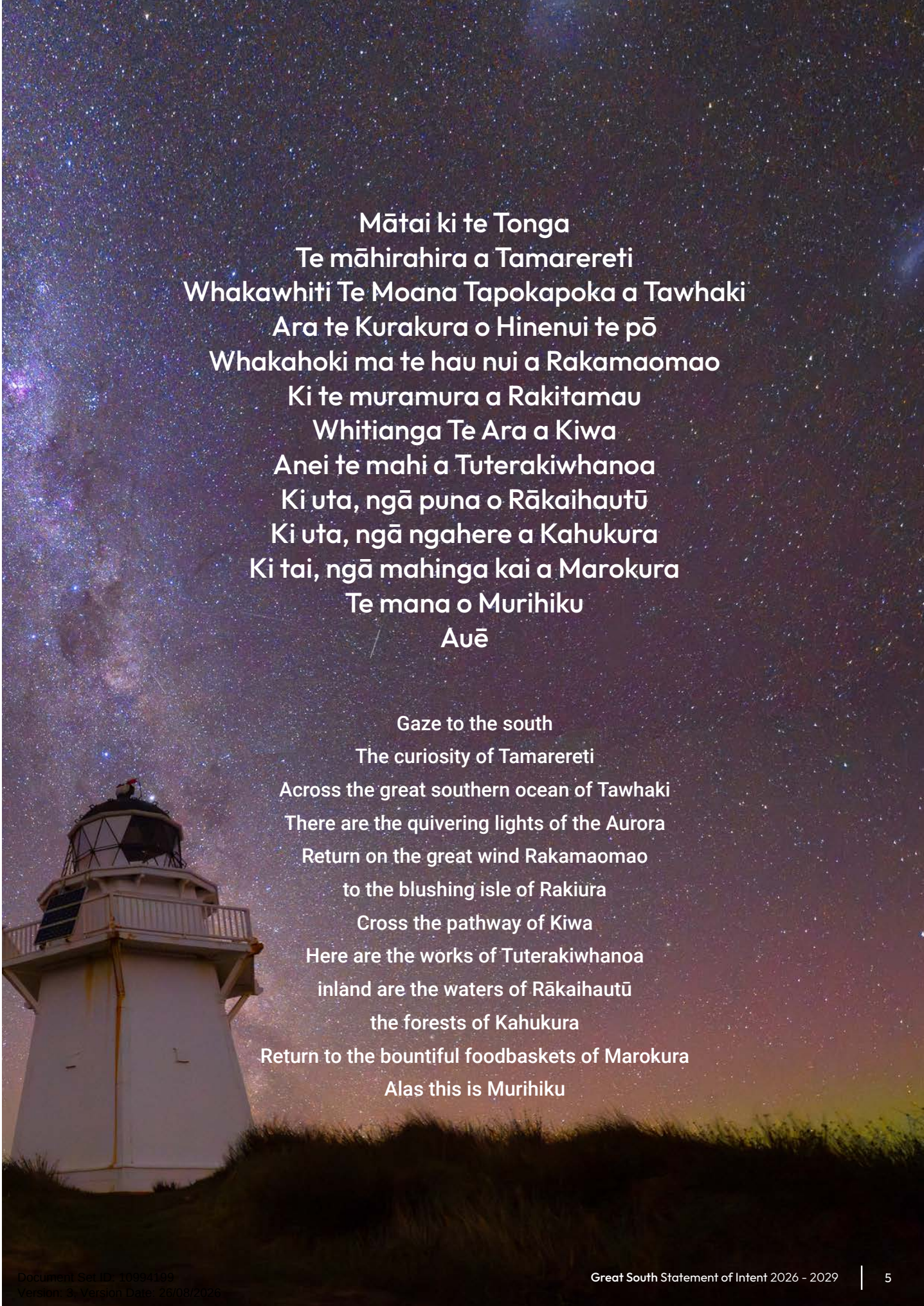
Together, these initiatives and actions demonstrate an organisation firmly focused on strengthening regional resilience, accelerating sustainable growth and unlocking new opportunities for Murihiku Southland.

As we look ahead, Great South remains committed to driving progress across our key pillars and portfolios, supporting a local economy that is diverse and future ready, and ensuring our region continues to thrive in an increasingly competitive and fast-changing world.



**Ian Collier**  
Great South Board Chair





Mātai ki te Tonga  
Te māhirahira a Tamarereti  
Whakawhiti Te Moana Tapokapoka a Tawhaki  
Ara te Kurakura o Hinenui te pō  
Whakahoki ma te hau nui a Rakamaomao  
Ki te muramura a Rakitamau  
Whitianga Te Ara a Kiwa  
Anei te mahi a Tuterakiwhanoa  
Ki uta, ngā puna o Rākaihautū  
Ki uta, ngā ngahere a Kahukura  
Ki tai, ngā mahinga kai a Marokura  
Te mana o Murihiku  
Auē

Gaze to the south  
The curiosity of Tamarereti  
Across the great southern ocean of Tawhaki  
There are the quivering lights of the Aurora  
Return on the great wind Rakamaomao  
to the blushing isle of Rakiura  
Cross the pathway of Kiwa  
Here are the works of Tuterakiwhanoa  
inland are the waters of Rākaihautū  
the forests of Kahukura  
Return to the bountiful foodbaskets of Marokura  
Alas this is Murihiku

# Our vision

## Even better lives through sustainable regional development

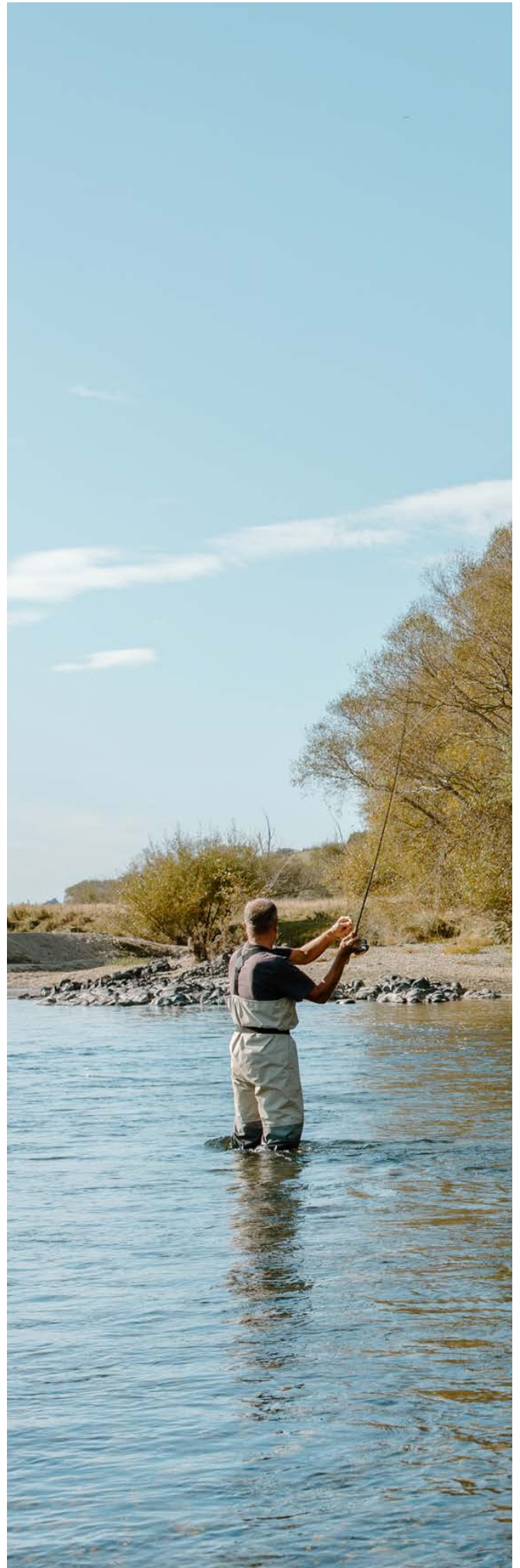
Great South remains focused on delivering outcomes that create even better lives for the people of Murihiku Southland. Our vision of even better lives through sustainable regional development continues to guide our work, shaping the decisions we make and the strategies we implement on behalf of the region.

Over the next year, we will continue the strong direction set over the past two years, building on established strategies and consolidating the progress already achieved. As Murihiku Southland's regional development agency, we are committed to driving economic development and raising the profile of our region as a place to live, work, visit and invest.

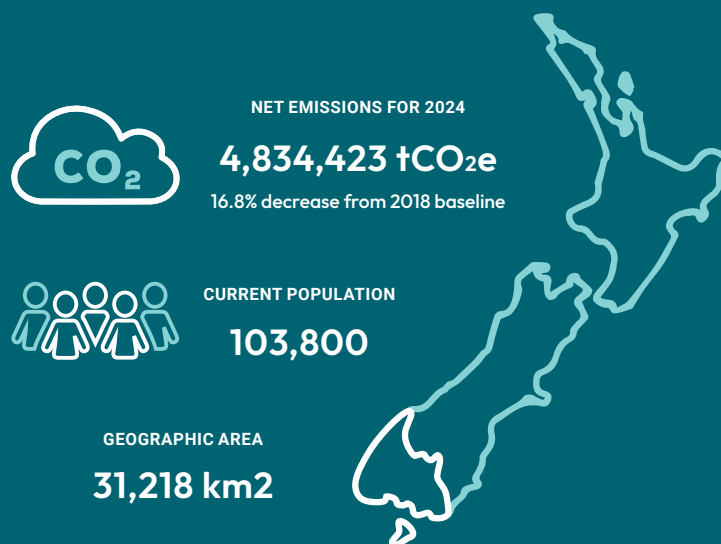
We want Murihiku Southland to be the best place to start and grow a business, the best place to learn, travel, host events and conferences, and the best place to build a life. Creating a region that is vibrant, welcoming and full of opportunity remains central to everything we do.

Major shifts in industry, technology and climate will continue to influence how our region operates. Ensuring sustainable development across environmental, economic and social dimensions, will remain essential to Murihiku Southland's long-term success.

By focusing on what matters most for our communities and working collaboratively with partners across the region, we are committed to shaping a resilient, prosperous and thriving future for Murihiku Southland.



# Southland snapshot



REGIONAL GDP

**\$8.84b**



AVERAGE HOUSEHOLD INCOME

**\$120,900**



UNEMPLOYMENT RATE

**3.7%**

## MAIN INDUSTRIES BASED ON NUMBER OF EMPLOYEES



Agriculture



Retail



Health Care



Manufacturing



Accommodation  
& Food Services

*Figures sourced from MBIE, Infometrics & Statistics New Zealand*



# How we operate

Great South works for the benefit of the whole region, placing equal importance on Southland's people, place, environment and economy.

With the future of New Zealand's Aluminium Smelter at Tiwai Point now confirmed for the next 20 years, we understand this will be a time of unprecedented change for Southland and strong leadership is required.

## ROLES OF GREAT SOUTH

Our role varies depending on the nature of the project or initiative we are involved with. We are always building on relationships with sector representatives and key Southland stakeholders, and now that we are more established as an organisation, increasingly our role is to lead.

Our roles may be:

Advocate

Facilitate

Manage

Own

## PARTNERING FOR SUCCESS

The future success of our region depends on partnerships. Great South works closely with stakeholders and the wider community and is committed to telling the shared stories of Murihiku Southland's people and place. Great South is committed to meeting its obligations under Te Tiriti o Waitangi and collaborates with the four Murihiku-based Rūnaka on numerous projects.

## SUSTAINABLE FOCUS

Great South is a certified carbon conscious organisation and is taking positive action towards becoming carbon neutral and integrating sustainable considerations into all activities, including purchasing decisions and operational practises. We will set an example for the region including for businesses, stakeholders and communities we work with.

