



# Interim Report

For the six months ended  
31 December 2023



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## Directors' report

The Directors of Dunedin Railways Limited are pleased to present their report for the six months ended 31 December 2023.

## Result

The company returned a loss after tax of \$780,000 in the half year to 31 December 2023 compared with a loss after tax of \$513,000 in the half year to 31 December 2022.

## Review of operations

Until March 2020 Dunedin Railways Ltd (DRL) operated a tourist and excursion train on the Taieri Gorge railway line and on the Seaside line north of Dunedin. Covid-19 had a severe impact on the company and it transitioned to hibernation from 1 July 2020. The company's current focus is on maintaining key assets pending further decisions from Dunedin City Council.

Over the six months to 31 December 2023, the team has focussed on keeping key rolling stock and the Taieri Gorge line maintained. Dunedin Venues Management Ltd has supported the DRL team and has conducted the company's administrative functions.

DRL has been pleased to be able to continue a limited schedule of passenger services into the 2023/2024 summer season. During the period under review, DRL hosted 5,191 passengers on 30 services to Hindon, Waitati and Oamaru. This included several charter services for cruise ship passengers, and DRL has been proud to share its rail experiences and the Taieri Gorge with international travellers once again.

## Dividends

No dividends were paid by the Company.

## Events after balance sheet date

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

## 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 controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting; and

In the opinion of the Directors, the interim financial statements to 31 December 2023 fairly reflect the financial position and operations of Dunedin Railways Limited.

On behalf of the Directors:



\_\_\_\_\_  
Director



\_\_\_\_\_  
Director

Date: 1 February 2024

**Statement of comprehensive income**  
**For the six months ending 31 December 2023**

	unaudited 6 months to 31 Dec 2023 \$'000	unaudited 6 months to 31 Dec 2022 \$'000	Audited full year to 30 Jun 2023 \$'000
Operating Revenue	802	620	1,665
Interest	7	11	31
Total income	809	631	1,696
Less expenses:			
Audit fees	18	14	32
Directors remuneration	-	-	-
Depreciation	16	10	23
Other operating expenses	1,555	1,120	2,619
Total expenses	1,589	1,144	2,674
<b>Net loss before tax</b>	(780)	(513)	(978)
Income tax (expense)/credit	-	-	-
<b>Net loss after tax</b>	(780)	(513)	(978)
Other comprehensive income:			
Interest rate swap hedges gains (losses) during the year	-	-	-
Total other comprehensive income	-	-	-
<b>Total comprehensive income</b>	(780)	(513)	(978)

## Statement of changes in equity For the six months ending 31 December 2023

	Share capital \$'000	Retained earnings \$'000	Total equity \$'000
<b>unaudited</b>			
<b>Equity as at 1 July 2023</b>	9,747	(9,187)	560
Shareholder contributions	500	-	500
Loss after income tax	-	(780)	(780)
Other comprehensive income for the period	-	-	-
<b>Equity as at 31 December 2023</b>	<b>10,247</b>	<b>(9,967)</b>	<b>280</b>
<b>Equity as at 1 July 2022</b>	8,547	(8,209)	338
Shareholder contributions	1,200	-	1,200
Loss after income tax	-	(513)	(513)
Other comprehensive income for the period	-	-	-
<b>Equity as at 31 December 2022</b>	<b>9,747</b>	<b>(8,722)</b>	<b>1,025</b>
<b>Audited</b>			
<b>Equity as at 1 July 2022</b>	8,547	(8,209)	338
Shareholder contributions	1,200	-	1,200
Loss after income tax	-	(978)	(978)
Other comprehensive income for the period	-	-	-
<b>Equity as at 30 June 2023</b>	<b>9,747</b>	<b>(9,187)</b>	<b>560</b>

**Statement of financial position**  
**As at 31 December 2023**

		<b>unaudited 6 months to 31 Dec 2023 \$'000</b>	<b>unaudited 6 months to 31 Dec 2022 \$'000</b>	<b>Audited full year to 30 Jun 2023 \$'000</b>
	<i>Note</i>			
<b>Current assets</b>				
Cash and cash equivalents		92	909	418
Trade and other receivables		177	87	42
Inventories		67	26	39
Prepayments		54	50	-
Current taxation asset		(19)	(9)	9
<b>Total current assets</b>		<b>371</b>	<b>1,063</b>	<b>508</b>
<b>Non-current assets</b>				
Property, plant and equipment	3	292	271	266
Intangible assets		-	-	-
<b>Total non - current assets</b>		<b>292</b>	<b>271</b>	<b>266</b>
<b>Total assets</b>		<b>663</b>	<b>1,334</b>	<b>774</b>
<b>Current liabilities</b>				
Trade and other payables		303	249	81
Contract liabilities		-	13	-
Provision for employee entitlements		80	47	62
Other current liabilities (provisions)		-	-	71
<b>Total current liabilities</b>		<b>383</b>	<b>309</b>	<b>214</b>
<b>Non-current liabilities</b>				
Provisions		-	-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>383</b>	<b>309</b>	<b>214</b>
<b>Equity</b>				
Share capital		10,247	9,747	9,747
Retained earnings (deficits)		(9,967)	(8,722)	(9,187)
<b>Total equity</b>		<b>280</b>	<b>1,025</b>	<b>560</b>
<b>Total liabilities and equity</b>		<b>663</b>	<b>1,334</b>	<b>774</b>

