Priority One
Tauranga
Moana

Annual Report 2026

Te Pūrongo ā-Tau



Our pillars

People
Tāngata

We create employment pathways for our people and, where necessary, attract talent so everyone can contribute to and benefit from the region's prosperity.

Investment
Haumitanga

We attract capital for two reasons. To develop the essential roading, housing, energy and social infrastructure that underpins our region's economic and community wellbeing. And to accelerate the region's economic growth through investment in businesses and people.

Innovation
Auahatanga

We enable, connect and convene to foster an ecosystem where innovation can thrive. We are innovative problem-solvers, supporting our members and stakeholders to work together on shared challenges and opportunities

Priority One
Tauranga
Moana

Mission

To unlock the Western Bay's economic potential and create sustainable prosperity for all who live here.

Strategy

To build a vibrant ecosystem that connects people, groups, ideas and resources through partnerships, innovation and investment. We will amplify this ecosystem by positioning our region as a premier destination for capital and talent.

We deliver value to our members & stakeholders by:

- Creating real economic opportunities to raise incomes for everyone in our community
- Expanding workforce capacity and capability
- Amplifying the voice of industry
- Actively engaging mana whenua in the region's economy
- Shaping a favourable operating context
- Telling our region's story with compelling consistency
- Making connections
- Being a trusted advisor & neutral broker

Our focus in 2026

Regional Deal

Energy strategy

Bringing in outside capital

Talent attraction

Instep Young Leaders' Forum

Ara Rau

Circular construction

DayBreak Festival of Innovation

Mount Maunganui Industry Environmental Accord

Priority One is supported by businesses and the following strategic partners:

Bay Trust

Craigs Investment Partners

elementIME Investment Management Finance

Manawa Trust

Mercury

Port of Tauranga

Tauranga City

The University of Waikato
Te Whare Wānanga o Waikato

Western Bay of Plenty District Council

Zespri Kiwifruit

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Chair Report

Tā te tiamana pūrongo

When people talk about the Western Bay of Plenty, they often point to our many strengths.

A world-leading horticulture sector. The country's largest port. An increasingly sophisticated technology sector. A thriving university campus. Strong manufacturing. Growing professional services. One of New Zealand's fastest-growing populations.

None of these happened by chance – they are the product of decades of leadership, investment and collaboration. They reflect businesses prepared to back themselves, entrepreneurs willing to innovate, educators developing future talent, local government planning for growth, guidance from local iwi on how to shape our future, and community leaders prepared to think beyond the immediate horizon. This has never been a region that sits back and waits for opportunity to arrive. We have built our competitive advantage by attracting people, capital, ideas and businesses that share an ambition to create something better. Just as importantly, we have earned a reputation for turning vision into execution.

This is key because the world is becoming more uncertain. Global conflict, shifting trade relationships and economic volatility are creating challenges well beyond our control. However, we can control how prepared our region is to respond. That's why the work of building our competitive advantage never stops.

Priority One exists because sustained economic success is never accidental. It requires leadership, coordination and a focus on the long term. Our role is to bring together business, local government, iwi, education providers and central government around a shared ambition for the Western Bay of Plenty. Over the past year – our 25th in existence – we've continued to see that collaborative approach gain momentum. The Regional Deal has the potential to reshape how infrastructure, housing, transport and economic development are planned and delivered across our region.

Investment in Tauranga's city centre is now taking shape. The University of Waikato continues to expand its presence, strengthening the skills, research and innovation capability that will underpin our future prosperity.

Alongside these strategic priorities, Priority One has continued to support businesses through workforce development, innovation, sustainability and member engagement. Whether it is fostering innovative thinking through DayBreak, connecting people into employment through Ara Rau, advancing work in energy resilience and sustainability, or creating opportunities for businesses to learn and connect. Each of these initiatives contributes to the same objective: making the region an even better place to invest, work, live and grow a business.

This year also marked the appointment of Dave Courtney as Chief Executive. Leadership transitions provide an opportunity to build on strong foundations while bringing a fresh perspective. Dave has made an outstanding start. He has brought energy, commercial focus and a clear sense of purpose to the role, while quickly strengthening relationships across business, local government, iwi and our wider partners. The Board has been particularly impressed by his focus on delivering greater value for members and ensuring Priority One remains at the centre of the conversations that will shape the future of our region. His leadership gives us real confidence as Priority One enters its next chapter.

I thank my fellow board members for the experience, judgement and commitment they contribute in a voluntary capacity. I also acknowledge our talented staff, whose professionalism and passion for this region are evident in everything they do.

Finally, thank you to our members and Platinum Partners: Craigs Investment Partners, Element IMF, Mercury, Port of Tauranga, the University of Waikato, Zespri, Tauranga City Council and Western Bay of Plenty District Council, and also to Manawa Trust and BayTrust for their continued backing.

We also want to acknowledge all those who continue to invest their time, expertise and resources in the success of our region. Economic development is a shared endeavour, and our progress is only possible because so many organisations choose to work together.

The Western Bay of Plenty is well positioned for the future – not because growth is inevitable, but because this region has consistently chosen to shape its own future. That mindset has become our greatest competitive advantage. I am confident it will continue to define our region for many years to come.



Todd Muller
Chair

CEO Report

Tā te tumuaki pūrongo

It's a privilege to present my first report as Chief Executive of Priority One, reflecting on a year of transition, focus and growing momentum for the Western Bay of Plenty.

I want to begin by acknowledging the work of my predecessor Nigel Tutt, and the platform he left to build from. Priority One enters this next phase with strong credibility, trusted relationships and a clear role in the regional system.

That foundation is critical. In a period where business confidence has been tested, the ability to convene, connect and maintain a steady, commercially focused voice has been important. Since stepping into the role, my priorities have been simple: sharpen our value to members, strengthen alignment across the system, and help position the region for its next phase of growth. A key theme this year has been alignment. The Western Bay of Plenty has no shortage of ambition or activity, but impact comes when those efforts are joined up.

We have worked closely with Tauranga City Council, Western Bay of Plenty District Council, Bay of Plenty Regional Council, iwi partners and central government to support a more coherent approach to growth through the Regional Deal. We have actively contributed to shaping a clearer, more structured pathway for long-term infrastructure investment and economic development through this process.

Other building blocks are falling into place. Water reform through Local Water Done Well is bringing greater focus to one of the region's most important enabling systems, while the long-awaited city centre investment, showcased in our 2022 Tauranga CBD Blueprint, has shifted from intent to delivery. This strengthens confidence in wider Tauranga as a competitive urban centre. The University of Waikato's expansion plans in Tauranga reinforce this trajectory. Our strategic partnership recognises the university's long-term investment in skills, innovation and productivity, and its role in shaping the region's future economy.

Our sector base is diverse and globally connected. Importantly, the region is making progress on many of the issues that will shape long-term competitiveness. Alongside this, a stronger regional identity is emerging. A clear and consistent regional brand, grounded in our economic strengths and lifestyle advantages, will help attract talent, investment and attention. Taken together, these are not isolated projects. They are building a coherent plan for a more connected and investable region.

That said, it would be remiss to understate the challenges of the year. Many businesses have faced elevated costs, tighter trading conditions and ongoing uncertainty. We have heard that clearly from members and while they see the strengthening underlying fundamentals of our region, for many the immediate priority is to simply hold on through a period of great uncertainty.

Finally, this year marks 25 years of Priority One – looking ahead, our focus is on maintaining momentum at the macro level. That means building confidence in the region as an investment destination, ensuring business perspectives are reflected in key decisions, and supporting delivery of the strategies already underway. Our role is not to be the headline. It's to help create the conditions for others to succeed. When businesses are growing, investment is flowing, talent is choosing this place, and the region is moving forward with confidence, that is the measure of our impact.

Thank you to our members, partners, board and team. For the past 25 years, we have worked collectively. Continuing that shared effort gives me confidence about what can be achieved in the year ahead.



Dave Courtney
Chief Executive





25 years of Priority One

25 tau o Priority One

Twenty-five years ago, Tauranga was best known as a port city, retirement destination and fast-growing coastal community

Today, it's recognised as New Zealand's fastest-growing region, with a diverse industry base spanning education, professional services, horticulture, manufacturing, construction, logistics and innovation. Priority One has helped shape that journey, bringing partners together around a shared vision for the region's future.