## TE REO MĀORI

We will seek opportunities to support and raise the presence of Te Reo Māori through our activities and our day-to-day operations. This includes:

- A commitment to facilitating the upskilling of our team in both Te Reo and Tikanga Māori
- Introducing Te Reo into communications and marketing material where appropriate
- Incorporating Te Ao Māori into our business growth work as appropriate

## PEOPLE AND CULTURE

The most valuable asset at Great South is our people. We are committed to creating a positive work environment and ensuring staff skills are relevant and up to date, allowing our people to thrive. A key focus will be to embed our internal organisation values:

- respect each other's contribution
- work together to achieve great things for our region
- care for each other and our place
- enjoy work and have fun

## HEALTH AND SAFETY

Great South will take every practicable step to ensure the health and safety of our employees, contractors, visitors and attendees at events we manage.

## OPERATIONAL EFFICIENCIES

In line with best management practice, we seek continuous improvement, improving processes and IT systems, to allow staff to operate in the most effective manner.

We continue to assess each purchasing decision and contract negotiation to ensure it can withstand a level of scrutiny as expected in the public sector.

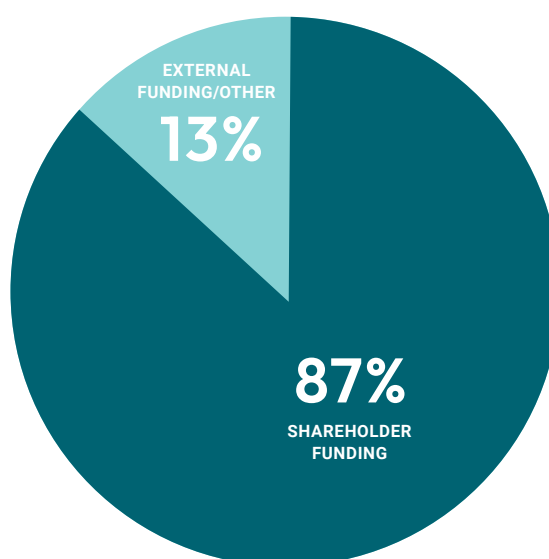
## HOW WE ARE FUNDED

Great South receives its primary funding from its shareholding councils. It has also successfully secured funding from commercial and government partners. Examples of this include:

- MBIE for the Regional Business Partner Network (RBP).
- Commercial engagements

Great South also receives funding from Community Trust South to undertake impetus and investigation activities.

Our revenue sources for 2025-2026



| Advocate                                                                                                                                              | Facilitate                                                                                                                                                                                                                                                                                             | Manage                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Own                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| We advocate on behalf of the region, sharing Murihiku Southland's point of view as members of various national and regional organisations and boards. | We work with various organisations on behalf of our shareholders and Murihiku Southland. This includes our work implementing key deliverables from the Beyond 2025 Southland Regional Long-term Plan, regional promotion activities and events, and leading carbon emissions reduction for the region. | We manage various programmes and services, sometimes as part of external contracts, or on behalf of the Government. This includes the Mayoral Task Force for Jobs contract with Southland District Council. We also manage the two regional tourism organisations within our area, for Fiordland and Southland and their associated digital channels and assets. Additionally, we manage the development of key strategies on behalf of the region, such as the Murihiku Southland Aquaculture Pathway 2025 | We wholly-own Space Operations New Zealand Ltd. |

# Our priorities



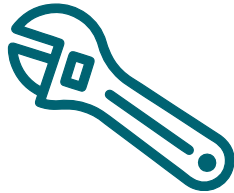
## Regional development leadership

Great South provides leadership for the region by facilitating the implementation of the Beyond 2025 Southland Long Term Plan and through advocacy, writing submissions and representing Murihiku Southland nationally.



## Regional promotion

Great South promotes Murihiku Southland as a great place to live, work and visit. We prioritise destination management and work to develop our regional tourism sector in a way that brings benefit to our people and place. We also manage and support events that attract visitors to our region.



## Business support and diversification

Great South supports the growth of the business sector in Murihiku Southland and investigates and aids opportunities to diversify the economy. We also support the attraction and retention of a skilled workforce to our region which will support new and existing industries.



## Net Zero Southland

Great South works with businesses across Murihiku Southland to address carbon emissions. Subject to external funding, we will facilitate and support businesses to make reductions, as the region heads towards being carbon neutral by 2050.

# Regional development leadership

## Great South leads the momentum behind Murihiku Southland's growth, steering the region towards a more resilient, innovative and prosperous future.

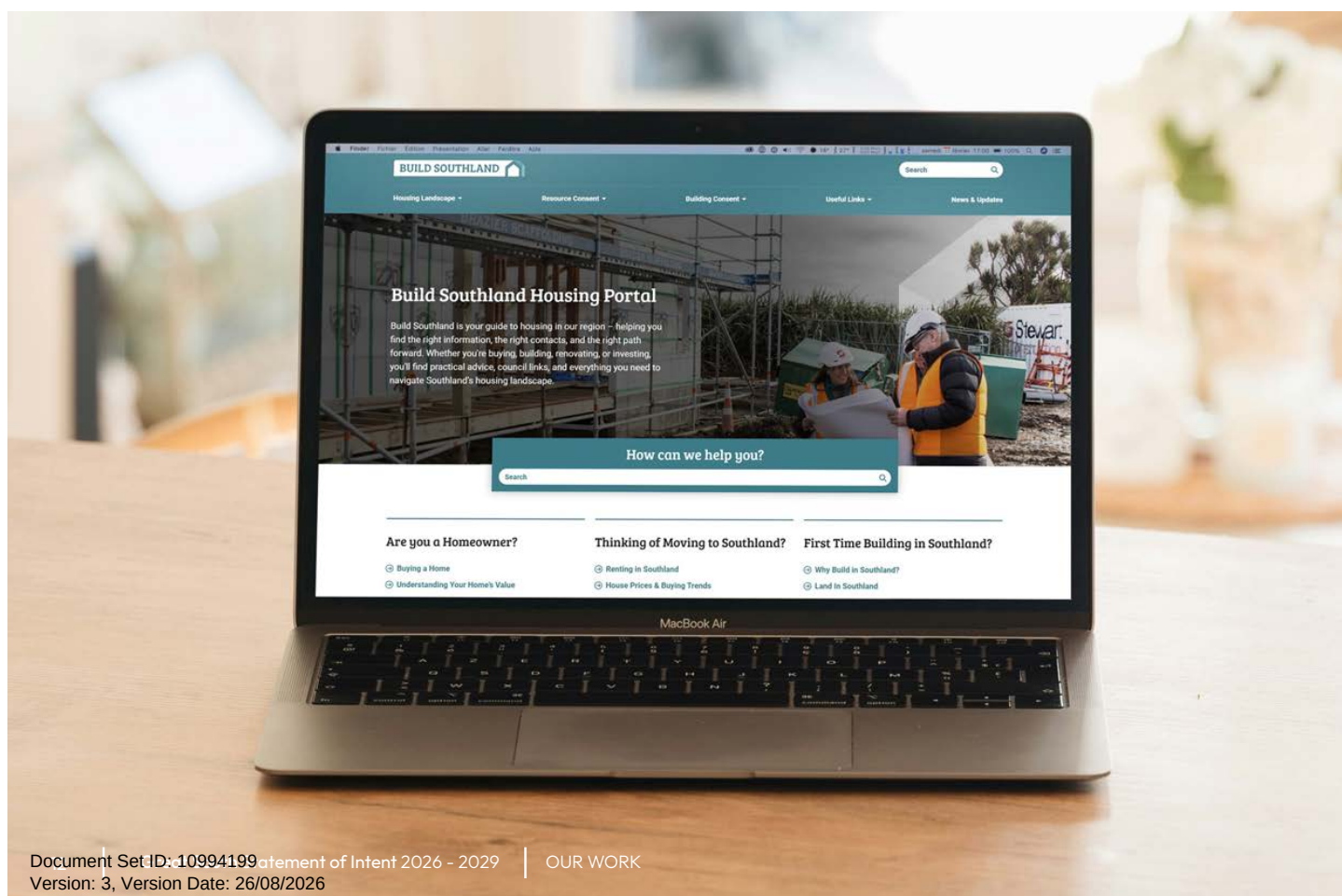
By connecting partners, aligning priorities and championing opportunities, we ensure Southland continues to move forward with purpose and a clear, shared direction.

A core element of this work is the provision of trusted, timely data. Through the Data and Insights Southland Hub (DISH), we produce regular regional reporting across housing, economic and tourism measures, supporting sound decision making for councils, agencies and industry. We are also progressing improvements in geospatial data management and exploring the use of AI-driven analysis tools to strengthen our regional intelligence capability.

Aquaculture continues to be a major focus for diversification. Great South leads the development and implementation of the Murihiku Southland Aquaculture Pathway, coordinating regional actions and progressing key initiatives that will unlock new economic opportunities. By working closely with councils, iwi, industry and government partners, we are helping position aquaculture as a long-term growth sector for the region.

Housing remains a critical area of need and opportunity. We facilitate regional housing coordination and support councils with planning for current and future community requirements. Our work includes the delivery of targeted housing projects and the ongoing development of the Build Southland platform, which provides a centralised source of information and support for those building and investing in the region.

Together, these programmes strengthen Southland's resilience and readiness, ensuring our region is equipped to seize emerging opportunities and sustain long-term prosperity.



# Performance measures

## Regional development leadership performance measures

| DESCRIPTION                                                                                                                                                                                                     | KPI 2026-27                                                                                                                                                                                                                                                                                                                                                                                                           | KPI 2027-28                                                                                                                                                                                                                                                                                              | KPI 2028-29                                                                                                                                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Data and Insights</b><br>Provide up-to- date and accurate data and insights to inform decision making via development of a schedule of regular reports through Data Insights Southland Hub (DISH).           | <ul style="list-style-type: none"> <li>• Key data, insights and trends are provided including a focus on Housing, Tourism and the Economy.</li> </ul>                                                                                                                                                                                                                                                                 | <ul style="list-style-type: none"> <li>• Key data, insights and trends are provided including a focus on Housing, Tourism and the Economy.</li> </ul>                                                                                                                                                    | <ul style="list-style-type: none"> <li>• Key data, insights and trends are provided including a focus on Housing, Tourism and the Economy.</li> </ul>                                                                                                                                                                               |
| <b>Advocacy and Submission</b><br>Advocate for and/or prepare submissions and funding applications for issues of importance to the region                                                                       | <ul style="list-style-type: none"> <li>• Prepare a minimum of two submissions on issues of regional significance.</li> <li>• Advocate for increased mobile coverage and reliable terrestrial fiber optic cable services for all the region</li> <li>• Support councils and stakeholders to apply for Government funds as applicable.</li> <li>• Promote regional air connectivity.</li> </ul>                         | <ul style="list-style-type: none"> <li>• Prepare a minimum of two submissions on issues of regional significance.</li> <li>• Support councils and stakeholders to apply for Government funds as applicable.</li> <li>• Support the development of reliable high capacity global connectivity.</li> </ul> | <ul style="list-style-type: none"> <li>• Prepare a minimum of two submissions on issues of regional significance.</li> <li>• Support councils and stakeholders to apply for Government funds as applicable.</li> <li>• Support the development of reliable high-capacity global connectivity.</li> </ul>                            |
| <b>Housing</b><br>Facilitate regional coordination of housing and implement priorities from the Murihiku Southland Housing Action Plan                                                                          | <ul style="list-style-type: none"> <li>• Review Murihiku Southland Housing Action Plan.</li> <li>• Facilitate regional coordination of housing including delivery of two projects.</li> <li>• Support individual Councils with their housing planning considering current and future community and industry needs.</li> <li>• Prepare sustainable housing guidelines for housing and housing developments.</li> </ul> | <ul style="list-style-type: none"> <li>• Facilitate regional coordination of housing including delivery of two projects.</li> <li>• Support individual Councils with their housing planning considering current and future community and industry needs.</li> </ul>                                      | <ul style="list-style-type: none"> <li>• Facilitate regional coordination of housing including a regional review of the overall approach and housing stock and delivery of key projects.</li> <li>• Support individual Councils with their housing planning considering current and future community and industry needs.</li> </ul> |
| <b>Aquaculture</b><br>Facilitate and develop a regional approach to realise the benefits of Aquaculture as a diversification opportunity and implementation of the Murihiku Southland Aquaculture Pathway 2025. | <ul style="list-style-type: none"> <li>• Implement agreed actions (max 2) from the regional Aquaculture Pathway.</li> <li>• Coordinate actions needed by councils and others to achieve aspirations as per the regional Aquaculture Pathway.</li> </ul>                                                                                                                                                               | <ul style="list-style-type: none"> <li>• Implement agreed actions (max 2) from the regional Aquaculture Pathway.</li> <li>• Coordinate actions needed by councils and others to achieve aspirations as per the regional Aquaculture Pathway.</li> </ul>                                                  | <ul style="list-style-type: none"> <li>• Review the Murihiku Southland Aquaculture Pathway in partnership with Iwi and key stakeholders.</li> <li>• Coordinate actions needed by councils and others to achieve aspirations as per the regional Aquaculture Pathway.</li> </ul>                                                     |

# Regional promotion

**Murihiku Southland has a story worth sharing and Great South is dedicated to ensuring it is seen, heard and experienced by audiences across New Zealand and around the world.**

Our regional promotion work shines a spotlight on the people, places and experiences that make Southland unique, strengthening the region's profile and attracting visitors, talent and investment.

