

INTERIM REPORT

For the six months ended
31 December 2015

Dunedin
International
Airport
Limited



Dunedin International Airport Ltd

COMPANY PARTICULARS

DIRECTORS

S J McLauchlan, BCom, FCA(PP), AF Inst D
(Chairman & Member – Audit Committee)
T D Allison, BCom, BA, CA, CMinsd (Chairperson - Audit Committee)
P A Oakley, BCom, M Inst D
M Rogers BA(Hons), M Inst D, MNZIM

CHIEF EXECUTIVE

R Roberts, BEng (Hons)

GENERAL MANAGER FINANCE & BUSINESS PERFORMANCE

P Ford, BCom, CA, MInstD

GENERAL MANAGER INFRASTRUCTURE & SERVICE DELIVERY

D De Bono BAVMan

MARKETING & COMMUNICATIONS MANAGER

M Crawford, BCom, BA

REGISTERED OFFICE

Terminal Building, Dunedin International Airport, Momona, Dunedin

Postal Private Bag 1922, Dunedin

Telephone 03 486-2879

Facsimile 03 486-2813

E-mail admin@dnairport.co.nz

Website www.dunedinairport.co.nz

BANKERS

Westpac, 101 George Street, Dunedin

SOLICITORS

Gallaway Cook Allan, 276 Princes Street, Dunedin

AUDITORS

Scott Tobin of Audit NZ
on behalf of the Auditor-General

STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS TO 31 DECEMBER 2015

	Unaudited 6 months to 31 December 2015	Unaudited 6 months to 31 December 2014	Audited 12 months to 30 June 2015
Operating Revenue	6,592,175	6,535,797	12,835,729
Interest Received	8,924	14,657	47,491
Dividend Received	35,545	10,576	29,951
Gain/(Loss) on Investment (unrealised)	242,526	33,450	(191,137)
Total Revenue	6,879,170	6,594,480	12,722,034
Audit Fees	40,645	40,000	51,683
Directors Fees	44,999	45,000	90,000
Interest Paid – Term	322,273	559,717	952,167
Ineffective Hedges	(12,454)	-	148,000
Wages and Salaries	891,204	893,930	1,785,379
Depreciation	1,507,464	1,493,889	2,965,976
Operating Expenses	1,970,340	2,018,646	4,252,233
Total Expenses	4,764,471	5,051,182	10,245,438
Operating Surplus before Income Tax	2,114,699	1,543,298	2,476,596
Income Tax	531,832	422,757	770,773
Operating Surplus After Income Tax	1,582,867	1,120,541	1,705,823
Other Comprehensive Income:			
Ineffective Hedge Amortised to Expense	32,004	-	55,000
Unrealised Gain/(Loss) on	3,579		
Cash Flow Hedge		42,366	92,463
Income Tax on Items of			
Other Comprehensive Income	(1,002)	(11,863)	(25,890)
Total Other Comprehensive Income	34,581	30,503	121,573
Total Comprehensive Income	1,617,448	1,151,044	1,827,396

STATEMENT OF CHANGES IN EQUITY

Equity at the Beginning of Year	45,919,692	45,372,296	45,372,296
Comprehensive Income for period	1,617,448	1,151,044	1,827,396
Distributions to owners:-			
Final Dividend	(1,408,000)	(1,280,000)	(1,280,000)
Closing Equity	46,129,140	45,243,340	45,919,692

The accompanying notes form an integral part of these financial statements

BALANCE SHEET

AS AT 31 DECEMBER 2015

	Unaudited at 31 December 2015	Unaudited at 31 December 2014	Audited at 30 June 2015
Shareholders Equity			
Share Capital	8,800,000	8,800,000	8,800,000
Hedge Reserve	(145,467)	(271,117)	(180,048)
Revaluation Reserve	21,672,638	21,672,638	21,672,638
Retained Earnings	15,801,968	15,041,819	15,627,102
	46,129,139	45,243,340	45,919,692
Current Liabilities			
Payables and Accruals	775,330	648,239	944,264
Provision for Taxation	358,379	156,402	457,239
	1,133,709	804,641	1,401,503
Non Current Liabilities			
Interest Rate Hedge Derivatives	371,417	376,551	419,454
Deferred Taxation	12,576,884	13,142,608	12,992,163
Term Loans	12,000,000	15,500,000	12,000,000
	24,948,301	29,019,159	25,411,617
Total Equity & Liabilities	<u>72,211,149</u>	<u>75,067,140</u>	<u>72,732,812</u>
Represented by:			
Current Assets			
Cash & Cash Equivalents	605,162	820,274	198,271
Receivables and Prepayments	899,458	788,418	579,513
Stock on Hand	32,330	31,833	40,952
	1,536,950	1,640,525	818,736
Non Current Assets			
Fixed Assets	69,405,904	72,244,367	70,809,442
Investments	1,268,295	1,182,248	957,661
Deferred Taxation	-	-	146,973
	70,674,199	73,426,615	71,914,076
Total Assets	<u>72,211,149</u>	<u>75,067,140</u>	<u>72,732,812</u>