Priority One was established in 2001 by Tauranga and Western Bay of Plenty business leaders who believed the region needed a more deliberate and ambitious approach to economic development. It was New Zealand's first business-led economic development organisation, built on a simple principle: clear purpose, disciplined investment and a focus on action and results.

The model remains distinctive. Local businesses invest directly as members, alongside Tauranga City Council and Western Bay of Plenty District Council. That combination of business leadership and public investment gives the region a strong, independent voice focused on long-term economic success.

Over the past 25 years, Priority One has helped turn ambition into action. Highlights include:

- Attracting major employers such as Brother International and Winstone Wallboards – both now part of the successful Tauriko Business Estate.
- Laying the foundations for a university city through our regional tertiary strategy, which led to the establishment of the University of Waikato Tauranga campus.
- Creating the 2022 CBD Blueprint, establishing a shared vision for Tauranga's city centre transformation.
- Establishing the Mount Maunganui Industry Environmental Accord, bringing businesses together to improve environmental outcomes and air quality.
- Developing Instep, connecting tens of thousands of students with local employers and career pathways.
- Launching the Young Innovator Awards, inspiring more than 10,000 young people to explore innovation and entrepreneurship.
- Establishing Ara Rau Pathways to Work, supporting hundreds of young people into employment.
- Convening major regional initiatives, including the Tauranga Moana Investment Summit and Regional Energy Summit.
- Building a culture of innovation through DayBreak Festival of Innovation.
- Strengthening regional talent attraction through Work Life Tauranga.
- Connecting and growing the regional business community through events, advocacy and collaboration.

The next chapter is about building on that legacy. Through initiatives such as the Regional Deal, and our focus on people, investment and innovation, Priority One will continue bringing business, councils, iwi, education and government together to tackle challenges, unlock opportunities and shape a more productive, prosperous region for future generations.



Western Bay of Plenty Metrics 2025

Ngā ngahuru ohaoha o Te Tai Hauāuru o te Moana a Toi

$75,909
Mean annual income
NZ $81,958 ($72,709 in 2024)

4.4%
Unemployment
vs NZ 5.3% (3.7% in 2024)

$69,019
Māori mean annual income
vs NZ $74,666 (63,967 in 2024)

7.2%
Māori unemployment
vs NZ 9.7 (6.4% in 2024)

111,260
Filled jobs
vs NZ 2,772,368 (112,540 in 2024)

6.5x
Housing affordability
vs NZ 5.9x (7.3x in 2024)

221,100
Population
vs NZ 5,324,700 (222,100 in 2024)

22.8%
Rental affordability
vs NZ 19.8% (26% in 2024)

Source: Infometrics (2025 metrics as at August 2026)

Our Pillars

People

Tāngata

We create employment pathways for our people and, where necessary, attract talent so everyone can contribute to and benefit from the region's prosperity.

Ara Rau Pathways to Work

Ara Rau – Pathways to Work has exceeded its target employment and education outcomes for NEETs (youth not in employment, education or training), as contracted by the Ministry of Social Development (MSD) over the past three years.

The Employment/Education Outcomes Target was 102 local people into either employment or training pathways, and the actual outcome was 133. This result reflects the strength of Ara Rau's programme structure, with one-on-one employment mentoring that provides bespoke pathways into education and employment for each rangatahi. Over the past three years, local rangatahi have remained at the centre of what we do, with the focus being on achieving meaningful employment outcomes and a clear pathway reflecting their vocational strengths.

The Ara Rau team helps remove barriers through practical skills, such as driver or forklift training and job interview preparation, as well as opening doors to employment or further training opportunities. As part of Priority One's Workforce Team, Ara Rau has a real advantage in building strong industry relationships and creating connections that support the employment our rangatahi aspire to.

Supported by a wide network of whānau, hapū, iwi, community, council, government, education and industry, Ara Rau's three employment mentors are proud to see young people take their place and contribute positively to our community.



Instep Programme Priority One

Priority One's Instep programme expanded the relationship between education and industry by helping rangatahi across Tauranga Moana build confidence, develop leadership skills, and explore future study and employment options.

Instep Young Leaders' Forum aims to provide local secondary students with practical leadership skills and direct connection with local business and community leaders. It's delivered in partnership with Toi Ohomai Institute of Technology, Bay of Plenty Regional Council, Tauranga City Council, Western Bay of Plenty District Council and the University of Waikato.

This year we welcomed 45 Year 12 and 13 students from 10 Western Bay of Plenty secondary schools – their journey began with a noho at Paparoa Marae, where they connected with mana whenua and experienced te ao Māori through waiata, rongoā and raranga.

The Instep programme introduced rangatahi to a wide range of industries and workplaces through Business Breakfasts, discovery sessions, sector-specific events, site visits and direct engagement with the region's business community. Over the past 12 months, more than 270 introductions were made to local employers and industry leaders, including through Priority One's Tauranga Moana Investment Summit, broadening students' understanding of what is possible within the Western Bay of Plenty.

Priority One also sponsored the Pasifika Navigators of Tomorrow Careers Expo, bringing more than 500 Pasifika students together with 50 exhibitors and 150 industry professionals. Cultivate Your Career continued to grow, engaging more than 300 students and 19 exhibitors, while highlighting the diversity of careers within the Bay of Plenty horticulture sector.

Thanks to our Instep partner schools include ACG Tauranga, Aquinas College, Bethlehem College, Katikati College, Mount Maunganui College, Otumoetai College, Papamoa College, Tauranga Boys' College, Tauranga Girls' College and Te Puke High School.

Instep is sponsored by BayTrust, Bay of Plenty Education Trust, Manawa Trust and The Lion Foundation.



Advanced Manufacturing Aotearoa (AMA) connects Year 11 to 13 students with local Bay of Plenty manufacturers, including: Shot Darts, Oasis Engineering, GamminCo, Lawter, McAlpine Hussmann and Trimax.

Through structured site visits, students gain first-hand insight into a range of manufacturing environments, from large organisations to SMEs. The programme showcases the innovation, sustainability and emerging technologies shaping the sector, while introducing students to local success stories and the scale of careers available in advanced manufacturing. Students who complete at least three of the four visits receive formal recognition of their participation, while building industry connections and a deeper understanding of future pathways.

Priority One is also working with Toi Ohomai Institute of Technology and local manufacturers to explore bringing the Earn as You Learn model to the Western Bay of Plenty.

In June, the group visited APL Manufacturing, Longveld and Hansa Products in Waikato, where the model is operating successfully. The study tour provided practical insights into how the programme works within manufacturing businesses and enabled participants to hear directly from employers, mentors and apprentices. It marked an important step towards adapting the model locally, creating stronger pathways into advanced manufacturing and developing a sustainable pipeline of skilled regional talent.

Work Life Tauranga (WLT) continues to strengthen its role as Priority One's talent attraction platform, helping connect skilled people with career prospects in our region.

A key focus was the Legal Sector Campaign, which marked a shift in how WLT supports employers. Rather than promoting the region in broad terms, the campaign focused on a specific sector experiencing talent attraction challenges and worked alongside firms to tell a more targeted story. The campaign used tailored content and targeted digital promotion, both nationally and internationally, to reach legal professionals considering their next career move.

One of the most significant outcomes was seeing three competing legal firms come together around a shared goal. Holland Beckett Law, Sharp Tudhope and Cooney Lees Morgan each have their own identity, clients and recruitment needs, yet recognised the value of working collectively to attract legal talent to the region.

The campaign highlighted the region's legal profession, the quality of work available, and the lifestyle and career balance that can be found here. It also demonstrated that talent attraction is stronger when sectors collaborate, rather than compete in isolation.

The approach has already sparked interest from other sectors, creating opportunities to support more targeted, industry-led campaigns in the future.



UniverCity

Priority One strengthened its strategic partnership with the University of Waikato to help build Tauranga's reputation as a university city and develop a distinctive tertiary offering aligned to local industry need.

The Tauranga campus saw continued growth in domestic and international student numbers and further development of Tauranga-based academic programmes, including plans for delivery of the New Zealand Graduate School of Medicine in Tauranga and the Western Bay (see page 21). The University also launched a five-year campus development plan aimed at strengthening its identity and distinctiveness in Tauranga.

