Annual financial statements

Niue Philatelic and Numismatic Corporation
For the year ended 30 June 2025

Contents

Directors' statement

Niue Philatelic and Numismatic Corporation
For the year ended 30 June 2025

The Board of Directors of the Niue Philatelic and Numismatic Corporation (the 'Corporation') is pleased to present the Corporation's financial statements for the year ended 30 June 2025.

The Board of Directors hereby declare that:

- They have been responsible for the preparation of these financial statements and the judgments made in them.
- They are responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.
- All statutory requirements in relation to these financial statements have been complied with, unless stated otherwise in these financial statements.
- In their opinion, these financial statements fairly reflect the financial position and operations of the Corporation for the year ended 30 June 2025.

These financial statements were authorised for issue by the Board on 13 May 2026.

Director

Director

The following Directors were in office during the reporting period and as of 30 June 2025:

- Hon. Dalton Tagelagi
- Hon. Crossley Tatui
- Justin Kamupala
- Doreen Siataga

Statement of financial performance

Niue Philatelic and Numismatic Corporation
For the year ended 30 June 2025

	NOTE	2025 $	2024 $
Revenue			
Royalties	3	1,013,594	998,984
Sales	4	48,979	102,615
Rental income	6	253,949	276,086
Donated services	5	135,023	-
Interest income	7	89,189	81,789
Total revenue		**1,540,734**	**1,459,474**
Cost of goods sold			
Cost of goods sold		17,888	36,661
Gross profit		**1,522,846**	**1,422,813**
Expenditure			
Personnel expenses	8	327,593	365,852
Other expenses	9	262,015	310,803
Maintenance and materials	9	91,617	86,578
Depreciation	16	73,260	54,519
Travel and transport	9	44,116	66,918
Donations and sponsorships	9	24,331	28,280
Total expenditure		**822,932**	**912,950**
Net profit before tax		**699,914**	**509,863**
Income tax expense			
Income tax expense	11	190,517	136,906
Net profit for the year		**509,397**	**372,957**

The accompanying notes form part of these financial statements.

Statement of changes in equity

Niue Philatelic and Numismatic Corporation
For the year ended 30 June 2025

	2025 $	2024 $
Equity		
Share capital		
Opening balance at 1 July	1,095,376	1,095,376
Closing balance at 30 June	**1,095,376**	**1,095,376**
Retained earnings		
Opening balance at 1 July	1,463,311	1,090,354
Net profit for the year	509,397	372,957
Closing balance at 30 June	**1,972,708**	**1,463,311**
Total equity at 30 June	**3,068,084**	**2,558,687**

The accompanying notes form part of these financial statements.

Statement of financial position

Niue Philatelic and Numismatic Corporation
As at 30 June 2025

	NOTE	2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents	12	3,061,429	3,035,467
Receivables	14	221,064	761,936
Inventory	13	23,189	29,388
Total current assets		**3,305,682**	**3,826,791**
Non-current assets			
Property, plant and equipment	16	759,908	704,529
Total non-current assets		**759,908**	**704,529**
Total assets		**4,065,590**	**4,531,320**
Liabilities			
Current liabilities			
Related party loan	21	452,072	619,893
Provision for income tax	11	316,565	582,552
Creditors	15	116,272	521,722
Income in advance	3	104,192	240,155
Employee entitlements	17	8,405	8,275
Total current liabilities		**997,506**	**1,972,597**
Non-current liabilities			
Employee entitlements	17	-	36
Total non-current liabilities		**-**	**36**
Total liabilities		**997,506**	**1,972,633**
Net assets		**3,068,084**	**2,558,687**
Equity			
Share capital		1,095,376	1,095,376
Retained earnings		1,972,708	1,463,311
Total equity		**3,068,084**	**2,558,687**

The accompanying notes form part of these financial statements.

