

Dunedin Stadium Property Limited

Interim Report

For the six months ended

31 December 2016

Dunedin Stadium Property Limited

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Dunedin Stadium Property Limited

Directors' report

The Directors of Dunedin Stadium Property Limited are pleased to present their report for the six months ending 31 December 2016.

Dunedin Stadium Property Limited registered a change of name from Dunedin Venues Limited on 15 December 2016.

Overview of Results

	unaudited 6 months to 31 Dec 2016 \$'000	unaudited 6 months to 31 Dec 2015 \$'000	audited full year to 30 Jun 2016 \$'000
Total income	1,177	1,144	2,146
Loss before taxation and subvention	(5,342)	(5,683)	(11,185)
Net cash flow from operating activities	(455)	(620)	4,913
Total assets	184,529	192,888	187,793

Review of operations

Dunedin Stadium Property Limited owns and manages the asset of Forsyth Barr Stadium.

The Company has outsourced the management of the stadium on its behalf to Dunedin Venues Management Limited.

The Company recorded a loss before taxation and subvention payments for the six months ended 31 December 2016 of \$5.342 million or \$341k better than the same period last year.

Outlook

The Company has funding lines in place ensuring it is able to maintain is operational, capital and debt financing requirements going forward.

Seasonality

There is limited seasonality of earning within the Company.

Dividends

No dividends were paid by the Company during the period.

Events after balance sheet date

There were no significant events after the reporting period that would require adjustment or disclosure.

Dunedin Stadium Property Limited

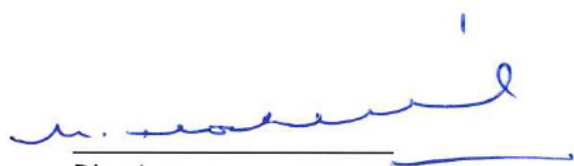
Statement of responsibility

The Directors accept responsibility for the preparation of the interim financial statements and the judgements used in them.

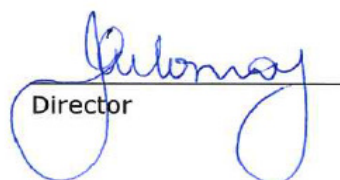
The Directors accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting;

In the opinion of the Directors, the interim financial statements fairly reflect the financial position as at 31 December 2016 and operations for the six months to 31 December 2016 of Dunedin Stadium Property Limited.

The Board of Directors of Dunedin Stadium Property Limited have pleasure in presenting the interim financial statements, set out on pages 4 to 10, for the six months ended 31 December 2016 and authorises them for issue on 15 February 2017.



Director



Director

Dunedin Stadium Property Limited

Statement of comprehensive income For the six months ending 31 December 2016

	unaudited 6 months to 31 Dec 2016 \$'000	unaudited 6 months to 31 Dec 2015 \$'000	audited full year to 30 Jun 2016 \$'000
Rentals & costs from Dunedin Venues Management Limited	1,173	1,127	2,127
Interest received	4	17	19
Total income	1,177	1,144	2,146
Less expenses:			
Audit fees	-	-	15
Directors remuneration	24	-	-
Depreciation	3,666	3,723	7,374
Interest to Dunedin City Treasury Limited	2,614	2,935	5,726
Other operating expenses	215	169	216
Total expenses	6,519	6,827	13,331
Loss before tax and subvention	(5,342)	(5,683)	(11,185)
Subvention receipt	1,361	681	7,292
Net loss before tax	(3,981)	(5,002)	(3,893)
Income tax credit	735	1,020	335
Net loss after tax	(3,246)	(3,982)	(3,558)
Other comprehensive income:			
Interest rate swap hedges gains (losses) during the year	1,101	436	(105)
Total other comprehensive income	1,101	436	(105)
Total comprehensive loss for the period	(2,145)	(3,546)	(3,663)