Priority One progressed several key initiatives in partnership with the University, including planning for a regional innovation hub within the campus precinct, working with industry to develop student pathways and advance economic diversification projects linked to the Regional Deal, supporting international student attraction, and strengthening the region's innovation and research capability.



International strategy

Priority One facilitates the Western Bay of Plenty's international strategy, supporting regional prosperity through a coordinated approach to international engagement across local agencies and civic partners. In 2025/26, the strategy was updated to strengthen global connections and attract people, skills and opportunities to the region. Priority One delivered 22 events around skills and investment attraction, including hosting the region's inaugural investment summit, establishing an industry-led investment attraction advisory group and delivering a targeted legal sector talent attraction campaign in collaboration with our members.

Events & engagement

The CEO Unscripted event series, sponsored by Ryan + Alexander recruitment agency, was launched with a conversation with Sam Vye from SYOS Aerospace in February 2026, followed by events with Steve Saunders from Robotics Plus/Yamaha Agriculture; Jason Te Brake from Zespri, and Miro Berries' Liz Te Amo – held at various member venues. Free to members, all events were at capacity, with a total of 437 registered attendees as at 30 June.

Outside this series, Priority One experienced an across-the-board rise in business and stakeholder engagement, resulting in 3,515 people engaged in Priority One events. A focused communications approach saw Priority One publish 767 pieces of content across LinkedIn, Facebook and Instagram, generating more than 35,000 audience engagements.

Our Pillars

Innovation

Auahatanga

We enable, connect and convene to foster an ecosystem where innovation can thrive. We are innovative problem-solvers, supporting our members and stakeholders to work together on shared challenges and opportunities.

DayBreak

DayBreak Festival of Innovation continues to grow as the region's flagship innovation event – a place for ideas, capability and connection. The day is delivered through keynote talks, interactive workshops and panel discussions across a broad range of topics, including leadership, emerging technologies, business growth and workforce trends.

In 2026, DayBreak welcomed its largest audience to date, with 298 attendees from across technology, education, professional services, marketing and the startup community. There was a noticeable increase in teams attending together, reinforcing the event's value as a professional development opportunity. Around 50 local businesses and organisations were involved in the event's delivery through sponsorship, programme development, facilitation and support, reflecting a high level of regional commitment to fostering innovation and capability.

Feedback was overwhelmingly positive, with 100 per cent of surveyed attendees rating the event 4 or 5 out of 5. Attendee highlights included the inaugural keynote from futurist Melissa Clark-Reynolds and the move to a new venue at the University of Waikato's Tauranga campus. The event was supported by key sponsors: the University, Beca, LawVu and Sharp Tudhope, alongside 11 Patron businesses – a new initiative designed to strengthen industry ownership and support the event's continued growth.

DayBreak is building momentum and supporting a culture of innovation across the region. Planning is well underway for its fourth iteration in 2027.





yia! (Young Innovator Awards) underwent an exciting change in 2025, with the pilot of a new approach designed to better fit the changing needs and drivers of schools and business. Developed by local innovators and Priority One members, yia! aims to support students to develop non-academic skills important for employers. It's based on design thinking, and this framework is used to take students through projects that require creativity, teamwork, resilience, critical thinking and communication.

The new format involved a one-day hackathon-style event for Year 9 and 10 students, with the challenge of designing an activation for Tauranga's city centre. The hugely successful day brought together 227 students from five of the region's schools, and demonstrated that this shorter, focused format can drive stronger engagement, accessibility and impact.

yia! is unique to the region and demonstrates how business collaboration can support teachers, schools and the next generation of talent. Work is underway with teachers, sponsors and supporters to evolve yia!, including new offerings for intermediate and secondary students.



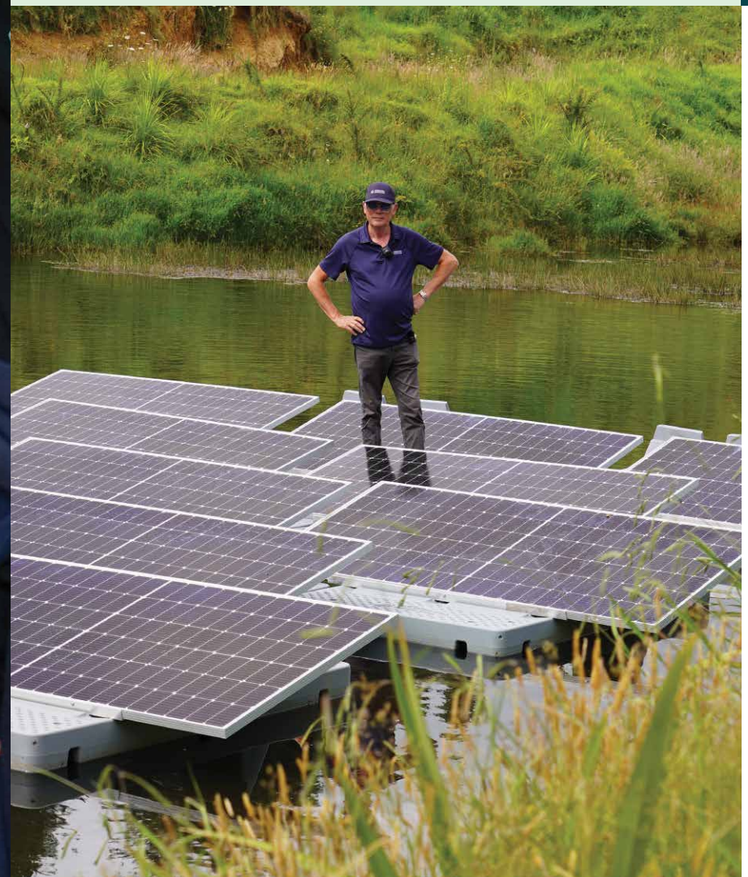
Energy strategy

Priority One is leading a programme of work with the goal of developing a regional energy strategy to support the Western Bay of Plenty's economic transition over the next 30 years. The focus is on building awareness of key issues and enabling businesses to respond through collaboration and education.

In August 2025, Priority One released *Our Energy Future – Energy in the Western Bay of Plenty Subregion*, providing analysis across stationary energy, transport and industrial process heat. The report identified a lack of coordinated energy planning, data and strategic direction.

While the subregion's energy needs are complex, there is a clear opportunity for the Western Bay to lead nationally in clean energy adoption, freight decarbonisation and energy resilience. In response, the Energy Leadership Group (ELG) was established in October 2025, chaired by Mike Pond, Principal – Industrial at Beca. The group brings together business leaders and energy experts to guide the development of a long-term regional energy strategy.

The ELG was announced at Priority One's Regional Energy Summit in October 2025, which attracted nearly 200 attendees. This has been followed by the development of a work plan – the first project was scenario modelling for the region's energy future. The second, a series of recorded free events featuring a range of expert speakers, starting with the topic of energy storage, followed by the potential of biomass.



Mount Maunganui Industry Environmental Accord

Priority One's Mount Maunganui Industry Environmental Accord, launched in 2024, has been signed by 31 businesses in the industrial zone, each committing to actions to reduce their environmental footprint. Currently, there are more than 250 documented actions, with 122 complete, and 120 underway or scheduled.

Priority One coordinates quarterly meetings of the Mount Maunganui Industry Network, alongside the Mount Industrial Steering Committee, which monitors progress. Consolidated updates are also provided to the Mount Air Quality Working Party (MAQWP), with signatories reporting on their initiatives.

The MAQWP has noted this work is making a positive contribution to air quality improvement, with businesses investing in cleaner technologies, making changes to on-site activities, and demonstrating increased awareness of obligations to manage and mitigate discharges. It's been more than two years since the last confirmed air quality exceedance in the Mount Maunganui airshed.

Circular Construction Collective

The Circular Construction Collective is now in its third year, continuing to connect industry, share insights and explore solutions to construction material and resource challenges through quarterly meetings. A strong partnership approach has supported the Collective, with collaboration between about 50 industry and partners helping to get pilots and initiatives off the ground, and drive progress on circular solutions in the region.

Feedback from an April 2026 survey confirmed members value connection, shared learning and industry expertise, with a growing focus on circularity, operational efficiency and opportunities linked to procurement, talent and the Regional Deal.