Statement of cash flows

Niue Philatelic and Numismatic Corporation
For the year ended 30 June 2025

	2025 $	2024 $
Statement of cash flows		
Cash flows from operating activities		
Receipts of royalties	925,931	1,083,349
Receipts from customers	295,974	506,273
Receipts of interest	89,189	81,789
Payments to suppliers	(292,206)	(1,172,582)
Payments to employees	(327,448)	(385,916)
Net NCT received / (paid)	(305,796)	-
Payments of sponsorships and other donations	(24,331)	(28,280)
Payments of interest	(1,484)	-
Net cash generated from operating activities	**359,829**	**84,633**
Cash flows from investing activities		
Purchase of property, plant and equipment	(166,046)	(58,333)
Net cash used in investing activities	**(166,046)**	**(58,333)**
Cash flows from financing activities		
Loans received from related parties	-	500,000
Loan repayments made to related parties	(167,821)	-
Net cash from financing activities	**(167,821)**	**500,000**
Net increase in cash and cash equivalents	25,962	526,300
Cash and cash equivalents at the beginning of the year	3,035,467	2,509,167
Cash and cash equivalents at the end of the year	3,061,429	3,035,467

The accompanying notes form part of these financial statements.

Reconciliation of net profit to net cash flows from operating activities

	2025 $	2024 $
Net profit for the year	509,397	372,957
Adjustments for non-cash items		
Depreciation	73,260	54,519
Net effect of donated services*	-	-
Movement of income in advance	(135,963)	-
Total adjustments for non-cash items	**(62,703)**	**54,519**
Movements in working capital		
(Increase) / decrease in debtors	40,595	(455,868)
(Increase) / decrease in inventories	6,199	26,294
(Increase) / decrease in employee entitlements	94	(20,064)
Decrease in trade and other creditors*	(324,270)	(30,111)
Increase in provision for income tax	190,517	136,906
Total movements in working capital	**(86,865)**	**(342,843)**
Net cash flows from operating activities	**359,829**	**84,633**

*The Corporation's audit fees for the current and previous year were paid for by a different entity - see note 5. The payment was made directly to the Corporation's auditors. Revenue, expense and movements in the Corporation's balances in relation to the audit fees and the donation net off resulting in no impact to the Corporation's cashflows.

The accompanying notes form part of these financial statements.

Notes to the financial statements

Niue Philatelic and Numismatic Corporation
For the year ended 30 June 2025

1. Reporting entity

The Niue Philatelic and Numismatic Corporation (the 'Corporation') was established, and operates, under the Niue Philatelic and Numismatic Amendment Act 2011. The Government of Niue is the sole owner of the Corporation. The main function of the Corporation is to generate revenues through various activities which the Corporation has assumed from Government over the years which include: royalties from the sale of coins and stamps by the New Zealand Mint ('NZ Mint'), nonu farm management and sale of nonu juice, and government housing.

These are the financial statements for the Corporation for the year ended 30 June 2025, which were approved by the Corporation's Board of Directors (the 'Board') on 13 May 2026.

2. Statement of accounting policies

Basis of preparation

These financial statements have been prepared on a historical cost and deemed cost basis, and the functional and presentation currency is New Zealand Dollars ('NZD'). These financial statements have been prepared on a going concern basis.

Statement of compliance

These financial statements have been prepared using the accounting policies described in the notes to the financial statements and comply with the accounting policies of the Government of Niue.

Summary of significant accounting policies

Significant accounting policies are included in the notes that they relate to. Significant accounting policies that do not relate to a specific note are outlined below.

Niue Consumption Tax ('NCT')
The Corporation is registered for NCT. Except for debtors and creditors, amounts presented in these financial statements exclude any applicable NCT.

Significant accounting estimates and judgements

In preparing these financial statements, the Corporation has made estimates and assumptions about the future. These estimates and assumptions might differ from the subsequent actual results. The Corporation continually evaluates its estimates and assumptions, which are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a material risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are the estimates useful lives of property, plant and equipment - see corresponding notes.

Changes in accounting policies and estimates

There have been no changes to accounting policies or estimates during the financial year. No changes have been made to accounting policies and significant accounting estimates to those applied in the Corporation's last audited financial statements.

Non-compliance with other applicable laws and regulations

Timely preparation and audit of the financial statements
The Corporation is governed by the Niue Philatelic and Numismatic Act 1996, which requires that within three months after the end of the Corporation's financial year prepare and furnish to Cabinet and Assembly a report on its operation during the year ended on that date together with financial statements in respect of that year in such form as the minister approves. These financial statements were prepared outside of the three month requirement.

