

AMCOS New Zealand Limited

Annual Report
For the year ended 30 June 2026

AMCOS New Zealand Limited

Financial statements

For the year ended 30 June 2026

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Directors' declaration

To the members of AMCOS New Zealand Limited

In the opinion of the Directors of AMCOS New Zealand Limited, the financial statements and notes, contained in this report:

- comply with New Zealand Generally Accepted Accounting Principles and give a true and fair view of the financial position of the Company as at 30 June 2026 and the results of operations for the year ended on that date; and
- have been prepared using the appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

The Directors consider that they have taken adequate steps to safeguard the assets of the Company, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements and are subject to an internal audit engagement.

The Directors are pleased to present the financial statements of AMCOS New Zealand Limited for the year ended 30 June 2026.

For and on behalf of the Directors on 29 September 2026.



Dean Ormston

Director

Company directory

NATURE OF BUSINESS	Music rights management organisation
REGISTERED OFFICE	181 Grafton Road Grafton AUCKLAND 1010 Telephone: 09 623 2173 E-mail: kiaora@apra.co.nz
INCORPORATION NUMBER	1208240
IRD NUMBER	82-600-949
DIRECTORS	Mr A Healey and Mr D Ormston
AUDITOR	KPMG
BANKERS	ANZ
SOLICITORS	Lee Salmon Long
BUSINESS LOCATION	Auckland
SHAREHOLDER	Australasian Mechanical Copyright Owners Society Limited

Independent Auditor's Report

To the Shareholders of AMCOS New Zealand Limited

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements which comprise:

- the statement of financial position as at 30 June 2026;
- the statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements of AMCOS New Zealand Limited (the **Company**) on pages 7 to 19 present fairly in all material respects:

- the Company's financial position as at 30 June 2026 and its financial performance and cash flows for the year ended on that date;
- In accordance with New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime (**NZ IFRS RDR**) issued by the New Zealand Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (**ISAs (NZ)**). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of AMCOS New Zealand Limited in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (**IESBA Code**), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

Our firm has provided other services to the Company in relation to tax advisory. Subject to certain restrictions, partners and employees of our firm may also deal with the Company on normal terms within the ordinary course of trading activities of the business of the Company. These matters have not impaired our independence as auditor of the Company. The firm has no other relationship with, or interest in, the Company.

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Document classification: **KPMG Public**

Other information

The Directors, on behalf of the Company, are responsible for the other information included in the entity's financial statements.

Our opinion on the financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears materially misstated.

If, based on the work we have performed, we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Use of this independent auditor's report

This independent auditor's report is made solely to the Shareholders. Our audit work has been undertaken so that we might state to the Shareholders those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the Shareholders for our audit work, this independent auditor's report, or any of the opinions we have formed.

Responsibilities of Directors for the financial statements

The Directors, on behalf of the Company, are responsible for:

- the preparation and fair presentation of the financial statements in accordance with NZ IFRS RDR issued by the New Zealand Accounting Standards Board;
- implementing the necessary internal control to enable the preparation of a set of financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability of the Company to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board (XRB) website at:

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-8/

This description forms part of our independent auditor's report.

KPMG

KPMG

Sydney

29 September 2026

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

	Section	2026 $	2025 $
Revenue from rendering of services	2.1	1,811,447	2,118,041
Other income	2.1	258,203	377,018
Total revenue and other income		2,069,650	2,495,059
Management fee		(1,816,366)	(2,364,616)
Expenses	2.1	(253,284)	(130,443)
Profit/(loss) before income tax		-	-
Income tax expense	2.3	-	-
Net profit/(loss) for the year		-	-
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		-	-

Statement of financial position

As at 30 June 2026

	Section	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents		7,758,236	9,292,885
Cash on deposit		3,078,553	-
Trade and other receivables	3.3	8,957,960	11,378,601
Total current assets		19,794,749	20,671,486
Total assets		19,794,749	20,671,486
Liabilities			
Current liabilities			
Trade and other payables	3.4	1,585,047	1,946,657
Licence fees owing but unpaid		18,095,375	18,610,502
Total current liabilities		19,680,422	20,557,159
Total liabilities		19,680,422	20,557,159
Net assets		114,327	114,327
Members' equity			
Share capital		1	1
Retained earnings		114,326	114,326
Total members' equity		114,327	114,327