The Collective will now evolve from a knowledge-sharing platform into a more action-oriented collective that influences decision-making, enables collaboration and supports practical outcomes, helping to shape how the region's growth is delivered.

Our Pillars

Investment

Haumitanga

We attract capital for two reasons. To develop the essential roading, housing, energy and social infrastructure that underpins our region's economic and community wellbeing. And to accelerate the region's economic growth through investment in businesses and people.



Investment strategy

In 2025/26, Priority One brought a number of existing workstreams together under a regional investment strategy, building on strong activity across the region and positioning the investment ecosystem to provide the confidence and certainty needed for sustainable economic prosperity. The industry-led Investment Advisory Group was established in February 2026 to support implementation.

Priority One also partnered with BayTrust to host the inaugural Tauranga Moana Investment Summit in May 2026, delivered alongside the signing of The Western Bay of Plenty Regional Deal, creating a step-change in alignment across the regional investment ecosystem.

The Summit brought together more than 200 local and national investors and businesses to showcase the region's economic opportunities, strengthen relationships and to demonstrate the region is a credible, coordinated destination for long-term investment.

We continued to support the region's startup ecosystem through sponsorship of Enterprise Angels ADI (Angelic Drop-In) Clinics, an initiative that supports early-stage entrepreneurs on their journey to investment readiness.

Priority One is currently formulating a three-year investment plan for the region as well as working on an updated blueprint for the city centre's next significant phase of development.



The Western Bay of Plenty Regional Deal

The signing of the Western Bay of Plenty Regional Deal is a significant milestone for the region. It creates a long-term framework for local and central government, iwi and the private sector to plan, invest and deliver the infrastructure needed to support growth.

Priority One has been closely involved in developing the Deal, working with Tauranga City Council, Western Bay of Plenty District Council, Bay of Plenty Regional Council, iwi partners, businesses and government agencies to align priorities and ensure the region's economic opportunities are reflected.

The Deal matters because it creates certainty. Businesses and investors are more likely to commit when they can see where growth will occur, what infrastructure will be delivered, and how major projects fit together. Better sequencing of housing, transport, water, energy and industrial land investment reduces risk, accelerates delivery and helps unlock private sector investment. It also builds on work already underway across the Western Bay, from major infrastructure projects and city centre revitalisation to growth in logistics, construction, advanced manufacturing, clean energy and food production.

Over time, the Regional Deal is expected to support up to 40,000 additional homes and 35,000 jobs, while unlocking new industrial land and economic opportunities. Just as importantly, it gives the region a mechanism to speak with one voice and take a coordinated approach to growth over the next decade.

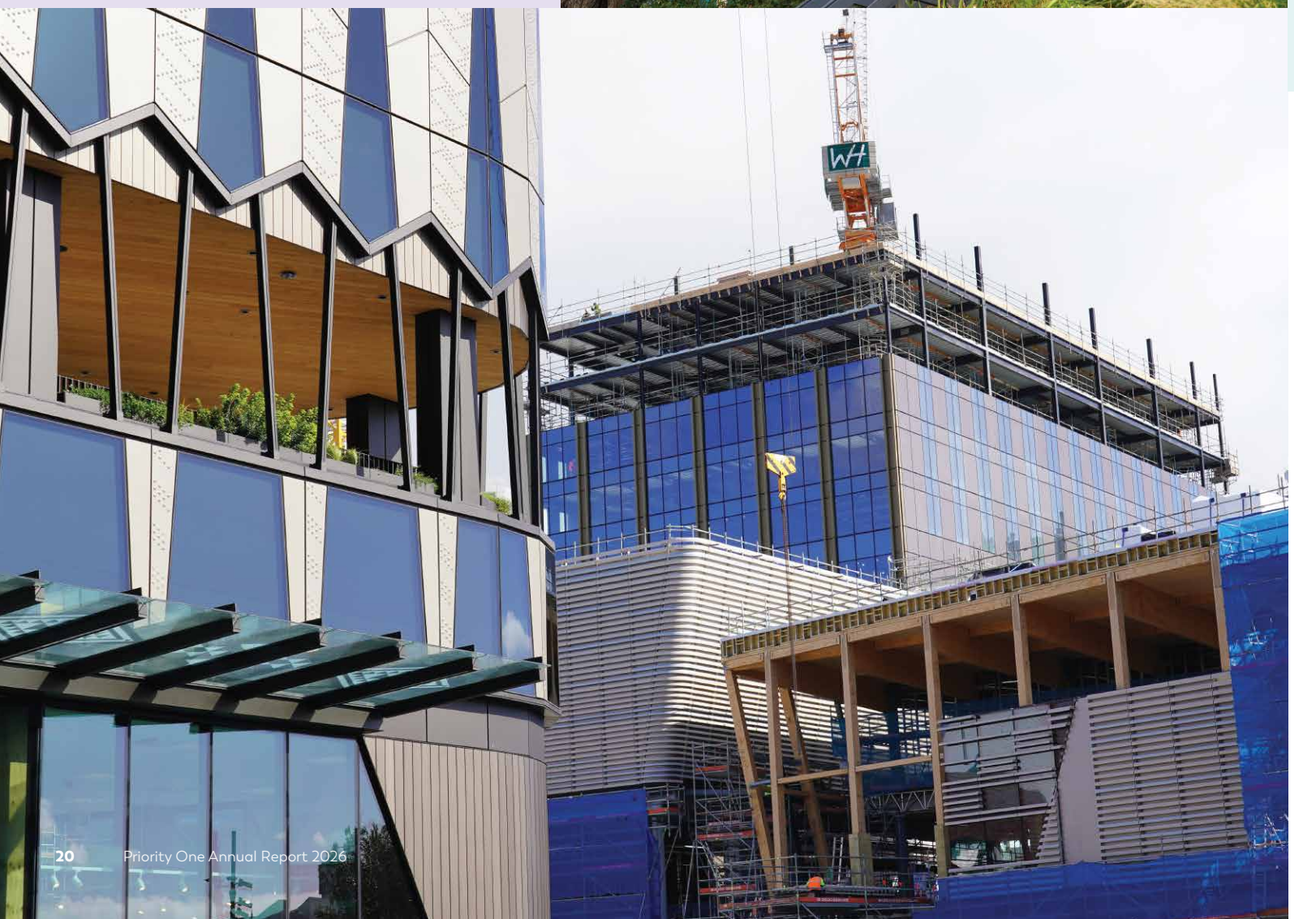
With the Deal now signed, Priority One's focus is shifting from development to delivery. We are involved in implementation planning and governance arrangements for the Deal's 10-year life. Success will be measured not by the signing itself, but by the region's ability to turn it into better infrastructure, stronger business confidence, improved productivity, regional economic diversification, local procurement, local jobs and a higher quality of life for people across the Western Bay.

Tauranga CBD Blueprint

Priority One's Tauranga CBD Blueprint continues to come to life, with 17 of 20 catalyst developments completed or nearing completion – representing around $1.6 billion in investment between 2022 and 2030. Key milestones this year include completion of stage one of the Northern Quarter (45 The Strand), with Holland Beckett as the anchor tenant. The next stage will deliver an adjoining hotel and conference facility. Te Manawataki o Te Papa civic precinct is also advancing, with the library and community centre now open, and the Tauranga Museum well underway.

Further developments scheduled to open soon include 2 Devonport Road, anchored by Craigs Investment Partners, and Panorama Towers (35 Hamilton Street), which will house public carparking, private medical suites and offices. The $206 million Tauranga High and District Court, Te Kōti Matua me te Kōti ā Rohe o Tauranga has also started. Together, these projects are reshaping Tauranga's city centre to better meet the needs of a growing region.





Worthy mentions across the region

Ngā kōrero whaitake

New Zealand Graduate School of Medicine

Opening in 2028, the University of Waikato's New Zealand Graduate School of Medicine will bring a new pathway for training doctors in regional and rural communities. The first cohort of 120 students will begin at the Hamilton campus before undertaking three years of clinical training across five regions from 2029, including placements at Tauranga Hospital and in community clinical learning centres in the Western Bay of Plenty and Rotorua. This strengthens our region's health and education capability while creating opportunities to build a pipeline of doctors with experience in the communities they may ultimately serve.



