

Dunedin Stadium Property Limited

INTERIM REPORT

For the six months ended 31 December 2022

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 2022.

Overview of Results

	unaudited 6 months to 31 Dec 2022 \$'000	unaudited 6 months to 31 Dec 2021 \$'000	audited full year to 30 Jun 2022 \$'000
Total income	1,600	1,367	2,445
Loss before taxation and subvention	(3,538)	(3,268)	(6,997)
Net cash flow from operating activities	(399)	(47)	(612)
Total assets	143,063	148,980	145,765

Review of operations

Dunedin Stadium Property Limited (DSPL) 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 2022 of \$3,538k. The loss is \$270k higher than the same period last year.

The higher loss compared to the same period last year is primarily due to a rise in the Company's cost of funding. Subvention receipts were not received in either period. These receipts are determined by the tax positions of other subsidiaries of Dunedin City Holdings Limited. The Company is working with the Dunedin City Holdings Group on maintaining a cash funding model with a mix of subvention receipts and other income sources.

Outlook

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

Seasonality

There is no seasonality of earnings 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

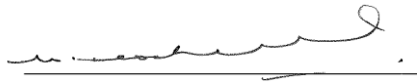
Statement of responsibility

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; and

In the opinion of the Directors, the interim financial statements fairly reflect the financial position as at 31 December 2022 and operations for the six months to 31 December 2022 of Dunedin Stadium Property Limited.

The 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 2022 and authorises them for issue on 2 February 2023.



Chair



Director

Dunedin Stadium Property Limited

Statement of comprehensive income For the six months ending 31 December 2022

	Unaudited 6 months to 31 Dec 2022 \$'000	Unaudited 6 months to 31 Dec 2021 \$'000	Audited full year to 30 Jun 2022 \$'000
Rentals & cost recoveries from Dunedin Venues Management Ltd	1,465	1,367	2,445
Cost recoveries from NZ Football	135	-	-
Interest received	-	-	-
Total income	1,600	1,367	2,445
Less expenses:			
Audit fees	-	-	17
Directors remuneration	11	11	22
Depreciation	3,043	3,037	6,088
Interest to Dunedin City Treasury Limited	1,545	1,094	2,275
Other operating expenses	539	493	1,040
Total expenses	5,138	4,635	9,442
Loss before tax and subvention	(3,538)	(3,268)	(6,997)
Subvention receipt	-	-	-
Net loss before tax	(3,538)	(3,268)	(6,997)
Income tax expense / (benefit)	-	-	-
Net loss after tax	(3,538)	(3,268)	(6,997)
Other comprehensive income	-	-	-
Total comprehensive loss for the period	(3,538)	(3,268)	(6,997)

Dunedin Stadium Property Limited

Statement of changes in equity For the six months ending 31 December 2022

	Share capital \$'000	Retained deficits \$'000	Total equity \$'000
Unaudited			
Equity as at 1 July 2022	127,179	(66,837)	60,342
Comprehensive income for the period	-	(3,538)	(3,538)
Equity as at 31 December 2022	127,179	(70,375)	56,804
Unaudited			
Equity as at 1 July 2021	124,929	(59,840)	65,089
Comprehensive income for the period	-	(3,268)	(3,268)
Equity as at 31 December 2021	124,929	(63,108)	61,821
Audited			
Equity as at 1 July 2021	124,929	(59,840)	65,089
Comprehensive income for the period	-	(6,997)	(6,997)
Share capital contribution	2,250	-	2,250
Equity as at 30 June 2022	127,179	(66,837)	60,342

Dunedin Stadium Property Limited

Statement of financial position As at 31 December 2022

	Note	Unaudited 6 months to 31 Dec 2022 \$'000	Unaudited 6 months to 31 Dec 2021 \$'000	Audited full year to 30 Jun 2022 \$'000
Current assets				
Cash and cash equivalents		388	212	47
Trade and other receivables		-	-	-
Subvention payment receivable		-	-	-
Total current assets		388	212	47
Non-current assets				
Property, plant and equipment	4	142,675	148,768	145,718
Total non-current assets		142,675	148,768	145,718
Total assets		143,063	148,980	145,765
Current liabilities				
Trade and other payables		789	579	693
Total current liabilities		789	579	693
Non-current liabilities				
Term borrowings	5	85,470	86,580	84,730
Total non-current liabilities		85,470	86,580	84,730
Total liabilities		86,259	87,159	85,423
Equity				
Share capital		127,179	124,929	127,179
Retained deficits		(70,375)	(63,108)	(66,837)
Total equity		56,804	61,821	60,342
Total liabilities and equity		143,063	148,980	145,765

Dunedin Stadium Property Limited

Statement of cash flows For the six months ending 31 December 2022

	Note	Unaudited 6 months to 31 Dec 2022 \$'000	Unaudited 6 months to 31 Dec 2021 \$'000	Audited full year to 30 Jun 2022 \$'000
Cash flow from operating activities				
<i>Cash was provided from</i>				
Receipts from customers		1,600	1,367	2,445
Subvention receipts		-	-	-
		1,600	1,367	2,445
<i>Cash was disbursed to</i>				
Interest paid		1,437	946	2,030
Payments to suppliers		602	558	1,041
Subvention receipts repaid		-	-	-
Net GST paid		(40)	(90)	(14)
		1,999	1,414	3,057
Net cash flow from operating activities	3	(399)	(47)	(612)
Cash flow from investing activities				
<i>Cash was disbursed to</i>				
Purchase of property, plant and equipment		-	-	-
Net cash flow from investing activities		-	-	-
Cash flow from financing activities				
<i>Cash was provided from</i>				
Shareholder capital		-	-	2,250
Borrowings		1,000	1,050	-
		1,000	1,050	2,250
<i>Cash was disbursed to</i>				
Repayment of borrowings		260	810	1,610
		260	810	1,610
		740	240	640
Net increase/(decrease) in cash				
Opening cash and cash equivalents		341	193	28
		47	19	19
Closing cash and cash equivalents		388	212	47