Statement of changes in equity

For the year ended 30 June 2026

	Share Capital $	Retained Earnings $	Total Equity $
Balance at 1 July 2024	1	114,326	114,327
Profit/(loss) for the year	-	-	-
Other comprehensive income net of tax	-	-	-
Total comprehensive income for the year	-	-	-
Balance at 30 June 2025	1	114,326	114,327
Balance at 1 July 2025	1	114,326	114,327
Profit/(loss) for the year	-	-	-
Other comprehensive income net of tax	-	-	-
Total comprehensive income for the year	-	-	-
Balance at 30 June 2026	1	114,326	114,327

Statement of cash flows

For the year ended 30 June 2026

	Section	2026 $	2025 $
Cash flows from operating activities			
Cash receipts in the course of operations		28,471,629	26,130,800
Royalties paid		(21,251,845)	(20,463,853)
Cash payments in the course of operations		(5,839,468)	(4,935,684)
Interest received		163,588	324,793
Net cash provided by operating activities	2.5	1,543,904	1,056,056
Cash flows from investing activities			
(Increase)/decrease in cash on deposit		(3,078,553)	2,000,000
Net cash (used in)/provided by investing activities		(3,078,553)	2,000,000
Net (decrease)/increase in cash held		(1,534,649)	3,056,056
Cash at the beginning of the financial year		9,292,885	6,236,829
Cash at the end of the financial year		7,758,236	9,292,885

1. About this report

1.1. Reporting entity

AMCOS New Zealand Limited (Company) is a company domiciled in New Zealand and registered under the Companies Act 1993.

The principal activities of the Company are the collection of fees in respect of the licensing of the reproduction, in recorded form, of music.

The financial statements for the year ended 30 June 2026 were authorised for issue by the directors on 29 September 2026.

1.2. Basis of preparation

Statement of compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Principles (NZ GAAP). They comply with the New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime (NZ IFRS RDR) and other applicable Financial Reporting Standards as appropriate for Tier 2 profit-orientated entities.

The Company qualifies for Tier 2 for-profit Accounting Standards as it has no public accountability and is not a large for-profit public sector entity.

Basis of Measurement

The financial statements are prepared on the historical cost basis.

Presentation Currency

The financial statements are presented in New Zealand Dollars.

Changes to material accounting policies

There were no changes to material accounting policies in this reporting year or the stated comparative year.

2. Results for the year

2.1. Revenue, other income and other expenses

Revenue from rendering of services

Royalty income is defined as the gross licence fees collected by the Company from the licensing of the reproduction, in recorded form, of music under its control. The licence fees collected are based on information provided by copyright users. The Company's ability to verify the accuracy of this information is restricted. However, at the discretion of the Company, the information may be subject to investigation by external consultants acting on behalf of the Company.

Distributable revenue comprises gross licence fees collected less a fixed commission rate to cover the Company's expenses. The commission earned by the Company is disclosed as 'Revenue from rendering of services' in the Statement of profit or loss and other comprehensive income reflecting the Company's contractual role as an agent in the licence fee collection process. Distributable revenue is distributed to rights holders on a quarterly basis.

	2026 $	2025 $
Revenue from licence fees		
Owing but unpaid at the beginning of the financial year to members and affiliated societies	18,610,502	17,926,072
Royalty income billed during the year:		
Digital service providers	18,094,261	18,671,434
General businesses	1,501,289	1,204,566
Broadcasters	1,349,036	1,329,953
Education providers	1,071,129	1,052,192
Record labels	654,957	878,741
Total revenue from licence fees	41,281,174	41,062,958
Less:		
Amounts paid during the year to rights holders	21,391,435	20,349,250
Owing but not paid at balance date to rights holders	18,095,375	18,610,502
Licence fees retained to meet operating expenses	1,794,364	2,103,206
Management and accounting services income	17,083	14,835
Total revenue from rendering of services	1,811,447	2,118,041

Other income

Interest income is recognised in profit or loss as it accrues, using the effective interest rate. The accounting policy for foreign exchange gains is detailed in section 6.1.