Dunedin Stadium Property Limited

Statement of changes in equity For the six months ending 31 December 2016

	Share capital \$'000	Hedge reserve \$'000	Retained deficits \$'000	Total equity \$'000
unaudited				
Equity as at 1 July 2016	113,679	(3,447)	(21,321)	88,911
Comprehensive income for the period	-	1,101	(3,246)	(2,145)
Equity as at 31 December 2016	113,679	(2,346)	(24,567)	86,766
unaudited				
Equity as at 1 July 2015	111,689	(3,342)	(17,763)	90,584
Comprehensive income for the period	-	436	(3,982)	(3,546)
Equity as at 31 December 2015	111,689	(2,906)	(21,745)	87,038
audited				
Equity as at 1 July 2015	111,689	(3,342)	(17,763)	90,584
Comprehensive income for the period	-	(105)	(3,558)	(3,663)
Share capital contribution	1,990	-	-	1,990
Equity as at 30 June 2016	113,679	(3,447)	(21,321)	88,911

Dunedin Stadium Property Limited

Statement of financial position As at 31 December 2016

	<i>Note</i>	unaudited 6 months to 31 Dec 2016 \$'000	unaudited 6 months to 31 Dec 2015 \$'000	audited full year to 30 Jun 2016 \$'000
Current assets				
Cash and cash equivalents		1,408	1,198	1,759
Inter group advances	4	-	458	-
Trade and other receivables		-	1,003	-
Current taxation asset		1,743	1,556	1,009
Total current assets		3,151	4,215	2,768
Non-current assets				
Property, plant and equipment	5	181,378	188,673	185,025
Total non-current assets		181,378	188,673	185,025
Total assets		184,529	192,888	187,793
Current liabilities				
Trade and other payables		1,051	1,266	1,173
Inter group advances	4	366	564	262
Short term borrowings		-	302	-
Current portion of term borrowings		-	5,163	5,275
Derivative financial instruments	7	-	577	-
Total current liabilities		1,417	7,872	6,710
Non-current liabilities				
Term borrowings	6	94,000	95,649	88,725
Derivative financial instruments	7	2,346	2,329	3,447
Total non-current liabilities		96,346	97,978	92,172
Total liabilities		97,763	105,850	98,882
Equity				
Share capital		113,679	111,689	113,679
Cash flow hedge reserve		(2,346)	(2,906)	(3,447)
Retained deficits		(24,567)	(21,745)	(21,321)
Total equity		86,766	87,038	88,911
Total liabilities and equity		184,529	192,888	187,793

The accompanying notes form part of these financial statements

Dunedin Stadium Property Limited

Statement of cash flows For the six months ending 31 December 2016

	Note	unaudited 6 months to 31 Dec 2016 \$'000	unaudited 6 months to 31 Dec 2015 \$'000	audited full year to 30 Jun 2016 \$'000
Cash flow from operating activities				
<i>Cash was provided from</i>				
Receipts from customers		1,173	1,794	3,794
Subvention receipts		1,361	1,361	7,834
Interest received		3	17	19
Net GST received		10	-	49
		2,547	3,172	11,696
<i>Cash was disbursed to</i>				
Interest paid		2,731	3,571	6,478
Payments to suppliers		271	219	305
Net GST paid		-	2	-
		3,002	3,792	6,783
Net cash flow from operating activities	3	(455)	(620)	4,913
Cash flow from investing activities				
<i>Cash was disbursed to</i>				
Purchase of property, plant and equipment		-	-	(253)
Net cash flow from investing activities		-	-	253
Cash flow from financing activities				
<i>Cash was provided from</i>				
Shareholder capital		-	-	1,990
Inter group advances		104	190	89
		104	190	2,079
<i>Cash was disbursed to</i>				
Repayment of inter group advances		-	-	-
Repayment of borrowings		-	2,265	9,379
		-	2,265	9,379
Net cash flow from financing activities		104	(2,075)	(7,300)
Net increase/(decrease) in cash and cash equivalents		(351)	(2,695)	(2,134)
Opening cash and cash equivalents		1,759	3,893	3,893
Closing cash and cash equivalents		1,408	1,198	1,759

Dunedin Stadium Property Limited

Notes to the financial statements (unaudited) For the six months ending 31 December 2016

1 Reporting entity

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

Dunedin Stadium Property Limited registered a change of name from Dunedin Venues Limited on 15 December 2016.