Timely preparation of income tax returns
Income Tax returns must be filed with the Niue Tax Office no later than five months after the end of the tax year (30 June). The Corporation has not yet filed its tax return for the years ending 30 June 2024 and 30 June 2025 and no requests for filing extensions have been sought.

3. Royalties and income in advance

The Corporation has an agreement with the NZ Mint, earning royalties based on its sales of Niuean coins and stamps. The agreement guarantees the Corporation a minimum royalty payment each year.

Income from the minimum amount of royalty guarantees is recognised over the periods the agreement with the NZ Mint covers. Royalties in excess of the minimum guarantee are recognised as revenue in the period covered by the underlying coin and stamp sales, if the amounts can be determined with reasonable certainty or else in the earliest period that such information becomes available.

Amounts received in advance of the relevant reporting period is represented as income in advance.

	2025 $	2024 $
Revenue		
Royalties from coin sales from the NZ Mint	1,013,594	998,984

	2025 $	2024 $
Liabilities		
Income in advance	104,192	240,155

4. Sales

Sales of physical goods such as coins and stamps and nonu juice are recognised when the goods have been transferred to the customer.

	2025 $	2024 $
Breakdown		
Nonu juice	39,540	75,210
Coins and stamps	9,439	27,405
Total sales	**48,979**	**102,615**

5. Donated services

During the reporting period, the New Zealand Ministry of Foreign Affairs and Trade ('MFAT') and the Office of the Auditor-General ('OAG') entered an agreement for MFAT to pay Audit New Zealand directly for its audits of the Corporation's Financial Statements. This agreement includes payment for the 30 June 2024 financial year audit.

Audit fees are expensed in the period the audit relates to. MFAT's payment of the Corporation's audit fees are donated services and revenue from those donated services are recognised in the same periods. However, MFAT's agreement with the OAG was made during the reporting period, so its payment of last year's audit fee has been recognised as revenue during that period. The payable for the Corporation's 30 June 2024 audit fees has also been derecognised.

6. Rental income

Rent income is recognised in the periods that the rental charge relates to.

	2025 $	2024 $
Breakdown		
Residential and commercial property rental	206,449	231,086
Swanson rental	47,500	45,000
Total rental income	**253,949**	**276,086**

7. Interest income

Interest income is recognised over time using the effective interest method.

8. Personnel expenses

Employee salaries and wages, and contractor expenses, are recognised as an expense as services are received.

	2025 $	2024 $
Breakdown		
Employee salaries and wages	251,384	252,452
Payments to contractors	65,045	96,032
Board fees	-	2,500
Other staff benefits	11,164	14,868
Total personnel expenses	**327,593**	**365,852**

9. Operating expenditure

In general, expenditure is recognised on an accrual basis, as and when goods or services are received.

	2025 $	2024 $
Breakdowns		
Donations and sponsorships		
Community grants	24,331	28,280
Maintenance and materials		
Repairs and maintenance	87,414	84,051
Other supplies	4,203	2,527
Total maintenance and materials	**91,617**	**86,578**
Travel and transport		
Travel	2,400	20,364
External freight	16,351	22,927
Fuel	25,365	23,627
Total travel and transport	**44,116**	**66,918**
Other expenses		
Communication	5,827	14,531
Electricity	547	7,969
Professional fees	227,309	246,325
Loss on clearance of related party and supplier checking accounts	-	4,276
Operational lease and rent	382	1,220
Other expenses	27,950	36,482
Total other expenses	**262,015**	**310,803**

10. Audit fees

Included in professional fees is the audit fee for the current financial year of $69,758 (2024: $65,265).

The Corporation's auditors performed no other services during the period (2024: nil).

11. Income and deferred tax

Tax expense comprises current and deferred tax. Income tax is a provision for the income tax payable based on the taxable surplus for the current year, plus any adjustments to prior provisions in respect of previous periods. Income tax expense is calculated using tax rates and tax laws (substantively) enacted at balance date. Income tax expense is recognised against surplus or deficit for the period.

Deferred tax is recognised for temporary differences (if any) between carrying amount of asset and liabilities for financial reporting purposes and the amounts used for taxation purposes. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available, against which the asset can be utilised.

	2025 $	2024 $
Income tax		
Net profit before tax	699,914	509,863
Permanent difference: interest income	(89,189)	(81,789)
Permanent difference: non-deductible expenditure	24,331	28,280
Net profit subject to income tax	635,056	456,354
Income tax rate (%)	30	30
Income tax expense for the year	190,517	136,906

The following is the movement in the provision for income tax during the period.