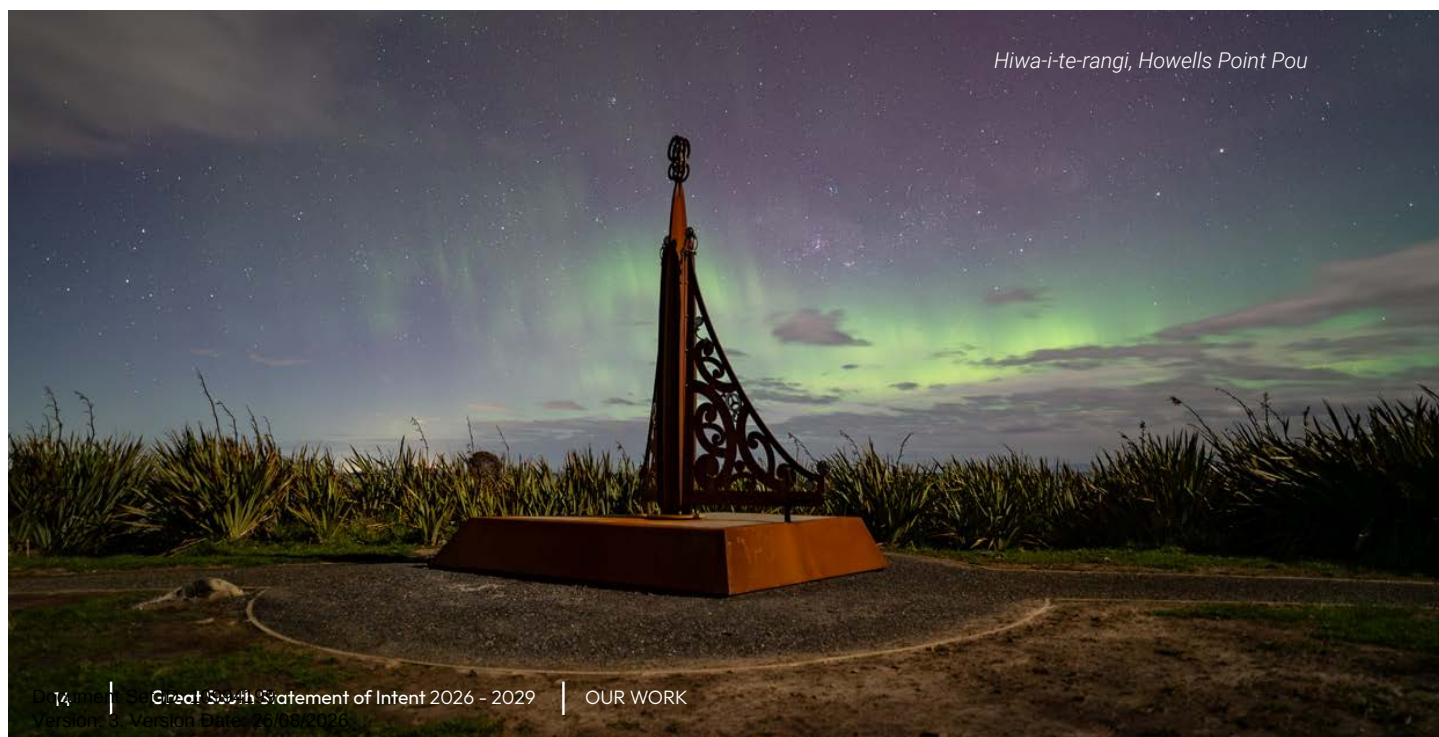
A coordinated, insight-driven approach underpins our destination marketing. Through [southlandnz.com](https://southlandnz.com) and [fiordland.org.nz](https://fiordland.org.nz), we showcase the region's diverse experiences, support local operators and provide practical information for travellers. Targeted campaigns, digital partnerships and close collaboration with Tourism New Zealand, Air New Zealand and Invercargill Airport ensure Southland remains visible in key markets and continues to grow year-round visitation.

We also work actively with media and trade partners to broaden Southland's reach. By hosting targeted famils, attending trade shows and participating in industry events, we highlight the region's strengths and contribute to increased international and domestic exposure. Business Events Southland further strengthens this effort by attracting conferences and meetings that deliver long-lasting economic benefits for local businesses and communities.

Closer to home, Great South leads efforts to energise Invercargill's city centre through a programme of events, activations and support for local organisers. This work brings people into the CBD, boosts foot traffic for retailers and hospitality, and helps create a lively, welcoming atmosphere for residents and visitors alike.

Destination development remains a pivotal part of our work. Guided by the Murihiku Southland Destination Strategy 2023–2029, we are progressing projects that enhance visitor experiences, support sustainable tourism and build regional capability. From advancing food tourism initiatives to developing Motupōhue Bluff and supporting Fiordland's Dark Sky aspirations.

Together, these initiatives reinforce Southland's appeal, build momentum for future growth and ensure the region continues to stand confidently on the national and international stage.



# Performance measures

## Regional promotion performance measures

| DESCRIPTION                                                                                                                                                                                 | KPI 2026-27                                                                                                                                                                                                                           | KPI 2027-28                                                                                                                                                                                                                                              | KPI 2028-29                                                                                                                                                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Consumer Marketing</b><br>Promote Murihiku Southland as a year-round destination for travellers from New Zealand, Australia and other key markets resulting in more visitors             | <ul style="list-style-type: none"> <li>Ensure 85% of website traffic comes from key markets in NZ, Australia, North America, Europe, Asia with 2 partnered digital campaigns</li> </ul>                                               | <ul style="list-style-type: none"> <li>Ensure 85% of website traffic comes from key markets in NZ, Australia, North America, Europe, Asia with 2 partnered digital campaigns</li> </ul>                                                                  | <ul style="list-style-type: none"> <li>Ensure 85% of website traffic comes from key markets in NZ, Australia, North America, Europe, Asia with 2 partnered digital campaigns</li> </ul>                                                                  |
| <b>Media</b><br>Increase positive travel media coverage for Murihiku Southland, promoting the region's diverse activities and experiences and drive regional spread, growth and seasonality | <ul style="list-style-type: none"> <li>3 media famils</li> <li>15 media results and where possible measurement of reach and Equivalent Advertising Value (EAV)</li> </ul>                                                             | <ul style="list-style-type: none"> <li>3 media famils</li> <li>15 media results and where possible measurement of reach and Equivalent Advertising Value (EAV)</li> </ul>                                                                                | <ul style="list-style-type: none"> <li>3 media famils</li> <li>15 media results and where possible measurement of reach and Equivalent Advertising Value (EAV)</li> </ul>                                                                                |
| <b>Showcasing our region</b><br>Trade Events, Trade Famils and TRENZ.                                                                                                                       | <ul style="list-style-type: none"> <li>Attend 5 trade shows.</li> <li>Attend 2 partnered famils</li> <li>2 Murihiku itineraries in line with Milford Opportunities Project pillars supporting regional and seasonal spread</li> </ul> | <ul style="list-style-type: none"> <li>Expand on trade presence to enable growth of seasonal and regional offers.</li> </ul>                                                                                                                             | <ul style="list-style-type: none"> <li>Expand on trade presence to enable growth of seasonal and regional offers.</li> </ul>                                                                                                                             |
| <b>New Experiences</b>                                                                                                                                                                      | <ul style="list-style-type: none"> <li>Further iwi partnered experience developed</li> </ul>                                                                                                                                          | <ul style="list-style-type: none"> <li>Identify gaps in regional experiences and build capability to fill these gaps</li> </ul>                                                                                                                          | <ul style="list-style-type: none"> <li>Identify gaps in regional experiences and continue to build capability to fill these gaps</li> </ul>                                                                                                              |
| <b>Business Events</b><br>Develop Murihiku Southland as a Business events destination in line with the Business Events strategy                                                             | <ul style="list-style-type: none"> <li>Attend min 3 conference events</li> <li>Events sales calls to continue building the future pipeline of Business Events into Murihiku</li> </ul>                                                | <ul style="list-style-type: none"> <li>Continue to develop Business Events for the region, targeting seasonal gaps in capacity.</li> </ul>                                                                                                               | <ul style="list-style-type: none"> <li>Continue to develop Business Events for the region, targeting seasonal gaps in capacity.</li> </ul>                                                                                                               |
| <b>Regional Events Calendar</b><br>Maintain southlandnz.com website calendar listings for regional events                                                                                   | <ul style="list-style-type: none"> <li>10% increase on number of events listed</li> <li>10% increase on number of overall page views</li> <li>15% increase on number of overall page views from within Southland</li> </ul>           | <ul style="list-style-type: none"> <li>Developing and building awareness around regional events</li> </ul>                                                                                                                                               | <ul style="list-style-type: none"> <li>Developing and building awareness around regional events</li> </ul>                                                                                                                                               |
| <b>Unmissable Regional Events</b>                                                                                                                                                           | <ul style="list-style-type: none"> <li>Support delivery and build capability for Burt Munro Challenge</li> </ul>                                                                                                                      | <ul style="list-style-type: none"> <li>Continued support building awareness of major events in line with event and regional strategy including building visitation</li> </ul>                                                                            | <ul style="list-style-type: none"> <li>Continued support building awareness of major events in line with event and regional strategy including building visitation</li> </ul>                                                                            |
| <b>Regional Marketing of events</b>                                                                                                                                                         | <ul style="list-style-type: none"> <li>Four seasonal campaigns</li> <li>Marketing of unmissable events</li> </ul>                                                                                                                     | <ul style="list-style-type: none"> <li>Four seasonal campaigns</li> <li>Marketing of unmissable events</li> </ul>                                                                                                                                        | <ul style="list-style-type: none"> <li>Four seasonal campaigns</li> <li>Marketing of unmissable events</li> </ul>                                                                                                                                        |
| <b>Destination Development</b><br>Progress projects from the Murihiku Southland Destination Strategy (MSDS)                                                                                 | <ul style="list-style-type: none"> <li>Progress 3 projects from the MSDS with key deliverable outcomes, and particular focus on the Bluff Motupohue Tourism Master Plan and Fiordland dark sky accreditation.</li> </ul>              | <ul style="list-style-type: none"> <li>Continue to implement MSDS by focusing on priority projects in line with strategy that deliver the greatest benefit for our sector and community. Specific projects and deliverables to be determined.</li> </ul> | <ul style="list-style-type: none"> <li>Continue to implement MSDS by focusing on priority projects in line with strategy that deliver the greatest benefit for our sector and community. Specific projects and deliverables to be determined.</li> </ul> |

# Business support and diversification

**Supporting a strong, adaptable and opportunity-rich business environment is central to Murihiku Southland's long-term success.**

Great South works alongside local enterprises, industry partners and councils to help businesses navigate change, tap into new markets and build the capability needed to thrive in an evolving economy.