Dunedin Stadium Property Limited (the Company) is a Council Controlled Organisation as defined in the Local Government Act 2002. The Company, incorporated in New Zealand under the Companies Act 1993, is 100% owned by Dunedin City Holdings Limited which is wholly owned by Dunedin City Council.

The registered address of the Company is 50 The Octagon, Dunedin 9016.

The financial statements of Dunedin Stadium Property Limited are for the six months ended 31 December 2016 and comply with the Financial Reporting Act 1993.

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

These financial statements are presented in New Zealand dollars because that is the currency of the primary economic environment in which the Company operates.

Dunedin Stadium Property Limited is a public benefit entity.

2 Basis of preparation

The financial statements for the period ended 31 December 2016 are unaudited.

The financial statements have been prepared in accordance with and comply with PBE IAS 34, Interim Financial Reporting as it applies to Tier 2 entities, and should be read in conjunction with the audited financial statements for the year ended 30 June 2016.

The accounting policies applied are consistent with those published in the annual report for the year ended 30 June 2016.

The judgements, estimates and assumptions used to prepare these interim financial statements are consistent with those used at 30 June 2016.

Dunedin Stadium Property Limited

Notes to the financial statements (unaudited) For the six months ending 31 December 2016

3 Reconciliation of operating surplus to net cash flows from operating activities

	6 months to 31 Dec 2016 \$'000	6 months to 31 Dec 2015 \$'000	12 months to 30 Jun 2016 \$'000
Net loss after tax	(3,246)	(3,982)	(3,558)
<i>Items not involving cash flows</i>			
Depreciation	3,666	3,723	7,374
Other	(19)	(1)	-
<i>Impact of changes in working capital items</i>			
(Increase)/decrease in rent receivable	-	1,354	1,667
(Increase)/decrease in subvention payment receivable	(734)	(1,020)	207
Increase/(decrease) in trade and other payables	(6)	(54)	(25)
Increase/(decrease) in interest accrued	(116)	(640)	(752)
Net cash inflows from operating activities	(455)	(620)	4,913

4 Inter group advances

	6 months to 31 Dec 2016 \$'000	6 months to 31 Dec 2015 \$'000	12 months to 30 Jun 2016 \$'000
<i>Advances received from:</i>			
Aurora Energy Limited	85	458	85
Delta Utility Services Limited	-	106	-
Dunedin Venues Management Limited	281	-	177
	366	564	262
<i>Advances made to:</i>			
Dunedin Venues Management Limited	-	458	-
	-	458	-

5 Property, plant and equipment

	6 months to 31 Dec 2016 \$'000	6 months to 31 Dec 2015 \$'000	12 months to 30 Jun 2016 \$'000
Additions	19	893	894
Disposals	-	(1,127)	(1,855)
Capital commitments	-	-	-

There have been no material changes in fair value for all property, plant and equipment asset classes between 30 June 2016 and 31 December 2016.

Dunedin Stadium Property Limited

Notes to the financial statements (unaudited) For the six months ending 31 December 2016

6 Term borrowings

There has been no material change in the term loan from Dunedin City Treasury Limited between 30 June 2016 and 31 December 2016.

7 Derivative financial instruments

	6 months to 31 Dec 2016 \$'000	6 months to 31 Dec 2015 \$'000	12 months to 30 Jun 2016 \$'000
Fair Value			
Interest rate swaps	2,346	2,906	3,447
Analysed as:			
Current	-	577	-
Non-current	2,346	2,329	3,447
	2,346	2,906	3,447

8 Financial Instruments

All financial assets are recognised at cost/face value while financial liabilities are recognised at amortised cost except derivative financial instruments which are recognised at fair value.

9 Contingent liabilities

The company has no contingent liabilities at the end of each reporting period.

Dunedin Stadium Property Limited

Directory

Directors

William H Cockerill (Chair)
Joanne M Conroy
Graham W Crombie

Registered Office

50 The Octagon
Dunedin 9016

Bankers

ANZ
Dunedin

Solicitors

Anderson Lloyd
Dunedin

Tax Advisors

Deloitte
Dunedin

Auditor

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