	2025 $	2024 $
Movement in provision for income tax		
Opening balance	582,552	445,646
Offsetting allowed by the Government of Niue	(456,504)	-
This year's income tax expense	190,517	136,906
Closing balance	**316,565**	**582,552**

*The Corporation and the Government of Niue had several balances owed to and from each other. In a letter dated August 2024 from the Niue Treasury Department, offsetting of those balances were agreed which included a reduction in the provision for income tax owed by the Corporation.

12. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks. Balances are measured at face value.

	2025 $	2024 $
Breakdown		
Current accounts	348,984	523,427
Call accounts	2,712,445	2,512,040
Total cash and cash equivalents	**3,061,429**	**3,035,467**

13. Inventory and cost of goods sold

Cost of goods sold represents the cost of inventories recognised as an expense when the related revenue is recorded. Inventories are measured at the lower of cost and net realisable value. Cost includes all expenditures incurred in bringing inventory to their present location and condition, comprising purchase price, import duties, transport and handling. Any write-down to net realisable value and subsequent reversals are recognised in profit or loss in the period they occur.

	2025 $	2024 $
Inventory balance		
Coins and stamps	23,189	29,388

	2025 $	2024 $
Cost of goods sold breakdown		
Coins and stamps	6,199	26,920
Nonu juice	11,689	9,741
Total cost of goods sold	**17,888**	**36,661**

14. Receivables

Short-term receivables are recorded at the amounts due, less provisions for doubtful debt. The doubtful debt provision is determined based on a review of individual debtor balances, historical loss experience and an assessment of current economic conditions. Bad debts are written off against the provision when identified as uncollectible. Any subsequent recoveries of amounts previously written off are recognised as income.

	2025 $	2024 $
Breakdown		
Trade receivables	56,968	97,563
Related party debtors - see note 21	126,689	664,373
Prepayments	37,407	-
Total receivables	**221,064**	**761,936**

15. Creditors

Short-term payables are recorded at the amount payable.

	2025 $	2024 $
Breakdown		
Related party creditors - see note 21	18,552	10,568
Trade creditors	42,533	69,789
Rental bonds	18,840	18,040
PAYE payable - see note 21	1,204	-
NCT payable - see note 21	35,143	423,325
Total creditors	**116,272**	**521,722**

16. Property, plant and equipment

Property, plant, and equipment ('PP&E') consists of land, infrastructure assets, building and site improvements, motor vehicles, electronic equipment (including computer equipment), and furniture and fittings. PP&E is measured at cost less accumulated depreciation and impairment losses. Generally, individual assets, or groups of assets, are capitalised if their cost is greater than $1,000.

The cost of an item of PP&E is recognised as an asset if it is probable that future economic benefits or service potential associated with the item will flow to the Corporation and the cost of the item can be measured reliably. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition. Work in progress is recognised at cost less impairment and is not depreciated. Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus or deficit.

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

- Buildings: 10-40 years (2.5-10%)
- Machinery: 5-15 years (7.5-20%)
- Vehicles: 5 years (20%)
- Electronic equipment: 3-5 years (20-33.3%)
- Furniture and fittings: 5-10 years (10-20%)

Breakdown of property, plant and equipment
The following is a breakdown of the different classes of PP&E and movements during the reporting period.

	LAND $	BUILDINGS $	MACHINERY $	VEHICLES $	ELECTRONIC EQUIPMENT $	FURNITURE AND FITTINGS $	TOTAL $
Cost							
As at 1 July 2023	377,475	372,369	355,386	65,812	10,604	6,376	1,188,022
As at 30 June 2024	377,475	416,730	355,386	69,194	21,194	6,376	1,246,355
Additions	-	-	126,339	-	-	2,300	128,639
As at 30 June 2025	377,475	416,730	481,725	69,194	21,194	8,676	1,374,994

	LAND $	BUILDINGS $	MACHINERY $	VEHICLES $	ELECTRONIC EQUIPMENT $	FURNITURE AND FITTINGS $	TOTAL $
Accumulated depreciation							
As at 1 July 2023	-	242,904	196,042	42,112	4,825	1,424	487,307
As at 30 June 2024	-	253,420	222,909	50,066	9,736	5,695	541,826
Depreciation	-	10,627	45,873	7,993	7,627	1,140	73,260
As at 30 June 2025	-	264,047	268,782	58,059	17,363	6,835	615,086