Business diversification remains a major priority. We help identify emerging opportunities, undertake feasibility studies and encourage the development of new ventures that strengthen the region's economic mix. This includes advancing significant projects such as aquaculture, Space Operations New Zealand and data centre development, each contributing to a more innovative and future-focused economy.

Agriculture continues to be a vital part of Southland's identity and economic strength. Great South supports the sector by analysing relevant data, exploring land-use change options and investigating the potential for new high-value crops. Our work also includes partnering with councils to understand the effects of unrestricted forestry, expanding opportunities to convert forestry waste into

biomass fuel and progressing planning that will lift the value of wood and fibre products produced in the region.

Developing future talent is another important aspect of this portfolio. Through initiatives such as Southland Youth Futures and the Mayors Taskforce for Jobs we help young people into training, education and employment, supporting employers to build a skilled and confident workforce. We also deliver CareerFest Southland, one of the region's largest career and training expos, connecting students, jobseekers and employers, and showcasing the breadth of opportunities available across Murihiku Southland.

This focus on people, skills and pathways ensures the region is continually building its capability. By equipping young people, supporting established businesses and encouraging new ventures, Great South is helping to lay the foundations for a dynamic and forward-looking economy that can adapt to change and seize new opportunities.



# Performance measures

## Business support and diversification performance measures

| DESCRIPTION                                                                                                                                         | KPI 2026-27                                                                                                                                                                                                                                                                                                                                                                                    | KPI 2027-28                                                                                                                                                                                                                                                                    | KPI 2028-29                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Business in Southland - A regional guide</b><br>Resource document that outlines useful information for new & potential businesses to the region. | <ul style="list-style-type: none"> <li>Review and change the regional guide as needed.</li> <li>Promote the Regional Industry Capacity Plan to support new development.</li> </ul>                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>Review and change the regional guide as needed.</li> <li>Refresh the Regional Industry Capacity Plan and promote 2 new opportunities.</li> </ul>                                                                                        | <ul style="list-style-type: none"> <li>Review and change the regional guide as needed.</li> <li>Promote the Regional Industry Capacity Plan to support new development.</li> </ul>                                                                                      |
| <b>Agriculture</b><br>Support agricultural sector land- use and support farmer decision making                                                      | <ul style="list-style-type: none"> <li>Undertake analysis of relevant agricultural sector data to feed into the Regional Emissions Report for 2026.</li> <li>Undertake a brief and a process for the development of a Future Farming Agriculture Plan attuned to market demand.</li> </ul>                                                                                                     | <ul style="list-style-type: none"> <li>Undertake analysis of relevant agricultural sector data to feed into the Regional Emissions Report for 2027.</li> <li>Implement key projects from the Murihiku Southland Agriculture Plan alongside key stakeholders.</li> </ul>        | <ul style="list-style-type: none"> <li>Undertake analysis of relevant agricultural sector data to feed into the Regional Emissions Report for 2028.</li> <li>Implement key projects from the Murihiku Southland Agriculture Plan alongside key stakeholders.</li> </ul> |
| <b>Forestry</b><br>Support further investigation of the impacts and possible opportunities associated with unrestricted forestry                    | <ul style="list-style-type: none"> <li>Provide data and insights relating to changing land use and the impacts of carbon forestry.</li> <li>Continue to grow opportunities to convert forestry waste low grade logs into biomass fuel supply.</li> <li>Undertake and complete a Murihiku Regional Forestry Strategy focused on high value products for domestic and export markets.</li> </ul> | <ul style="list-style-type: none"> <li>Continue to grow opportunities to convert forestry waste into biomass fuel supply.</li> <li>Monitor changing demand for wood biomass</li> <li>Promote greater use of timber and engineered wood in construction and housing.</li> </ul> | <ul style="list-style-type: none"> <li>Provide data and insights relating to changing land use and the impacts of carbon forestry.</li> <li>Continue to grow opportunities to convert forestry waste into biomass fuel supply.</li> </ul>                               |

# Net Zero Southland

**Murihiku Southland is on a pathway toward a cleaner and more climate-resilient future, and Great South plays a key role in guiding this transition.**

Our focus is on practical action supported by reliable data, strong partnerships and a long-term commitment to lowering emissions across the region.

Accurate emissions data underpins effective climate action. Since 2018, Great South has produced annual regional emissions inventories, creating a clear baseline for tracking change and supporting evidence-based decision making across councils, industry and communities. This ongoing monitoring ensures transparency and provides the foundation for long-term regional planning.

The implementation of the Net Zero Southland Plan is a major focus. Over the coming years, we will assess progress against 1990 emissions levels, seek public feedback on the revised plan and support regional strategies that advance the goal of net zero by 2050.

Alongside this, we continue to drive the Southland Murihiku Regional Energy Strategy, supporting projects in renewable energy, energy efficiency, wind, solar, biomass and methane recovery, initiatives all designed to improve resilience and expand Southland's clean energy capability.

Sustainable tourism also forms part of this journey. Through the Murihiku Southland Destination Strategy, Great South supports environmental stewardship across the visitor sector, ensuring Southland's natural assets are protected while continuing to deliver high-quality visitor experiences.

Collectively, these initiatives strengthen Southland's ability to adapt, innovate and move confidently toward a low-emissions future that benefits both current and future generations.



# Performance measures

## Net Zero Southland performance measures

| DESCRIPTION                                                                                                                    | KPI 2026-27                                                                                                                                                                                                                                                                                  | KPI 2027-28                                                                                                                                                                                                 | KPI 2028-29                                                                                                                                                             |
|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Monitor Emissions</b><br>Complete annual regional emissions reporting as soon as national monitoring data becomes available | <ul style="list-style-type: none"> <li>Produce the Regional Emissions Report for 2025 as soon as national monitoring data becomes available.</li> <li>Monitor and report on forest ground cover.</li> </ul>                                                                                  | <ul style="list-style-type: none"> <li>Produce the Regional Emissions Report for 2026 as soon as national monitoring data becomes available.</li> <li>Monitor and report on forest ground cover.</li> </ul> | <ul style="list-style-type: none"> <li>Produce the Regional Emissions Report for 2027 as soon as national monitoring data becomes available</li> </ul>                  |
| <b>Net Zero Planning</b><br>Implement the Net Zero Southland Plan and Emissions Reduction                                      | <ul style="list-style-type: none"> <li>Implement Net Zero Southland Strategy and support regional climate change strategic planning.</li> </ul>                                                                                                                                              | <ul style="list-style-type: none"> <li>Implement Net Zero Southland Strategy and support regional climate change strategic planning and progress monitoring.</li> </ul>                                     | <ul style="list-style-type: none"> <li>Implement Net Zero Southland Strategy and support regional climate change strategic planning and progress monitoring.</li> </ul> |
| <b>Implementation of the Regional Energy Strategy</b>                                                                          | <ul style="list-style-type: none"> <li>Support 2 renewable energy investments from the report.</li> <li>Create awareness of the need for more renewable energy development in Southland</li> <li>Promote the integration of energy planning as part of Regional Spatial Planning.</li> </ul> | <ul style="list-style-type: none"> <li>Implement 3 actions from the report.</li> <li>Update the Regional Energy Plan by integrating new energy demand.</li> </ul>                                           | <ul style="list-style-type: none"> <li>Implement 3 actions from the reports.</li> <li>Update the Regional Energy Plan by integrating new energy demand.</li> </ul>      |



# Space Operations New Zealand

**Space Operations New Zealand (SpaceOps NZ), a wholly owned subsidiary of Great South, continues to expand its role as one of the country's most significant contributors to the global space sector. Through cutting-edge infrastructure, international partnerships and strong local investment, SpaceOps NZ is helping position Murihiku Southland as New Zealand's space capital.**

SpaceOps NZ has significantly grown its capability, constructing eight new antennas, supporting NIWA with an additional installation, and extending its services into spacecraft tracking and precision orbital analysis. These advancements mean the organisation is not only providing essential ground-segment infrastructure, but is now deeply involved in supporting active international missions and strengthening New Zealand's contribution to global space science.

A major step forward for the organisation has been the Government's decision to provide a loan through the Regional Infrastructure Fund. This investment recognises the strategic national importance of Southland's space assets and enables SpaceOps NZ to accelerate critical infrastructure upgrades, expand antenna capability and improve its ability to service international operators.

The loan also supports the development of additional facilities that will increase capacity for mission support, enhance operational resilience and attract high-value space and technology businesses to the region. In doing so, it strengthens SpaceOps NZ's long-term sustainability and reinforces the region's position within the global space ecosystem.

SpaceOps NZ's leadership in the sector has also been nationally acknowledged. Chief Executive Robin McNeill received the inaugural Prime Minister's Space Prize for Professional Excellence, and team member Axl Rogers secured a New Zealand Space Scholarship, leading to an internship at NASA's Jet Propulsion Laboratory. His work will directly support operations at the Warkworth Space Centre and inspire more young New Zealanders into space careers.

These achievements build on SpaceOps NZ's core operations at the Awarua Satellite Ground Station, the country's only commercial low Earth orbit ground facility, and its expanded capability at Spark's Warkworth Satellite Earth Station, supporting both radio astronomy and deep-space communications. Together, this network is positioning Southland as a trusted partner for international missions and driving New Zealand's growing role in the global space economy.



# Statement of comprehensive revenue and expense

For the 12 months to June

|                                               | 2026/27<br>Budget | 2027/28<br>Budget | 2028/29<br>Budget |
|-----------------------------------------------|-------------------|-------------------|-------------------|
| <b>Revenue</b>                                |                   |                   |                   |
| <b>Shareholder Investment</b>                 |                   |                   |                   |
| Core                                          | 2,138,498         | 2,213,345         | 2,290,813         |
| Contract                                      | 1,666,841         | 1,666,841         | 1,666,841         |
| <b>Total</b>                                  | <b>3,805,339</b>  | <b>3,880,186</b>  | <b>3,957,654</b>  |
| <b>Other Revenue</b>                          |                   |                   |                   |
| Service Revenue                               | 944,638           | 997,438           | 1,050,336         |
| Project Revenue                               | 200,000           | 100,000           | 100,000           |
| <b>Total Other Revenue</b>                    | <b>1,144,638</b>  | <b>1,097,438</b>  | <b>1,150,336</b>  |
| <b>Total Revenue</b>                          | <b>4,949,977</b>  | <b>4,977,624</b>  | <b>5,107,990</b>  |
| <b>Expenditure</b>                            |                   |                   |                   |
| <b>Project and Service Expenditure</b>        |                   |                   |                   |
| Regional Economic Development                 | 1,207,799         | 1,099,760         | 1,134,911         |
| Business Support Services                     | 484,221           | 496,257           | 498,365           |
| Regional Tourism Development                  | 695,560           | 752,430           | 769,889           |
| Regional Event Support                        | 504,120           | 523,994           | 534,214           |
| <b>Total Project Expenditure</b>              | <b>2,891,700</b>  | <b>2,872,442</b>  | <b>2,937,379</b>  |
| <b>Core expenditure</b>                       |                   |                   |                   |
| Directors Fees                                | 176,000           | 176,000           | 176,000           |
| Employee Expense                              | 1,092,798         | 1,131,046         | 1,170,633         |
| Depreciation and Amortisation                 | 55,000            | 50,000            | 45,000            |
| Other Expenses                                | 734,268           | 759,967           | 786,566           |
| <b>Total Core Expenditure</b>                 | <b>2,058,066</b>  | <b>2,117,013</b>  | <b>2,178,199</b>  |
| <b>Total Expenditure</b>                      | <b>4,949,767</b>  | <b>4,989,455</b>  | <b>5,115,578</b>  |
| <b>Net Surplus / (Deficit)</b>                | <b>210</b>        | <b>(11,831)</b>   | <b>(7,589)</b>    |
| Taxation                                      |                   |                   |                   |
| <b>Net Surplus / (Deficit) After Taxation</b> | <b>210</b>        | <b>(11,831)</b>   | <b>(7,589)</b>    |