**Statement of cash flows**  
**For the six months ending 31 December 2023**

	<b>unaudited</b> <b>6 months to</b> <b>31 Dec 2023</b> <b>\$'000</b>	<b>unaudited</b> <b>6 months to</b> <b>31 Dec 2022</b> <b>\$'000</b>	<b>Audited</b> <b>full year to</b> <b>30 Jun 2023</b> <b>\$'000</b>
<i>Note</i>			
<b>Cash flow from operating activities</b>			
<i>Cash was provided from</i>			
Receipts from customers	754	630	1,873
Net GST received	55	30	-
Interest received	7	6	15
	816	666	1,888
<i>Cash was disbursed to</i>			
Interest paid	-	-	-
Payments to suppliers & employees	1,593	1,106	2,786
Income tax paid	2	1	3
Net GST paid	-	-	19
	1,595	1,107	2,808
Net cash flow from operating activities	(779)	(441)	(920)
<b>Cash flow from investing activities</b>			
<i>Cash was disbursed to</i>			
Purchase of property, plant and equipment	47	9	21
Net cash flow from investing activities	(47)	(9)	(21)
<b>Cash flow from financing activities</b>			
<i>Cash was provided from</i>			
Funds from shareholders	500	1,200	1,200
Borrowings from DCTL	-	-	-
	500	1,200	1,200
<i>Cash was disbursed to</i>			
Repayment of borrowings to DCTL	-	-	-
	-	-	-
Net cash flow from financing activities	500	1,200	1,200
<b>Net increase/(decrease) in cash and cash equivalents</b>	(326)	750	259
Opening cash and cash equivalents	418	159	159
<b>Closing cash and cash equivalents</b>	92	909	418





## **Notes to the financial statements (unaudited)**

### **For the six months ending 31 December 2023**

#### **1 Reporting entity**

The financial statements presented are for the reporting entity Dunedin Railways Limited.

**Company Details:**

Incorporated in NZ under the Companies Act 1993.

A Council Controlled Trading Organisation as defined in the Local Government Act 2002.

Registered address of the company is 50 The Octagon, Dunedin.

Classed as a public benefit entity for financial reporting.

**Dunedin Railways Limited. Shareholding interests:**

100% owned by Dunedin City Holdings who are wholly owned by Dunedin City Council.

The financial statements of Dunedin Railways Limited are for the six months ended 31 December 2023.

The financial statements are presented in New Zealand dollars (the functional currency of the company) and have been rounded to the nearest thousand.

#### **2 Basis of preparation**

The financial statements for the period ended 31 December 2023 are unaudited.

The financial statements have been prepared in accordance with and comply with NZ 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 2023.

The financial statements are prepared on a non-going concern basis of accounting. The Company was put into hibernation from 1 July 2020. The Company is operating limited services during the summer season. There is a high degree of uncertainty associated with the future of the Company and a decision on the future of the Company will not be known until next year.

The accounting policies applied are consistent with those in the annual report for the year ended 30 June 2023.

The judgements, estimates and assumptions used to prepare these interim financial statements are consistent with those used at 30 June 2023.

**Notes to the financial statements (unaudited)**  
**For the six months ending 31 December 2023**

**3 Property, plant and equipment**

	<b>6 months to 31 Dec 2023 \$'000</b>	<b>6 months to 31 Dec 2022 \$'000</b>	<b>12 months to 30 Jun 2023 \$'000</b>
Additions (cost)	41	9	18
Disposals (cost)	-	-	-
Impairment (cost)	-	-	-

There have been no material changes in fair value for all property, plant and equipment asset classes for the current year.

**4 Financial instruments**

All financial assets are recognised at cost/face value while financial liabilities are recognised at amortised cost.

**5 Contingent liabilities**

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

**6 Industry segment reporting**

The company operates a single business stream being a tourism based passenger train service, in a single geographic segment, the South Island of New Zealand.



## Directory

### Directors

Keith Cooper (Chair)  
Richard Thomson  
Susan Johnstone  
Timothy Loan  
Greg Anderson  
Chris Milne

### Registered Office

50 The Octagon  
Dunedin 9016  
New Zealand

### Bankers

Westpac Banking Corporation

### Solicitors

Anderson Lloyd Lawyers

### Tax Advisors

Deloitte

### Auditor

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

**Statement of service performance**  
**For the six months ending 31 December 2023**

<b>Performance targets</b>	<b>Results as at 31 December 2023</b>
Hibernation Plan is prepared and reported on to the Board on a quarterly basis.	Reporting against the hibernation plan is presented at each Board meeting.
Target zero lost time injuries.	There was one lost time injury during the 6 month reporting period.
People and Culture Strategy, and a Diversity, Equity and Engagement Strategy will be in place by 30 June 2024.	To be completed by 30 June 2024.
A draft 2024/2025 Statement of Intent will be submitted to the shareholder by 1 March 2024.	A draft 2023/2024 Statement of Intent has been developed and will be submitted to the shareholder by 1 March 2024.
Refine and continue to implement DRL's carbon emissions strategy developed in 2022, and achieve and publicly report progress against our FY2024 targets.	In progress.
Refine and continue to implement DRL's waste reduction strategy developed in 2022, and achieve and publicly report progress against our FY2024 targets.	In progress.
Measure and publicly report our Greenhouse Gas (GHG) emissions, and progress towards our emissions and waste reduction strategies and targets, in our Annual Report.	In progress.
Ensure that all direct employees are paid at living wage or above.	All DRL's direct employees are paid at living wage or above.
Consult with the shareholders in a timely manner on DRL strategic or operational matters which could compromise Council's community outcomes.	Monthly reporting has kept the shareholder informed of strategic and operational developments.
Report to the shareholder within 24 hours of the Board becoming aware of any substantive matter, including any matter likely to generate media coverage.	All matters, which may have had the potential to negatively impact on the shareholder or the company, were reported to Dunedin City Holdings Limited.