	LAND $	BUILDINGS $	MACHINERY $	VEHICLES $	ELECTRONIC EQUIPMENT $	FURNITURE AND FITTINGS $	TOTAL $
Net book value							
As at 1 July 2023	377,475	129,465	159,344	23,700	5,779	4,952	700,715
As at 30 June 2024	377,475	163,310	132,477	19,128	11,458	681	704,529
As at 30 June 2025	377,475	152,683	212,943	11,135	3,831	1,841	759,908

Impairment of property, plant and equipment

Property, plant and equipment that has a finite useful life is tested 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 amount. The recoverable 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 amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the profit or loss.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets i.e. cash generating units (CGUs).

Non-financial assets other than goodwill that were previously impaired are reviewed for possible reversal of impairment at the end of each reporting period.

During the reporting period, the Corporation has not identified any events or changes in circumstances that may indicate the carrying amounts of CGUs may not be recoverable. As such, the Corporation does not believe any of its fixed assets are impaired and has not recognised any impairment loss during the reporting period.

17. Employee entitlements

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

	2025 $	2024 $
Breakdown		
Current employee entitlements		
Accrued salaries and wages	5,558	3,278
Leave entitlements	2,847	4,997
Total current employee entitlements	**8,405**	**8,275**
Non-current employee entitlements		
Leave entitlements	-	36
Total non-current employee entitlements	**-**	**36**
Total employee entitlements	**8,405**	**8,311**

18. Commitments

Expenses yet to be incurred on non-cancellable contracts that have been entered into on or before balance date are disclosed as commitments to the extent that there are equally unperformed obligations.

Cancellable commitments that have penalty or exit costs explicit in the agreement on exercising that option to cancel are included in commitments at the value of that penalty or exit cost.

There were no commitments as at 30 June 2025 (2024: nil).

19. Contingencies

The Niue Philatelic and Numismatic Corporation issues coins for the numismatic collectors' market. These coins are legal tender only in Niue. Coins may therefore be redeemed against the Niue Philatelic and Numismatic Corporation or the Government of Niue. However, because of the nature of these coins and because these are only legal tender within Niue, it is considered unlikely that any material amount will be redeemed.

Other than the above, there are no contingencies as at 30 June 2025 (2024: nil).

20. Subsequent events

There were no subsequent events that may have a significant impact on these financial statements.

21. Related party transactions

The Corporation regularly enters into transactions with the Government and other entities within the group. Significant transactions (excluding NCT) during the year were as follows.

	2025 $	2024 $
Summary		
Sales and receipts		
Sales to Niue Development Bank	11,903	9,778
Sales and services provided to Niue Bond Liquor Company Limited	32,981	19,413
Sales and services provided to Government of Niue	1,193	32,146
Purchases and payments		
Purchase services provided by Broadcasting Corporation of Niue	(3,556)	(889)
Purchase of goods and services from Niue Bond Liquor Company Limited	-	(141)
Communication services and assets from Telecom Niue Limited	(2,795)	(6,953)
Goods and services from Government of Niue	(4,264)	(7,970)
Total transactions	**35,462**	**45,384**

The related party transactions and other events resulted in the following balances owing to, or owed by, the Corporation as at 30 June. The following balances include any applicable NCT.

	2025 $	2024 $
Summary		
Receivables		
Receivable owing from Broadcasting Corporation of Niue	59,973	59,973
Receivable owing from Government of Niue	66,716	604,400
Total receivable	**126,689**	**664,373**
Payables		
Payable owing to Government of Niue - Treasury Department	(53,572)	(9,453)
Payable to Broadcasting Corporation of Niue	(1,117)	(1,116)
Payable to Telecom Niue Limited	(210)	-
Total payable	**(54,899)**	**(10,569)**
Related party loan		
Intercompany balance with Niue Bond Liquor Company Limited	(452,072)	(619,893)
Total intercompany account	**(452,072)**	**(619,893)**

The Corporation also makes regular tax payments to the Tax Office. PAYE is paid on behalf of its employees.