# Statement of financial position

As at 30 June

|                                  | 2026/27<br>Budget | 2027/28<br>Budget | 2028/29<br>Budget |
|----------------------------------|-------------------|-------------------|-------------------|
| <b>Assets</b>                    |                   |                   |                   |
| <b>Current Assets</b>            |                   |                   |                   |
| Cash and cash equivalents        | 1,319,238         | 1,252,203         | 1,185,834         |
| Receivables and accruals         | 716,148           | 714,862           | 719,483           |
| Prepayments                      | 10,107            | 5,931             | 1,755             |
| <b>Total Current Assets</b>      | <b>2,045,493</b>  | <b>1,972,996</b>  | <b>1,907,072</b>  |
| <b>Non-current Assets</b>        |                   |                   |                   |
| Investments                      | 1,072,589         | 1,072,589         | 1,072,589         |
| Deferred Tax                     | 31,071            | 31,071            | 31,071            |
| Property, plant and equipment    | 122,480           | 87,480            | 57,480            |
| <b>Total Non-current Assets</b>  | <b>1,226,140</b>  | <b>1,191,140</b>  | <b>1,161,140</b>  |
| <b>Total Assets</b>              | <b>3,271,633</b>  | <b>3,164,136</b>  | <b>3,068,212</b>  |
| <b>Liabilities</b>               |                   |                   |                   |
| <b>Current Liabilities</b>       |                   |                   |                   |
| Payables and accruals            | 158,078           | 152,650           | 153,863           |
| Income tax payable               | -                 | -                 | -                 |
| Income Received in Advance       | 326,356           | 226,356           | 126,356           |
| Employee entitlements            | 299,991           | 307,491           | 315,178           |
| Other current liabilities        | 77,834            | 80,096            | 82,860            |
| <b>Total Current Liabilities</b> | <b>862,258</b>    | <b>766,592</b>    | <b>678,257</b>    |
| <b>Total Liabilities</b>         | <b>862,258</b>    | <b>766,592</b>    | <b>678,257</b>    |
| <b>Net Assets</b>                | <b>2,409,375</b>  | <b>2,397,545</b>  | <b>2,389,956</b>  |
| <b>Equity</b>                    |                   |                   |                   |
| Contributed capital              | 1,338,421         | 1,338,421         | 1,338,421         |
| Retained earnings                | 1,070,954         | 1,059,124         | 1,051,535         |
| <b>Total equity</b>              | <b>2,409,375</b>  | <b>2,397,545</b>  | <b>2,389,956</b>  |

# Statement of cash flows

For the 12 months to June

|                                                              | 2026/27<br>Budget | 2027/28<br>Budget | 2028/29<br>Budget |
|--------------------------------------------------------------|-------------------|-------------------|-------------------|
| <b>Cash Flows from Operating Activities</b>                  |                   |                   |                   |
| Receipts of Shareholder investment                           | 3,805,339         | 3,880,186         | 3,957,654         |
| Receipts from other operating activities                     | 1,882,225         | 1,845,368         | 1,911,913         |
| Income tax paid                                              | -                 | -                 | -                 |
| Payments to employees                                        | (3,454,937)       | (3,651,459)       | (3,778,677)       |
| Payment to suppliers                                         | (2,196,000)       | (2,123,880)       | (2,140,008)       |
| <b>Total cash flow from Operating Activities</b>             | <b>36,627</b>     | <b>(49,785)</b>   | <b>(49,119)</b>   |
| <b>Cash flow from Investing Activities</b>                   |                   |                   |                   |
| Purchase of fixed assets and intangibles                     | (17,250)          | (17,250)          | (17,250)          |
| <b>Total cash flow from Investing Activities</b>             | <b>(17,250)</b>   | <b>(17,250)</b>   | <b>(17,250)</b>   |
| <b>Net Cash flows</b>                                        | <b>19,377</b>     | <b>(67,035)</b>   | <b>(66,369)</b>   |
| <b>Cash Balances</b>                                         |                   |                   |                   |
| Cash, cash equivalents and overdrafts at beginning of period | 1,299,861         | 1,319,238         | 1,252,203         |
| Cash, cash equivalents and overdrafts at end of period       | 1,319,238         | 1,252,203         | 1,185,834         |
| <b>Net change in cash for period</b>                         | <b>19,377</b>     | <b>(67,035)</b>   | <b>(66,369)</b>   |

# Accounting policies

## REPORTING ENTITY

Southland Regional Development Agency Limited is a New Zealand registered company under the Companies Act 1993, and is deemed to be a Council Controlled Organisation under section 6 of the Local Government Act 2002.

Southland Regional Development Agency (trading as Great South) was established as Southland's regional development agency in March 2019. The registered office for Southland Regional Development Agency is 143 Spey Street, Invercargill.

Committed to driving economic, social and cultural growth, Southland Regional Development Agency has a clear mandate to leverage opportunities for Southland in the areas of economic and business development, tourism and events. This involves incorporating Southland's Regional Tourism Organisations, central government's Regional Business Partner (RBP) Network, delivering a range of events, regional initiatives, and government-funded contracts that pave the way for regional development.

## BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

## STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, the Companies Act 1993, and the Financial Reporting Act 2013. This includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) Reduced Disclosure Regime (RDR). Southland Regional Development Agency is eligible and has elected to report in accordance with Tier 2 PBE standards RDR on the basis the entity has no public accountability and has expenses > \$2m and < \$30m.

## PRESENTATION CURRENCY AND ROUNDING

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of Southland Regional Development Agency is New Zealand dollars.

## MEASUREMENT BASE

The financial statements have been prepared on an historical cost or fair value basis as per the following policies.

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following particular accounting policies, which materially affect the measurement of the results and financial position, have been applied:

### Revenue

Revenue is measured at the fair value of consideration received.

Where funding is not conditional and Southland Regional Development Agency has no obligation to deliver a specific event or service, the revenue will be recognised when receipted. Where the funding has conditions attached to it, the funding is recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. The funding is held as a liability until the specific conditions are met. In certain circumstances funding is not received until after the event, in which case the revenue will be accrued when it is highly probable the funding will be received.

Revenue from ticket sales is recognised upon receipt unless the terms and conditions for the ticket state that Southland Regional Development Agency is required to repay the customer if the event does not take place. Where the terms and conditions contain a refund clause, the revenue will be recognised upon completion of the event.

Revenue from the rendering of services is recognised by reference to the stage of completion at the balance sheet date, based on the actual service provided.

Products held for sale are recognised when a product is sold to the customer. Sales are usually in cash or by credit card. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

Southland Regional Development Agency acts as an agent for third parties for some transactions. When incurring expenditure as an agent, this is accounted for via the Statement of Financial Position, and not as revenue and expenditure on the Statement of Comprehensive Revenue and Expense. Any revenue component within these transactions will be treated accordingly.

Interest revenue is recognised using the effective interest method.

Volunteer services received are not recognised as revenue or expenditure as Southland Regional Development Agency is unable to reliably measure the fair value of the services received.

### Revenue in Advance

Revenue in advance is recognised where amounts received are in excess of the amounts recognised as revenue.

### Expenditure

All expenditure is recognised as incurred unless the liability is known and can be reasonably estimated, in which case the expenditure is accrued.

### Foreign Exchange Transactions

Foreign currency transactions are translated into NZ\$ (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

### Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax, then 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 (IRD) is included as part of receivables or payables in the Statement of Financial Position. The net GST paid to or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

### Income Tax

Income tax expense in relation to the profit or loss for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit. 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, using tax rates that have been enacted or substantively enacted by balance date.

Current tax and deferred tax is charged or credited to the Statement of Comprehensive Revenue and Expense, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

**Equity**

Equity is the shareholders interest in Southland Regional Development Agency, as measured by total assets less total liabilities.

**Cash and Cash Equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

**Trade and Other Receivables**

Trade and other receivables are initially measured at fair value and subsequently measured at cost, amortised where necessary, using the effective interest method, less any provision for impairment.

A receivable is considered impaired when there is evidence that Southland Regional Development Agency will not be able to collect the amount due. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected.

**Property, Plant and Equipment**

Property, plant, and equipment consists of the following asset classes: buildings, furniture and fittings, IT equipment, ILT Kidzone equipment, vehicles, and land. All asset classes are measured at cost, less accumulated depreciation and impairment losses. Individual assets are capitalised if they meet the definition of an asset and the cost exceeds \$1,000.

*Additions*

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Southland Regional Development Agency and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained. Work in progress is recognised at cost less impairment and is not depreciated.

*Disposals*

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Comprehensive Revenue and Expense.

*Subsequent Costs*

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Southland Regional Development Agency and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

*Depreciation*

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

|                       |             |                   |
|-----------------------|-------------|-------------------|
| Buildings:            | 3% - 7%     | 14.3 - 33.3 years |
| Furniture & Fittings: | 6% - 33%    | 3 - 16.7 years    |
| IT Equipment:         | 17.5% - 67% | 1.5 - 5.7 years   |
| ILT Kidzone:          | 13.5% - 33% | 3 - 7.5 years     |
| Vehicles:             | 13.5%       | 7.5 years         |
| Land:                 | 0%          |                   |

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end. An annual review for impairment is also undertaken on all assets and any impairment loss is recognised in the Statement of Comprehensive Revenue and Expense.

*Impairment of Property, Plant and Equipment*

Property, plant and equipment held that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use. If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable service amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

*Value in Use For Non-Cash Generating Assets*

Value in use is the present value of the asset's remaining service potential. Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

*Value in Use For Cash Generating Assets*

Southland Regional Development Agency does not hold any cash generating assets.

**Intangible Assets***Goodwill*

Goodwill on acquisition of businesses and subsidiaries is included in "intangible assets". Goodwill on acquisition of an associate is included in "investment in other entities" and impairment is considered as part of the overall investment balance.

Goodwill is allocated to cash-generating units for the purposes of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Goodwill has been assessed to have an infinite useful life on the basis the business is ongoing. Goodwill is subject to annual impairment testing.

*Impairment of Intangible Assets*

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

**Joint Venture**

The Company's 49% share of its associate NZ Functional Foods Limited is equity accounted for in the Companies financial statements.

A joint venture is an entity over which the Company has significant influence and that is neither a subsidiary nor an associate. The Company's investment is accounted for in the financial statements using the equity method. The investment in a joint venture is initially recognised at cost and the carrying amount in the financial statements is increased or decreased to recognise the Company's share of the surplus or deficit in the joint venture after the date of acquisition. Distributions received from a joint venture reduce the carrying amount of the investment in the financial statements.

If the share of deficits of a joint venture equals or exceeds its interest in the joint venture, the Company discontinues recognising its share of further deficits. After the Company's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the Company has incurred legal or constructive obligation or made payments on behalf of the joint venture. If the joint venture subsequently reports surpluses, the Company will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

**Leases***Operating Leases*

An operating lease is a lease that does not transfer substantially all the risks and benefits incidental to ownership of an asset. Payments under these leases are recognised as expenses in the Statement of Comprehensive Revenue and Expense in periods in which they are incurred. Lease incentives received are recognised.