Geothermal exploration

The Government has ringfenced $50 million from the Regional Infrastructure Fund for the development of geothermal projects. From this, $3 million has been committed to geothermal exploration at Mount Maunganui industrial area and Te Puke/Rangiuru area, supporting efforts to unlock new renewable energy opportunities in the Western Bay of Plenty.

Led by GeoExchange NZ, the project will generate publicly available geothermal data to better understand the region's resource potential and support future energy initiatives.

The investment forms part of the Government's goal to double New Zealand's geothermal energy use by 2040. First drilling in the region is expected in early 2027.

Bay of Plenty's first AI Accelerator

The Bay of Plenty's first AI Accelerator brought together emerging technology professionals and local organisations to develop AI solutions for operational challenges. Delivered through a partnership between Seen Ventures, NZIST and the Ministry of Social Development, with support from Priority One, the 12-week pilot connected participants with Dominion Salt and Trevelyan's to explore how AI could improve business operations.

Working alongside industry partners, multidisciplinary teams developed prototype solutions tailored to organisational needs. For Dominion Salt, this included an AI-supported knowledge and training tool to help employees access operational information more efficiently. For Trevelyan's, participants created an AI-powered crop estimation model with potential applications across workforce planning, packing, storage and logistics.

The AI Accelerator programme demonstrated the value of collaboration between industry, education and government, while providing businesses with a low-risk opportunity to explore AI adoption. It also helped build local technology capability by giving emerging professionals hands-on experience solving practical challenges for Western Bay businesses.

Priority One Team

Te tīma



Dave Courtney
CHIEF EXECUTIVE



Greg Simmonds
GENERAL MANAGER



Colin Baskin
GENERAL MANAGER
Business Partnerships



Kathryn Scholes
GENERAL MANAGER
Communications & Engagement



Gail Elliott
OFFICE MANAGER



Jill Beedie
PROJECT COORDINATOR



Shane Stuart
INNOVATION MANAGER



Mel Conrad
STRATEGIC PROJECT DELIVERY



Timothy Allan
STRATEGIC ADVISOR



Melissa Mae
MARKETING AND
COMMUNICATIONS EXECUTIVE



Sarah Nicholson
COMMUNICATIONS ADVISOR



Isabella Lee
DIGITAL MARKETING &
CONTENT SPECIALIST



Dan Taylor
WORKFORCE
DEVELOPMENT MANAGER



Michelle Clarke
INSTEP MANAGER



Mary Stewart
ARA RAU
Operations Manager



Gina Porter
ARA RAU
Employment Mentor



Jamie Soutar
ARA RAU
Employment Mentor

Priority One Board

Te poari – as at 30 June 2026



Todd Muller
CHAIR



Kevin Palmer
DEPUTY CHAIR
Professional director and strategic adviser



Wayne Beilby
Te Rangapu Mana Whenua o Tauranga Moana rep.



Marty Grenfell
Chief Executive, Tauranga City Council



Mike Groves
Group Director, Strategy and Systems, Beca



Jeremy Harwood
Tauranga Business & Commercial, BNZ



Richard Hopkins
Chief Financial Officer, Mercury



Dan Kneebone
GM Property & Infrastructure, Port of Tauranga



Tracy McCarthy
Executive Officer Grower & Industry Engagement, Zespri



Scott McKenzie
Chief Executive, PMG Funds



Fiona McTavish
Chief Executive, Bay of Plenty Regional Council



Jon Murie
Investment Adviser, Craigs Investment Partners



Matt Potton
Chief Executive, Western Bay of Plenty District Council



Anthony Ririnui
Independent director, Chairperson Ngāti Hē Hapū Trust; Director Te Ārepa Limited



Kylie Valentine
Consultant, Organisation Transformation, Deloitte



Amy Willoughby
Business Development Manager, Trevelyan's



Michael Wright
Surfacing Divisional Manager, Fulton Hogan



Financial Statements

Ngā tauākī pūtea

For the year ended 30 June 2026

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Directory
as at 30 June 2026

Purpose Priority One Western Bay of Plenty Incorporated ('the Society') is incorporated under the Incorporated Societies Act 2022. Its purpose is to develop the economy of the Western Bay of Plenty region by building a vibrant economy that retains and attracts talented, skilled and creative people and the businesses that need them.

Chair Todd Muller

Deputy Chair Kevin Palmer

Executive Board As at 30 June 2026:
Wayne Beilby
Marty Grenfell
Mike Groves
Jeremy Harwood
Richard Hopkins
Dan Kneebone
Tracy McCarthy
Scott McKenzie
Fiona McTavish
Jon Murie
Matt Potton
Anthony Ririnui
Kylie Valentine
Amy Willoughby
Michael Wright

Auditors William Buck Audit (NZ) Limited
DX Box HP4007
Tauranga 3112

Bankers ANZ
SBS

Business Address Ground Floor, 29 Grey Street
Tauranga 3110

Registered Office 29 Grey Street
Tauranga 3110

Priority One
Statement of Service Performance

Te pai me te whai rawa o Tauranga Moana ki te ao
The prosperity and splendour of Tauranga Moana to the world

This statement of service performance presents the performance of Priority One Western Bay of Plenty Incorporated against the Priority One economic strategy and kaupapa deliverables.

Our purpose

Priority One has a clear purpose, to unlock the Western Bay's economic potential and create sustainable prosperity for all who live here. The organisation's kaupapa is centred around three strategic pillars:

People Tāngata
We create employment pathways for our people and, where necessary, attract talent so everyone can contribute to and benefit from the region's prosperity.

Investment Haumitanga
We attract capital for two reasons. To develop the essential roading, housing, energy and social infrastructure that underpins our region's economic and community wellbeing. And to accelerate the region's economic growth through investment in businesses and people.

Innovation Auahatanga
We enable, connect and convene to foster an ecosystem where innovation can thrive. We are innovative problem-solvers, supporting our members and stakeholders to work together on shared challenges and opportunities.

Our business model

Priority One remains a unique model for delivery of regional economic development in New Zealand through its partnership funding model, which attracts significant direct funding from business memberships alongside core council funding via a joint contract for service delivery.

The organisation structures activities around building a vibrant economic ecosystem – connecting people, groups, ideas and resources through partnerships, innovation and investment. It amplifies this ecosystem to position our region as a premier destination for capital and talent.

In partnership with our community of funders and stakeholders, Priority One:

- **Convenes business, councils, iwi, education and the Government to address regional economic challenges.**
- **Supports regional strategy and advocacy by facilitating and championing the voice of industry.**
- **Attracts investment and talent to the region.**
- **Builds innovation and industry capability to diversify our industry base.**
- **Strengthens education-to-employment pathways to lift productivity.**
- **Supports city centre and economic corridor development by building investor connectivity and confidence.**
- **Helps lift incomes, productivity and long-term prosperity for people in Tauranga and the Western Bay.**

We delivered in 2025/26:

241
Priority One members[1]
(249 in 2024/25)

108
Events[2]
(82 in 2024/25)

3,515
People engaged in Priority One events[2]
(3,275 in 2024/25)

133
People engaged through Ara Rau – Pathways to Work[3]
(127 in 2024/25)

4,489
Students engaged in Priority One youth programmes[2]
(4,147 in 2024/25)

22
Engagements related to investment attraction[4]
(19 in 2024/25)

208
Businesses through Priority One's sustainability programmes[5]
(189 in 2024/25)

1. Priority One is an independent business membership organisation working with organisations of all sizes and across all sectors in the rohe. Measurement of total membership is as at 30 June 2026 and provides an indicator of the breadth of our reach across the economy as a membership-funded organisation. This is measured by tracking new and resigned members.

2. Measurement of engagement through Priority One's events and youth programmes provide an understanding of the organisation's ability to support stakeholders to learn, develop connections, and have access to the tools that help deliver on our economic strategy. The measurement tracks attendees via Humanitix registrations and an internal process. Engagement figures include Priority One staff members that attended to facilitate and participate in events, which is considered relevant as engagements are a two-way process.

3. Ara Rau – Pathways to Work is Priority One's skills and employment hub. It is focused on supporting local people not in employment, education or training (NEETs) into sustainable employment or training. Ara Rau helps connect the local labour supply and demand pipeline by working with employers and job seekers to develop relationships for long-term success. We track the number of individuals we engaged with and assisted into jobs and training, which contributes to the region's supply of work-ready talent. This is measured through quarterly reporting to the Ministry of Social Development.