Dunedin Stadium Property Limited

Notes to the financial statements (unaudited) For the six months ending 31 December 2022

1 Reporting entity

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

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 principal objective of Dunedin Stadium Property Limited is the ownership of Forsyth Barr Stadium. In particular, the company oversees that the Stadium is maintained to a standard that enables it to operate effectively.

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 six month period ended 31 December 2022 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 2022.

The accounting policies applied are consistent with those published in the annual report for the year ended 30 June 2022.

The judgements, estimates and assumptions used to prepare these interim financial statements are consistent with those used at 30 June 2022.

Dunedin Stadium Property Limited

Notes to the financial statements (unaudited) For the six months ending 31 December 2022

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

	6 months to 31 Dec 2022 \$'000	6 months to 31 Dec 2021 \$'000	12 months to 30 Jun 2022 \$'000
Net loss after tax	(3,538)	(3,268)	(6,997)
<i>Items not involving cash flows</i>			
Depreciation	3,043	3,037	6,088
Other	-	-	-
<i>Impact of changes in working capital items</i>			
(Increase)/decrease in rent receivable	-	-	-
(Increase)/decrease in subvention payment receivable	-	-	-
Increase/(decrease) in trade and other payables	(12)	36	52
Increase/(decrease) in interest accrued	108	148	245
Net cash inflows from operating activities	(399)	(47)	(612)

4 Property, plant and equipment

	6 months to 31 Dec 2022 \$'000	6 months to 31 Dec 2021 \$'000	12 months to 30 Jun 2022 \$'000
Additions	-	-	-
Disposals	-	-	-
Capital commitments	-	-	-

There have been no material changes in fair value for all property, plant and equipment asset classes between 30 June 2022 and 31 December 2022.

5 Term borrowings

There has been no material change in the term loan from Dunedin City Treasury Limited between 30 June 2022 and 31 December 2022.

6 Financial Instruments

All financial assets and financial liabilities are recognised at amortised cost.

7 Contingent liabilities

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

Dunedin Stadium Property Limited

Statement of Service Performance For the six months ending 31 December 2022

Performance targets	Performance targets achieved
1 An Asset Management Plan is in place.	Achieved. An Asset Management Plan is in place.
2 The Asset Management Plan is internally reviewed annually, and externally reviewed every three years (next due FY2024).	In progress. An internal review of the Asset Management Plan is underway.
3 Asset maintenance is compliant with the asset management schedules and principles, including condition based assessments.	In progress. Timing differences have occurred and no capital expenditure has been incurred for the year to date.
4 Incorporate potential impacts of climate change on Forsyth Barr Stadium into Asset Management Plan and/or risk management.	In progress. Potential impacts of climate change on Forsyth Barr Stadium are being incorporated in the Asset Management Plan.
5 A debt repayment program is in place and reviewed annually.	Achieved. A debt repayment program is in place and annually reviewed.
6 A draft 2024 Statement of Intent will be submitted to the shareholder by 1 March 2023.	In progress. A draft 2024 Statement of Intent is under development.
7 Implement the Company's carbon emissions reduction strategy and achieve the FY2023 targets set.	In progress. The Company is on track to meet its FY2023 carbon emissions targets set.
8 Impliment the Company's waste reduction strategy and achieve the FY2023 targets set.	In progress. The Company is on track to meet its FY2023 waste reduction targets set.
9 Measure and publicly report the Company's Greenhouse Gas (GHG) emissions, and progress towards the Company's emissions and waste reduction strategies and targets, in our Annual Report.	In progress. The Company will publicly report is GHG emissions and progress towards its emissions and waste reduction strategies and targets in its 30 June 2023 Annual Report.

Dunedin Stadium Property Limited

Statement of Service Performance For the six months ending 31 December 2022

- | | | |
|-----------|--|--|
| 10 | Ensure that all direct employees are paid at living wage or above. | Achieved. The Company has no direct employees. Dunedin City Council employees that perform functions for the Company are paid at living wage or above. |
| 11 | Matters have been escalated to the shareholder. | Achieved. There were no matters requiring escalation to the shareholder. |
| 12 | To report matters of substance to the Shareholder within 24 hours of the board becoming aware. | Achieved. There are no matters of substance to report to the shareholder. |

Financial forecasts

Financial forecasts are set in the Statement of Intent for the year ending 30 June 2023. The Company is on track to meet the financial forecasts set.

Dunedin Stadium Property Limited

Directory

Directors

William H Cockerill (Chair)
Keith T Cooper
Richard J Thomson
Susie J Johnstone
Timothy DR Loan

Registered Office

50 The Octagon
Dunedin 9016

Bankers

Westpac Banking Corporation

Solicitors

Anderson Lloyd

Tax Advisors

Deloitte

Auditor

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