*Finance Leases*

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the Statement of Financial Position

at the lower of the fair value of the leased item and the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty as to whether the Company will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

#### **Payables**

Short-term payables are recorded at their fair value.

#### **Financial Instruments**

Southland Regional Development Agency is party to financial instruments as part of its normal operation. These financial instruments give rise to financial assets and liabilities and include cash and on-call deposits, accounts receivable, investments, and accounts payable, deposits held, other financial liabilities and financial guarantees. They also include equity interests in other entities.

All financial instruments are recognised in the Statement of Financial Position on the basis of Southland Regional Development Agency Limited's general and, where applicable, particular accounting policies. All financial instruments disclosed in the Statement of Financial Position are recorded at fair value or amortised cost. Revenue and expenditure arising from these financial instruments is recognised in the Statement of Comprehensive Revenue and Expense.

#### **Statement of Cash Flows**

Cash includes cash and cash equivalents as defined above.

Operating activities include cash received from all revenue sources of Southland Regional Development Agency and cash payments made 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 the change in equity and debt capital structure of Southland Regional Development Agency.

#### **Personnel Costs**

##### *Salaries and Wages*

Salaries and wages are recognised as an expense as employees provide services.

##### *Defined Contribution Superannuation Schemes*

Employer contributions to KiwiSaver, the Government Superannuation

Fund, and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

#### **Employee Entitlements**

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date. No liability is recognised for sick leave.

A liability and an expense are recognised for bonuses where Southland Regional Development Agency has a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

#### **Changes in Accounting Policies**

There have been no changes in accounting policies during the financial year.

#### **CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS**

In preparing these financial statements, Southland Regional Development Agency has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. 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. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities recognised in the financial statements are described in the notes to the financial statements.

# Shareholder requirements

## STATEMENT OF INTENT

By 1 December each year Great South will deliver a draft Statement of Intent to the joint shareholders as required by the Local Government Act. The Joint Shareholders will provide feedback to the Great South Board by 1 March each year, and the final document will be delivered by 30 June each year.

## REPORTING

### Half Yearly Reporting

By the end of February each year the board must deliver to the shareholders a report on the organisation's operations during that half year. The report must include the information required to be included by the LGA 2002 and the Statement of Intent and any other information requested by the shareholders.

### Annual Report

By the end of September each year, the board must deliver to the shareholders and make available to the public a report on the company's operations during the year. This will include audited financial statements and the performance targets and other measures by which performance was judged in relation to the organisation's objectives.

## SHAREHOLDER MEETINGS

An annual general meeting will be held before the end of September each year to present the annual report. The notice of the Annual General Meeting (AGM) will be no less than 10 working days before the meeting, unless agreed by all shareholders who are entitled to attend and vote at the meeting.

## SHAREHOLDER APPROVAL

Any subscription, purchase or acquisition by Great South of shares in a company or organisation require shareholder approval by special resolution as will the other matters outlined in Great South's constitution.

## DIVIDEND POLICY

The Great South Board is not authorised to approve any dividends.

## COMPENSATION FROM LOCAL AUTHORITIES

The Directors do not envisage any circumstances arising that would give rise to any claim from any local authority during the year other than those already stated in the financial statements.

## NO SURPRISES

Great South, through the Joint Shareholders Committee will work with the shareholders to develop trust and a common understanding on a "no surprises" basis. The board will be sensitive to the demands for accountability placed on the Councils from their respective ratepayers.

## PUBLIC EXPECTATIONS

Great South is very mindful of the public scrutiny that comes with being a CCO. Great South will:

- Build accountability and constructive working practices between their organisation and the shareholders.
- Commit to transparency and accountability to the public. This includes fulfilling the planning, reporting and disclosure requirements of the Local Government Act 2002 as it applies to CCOs, and the requirements of the Local Government Official Information and Meetings Act 1987 as it applies to CCOs.
- Ensure the organisation is fiscally disciplined with expenditure.
- Embrace the Shareholder Councils' strategic priorities as set out in their Long-term Plans 2018-2028 and any other relevant documents.

**Great South is tasked with leading the future growth aspirations of Murihiku Southland on behalf of our shareholders, stakeholders and the wider Murihiku Southland community.**

*April 2026*



**[www.greatsouth.nz](http://www.greatsouth.nz)**

*Visit our website to find out more about us and sign up for our newsletters to receive regular updates*

ID 10994201 V3



SPACE OPERATIONS NEW ZEALAND LIMITED  
Statement of Intent

**1 July 2026 – 30 June 2029**



## Company Information

### **COMPANY DIRECTORY**

#### **SPACE OPERATIONS NEW ZEALAND LIMITED TRADING AS SPACEOPS NZ**

Hargest House, 62 Deveron Street  
PO Box 1306, Invercargill 9810

#### **REGISTERED OFFICE**

C/o Southland Regional Development Agency Limited  
143 Spey Street, Invercargill, 9840

#### **BANK**

Westpac New Zealand Limited

#### **AUDITORS**

KPMG for Audit New Zealand (on behalf of the Office of the Auditor General)

#### **LEGAL STATUS**

Space Operations New Zealand Limited was incorporated in New Zealand on 18 July 2016 under the Companies Act 1993 (NZBN 9429042426585, Company Number 6033648).

Space Operations New Zealand Limited is a wholly owned subsidiary of Southland Regional Development Agency Limited, which is a council-controlled organisation. This makes Space Operations a council-controlled trading organisation (CCTO) as defined in Section 6 of the *Local Government Act 2002*.

#### **SHAREHOLDER**

Southland Regional Development Agency Limited

#### **DIRECTORS**

John Yaldwyn (Chair), Chami Abeyasinghe, Peter Heenan

#### **CHIEF EXECUTIVE OFFICER**

Robin McNeill MNZM

### **INTRODUCTION**

In accordance with the requirements of Section 64(1) and Schedule 8 of the Local Government Act 2002, this Statement of Intent:

- Publicly sets out the overall intentions and activities for Space Operations New Zealand Limited for the year ended 30 June 2027 and the following two years, and the objectives to which those activities will contribute.
- Provides an opportunity for the shareholder to influence the direction of the organisation.
- Provides a basis for the accountability of the directors to their shareholder for the performance of the organisation.

*This Statement of Intent reflects what Space Operations New Zealand Ltd understands at the time of writing.*

## GOVERNANCE & STRUCTURE

### SPACEOPS NZ BOARD

The SpaceOps NZ Board comprises a minimum of two Directors and a maximum of seven Directors who are responsible for the strategic direction and control of SpaceOps NZ's activities.

The Board will oversee the business undertaken by SpaceOps NZ in accordance with the *Companies Act 1993*, the company's Constitution and this Statement of Intent.

### OPERATIONS

The Chief Executive Officer is responsible for the day-to-day operations of SpaceOps NZ, including the management of staff and reporting to Directors on the performance against set priorities.

### NO SURPRISES

The SpaceOps NZ Board will keep our shareholder informed on a "no surprises" basis.

The SpaceOps NZ Board will be sensitive to the demand for accountability placed on its shareholder by Councils and their ratepayers.

### PUBLIC EXPECTATIONS

SpaceOps NZ is very mindful of the public scrutiny that comes with being a CCTO and will:

- Build accountability and constructive working practices between their organisation and the shareholders
- Commit to transparency to the public, including fulfilling the planning, reporting and disclosure requirements of the *Local Government Act 2002* and *Local Government Official Information and meeting Act 1987* as they apply to CCTO's
- Ensure the organisation is fiscally disciplined with expenditure

## POLICIES

### DIVIDEND POLICY

Each year the Board will review its ability to pay dividends after considering the ongoing needs of the business, the riskiness of the market environment, the requirements of the *Companies Act 1993* and the statutory obligations imposed on Directors.

Declared dividends, if any, will be paid in two instalments in February and August.

No dividend is to be declared in the 2026-2027 financial year.

### ACQUISITION PROCEDURES

The undertaking by SpaceOps NZ of any activity of a nature or scope not provided for in this Statement of Intent would be subject to the prior approval of the Shareholder.

SpaceOps NZ will not establish any new company or other organisation or acquire shares, equity, voting interests or memberships of any company or organisation without the Directors having gained prior approval of the Shareholder.

### SHAREHOLDER INVESTMENT

The Directors estimate that the commercial value of the shareholders' investment in SpaceOps NZ as at 1 July is represented by the opening balance of shareholder's funds.

### COMPENSATION FROM LOCAL AUTHORITIES

The Directors do not envisage any circumstances arising that would give rise to any claim from any local authority during the year other than those stated in the financial statements.



*Aerial view of Awarua Satellite Ground Station*



## Purpose & Vision

### OUR PURPOSE

**To deliver sustainable, innovative services to the global space market.**

### OUR VISION

In an industry that calls for a high-trust operating environment, we are already highly trusted. The expertise to be found within SpaceOps NZ and our contractors compares favourably with anywhere in the world. We have identified and are exploiting the exciting opportunities arising from our natural advantages and the talent of our staff.

SpaceOps NZ's vision is to utilise our strategic advantages to profitably and sustainably...

- Provide space operations services and facilities
- Create and develop new opportunities in the space sector
- Foster space activity within New Zealand



*Visitors to Awarua SGS being welcomed to Southland*

### NATIONAL INTEREST

SpaceOps NZ strongly supports and advocates for the peaceful use of space and recognises that the company needs always to be recognised as a responsible international citizen in the space domain.

SpaceOps NZ is a signatory of the Washington Compact on Norms of Behavior for Commercial Space Operations.

SpaceOps NZ is responsive to and complies with the Outer Space and High-altitude Activities Act 2017, the Ground Based Space Infrastructure Act 2025, the Radiocommunications Act 1989 and international space treaties.

### REGIONAL INTEREST

SpaceOps NZ is firmly rooted in Southland: with an established international reach and a national ambit, SpaceOps NZ is proud to reflect aspirations of all Southlanders.

The Awarua Satellite Ground Station enjoys international standing for its unique location in New Zealand that is unsurpassed almost everywhere else in the world. Notwithstanding SpaceOps NZ's large aperture antennas at Warkworth, Awarua SGS will always be the jewel in SpaceOps NZ's crown.

SpaceOps NZ's work has enabled two well-known international companies in the space sector to establish themselves in Invercargill, helping build a space economy in Southland.

SpaceOps NZ maintains outreach to Southland youth, to excite them to consider careers in science, technology, engineering and mathematics that would likely otherwise remain unfamiliar to them.



# Intentions & Activities

## **BUSINESS ACTIVITIES**

At Awarua Satellite Ground Station (Awarua SGS), SpaceOps NZ exploits its geographically unique and globally significant location to provide telecommunications for spacecraft in Earth orbit through hosting others' antennas and leasing time on its own antennas.

The large aperture antennas at Warkworth Space Centre are used for undertaking radio astronomy and space geodesy observations, and supporting Lunar and other missions.

SpaceOps NZ currently has four business lines:

- 1. Hosting customer-owned satellite ground stations, including installing and maintaining these ground stations**
- 2. Leasing its own ground stations to satellite operators and others**
- 3. Undertaking space geodesy and radio astronomy observations**
- 4. Providing technical expertise to the space community**

At present, hosting others' antennas forms the company's prime revenue stream. This is now a mature operation with steady growth forecasted. Nearly all hosting revenue is derived from the Awarua SGS.

Leasing and operating its own ground stations is becoming increasingly important to SpaceOps NZ as its antennas become qualified and the services are more widely marketed.

Much of the leasing revenue from 2026 forward will come from the proposed use of the Warkworth 30 metre antenna to support Lunar and ultimately deep space telecommunications. Because of the quantum of this operation, the Warkworth operation is treated as a stand-alone business centre.