	2026 $	2025 $
Interest income	163,588	324,793
Foreign exchange gain	94,615	52,225
Total other income	258,203	377,018

Other expenses

	2026 $	2025 $
Auditors of the Company – KPMG		
Audit services	11,282	12,512
Tax advisory services	7,207	6,930
Total audit and tax advisory services	18,489	19,442
Foreign exchange loss	205,327	86,520
Other	29,468	24,481
Total other expenses	253,284	130,443

2.2. Royalty distributions and royalties payable

Licence fees owing but unpaid are recognised as a liability as and when the related licence fee revenue is earned in accordance with the policy on revenue from rendering of services.

2.3. Taxation

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance date, and any adjustment to tax payable in respect of previous years. The income tax paid in 2026 was $nil (2025: $nil) and the income tax expense for the year was $nil (2025: $nil).

The financial statements are prepared on a GST exclusive basis with the exception of Trade and other receivables and Trade and other payables in the Statement of financial position and Cash flows from operating activities in the Statement of cash flows.

2.4. Segment reporting

The Company performs its principal activities by operating in one business segment. The Company operates entirely within New Zealand.

2.5. Reconciliation of cash and operating cashflows

For the purposes of the Statement of cash flows, cash includes cash at bank, and short term deposits at call. Cash flows are included in the Statement of cash flows on a gross basis. Cash as at the end of the financial period as shown in the Statement of cash flows is reconciled to the related items in the Statement of financial position as follows:

Reconciliation of profit/(loss) after income tax to net cash provided by operating activities

	2026 $	2025 $
Profit after income tax	-	-
Net cash provided by operating activities before change in assets and liabilities	-	-
Change in assets and liabilities during the financial year:		
Decrease/(increase) in trade and other receivables	2,420,641	(186,441)
(Decrease)/increase in trade payables	(361,610)	558,067
(Decrease)/increase in licence fees owing but unpaid	(515,127)	684,430
Net cash provided by operating activities	1,543,904	1,056,056

3. Members' assets

3.1. Capital expenditure commitments

The Company had no commitments for capital expenditure as at 30 June 2026 (2025: $nil).

3.2. Impairment of assets

The carrying amounts of the Company's assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in profit or loss.

Impairment losses are reversed when there is a change in the estimates used to determine the recoverable amount and are reversed through profit or loss.

The estimated recoverable amount of receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at their original effective interest rate. Receivables with a short duration are not discounted.

The estimated recoverable amount of other assets is the greater of their fair value less costs to sell, and their value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

3.3. Trade and other receivables

Trade and other receivables are stated at their cost less impairment losses amounting to $nil (2025: $nil).

	2026 $	2025 $
Trade and other receivables	8,957,595	11,378,601
Trade receivables due from parent entity	365	-
Total trade and other receivables	8,957,960	11,378,601

3.4. Trade and other payables

Trade and other payables are stated at cost.

	2026 $	2025 $
Trade payables	1,311,436	1,429,534
Management fee payable to APRA New Zealand Limited	232,968	481,898
Accrued expenses	40,643	35,225
Total trade and other payables	1,585,047	1,946,657

3.5. Leases

The Company is not party to any leases.

4. Risk management

4.1. Financial instruments

Recognition of non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents, trade and other payables and licence fees owing but unpaid.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Cash and cash equivalents comprise cash on hand and at bank, and short-term deposits at call.

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

Financial risk management

Overview

The Company has exposure to the following risks from the use of financial instruments:

- credit risk;
- liquidity risk;
- market risk; and
- operational risk.

This note presents information about the Company's exposure to each of the above risks, and the objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included in this note.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board has established the Audit, Risk and Culture Committee (Committee) which is responsible for developing and monitoring risk management policies. The Committee reports regularly to the Board on its activities.

Risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and operational activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. This risk management is assisted by an internal audit engagement provided by an external party.