The accompanying notes form an integral part of these financial statements

STATEMENT OF CASHFLOWS

FOR THE SIX MONTHS TO 31 DECEMBER 2015

		Unaudited 6 Months to 31 December 2015	Unaudited 6 Months to 31 December 2014	Audited Year to 30 June 2015
	Note			
Cash Flows from Operating Activities				
Cash was provided from:				
Receipts from Customers		6,303,244	6,330,447	12,811,383
Interest Received		8,924	14,657	47,491
Dividends Received		35,545	10,576	29,951
Cash was applied to:				
Payments to Suppliers		2,237,816	2,411,315	4,360,496
Payments to Employees		849,905	863,298	1,825,894
Interest Paid		322,273	574,157	968,655
Taxation Paid		900,000	750,000	1,108,626
Net Cash Flows from Operating Activities	3	2,037,719	1,756,910	4,625,154
Cash Flows from Investing Activities				
Cash was provided from:				
Sale of Assets			-	21,087
Cash was applied to:				
Purchase of Shares		68,108	1,333	1,333
Purchase of Fixed Assets		154,720	124,074	135,408
Net Cash Flows from Investing Activities		(222,828)	(125,407)	(115,654)
Cash Flows from Financing Activities				
Dividend Paid		1,408,000	1,280,000	1,280,000
Loans Repaid		-	-	3,500,000
Net Cash Flows from Financing Activities		(1,408,000)	(1,280,000)	(4,780,000)
Net Increase/(Decrease) in Cash Held		406,891	351,503	(270,500)
Plus Opening Cash Brought Forward		198,271	468,771	468,771
Closing Cash Held 31 December 2015		605,162	820,274	198,271

The accompanying notes form an integral part of these interim financial statements.

ABRIDGED NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2016

1. Accounting Policies for Dunedin International Airport Limited

A. Reporting Entity

The financial statements presented here are for the reporting entity Dunedin International Airport Limited (the Company).

Dunedin International Airport Limited was established under the Airport Authorities Act 1966 and incorporated in New Zealand under the Companies Act 1993.

The registered address of the Company is Terminal Building, Dunedin International Airport, Momona, Dunedin.

The financial statements have been prepared in accordance with the requirements of the NZ GAAP and the Financial Reporting Act 1993.

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

B. Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with NZ GAAP. They comply with New Zealand Equivalents to IFRSs (NZ IFRS), and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities.

The accounting policies are listed in full in the annual report of the company and on the company website www.dunedinairport.co.nz.

2. Fixed Assets

	Cost	Accumulated Depreciation	Book Value 31/12/2015	Book Value 31/12/2014	Book Value 30/06/2015
At Valuation:					
Land & Improvements	15,211,053	984,331	14,226,722	14,322,655	14,274,504
Runway, Apron, Taxiway	28,115,944	4,362,281	23,753,663	25,145,718	24,497,687
Buildings	25,483,666	2,355,158	23,128,508	23,804,591	23,466,307
At Cost:					
Office Equipment	192,588	101,855	90,733	17,590	20,013
Vehicles	803,183	591,435	211,748	303,215	227,023
Plant & Equipment	10,830,856	2,836,326	7,994,530	8,650,598	8,323,908
Total	80,637,290	11,231,386	69,405,904	72,244,367	70,809,442

3. Reconciliation of Net Surplus after Taxation to Cash Flows from Operating Revenue

	6 Months to 31 December 2015	6 Months to 31 December 2014	Year to 30 June 2015
Operating Surplus after Taxation	1,582,867	1,120,541	1,705,823
<i>Items not involving Cashflows</i>			
(Increase)/Decrease in value of investments	(242,526)	(33,450)	191,137
Depreciation & Loss on Sale	1,507,464	1,493,889	2,970,688
Increase/(Decrease) in Deferred Tax	(265,821)	(194,963)	(504,244)
Ineffective Hedges	(12,454)	-	148,000
<i>Impact of changes in working capital items</i>			
(Increase)/Decrease in Trade and Other Receivables	(319,945)	(197,295)	11,761
Increase/(Decrease) in Accounts Payable	(132,716)	(315,781)	(50,823)
Increase/(Decrease) in other liabilities	(102,347)	(108,554)	192,283
Increase/(Decrease) in provisions	14,575	(15,751)	(38,636)
(Increase)/Decrease in stock	8,622	8,284	(835)
Net Cash Flows from Operating Activities	2,037,719	1,756,910	4,625,154