## GROWTH & INVESTMENT

There are four priority growth areas for the period to 30 June 2029:

1. **Further develop the facilities at Awarua and elsewhere in response to growing demand for hosting and leasing of ground stations, and associated services**
2. **Develop and bring into service additional antennas for leasing to customers**
3. **Commercialise R&D activities**
4. **Upgrade the equipment at Warkworth Space Centre to provide Lunar, and near- and deep-space antenna leasing services.**

In addition, for strategic reasons, and driven by demand and opportunity, SpaceOps NZ may also:

- Establish additional ground stations at new sites
- Expand the scope of the present space geodesy services to provide value-added services to New Zealand and overseas customers.

### ? What is a satellite ground station?

Ground stations comprise antennas (often dish-shaped) and antenna positioners, and radio equipment and computer servers, which are used to communicate with satellites and launch-vehicles (collectively, 'spacecraft').



IAC Sydney



Robin McNeill with Minister for Space, Judith Collins and Prime Minister, Christopher Luxon

## RISKS

Risks to SpaceOps NZ's operations have been identified. The risks most demanding attention are:

- Supply chain issues for our customers has seen installation of new antennas delayed by as much as 9 months. Such delays directly impact on when we can start charging hosting fees, and thus our revenue. It is not possible to mitigate this risk.
- Revenue is somewhat sensitive to variations in the \$NZD-\$USD exchange rates and forward-exchange contracts can only ameliorate short to medium term effects. SpaceOps NZ will be purchasing equipment from overseas as part of its expansion plans. This expenditure will be sensitive to exchange rate fluctuations and forward cover may be taken to hedge against adverse currency movements.
- The space industry is dynamic and quickly evolving, meaning new opportunities sometimes present themselves unexpectedly. Such opportunities may demand immediate attention to either secure them, or to prevent other parties exploiting them to gain competitive advantage. Therefore, a nimble and responsive approach by SpaceOps NZ is required.
- While currently considered to be of lower priority than the proposed immediate work programme for SpaceOps NZ, the company will need to monitor and be able to react quickly to
  - Customer demand for optical ground stations and telescopes,

- Customer demand for ground stations in other parts of New Zealand,
- Opportunities to broaden activities relating to near real-time satellite Earth observation
- Commercial interest in hardware, algorithms and software developed in-house.

- The Board and Management of SpaceOps NZ have prepared this statement of intent using the best information available at the time of preparation. The document contains certain forward-looking statements, forecasts, and financial projections reflecting current expectations, including anticipated moderate growth of around 15%, while incorporating a deliberately conservative approach to both capital expenditure (CAPEX) and operating expenditure (OPEX). Additional expenditure to support growth may become necessary.

Actual results may differ from these projections due to factors such as the timing and confirmation of customer projects, changes in market or economic conditions, operational developments, or other unforeseen events. Such uncertainties are normal in planning and are not unique to space technology companies.

These projections are provided to support planning and transparency and should not be interpreted as guarantees of future performance. The Company may update or revise these projections if materially significant changes occur.



*Ongoing development work at Awarua Satellite Ground Station*

# Financial Forecasts

SpaceOps NZ's performance targets for the year ending 30 June 2027 and subsequent two years follow.

## NON-FINANCIAL

|                                                                           | 2026/27                                                                                                                                         | 2027/28                                                                                                                                         | 2028/29                                                                                                                                         |
|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| Health, Safety and Risk Management                                        | Staff remain safe with <b>zero lost-time injuries</b><br><br>The workplace maintains a strong safety record with <b>no reportable incidents</b> | Staff remain safe with <b>zero lost-time injuries</b><br><br>The workplace maintains a strong safety record with <b>no reportable incidents</b> | Staff remain safe with <b>zero lost-time injuries</b><br><br>The workplace maintains a strong safety record with <b>no reportable incidents</b> |
| SpaceOps NZ infrastructure consistently performs to the required standard | <b>No contractual penalties</b> incurred by customers due to system failure.                                                                    | <b>No contractual penalties</b> incurred by customers due to system failure.                                                                    | <b>No contractual penalties</b> incurred by customers due to system failure.                                                                    |
| The organisation maintains a committed and stable workforce               | Annual staff turnover is maintained at below <b>15%</b>                                                                                         | Annual staff turnover is maintained at below <b>15%</b>                                                                                         | Annual staff turnover is maintained at below <b>15%</b>                                                                                         |

## FINANCIAL

|                                                                   | 2026/27                                                                     | 2027/28                                                                     | 2028/29                                                                     |
|-------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| Annual revenue continues to grow strongly                         | Revenue growth exceeds <b>15%</b>                                           | Revenue growth exceeds <b>15%</b>                                           | Revenue growth exceeds <b>15%</b>                                           |
| The organisation achieves its planned financial surplus each year | <b>Planned financial surplus achieved</b> , meeting all budget expectations | <b>Planned financial surplus achieved</b> , meeting all budget expectations | <b>Planned financial surplus achieved</b> , meeting all budget expectations |

## SUSTAINABILITY

|                                                                               | 2026/27                                                                          | 2027/28                                                                                       | 2028/29                                                                                     |
|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| The company becomes <b>increasingly carbon efficient</b> over the three years | Carbon intensity reduced to <b>26.5 tCO<sub>2</sub>e</b> per \$1 million revenue | Carbon intensity reduced to from 26.5 to <b>24.1 tCO<sub>2</sub>e</b> per \$1 million revenue | Carbon intensity reduced to from 24.1 to <b>22 tCO<sub>2</sub>e</b> per \$1 million revenue |

## STATEMENT OF COMPREHENSIVE REVENUE & EXPENSE

| For the 12 months to June                     | 2026/27<br>Budget | 2027/28<br>Budget | 2028/29<br>Budget |
|-----------------------------------------------|-------------------|-------------------|-------------------|
| Revenue                                       | 5,301,487         | 6,092,667         | 7,005,692         |
| Expenditure                                   | 4,113,500         | 4,338,373         | 4,401,209         |
| <b>Net Surplus</b>                            | <b>1,187,987</b>  | <b>1,754,294</b>  | <b>2,604,483</b>  |
| Taxation                                      | 332,636           | 491,202           | 729,255           |
| <b>Net Surplus / (Deficit) After Taxation</b> | <b>855,350</b>    | <b>1,263,091</b>  | <b>1,875,228</b>  |

## STATEMENT OF FINANCIAL POSITION

| For the Financial Year Ended | 2026/27<br>Budget | 2027/28<br>Budget | 2028/29<br>Budget |
|------------------------------|-------------------|-------------------|-------------------|
| Consolidated Assets          | 10,097,494        | 10,788,698        | 10,671,218        |
| Consolidated Liabilities     | 6,774,038         | 6,202,150         | 4,209,443         |
| <b>Net Assets</b>            | <b>3,323,456</b>  | <b>4,586,548</b>  | <b>6,461,775</b>  |
| <b>Equity</b>                |                   |                   |                   |
| Contributed capital          | 1,072,588         | 1,072,588         | 1,072,588         |
| Retained earnings            | 2,250,868         | 3,513,960         | 5,389,187         |
| <b>Total equity</b>          | <b>3,323,456</b>  | <b>4,586,548</b>  | <b>6,461,775</b>  |

## STATEMENT OF CASHFLOWS

| For the 12 months to June                       | 2026/27<br>Budget | 2027/28<br>Budget | 2028/29<br>Budget |
|-------------------------------------------------|-------------------|-------------------|-------------------|
| Total cash flow from Operating Activities       | 1,969,782         | 2,316,070         | 2,776,389         |
| Total cash flow from Investing Activities       | (1,512,250)       | (1,431,750)       | (207,000)         |
| Total cash flow from Financing Activities       | (476,232)         | (971,563)         | (2,379,123)       |
| <b>Net Cashflows</b>                            | <b>(18,700)</b>   | <b>(87,243)</b>   | <b>190,266</b>    |
| <b>Cash Balances</b>                            |                   |                   |                   |
| Open Cash, cash equivalents and overdrafts      | 345,065           | 326,365           | 239,123           |
| Movement during the year                        | (18,700)          | (87,243)          | 190,266           |
| <b>Cash, cash equivalents and overdrafts at</b> | <b>326,365</b>    | <b>239,123</b>    | <b>429,388</b>    |

# ACCOUNTING POLICIES

## BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

## STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, the Companies Act 1993, and the Financial Reporting Act 2013. This includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) Reduced Disclosure Regime (RDR). Space Operations New Zealand Ltd is eligible and has elected to report in accordance with Tier 2 PBE standards RDR on the basis the entity has no public accountability and has expenses > \$2m and < \$30m.

## PRESENTATION CURRENCY AND ROUNDING

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of Space Operations New Zealand Ltd is New Zealand dollars.

## MEASUREMENT BASE

The financial statements have been prepared on an historical cost or fair value basis as per the following policies.

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies, which affect the measurement of the results and financial position, have been applied:

### Revenue

Revenue is measured at the fair value of consideration received. Where funding is not conditional and Space Operations New Zealand Ltd has no obligation to deliver a specific event or service, the revenue will be recognised when receipted.

Where the funding has conditions attached to it such as the provision of hosting services, the funding is recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. The funding is held as a liability until the specific conditions are met. Revenue from the rendering of services is recognised by reference to the stage of completion at the balance sheet date, based on the actual service provided. Interest revenue is recognised using the effective interest method.

### Revenue in Advance

Revenue in advance is recognised where amounts received are in excess of the amounts recognised as revenue.

### Expenditure

All expenditure is recognised as incurred unless the liability is known and can be reasonably estimated, in which case the expenditure is accrued.

### Foreign Exchange Transactions

Foreign currency transactions are translated into NZ\$ (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

## Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax, then 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 (IRD) is included as part of receivables or payables in the Statement of Financial Position. The net GST paid to or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

## Income Tax

Income tax expense in relation to the profit or loss for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit. 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, using tax rates that have been enacted or substantively enacted by balance date.

Current tax and deferred tax is charged or credited to the Statement of Comprehensive Revenue and Expense, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

## Equity

Equity is the shareholders interest in Space Operations New Zealand Ltd, as measured by total assets less total liabilities.

## Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

## Trade and Other Receivables

Trade and other receivables are initially measured at fair value and subsequently measured at cost, amortised where necessary, using the effective interest method, less any provision for impairment.

A receivable is considered impaired when there is evidence that Space Operations New Zealand Ltd will not be able to collect the amount due. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected.

## Property, Plant and Equipment

Property, plant, and equipment consists of the following asset classes: antenna, buildings, furniture and fittings, IT equipment, plant and equipment, site development, tools and equipment, and land. Individual assets were capitalised based on Inland Revenue guidelines. An asset was capitalised if the purchase price was greater than \$500 up until 17 March 2020, when the IRD temporarily increased the low-value assets threshold to \$5,000. The threshold decreased on 16 March 2021 from \$5,000 to \$1,000.

### Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Space Operations New Zealand Ltd and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is

recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

Work in progress is recognised at cost less impairment and is not depreciated.

#### *Disposals*

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Comprehensive Revenue and Expense.

#### *Subsequent Costs*

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Space Operations New Zealand Ltd and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

#### *Depreciation*

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

| <u>Asset Class</u>      | <u>Dep. Rate</u> | <u>Est. Life</u> |
|-------------------------|------------------|------------------|
| - Antenna:              | 10.0%            | 10 years         |
| - Buildings:            | 3.0% - 7.0%      | 3 – 14.3 years   |
| - IT Equipment:         | 0% - 40.0%       | 10 years +       |
| - Furniture & Fittings: | 15.6%            | 6.4 years        |
| - Plant:                | 7.0%             | 14.3 years       |
| - Site Development:     | 7.0% - 10.0%     | 10 – 14.3 years  |
| - Tools & Equipment:    | 10.0%            | 10 years         |
| - Land:                 | 0%               |                  |

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

#### *Impairment of Property, Plant and Equipment*

Property, plant and equipment held that have a finite useful life are reviewed for impairment whenever changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable service amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

#### *Value in Use For Non-Cash Generating Assets*

Value in use is the present value of the asset's remaining service potential. Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

### **Leases**

#### *Operating Leases*

An operating lease is a lease that does not transfer substantially all the risks and benefits incidental to ownership of an asset. Payments under these leases are recognised as expenses in the Statement of Comprehensive Revenue and Expense in periods in which they are incurred. Lease incentives received are recognised.