Credit risk

Credit risk represents the loss that would be recognised if a customer or counterparty failed to perform their contractual obligations, and arises principally from the Company's receivables from licensees and members.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each licensee. Concentrations of credit risk are minimised by undertaking transactions with licensees and counterparties with no specific geographical concentration. The Committee has established a credit policy under which defaulting licensees are pursued with the assistance of a collection agency.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its

liabilities when due, under both normal and unusual conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically, the Company ensures that it has sufficient cash on demand to meet expected distributions and operational expenses for a period of 90 days. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted such as natural disasters.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Interest rate risk

The Company is exposed to interest rate risk in relation to its cash equivalents and cash on deposit balances. The weighted average interest rate on cash equivalents and cash on deposits of $10,836,789 at 30 June 2026 is 1.49% (2025: $9,292,885 at 1.20%). It is the Company's policy not to hedge this exposure to interest rate risk.

Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, liquidity and market risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation, with overall cost effectiveness, and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each operative unit. This responsibility is supported by the development of overall company standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced and the adequacy of controls and procedures to address the risks identified;
- requirements for the reporting of operational losses and proposed remedial action;
- development of contingency plans;
- training and professional development;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

Compliance with company standards is supported by periodic reviews undertaken by a governance committee of senior executives. The results of reviews are discussed with the management of the operational unit to which they relate.

Financial transactions

Credit risk

Exposure to credit risk

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date was:

	2026 $	2025 $
Assets		
Cash and cash equivalents	7,758,236	9,292,885
Cash on deposit	3,078,553	-
Trade and other receivables	8,957,960	11,378,601
	19,794,749	20,671,486

Liquidity risk

The contractual maturities of financial liabilities, as represented by Trade and other payables and Licence fees owing but unpaid, are all within one year. The carrying amount of these liabilities also represents the contractual cash flows.

Currency risk

Profile

The Company has $nil foreign currency receivables at 30 June 2026 (2025: $nil). The Company does not have significant exposure to foreign currency payables at 30 June 2026 (2025: $nil).

Sensitivity analysis

A 10 percent strengthening or weakening of the New Zealand dollar against the Australian dollar at 30 June 2026 would not have materially increased or decreased the Company's equity at 30 June 2026.

Interest rate risk

Profile

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

	2026 $	2025 $
Fixed rate instruments		
Cash on deposit	3,078,553	-
Variable rate instruments		
Cash at bank	7,758,236	9,292,885

Sensitivity analysis

If interest rates had changed by plus/(minus) 1% per annum from the year end interest rate, with all other variables held constant, the Company's other income for the year would have been $77,582 higher/(lower) (2025: $92,929).

4.2. Contingent Liabilities

The Company had no contingent liabilities as at 30 June 2026 (2025: $nil).

5. Related parties

5.1. Related parties

Parent Company

AMCOS New Zealand Limited is a wholly owned subsidiary of the Australasian Mechanical Copyright Owners Society Limited – a company incorporated in Australia.

Royalties paid to the parent company during the year ended 30 June 2026 were $nil (2025: $nil).

Directors

The Directors of the Company at any time during or since the reporting period were Anthony Healey and Dean Ormston.

Director's remuneration
The Director's remuneration for the current year was $nil (2025: $nil).

Director's indemnity and insurance
The parent Company has insured its Directors against liabilities to other parties (except to the Company or a related party of the Company) that may arise from their positions as Director. The insurance premiums relate to costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome subject to specific exclusions.

Transactions with Directors
The Directors have not entered into any transactions with the Company during the 2026 financial year.

Loans to and from Directors
No loans were made to or from the Directors by the Company during the 2026 financial year (2025: $nil).

6. Other information

6.1. Foreign currency transactions

Transactions in foreign currencies that are settled in the accounting period are translated at the settlement date. Transactions in foreign currency that are not settled in the accounting period, resulting in monetary assets and liabilities denominated in foreign currencies at the balance date, are translated to New Zealand Dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on their translation are recognised in profit or loss.

6.2. Auditor's remuneration

	2026 $	2025 $
Auditors of the Company – KPMG		
Audit services	11,282	12,512
Tax advisory services	7,207	6,930
	18,489	19,442

6.3. Events subsequent to balance date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

6.4. New accounting standards and interpretations

There are no new accounting standards or interpretations which are expected to have a material impact on the Company.