4. Priority One delivers and supports investment attraction activities that help grow the region's entrepreneurial eco-system and connect capital with opportunity. We do this via onshore and offshore investment attraction events and through our strategic partnership with Enterprise Angels. This is measured by the number of investment attraction events hosted and supported via an internal process.

5. Priority One delivers a programme of projects that support the region's transition to a low-carbon, circular economy, which protects and enhances Tauranga Moana's reputation as a great place to live, learn, work and play. This work enables local businesses to engage with programmes across key themes including waste, transport, land and energy. This is measured by the number of businesses engaged in events, workshops and meetings. It is also measured by specific outcomes in the case of Circular Construction. Engagement figures are tracked via Humanitix reporting and an internal process.

Statement of Comprehensive Revenue and Expense
For the year ended 30 June 2026

	Note	2026 $	2025 $
Membership Fees	4	671,400	674,667
Funding Revenue	4	3,100,026	2,769,500
Interest Received		8,708	26,553
Dividend income		500	1,000
Other Income		17,700	11,917
Total Revenue		**3,798,334**	**3,483,637**
Operating and Project Expenses		1,031,419	1,050,689
Employee Benefits Expense	5	1,647,192	1,687,423
Administration Expenses	6	1,070,650	736,463
Total Expenses		**3,749,261**	**3,474,575**
Net Surplus		**49,073**	**9,063**
Other Comprehensive Revenue and Expense for the Year			
Gain/(loss) in fair value movement of investment in WNT Ventures	11	(82,272)	8,268
		(82,272)	8,268
Total comprehensive revenue and expense		**(33,199)**	**17,331**

Statement of Changes in Net Assets
For the year ended 30 June 2026

	Fair Value Reserve $	Accumulated Funds $	Total Equity $
Balance at 1 July 2024	361,030	995,795	1,356,825
Total Comprehensive Revenue and Expense			
Surplus for the year	-	9,063	9,063
Other Comprehensive Revenue	8,268	-	8,268
Total Comprehensive Revenue and Expense	8,268	9,063	17,331
Balance as at 30 June 2025	369,298	1,004,858	**1,374,156**
Total Comprehensive Revenue and Expense			
Surplus for the year	-	49,073	49,073
Other comprehensive revenue/(loss)	(82,272)	-	(82,272)
Total comprehensive revenue and expense	(82,272)	49,073	(33,199)
Balance at 30 June 2026	287,026	1,053,931	**1,340,957**

Statement of Financial Position
As at 30 June 2026

	Note	2026 $	2025 $
Current Assets			
Cash and Cash Equivalents	8	1,044,453	1,273,692
Trade and Other Exchange Receivables	9	155,120	187,441
Receivables - Non-Exchange Transactions	10	211,775	72,276
Prepayments		47,442	60,016
Staff loans		900	-
		1,459,690	**1,593,425**
Non-current Assets			
Investments	11	279,118	361,390
Property, Plant and Equipment	12	43,734	41,571
		322,852	**402,961**
Total Assets		**1,782,542**	**1,996,386**
Current Liabilities			
Accounts Payable	13	242,202	289,162
Employee Entitlements	14	46,960	68,392
Deferred Revenue		152,423	264,676
		441,585	**622,230**
Total Liabilities		**441,585**	**622,230**
Net Assets		**1,340,957**	**1,374,156**
Equity		**1,340,957**	**1,374,156**

Chair

Todd Muller

Chief Executive

Dave Courtney

Priority One Western Bay of Plenty Incorporated
Financial Report for the year ended 30 June 2026

Statement of Cash Flows
For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Cash was provided from:			
Membership receipts		679,167	775,189
Funding received		2,880,654	2,791,004
Interest		8,708	28,659
Dividends		500	1,000
Other operating receipts		17,700	11,917
		3,586,729	3,607,769
Cash was applied to:			
Employee and Supplier Payments		(3,798,665)	(3,445,899)
		(3,798,665)	(3,445,899)
Net cash flow - operating activities		**(211,936)**	**161,870**
Cash flows from investing activities			
Cash was provided from:			
Proceeds from maturity of term deposits		-	76,062
Cash was applied to:			
Purchase of property, plant and equipment		(17,303)	(11,585)
Net cash flow - investing activities		**(17,303)**	**64,477**
Net cash flow for the year from all activities		(229,239)	226,348
Cash at beginning of year		1,273,692	1,047,344
Cash at end of year		**1,044,453**	**1,273,692**
Represented by:			
Cash on hand and at bank	8	**1,044,453**	**1,273,692**

Notes to the Financial Statements
For the year ended 30 June 2026

1 Reporting Entity

Priority One Western Bay of Plenty Inc. ("the Society") is incorporated under the Incorporated Societies Act 2022. Its mission is to develop the economy of the Western Bay of Plenty region. It was incorporated on 20th April 2001.

The Society is considered a public benefit entity for the purposes of financial reporting in accordance with External Reporting Standard A1 *Application of the Accounting Standards Framework*.

Its purpose is to develop the economy of the Western Bay of Plenty region by building a vibrant economy that retains and attracts talented, skilled and creative people and the businesses that need them.

2 Basis of Preparation

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

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

(a) Statement of Compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Principles ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable Financial Reporting Standards, as appropriate for Tier 2 not-for-profit public benefit entities. The entity has elected to report in accordance with the Tier 2 standards, taking advantage of all disclosure concessions as it is not publicly accountable and has expenses less than $33 million.

The financial statements were authorised for issue by the Executive Board on 19th October 2026.

(b) Measurement Basis

The financial statements have been prepared on the basis of historical cost, apart from investments which are carried at fair value.

(c) Functional Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar ($).

(d) Goods and Services Tax

All balances are presented net of goods and services tax (GST), except for receivables and payables which are presented inclusive of GST.

(e) Income tax

Priority One is exempt from income tax under CW 40(1) of the Income Tax Act 2007.

3 Changes in Accounting Policies

All accounting policies have been consistently applied in these financial statements.

Priority One Western Bay of Plenty Incorporated
Financial Report for the year ended 30 June 2026

Notes to the Financial Statements
For the year ended 30 June 2026

4 Revenue

Exchange Revenue	2026 $	2025 $
Membership Fees	671,400	674,667
Local Authority Funding	300,091	-
	971,491	**674,667**

Funding Revenue *Non Exchange Revenue*	2026 $	2025 $
Local Authority Funding	1,819,091	1,792,204
Government Funding	426,344	313,495
INSTEP Funding	89,909	107,500
Project Funding	464,591	556,301
	2,799,935	**2,769,500**

Policies

Revenue from exchange transactions

Exchange transactions are transactions in which the Society receives assets or services, or has liabilities extinguished, and directly provides approximately equal value to the other party in exchange.

Membership Fees

Revenue is recognised when invoiced, which is on the date of the member's joining anniversary. Membership fees in-kind are recognised at the end of the year in which the corresponding expenditure has been incurred.

Local Authority Funding

Revenue is recognised as the services are provided, by reference to the stage of completion where this can be reliably estimated. Amounts received in advance of the related services being provided are recognised as deferred revenue.

Revenue from non-exchange transactions

Non-exchange transactions are transactions in which the Society receives value from another party without directly providing approximately equal value in exchange.

Local Authority Funding

Revenue is recognised as income when it becomes receivable, at the fair value of the amount receivable, unless the Society is required to repay the funding income if requirements are not met. A liability is recognised to the extent that such milestones in the contract are unfulfilled at the end of the reporting period.

Government Funding

Revenue is recognised as income when it becomes receivable, at the fair value of the amount receivable, unless the Society is required to repay the funding income if requirements are not met. A liability is recognised to the extent that such milestones in the contract are unfulfilled at the end of the reporting period.

Grants Income

Included within INSTEP Funding and Project Funding are grants that are recognised at fair value when received or receivable. Where a grant is subject to conditions that give rise to a present obligation, including a requirement to repay the grant if the conditions are not met, the grant is initially recognised as deferred revenue and subsequently recognised as income as the conditions are satisfied.

