

Dunedin Stadium Property Limited

INTERIM REPORT

For the six months ended 31 December 2023

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 2023.

Overview of Results

	unaudited 6 months to 31 Dec 2023 \$'000	unaudited 6 months to 31 Dec 2022 \$'000	audited full year to 30 Jun 2023 \$'000
Total income	1,564	1,600	2,688
Loss before taxation and subvention	(3,798)	(3,538)	(7,420)
Net cash flow from operating activities	(1,373)	(399)	(300)
Total assets	140,333	143,063	140,512

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 2023 of \$3,798k. The loss is \$260k 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. Subvention 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 2023 and operations for the six months to 31 December 2023 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 11, for the six months ended 31 December 2023 and authorises them for issue on 1 February 2024.



Chair



Director

Dunedin Stadium Property Limited

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
Rentals & cost recoveries from Dunedin Venues Management Ltd	1,562	1,465	2,680
Cost recoveries from NZ Football	-	135	-
Interest received	2	-	8
Total income	1,564	1,600	2,688
Less expenses:			
Audit fees	-	-	33
Directors remuneration	11	11	22
Depreciation	2,502	3,043	5,944
Interest to Dunedin City Treasury Limited	2,000	1,545	3,250
Other operating expenses	849	539	859
Total expenses	5,362	5,138	10,108
Loss before tax and subvention	(3,798)	(3,538)	(7,420)
Subvention receipt	-	-	981
Net loss before tax	(3,798)	(3,538)	(6,439)
Income tax expense / (benefit)	-	-	-
Net loss after tax	(3,798)	(3,538)	(6,439)
Other comprehensive income	-	-	-
Total comprehensive loss for the period	(3,798)	(3,538)	(6,439)

Dunedin Stadium Property Limited

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

	Share capital \$'000	Retained deficits \$'000	Total equity \$'000
Unaudited			
Equity as at 1 July 2023	129,429	(73,276)	56,153
Comprehensive income for the period	-	(3,798)	(3,798)
Equity as at 31 December 2023	129,429	(77,074)	52,355
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
Audited			
Equity as at 1 July 2022	127,179	(66,837)	60,342
Comprehensive income for the period	-	(6,439)	(6,439)
Share capital contribution	2,250	-	2,250
Equity as at 30 June 2023	129,429	(73,276)	56,153

Dunedin Stadium Property Limited

Statement of financial position As at 31 December 2023

	Note	Unaudited 6 months to 31 Dec 2023 \$'000	Unaudited 6 months to 31 Dec 2022 \$'000	Audited full year to 30 Jun 2023 \$'000
Current assets				
Cash and cash equivalents		211	388	34
Trade and other receivables		3	-	4
Subvention payment receivable		-	-	-
Total current assets		214	388	38
Non-current assets				
Property, plant and equipment	4	140,119	142,675	140,474
Total non-current assets		140,119	142,675	140,474
Total assets		140,333	143,063	140,512
Current liabilities				
Trade and other payables		913	789	989
Total current liabilities		913	789	989
Non-current liabilities				
Term borrowings	5	87,065	85,470	83,370
Total non-current liabilities		87,065	85,470	83,370
Total liabilities		87,978	86,259	84,359
Equity				
Share capital		129,429	127,179	129,429
Retained deficits		(77,074)	(70,375)	(73,276)
Total equity		52,355	56,804	56,153
Total liabilities and equity		140,333	143,063	140,512

Dunedin Stadium Property Limited

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

	Note	Unaudited 6 months to 31 Dec 2023 \$'000	Unaudited 6 months to 31 Dec 2022 \$'000	Audited full year to 30 Jun 2023 \$'000
Cash flow from operating activities				
<i>Cash was provided from</i>				
Receipts from customers		1,562	1,600	2,680
Interest received		4	-	4
Subvention receipts		-	-	981
		1,566	1,600	3,665
<i>Cash was disbursed to</i>				
Interest paid		1,769	1,437	3,147
Payments to suppliers		1,058	602	813
Net GST paid		112	(40)	5
		2,939	1,999	3,965
Net cash flow from operating activities	3	(1,373)	(399)	(300)
Cash flow from investing activities				
<i>Cash was disbursed to</i>				
Purchase of property, plant and equipment		2,145	-	603
Net cash flow from investing activities		(2,145)	-	(603)
Cash flow from financing activities				
<i>Cash was provided from</i>				
Shareholder capital		-	-	2,250
Borrowings		4,640	1,000	-
		4,640	1,000	2,250
<i>Cash was disbursed to</i>				
Repayment of borrowings		945	260	1,360
		945	260	1,360
		3,695	740	890
Net increase/(decrease) in cash		177	341	(13)
Opening cash and cash equivalents		34	47	47
Closing cash and cash equivalents		211	388	34

Dunedin Stadium Property Limited

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

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 2023 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 2023.

The accounting policies applied are consistent with those published 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.

Dunedin Stadium Property Limited

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

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

	6 months to 31 Dec 2023 \$'000	6 months to 31 Dec 2022 \$'000	12 months to 30 Jun 2023 \$'000
Net loss after tax	(3,798)	(3,538)	(6,439)
<i>Items not involving cash flows</i>			
Depreciation	2,502	3,043	5,944
Other	-	-	-
<i>Impact of changes in working capital items</i>			
(Increase)/decrease in rent receivable	-	-	-
(Increase)/decrease in subvention payment receivable	-	-	-
(Increase) /Decrease in interest receivable	(1)		(4)
Increase/(decrease) in trade and other payables	(261)	(12)	96
Increase/(decrease) in interest accrued	185	108	103
Net cash inflows from operating activities	(1,373)	(399)	(300)

4 Property, plant and equipment

	6 months to 31 Dec 2023 \$'000	6 months to 31 Dec 2022 \$'000	12 months to 30 Jun 2023 \$'000
Additions	2,145	-	603
Disposals	-	-	-
Capital commitments	-	-	-

There have been no material changes in fair value for all property, plant and equipment asset classes between 30 June 2023 and 31 December 2023.

5 Term borrowings

There has been no material change in the term loan from Dunedin City Treasury Limited between 30 June 2023 and 31 December 2023.

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 2023

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 external review is nearing completion.
3 Asset maintenance is compliant with the Asset Management Plan schedules and principles, including condition based assessments.	In progress, noting some timing differences between planned and actual maintenance.
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 considered in the current external review of the Asset Management Plan.
5 A debt repayment program is in place and is reviewed by the board annually.	Not achieved. No subvention payments received to enable this to happen.
6 A draft 2025 Statement of Intent will be submitted to the shareholder by 1 March 2024.	In progress. A draft 2025 Statement of Intent is under development.
7 Implement the Company's carbon emissions reduction strategy and achieve the FY2024 targets set.	In progress. The Company is on track to meet its FY2024 carbon emissions targets set.
8 Implement the Company's waste reduction strategy and achieve the FY2024 targets set.	In progress. The Company is on track to meet its FY2024 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.	DSPL does not report a GHG emissions footprint because all emissions associated with Forsyth Barr Stadium are measured and reported by sister company Dunedin Venues Management Ltd.

Dunedin Stadium Property Limited

Statement of Service Performance For the six months ending 31 December 2023

- | | | |
|-----------|--|--|
| 10 | Ensure that all direct employees are paid at living wage or above. | Achieved. DSPL does not directly employ any staff. |
| 11 | Escalate DSPL strategic or operational matters which could compromise the Council's community outcomes, to the shareholder in a timely manner. | 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 were 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 2024. 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
Greg Anderson
Christopher Milne

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