### **Payables**

Short-term payables are recorded at the amount payable.

### **Financial Instruments**

Space Operations New Zealand Ltd is party to financial instruments as part of its normal operation. These financial instruments give rise to financial assets and liabilities and include cash and on-call deposits, accounts receivable, investments, and accounts payable, deposits held, other financial liabilities and financial guarantees. They also include equity interests in other entities.

All financial instruments are recognised in the Statement of Financial Position based on Space Operations New Zealand Ltd's general and, where applicable, particular accounting policies. All financial instruments disclosed in the Statement of Financial Position are recorded at fair value or amortised cost. Revenue and expenditure arising from these financial instruments is recognised in the Statement of Comprehensive Revenue and Expense.

### **Statement of Cash Flows**

Cash includes cash and cash equivalents as defined above.

Operating activities include cash received from all revenue sources of Space Operations New Zealand Ltd and cash payments made 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 the change in equity and debt capital structure of Space Operations New Zealand Ltd.

### **Personnel Costs**

#### *Salaries and Wages*

Salaries and wages are recognised as an expense as employees provide services.

#### *Defined Contribution Superannuation Schemes*

Employer contributions to KiwiSaver, the Government Superannuation Fund, and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

#### *Employee Entitlements*

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date. No liability is recognised for sick leave.

### **Changes in Accounting Policies**

There are no other changes in accounting policies during the financial year.

### **CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS**

In preparing these financial statements, Space Operations New Zealand Ltd has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. 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. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities recognised in the financial statements are described in the notes to the financial statements.

#### *Judgements*

Revenue (timing of revenue is assessed under Tier 2 PBE RDR guidance).

#### *Assumptions*

Property, Plant and Equipment (includes assumptions around useful life of assets).



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## Great South SOI 2026/2027 and 18 August workshop slides

# Statement of comprehensive revenue and expense

For the 12 months to June

|                                               | 2026/27<br>Budget | 2027/28<br>Budget | 2028/29<br>Budget |
|-----------------------------------------------|-------------------|-------------------|-------------------|
| <b>Revenue</b>                                |                   |                   |                   |
| <b>Shareholder Investment</b>                 |                   |                   |                   |
| Core                                          | 2,138,498         | 2,213,345         | 2,290,813         |
| Contract                                      | 1,666,841         | 1,666,841         | 1,666,841         |
| <b>Total</b>                                  | <b>3,805,339</b>  | <b>3,880,186</b>  | <b>3,957,654</b>  |
| <b>Other Revenue</b>                          |                   |                   |                   |
| Service Revenue                               | 944,638           | 997,438           | 1,050,336         |
| Project Revenue                               | 200,000           | 100,000           | 100,000           |
| <b>Total Other Revenue</b>                    | <b>1,144,638</b>  | <b>1,097,438</b>  | <b>1,150,336</b>  |
| <b>Total Revenue</b>                          | <b>4,949,977</b>  | <b>4,977,624</b>  | <b>5,107,990</b>  |
| <b>Expenditure</b>                            |                   |                   |                   |
| <b>Project and Service Expenditure</b>        |                   |                   |                   |
| Regional Economic Development                 | 1,207,799         | 1,099,760         | 1,134,911         |
| Business Support Services                     | 484,221           | 496,257           | 498,365           |
| Regional Tourism Development                  | 695,560           | 752,430           | 769,889           |
| Regional Event Support                        | 504,120           | 523,994           | 534,214           |
| <b>Total Project Expenditure</b>              | <b>2,891,700</b>  | <b>2,872,442</b>  | <b>2,937,379</b>  |
| <b>Core expenditure</b>                       |                   |                   |                   |
| Directors Fees                                | 176,000           | 176,000           | 176,000           |
| Employee Expense                              | 1,092,798         | 1,131,046         | 1,170,633         |
| Depreciation and Amortisation                 | 55,000            | 50,000            | 45,000            |
| Other Expenses                                | 734,268           | 759,967           | 786,566           |
| <b>Total Core Expenditure</b>                 | <b>2,058,066</b>  | <b>2,117,013</b>  | <b>2,178,199</b>  |
| <b>Total Expenditure</b>                      | <b>4,949,767</b>  | <b>4,989,455</b>  | <b>5,115,578</b>  |
| <b>Net Surplus / (Deficit)</b>                | <b>210</b>        | <b>(11,831)</b>   | <b>(7,589)</b>    |
| <b>Taxation</b>                               |                   |                   |                   |
| <b>Net Surplus / (Deficit) After Taxation</b> | <b>210</b>        | <b>(11,831)</b>   | <b>(7,589)</b>    |

Extract from financials in Great South Statement of Intent 2026/2027 (budgets)

## OUR WORK

- 12 Regional development leadership
- 14 Regional promotion
- 16 Net Zero Southland
- 18 Business support and diversification
- 20 Space Operations New Zealand

Extract from contents page of Great South Statement of Intent 2026/2027 (our work)

## Funding Breakdown (Estimated)

| Description              | Core      | Contract                        |                    |          |                   |                | TOTALS    | % of funding | % of expenses |
|--------------------------|-----------|---------------------------------|--------------------|----------|-------------------|----------------|-----------|--------------|---------------|
|                          |           | Regional Development Leadership | Regional Promotion | Net Zero | Business Services | Total Contract |           |              |               |
| Council Funding          | 2,138,498 |                                 |                    |          |                   | 1,666,841      | 3,805,339 |              |               |
| Staff                    | 1,092,807 | 510,442                         | 757,940            | 262,610  | 163,951           | 1,694,942      | 2,787,749 | 73%          | 67%           |
| Programme + Core         | 1,006,474 | 105,267                         | 267,506            | 6,667    | 6,667             | 386,106        | 1,392,580 | 37%          | 33%           |
| Total Expenses           | 2,099,281 | 615,709                         | 1,025,446          | 269,276  | 170,618           | 2,081,048      | 4,180,329 |              |               |
| Difference               | 39,217    |                                 |                    |          |                   |                | (374,990) |              |               |
| Additional Revenue       | 117,200   | 168,000                         | 18,000             |          | 72,000            |                | 375,200   |              |               |
| Final projected position |           |                                 |                    |          |                   |                | 210       |              |               |

Contract Funding Split: 37% 62% 16% 10%

| Source | Core      | Contract  | TOTAL     | %    |
|--------|-----------|-----------|-----------|------|
| ICC    | 1,099,627 | 938,785   | 2,038,412 | 54%  |
| SDC    | 629,587   | 667,240   | 1,296,827 | 34%  |
| GDC    | 195,434   | 60,816    | 256,250   | 7%   |
| ES     | 213,850   |           | 213,850   | 6%   |
| Totals | 2,138,498 | 1,666,841 | 3,805,339 | 100% |

GREAT SOUTH

Slide presented by the Board of Great South on 18 August 2026 (workshop slide)

### Questions that require clarification

#### Categorisation of work programme

The four expenditure categories in the budgets in the SOI 2026/2027 appear to be inconsistent with the four main categories of work outlined in the SOI (our work). The categories of work in the SOI are consistent with the categories of contract funding in the first table of the workshop slide.

Please clarify why the categories differ within the SOI. Is there a way that they could correspond and reference the same categories?

*These categories are our workstreams and are historic. They have been maintained to ensure they remain consistent with our external reporting as this is how we report in our published SOI, six monthly report and annuals. It enables us to draw comparisons from previous years for the auditing process and allows for any changes in priorities, that the Joint Shareholders may make, without it impacting on our reporting.*

*We would recommend that we maintain the same categories as shown in the financials, and happy to look at how we could align that to the SOI and associated reporting from 2027/28 onwards. Let me know if this is what ICC would prefer, as then we'll need to get this endorsed by the JSC prior to making the changes.*

*The tables have been updated.*

| Budget categories             | Our work categories                                                                 | Workshop slide categories                                      |
|-------------------------------|-------------------------------------------------------------------------------------|----------------------------------------------------------------|
| Regional Economic Development | <i>Regional Development Leadership &amp; Business Support &amp; Diversification</i> | <i>Regional Development Leadership &amp; Business Services</i> |
| Regional Event Support        | <i>Regional Promotion</i>                                                           | <i>Regional Promotion</i>                                      |
| Regional Tourism Development  | <i>Regional Promotion</i>                                                           | <i>Regional Promotion</i>                                      |
| Business Support Services     | <i>Business Support and Diversification &amp; Net Zero Southland</i>                | <i>Business Services &amp; Net Zero</i>                        |

### Financials

We also note that the budgets in the SOI include expenses that are related to “Other Revenue” streams (ie outside of the councils SOI funding). Whereas the amounts in the contract funding of the slide relate only to the council funding in the four categories.

It would be helpful if budgets in the SOI's included figures that relate to council funded work streams separately from those that relate to other revenue. Is it possible to show this level of breakdown in the future?

*Yes, we certainly could, but will need to ensure that all shareholders would like to see this level of detail, and will need to be approved via the Joint Shareholders.*

### Revenue

The workshops slide includes additional revenue that total \$375,000 - whereas the budgets refer to other revenue totalling \$1,144,638. Do the slides only include other revenue that is from councils? Please clarify.

*The other revenue referred to in the budget is non council SOI funding and Impetus funding. It includes City Centre/RBP/SYF/MTFJ and SpaceOps Management fee & Director Fees (my director fees go to Great South). The costs associated with these are incorporated in the 4 categories of spend. The workshop slides show the **net benefit** to Great South by running these contracts.*

### Percentages that do not total 100%

On the workshop slide the percentages of contract funding (67%, 37%, 16% and 10%) split don't total 100%. And can you also clarify what those percentages reference?

*In the table you can see that we receive \$3,805,339 from councils and the total cost to run the business is \$4,180,329. There is a difference of \$374,990 and we are bringing in a net benefit from external contracts of \$375,200. The percentages listed are on the total costs to run the business, not the total given by the councils. That's why the percentages total to 125% of what councils give us.*

*The **correct** contract fund split is below.*

| Description              | Core      | Contract                        |                    |          |                   |                | TOTALS    | % of funding | % of expenses |
|--------------------------|-----------|---------------------------------|--------------------|----------|-------------------|----------------|-----------|--------------|---------------|
|                          |           | Regional Development Leadership | Regional Promotion | Net Zero | Business Services | Total Contract |           |              |               |
| Council Funding          | 2,138,498 |                                 |                    |          |                   | 1,666,841      | 3,805,339 |              |               |
| Staff                    | 1,092,807 | 510,442                         | 757,940            | 262,610  | 163,951           | 1,694,942      | 2,787,749 | 73%          | 67%           |
| Programme + Core         | 1,006,474 | 105,267                         | 267,506            | 6,667    | 6,667             | 386,106        | 1,392,580 | 37%          | 33%           |
| Total Expenses           | 2,099,281 | 615,709                         | 1,025,446          | 269,276  | 170,618           | 2,081,048      | 4,180,329 |              |               |
| Difference               | 39,217    |                                 |                    |          |                   |                | (374,990) |              |               |
| Additional Revenue       | 117,200   | 168,000                         | 18,000             |          | 72,000            |                | 375,200   |              |               |
| Final projected position |           |                                 |                    |          |                   |                | 210       |              |               |
| Contract Funding Split:  |           | 30%                             | 49%                | 13%      | 8%                |                |           |              |               |

*I hope these answers your questions. Please do ring me if you need any further clarifications.*