Notes to the Financial Statements
For the year ended 30 June 2026

5 Employee Benefits

	2026 $	2025 $
Wages and Salaries	1,581,814	1,615,809
Other employee benefits	65,378	71,614
	1,647,192	**1,687,423**

6 Administration Expenses

	2026 $	2025 $
Included within Administration expenses are the following:		
Audit Fees	18,750	35,002
Depreciation	15,148	12,142
Depreciation recovered	(86)	-
Rent & Car park lease payments	152,549	164,388

Audit fees were higher in 2025 due to a mixture of accrued and actual audit fees paid. 2026 audit fees consist of current year audit fees per the 2026 engagment letter. There were no fees paid to auditors for non-audit services.

Notes to the Financial Statements
For the year ended 30 June 2026

7 Financial Instruments

Financial assets and financial liabilities are recognised when the Society becomes a party to the contractual provisions of the financial instrument.

The Society derecognises a financial asset, or part thereof, when the rights to receive cash flows from the asset have expired, are waived, or have been transferred, and the Society has transferred substantially all the risks and rewards of ownership or has transferred control of the asset.

(1) Financial assets

Financial assets are classified at initial recognition into one of the following categories:

Amortised cost
Fair value through surplus or deficit (FVSD)
Fair value through other comprehensive revenue and expense (FVOCRE)

Classification is based on the Society business model for managing the asset and the contractual cash flow characteristics.

The Society's financial assets comprise:

Amortised cost: cash and cash equivalents, receivables from exchange and non-exchange transactions, short-term term deposits.

FVOCRE: investment shares in WNT Ventures is held for strategic purposes, not trading. Fair value movements are recognised in other comprehensive revenue and expense and are not recycled to surplus or deficit on disposal.

(2) Impairment of financial assets

The Society recognises a loss allowance for expected credit losses (ECL) on financial assets measured at amortised cost.

Trade and other receivables: The Society applies the simplified approach, recognising lifetime ECL from initial recognition.

Other financial assets: The general approach is applied, recognising either 12-month or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition. The loss allowance is presented as a reduction in the carrying amount of the asset, and changes are recognised in surplus or deficit.

(3) Financial liabilities

Financial liabilities are classified at amortised cost unless designated at FVSD. The Society's financial liabilities comprise trade and other creditors (excluding GST and PAYE), and loans and borrowings.

These are initially recognised at fair value (plus transaction costs for liabilities not at FVSD) and subsequently measured at amortised cost using the effective interest method.

8 Cash and Cash Equivalents

	2026 $	2025 $
ANZ 00	789,772	936,472
ANZ 47	3,516	3,499
Craigs Cash Management	261,008	254,245
VISA Business	(9,843)	-
SBS Star Call	-	79,474
	1,044,453	**1,273,692**

Policies
Cash and cash equivalents are cash balances that are short term in nature (with an original maturity of less than 90 days) for the purposes of the Statement of Cash Flows, and are classified as a Loans and Receivables financial asset.

Notes to the Financial Statements
For the year ended 30 June 2026

9 Trade and Other Exchange Receivables

	2026 $	2025 $
Accounts Receivable (Exchange transactions)	147,294	187,441
GST receivable	7,826	-
	155,120	**187,441**

Policy
Accounts receivable are initially measured at fair value, then adjusted for any impairment. Accounts receivable are classified as a Loan and Receivables financial asset.

10 Receivables - Non-Exchange Transactions

	2026 $	2025 $
Funding	211,240	72,276
Accrued interest	535	-
	211,775	**72,276**

Receivables are on standard credit terms and are interest free.

Priority One Western Bay of Plenty Incorporated
Financial Report for the year ended 30 June 2026

Notes to the Financial Statements
For the year ended 30 June 2026

11 Investments

	2026 $	2025 $
WNT Ventures Limited Partnership	279,118	361,390
	279,118	**361,390**

Priority One has entered into an agreement to invest up to $335,000 over a period of one to five years in WNT Ventures Limited Partnership.

At balance date a share of 10% is held in WNT Ventures Limited Partnership (2025: 10%).

The fair value for WNT Ventures Limited Partnership is based on 10% of the net assets per unaudited financial statements prepared by WNT Ventures Limited Partnership, previously adjusted for calls not yet made. The final call was made in the 2022 financial year.

Previously management has based their assessment of the fair value of the investment in the WNT Ventures Limited Partnership at balance date on information provided in audited financial statements of WNT Ventures Limited Partnership. In 2020, WNT Ventures Limited Partnership changed their reporting basis and no longer include fair value assessments in their audited financial statements. As per previous years, the estimate of fair value has been based on unaudited WNT Management estimates.

WNT Ventures Limited Partnership is considered a related party. Refer Note 15.

Policy
Investments are designated at initial recognition at fair value through other comprehensive revenue and expense. They are initially measured at fair value plus transaction costs. They are subsequently measured at their fair value with gains and losses recognised in other comprehensive revenue and expense. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred within equity to accumulated surplus/(deficit).

Key sources of estimation uncertainty
Key sources of estimation uncertainty as at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include venture capital in start ups and fair value based on WNT Venture Limited Partnership's assessment of future expectations.

Notes to the Financial Statements
For the year ended 30 June 2026

12 Property, Plant and Equipment

	Computer and Office Equipment	Leasehold Improvements	Total
Cost			
Balance at 1 July 2024	147,051	80,489	227,540
Additions	11,798	-	11,798
Disposals	(2,417)	-	(2,417)
Balance at 30 June 2025	156,432	80,489	236,921
Balance at 1 July 2025	156,432	80,489	236,921
Additions	17,226	-	17,226
Disposals	(1,370)	-	(1,370)
Balance at 30 June 2026	172,288	80,489	252,777
Depreciation			
Balance at 1 July 2024	(124,007)	(61,405)	(185,412)
Depreciation	(9,231)	(2,910)	(12,141)
Disposals	2,204	-	2,204
Balance at 30 June 2025	(131,034)	(64,315)	(195,349)
Balance at 1 July 2025	(131,034)	(64,315)	(195,349)
Depreciation	(12,072)	(3,077)	(15,148)
Depreciation recovered	86	-	86
Disposals	1,370	-	1,370
Balance at 30 June 2026	(141,650)	(67,392)	(209,043)
Carrying amount			
At 30 June 2024	23,044	19,084	42,128
At 30 June 2025	25,398	16,174	41,572
At 30 June 2026	**30,638**	13,097	**43,734**

Policies

Measurement

All property, plant and equipment are stated at cost less accumulated depreciation.

Depreciation

Depreciation is allocated over the estimated useful life of the asset. The following methods are used in the calculation of depreciation:

Leasehold Improvements	Straight line over remaining expected lease term
Computer and Office Equipment	1.5 -12 years Straight line

Notes to the Financial Statements
For the year ended 30 June 2026

13 Accounts Payable

	2026 $	2025 $
Accounts Payable	215,389	164,008
Related Party Payable	4,313	4,313
GST payable	-	6,132
Accrued expenses	22,500	114,709
	242,202	**289,162**

Policy

Accounts payable are recognised at cost when the Society becomes obliged to make future payments resulting from the purchases of goods and services. Accounts payable are classed as an 'other amortised cost financial liability'.

14 Employee Entitlements

	2026 $	2025 $
Short Term		
Accrued Wages, Salaries and Holiday Pay	46,960	68,392
	46,960	68,392

Policy

Provision is made for benefits accruing to employees in respect of wages and salaries and annual leave when it is probable that settlement will be required and they are capable of being measured reliably.

15 Related Parties

(i) Key management & Governance Personnel Remuneration

Priority One classifies its key management personnel into the following categories:

- Directors
- Executive officers

Priority One had 20 directors during the year ended 30 June 2026 (2025: 16). Other than the Independent Chair, the directors did not receive any remuneration for their services.

The annual Independent Chair fee is determined by the Board and is currently set at $45,000 (plus GST) per annum. All other Board members provided their services for free.

Executives are employees and are on standard employment contracts. Priority One had 6 Officers in this category during the year ended 30 June 2026 (2025: 5). Remuneration of these Officers and the Independent Chair during the period amounted to $842,325 (2025: $855,031).

Notes to the Financial Statements
For the year ended 30 June 2026

15 Related Parties (continued)

(ii) Transactions with other related parties

Priority One transacts with other related parties in the normal course of their business. Such entities include those related by virtue of common governance and management personnel.

During the year, Priority One made the following purchases from related parties and at year end, the following balances remained owing:

	Purchases 2026 $	Payable 2026 $	Purchases 2025 $	Payable 2025 $
Opensight Solutions	45,000	4,313	45,000	4,313
Toi Kai Rawa (Operating and Project Expenses)	50,000	-	55,000	-
	95,000	**4,313**	**100,000**	**4,313**

WNT Ventures Management Limited is considered a related party due to Steven Saunders (Director until November 2025) also being a director of WNT Ventures Management Limited. Other than the investment of capital and receipt of distributions, there have been no transactions during the year (Refer Note 11).

Opensight Solutions Limited is considered a related party due to Priority One Chair, Todd Muller also being the Director of Opensight Solutions Limited.

Toi Kai Rawa is considered a related party due to Te Horipo Karaitiana (Director until November 2025) also being on the board of Toi Kai Rawa.

16 Commitments

Two leases existed for the ground floor of the property at 29 Grey Street Tauranga at the beginning of the year. One of these leases expired during the year with the remaining lease term expiring on 30 June 2027.

A number of operating leases are also held for office equipment and motor vehicles with periods up to five years.

Immaterial finance leases have been accounted for as operating leases and included in lease commitments disclosure.

Operating Lease Commitments	2026 $	2025 $
No later than one year	127,069	133,167
More than one year	33,744	126,862
	160,813	**260,029**

17 Contingent Liabilities

There were no contingent liabilities as at 30 June 2026 (2025: nil).

18 Subsequent Events

Subsequent to balance date, the Society entered into a funding agreement with the Ministry of Social Development in relation to the Ara Rau project. The agreement commenced on 1 July 2026. The agreement provides funding of approximately $500,000 per annum for an initial three-year term, with a further two-year renewal option available.

WilliamBuck
ACCOUNTANTS & ADVISORS

Independent auditor's report to the members of Priority One Western Bay of Plenty Incorporated

Report on the audit of the financial report

Qualified opinion

In our opinion, except for the effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying financial report of Priority One Western Bay of Plenty Incorporated (the Entity), presents fairly, in all material respects:

- the financial position of the Entity as at 30 June 2026, and its financial performance, and its cash flows for the year then ended; and
- the service performance for the year ended 30 June 2026 in that the service performance information is appropriate and meaningful and prepared accordance with the Entity's measurement bases or evaluation methods in accordance with the Public Benefit Entity Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board.

What was audited?

We have audited the financial report of the Entity, which comprises the service performance information on pages 4 to 5 and the financial statements on pages 6 to 18. The complete set of financial statements comprise:

- the statement of financial position as at 30 June 2026,
- the statement of comprehensive revenue and expense for the year then ended,
- the statement of changes in net assets for the year then ended,
- the statement of cash flows for the year then ended, and
- notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Basis for qualified opinion

As described in Note 11 to the financial statements, the society bases its assessment of the fair value of the investment in the WNT Ventures Limited Partnership ('WNT') at 30 June 2026 on unaudited WNT Management estimates. We are unable to obtain sufficient and appropriate audit evidence to enable us to form an opinion on whether the carrying value of the investment in WNT amounting to $279,118, and the consequent impact on Other Comprehensive Revenue and Expense, is materially correct.

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs (NZ) and New Zealand Auditing Standard NZ AS 1 (Revised) *The Audit of Service Performance Information*. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Entity 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

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Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Entity.

Responsibilities of the Executive Board for the financial report

The Executive Board are responsible on behalf of the Entity for:

- The preparation, and fair presentation of the financial report in accordance with the applicable financial reporting framework;
- The selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present service performance information that is appropriate and meaningful in accordance with the applicable financial reporting framework;
- The preparation and fair presentation of service performance information in accordance with the Entity's measurement bases or evaluation methods, in accordance with the applicable financial reporting framework;
- The overall presentation, structure and content of the service performance information in accordance with the applicable financial reporting framework; and
- Such internal control as the Executive Board determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Executive Board are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Board either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the External Reporting Board's website:

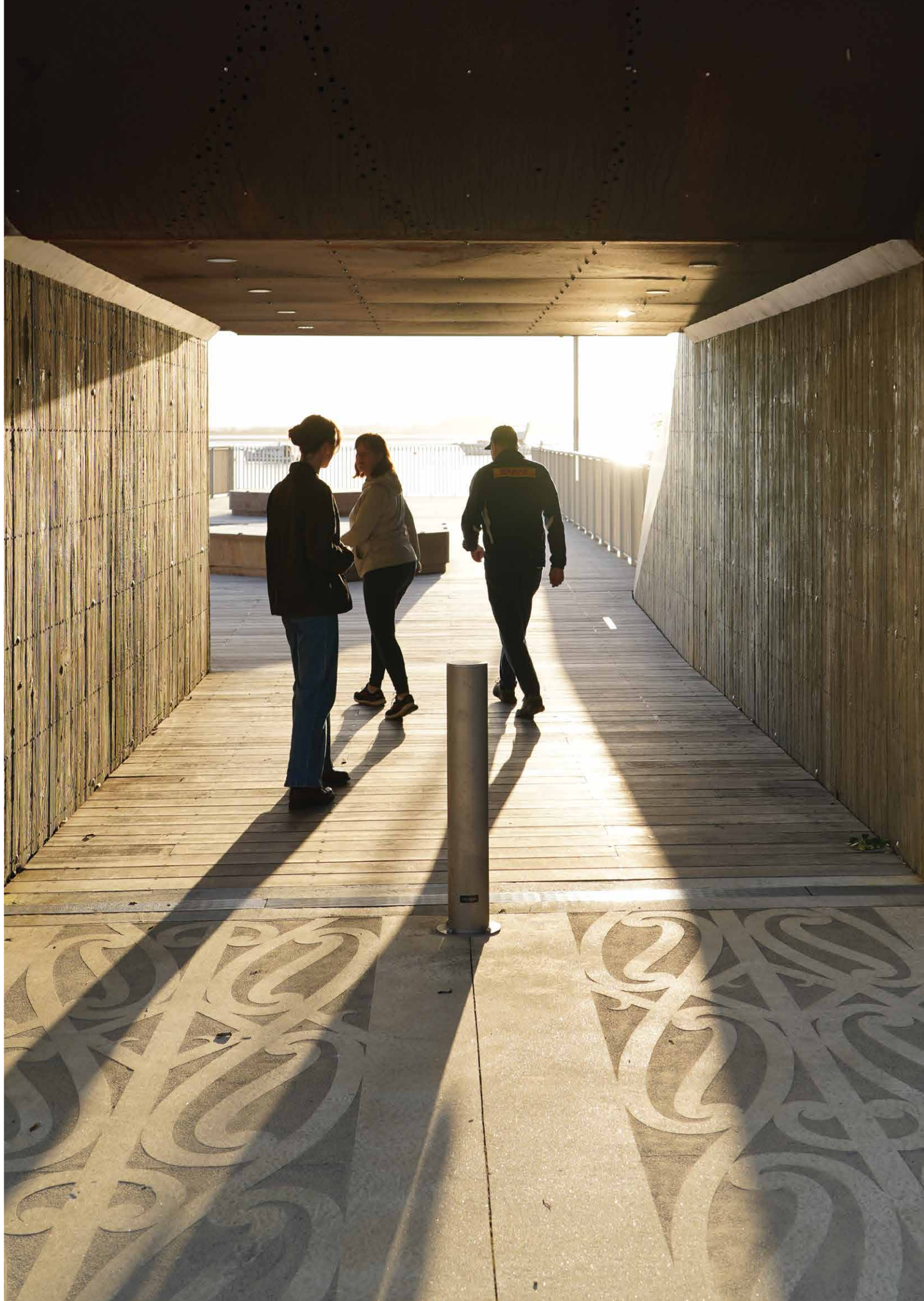
https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14-1/
This description forms part of our auditor's report.

Restriction on Distribution and Use

This independent auditor's report is made solely to the Members, as a body. Our audit work has been undertaken so that we might state to the Members those matters which 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, we do not accept or assume responsibility to anyone other than the Members, as a body, for our audit work, this independent auditor's report, or for the opinions we have formed.

William Buck

William Buck Audit (NZ) Limited
Tauranga, 21 October 2026





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