



ANNUAL REPORT 2022

dunedin
venues

Dunedin Venues Management Limited
Contents
For the Year Ended 30 June 2022

Directory	1
Chairperson's and CEO's Report	2
Statutory Information	3 - 5
Directors Declarations of Interest	6
Statement of Responsibility	7
Our People	8
Our Sustainability	9 - 11
Statement of Comprehensive Income	12
Statement of Changes in Equity	13
Statement of Financial Position	14
Statement of Cashflows	15
Notes to the Financial Statements	16 - 31
Statement of Service Performance	32 - 35
Independent Auditor's Report	36 - 40

Dunedin Venues Management Limited
Directory
For the Year Ended 30 June 2022

DIRECTORS

- Raewyn Lovett
- Adam La Hood
- Joanne Conroy
- Dylan Rushbrook

INTERN DIRECTORSHIP

- Sian Sutton

CHIEF EXECUTIVE OFFICER

- Terry Davies

REGISTERED OFFICE

- Forsyth Barr Stadium
130 Anzac Avenue
Dunedin 9016

BANKERS

- Westpac
Dunedin

SOLICITORS

- Anderson Lloyd
Dunedin

AUDITOR

- Audit New Zealand
Dunedin
(On behalf of the Office of the Auditor General)

Chairperson's and Chief Executive Officer's Report

Within another COVID-19 disrupted year where a number of major events were cancelled or postponed, (including the much anticipated sold out All Blacks v South Africa Test Match, Guns n' Roses, Six60 and Rod Stewart concerts) DVML were thrilled to still be able to host a variety of events at Forsyth Barr Stadium with some of the major highlights being the All Blacks v Fiji Test Match, and the "We Can" Community Can Appeal collection (in collaboration with Highlanders, Otago Rugby and Otago Cricket).

Domestic rugby for both the Highlanders and Otago Rugby was also disrupted, however matches were still able to be played with a mixture of both 'behind closed doors' and publicly attended matches.

On a positive note, during this period, DVML experienced a strong domestic concert/entertainment programme. The Ocean Alley concert at the Dunedin Centre was the first 'large' show back post lockdown (after 5 postponements), the band and crowd alike were thrilled to have live music back again. From NZSO, comedian Tom Sainsbury, Lee Mvthews to Drax Project, this year has provided a wide range of fantastic events and the excitement of live entertainment returning and the enjoyment it has brought to people has been a pleasure to share.

During the year Community Access Grant applications remained strong with a number of Community Events being hosted across both the Dunedin Centre and Forsyth Barr Stadium. Once again there were a variety of memorable events with one of the highlights being the first international event to be held, the "Ukraine Benefit Concert" where all proceeds were donated to the Red Cross in Ukraine.

Planning for the 2023 FIFA Women's World Cup that is taking place in July 2023 has continued, with a number of FIFA delegates visiting Forsyth Barr Stadium during the year, projects being scoped and operational delivery planning taking place.

Business events showed resilience through the year with the team delivering a number of successful events when restrictions allowed, with an extra busy period during May/June when over 50 events were delivered following the relaxing of COVID-19 restrictions.

Another highlight for DVML was the loyal and heartfelt support that was received during the year from the Forsyth Barr Stadium Membership, and we are looking forward to recognising this by providing a full programme of content in the coming year.

During these times, managing and forecasting our business remains a challenge. However, DVML is committed to getting back to our core business and to delivering great events and economic impact to the region.

Our final thanks go to our staff, who have continued to focus on securing and delivering events that drives economic and social benefit to Dunedin and the region.

Raewyn Lovett
Chairperson



14 March 2023

Terry Davies
Chief Executive Officer



14 March 2023

Dunedin Venues Management Limited
Statutory Information
For the Year Ended 30 June 2022

The Directors of Dunedin Venues Management Limited (the Company) are pleased to present their report on the activities of the Company for the year ended 30 June 2022.

Principal Activities of the Company

The organisation is a stadium operator, events and venue management company.

Results for the Year Ended 30 June 2022

The report covers the financial year 1 July 2021 to 30 June 2022.

	2022
	\$'000
Profit/(Loss) for the year before taxation	(1,385)
Income tax expense	(483)
Profit/(Loss) for the year after taxation	<u>(902)</u>

State of Affairs

The Company recorded a net loss after tax of \$902,200 for the year.

Changes in Accounting Policies

There have been no changes in accounting policies adopted during the year.

Review of Operations

Net loss before taxation and subvention was \$1,385,000 for the year, compared to a net loss of \$424,000 for the previous year.

Change of Directors

Andrew Douglas commenced an Intern Directorship on 1 January 2020 and resigned from this position on 21 July 2020, was reappointed on 12 May 2021 and completed the Internship term on 30 November 2021.

Sian Sutton commenced an Intern Directorship on 1 January 2022.

Dunedin Venues Management Limited
Statutory Information
For the Year Ended 30 June 2022

Social and Environmental Contributions

The Company continues to maintain a recycling programme incorporating communications with partners, alternative environmentally-friendly products being used, visual displays, improved clean-up procedures and clearly identifiable recycling stations.

Financial Statements

The audited financial statements for the year ended 30 June 2022 are attached to this report.

Directors Interest in Contracts

Refer to Directors Declarations of Interest section on page 6 and the related parties' transactions on pages 28 to 30.

Auditors

The Controller and Auditor General has contracted the audit to Audit New Zealand. Auditors remuneration is set out in note 4 to the financial statements on page 20.

Employee Remuneration

Details of remuneration ranges (inclusive of retirement allowances) for employees (including the CEO) of the company are:

Remuneration range	Number of Employees	
	2022 Total	2021 Total
\$400,000 - 409,999	1	-
\$380,000 - 389,999	-	1
\$140,000 - 149,999	1	1
\$130,000 - 139,999	2	2
\$120,000 - 129,999	1	-
\$100,000 - 109,999	-	1

The amounts paid to current and former employees include all non-cash benefits and redundancy payments at total cost to the Company, where applicable.

Chief Executive's Remuneration

2022
\$'000

Remuneration paid to the Chief Executive for the year ended 30 June 2022 is outlined below:

Fixed remuneration and other benefits	401
Short Term Incentive	-
Long Term Incentive	-
	<u>401</u>

Dunedin Venues Management Limited
Statutory Information
For the Year Ended 30 June 2022

Directors' Remuneration

Director	Responsibility	Remuneration	
		2022 \$'000	2021 \$'000
Raewyn J Lovett	Chairperson	40	37
Joanne M Conroy	Director	20	21
Adam La Hood	Director	20	20
Dylan Rushbrook	Director	20	20

Directors' Insurance

As provided in the Company's Constitution, Dunedin Venues has arranged policies of Directors' Liability Insurance, which together with a deed of indemnity, ensure that the Directors will incur no monetary loss as a result of actions undertaken by them as Directors, provided that they operate within the law.

Directors' Benefits

No Director of the Company has, since the end of the previous financial year, received or become entitled to receive a benefit other than a benefit included in the total remuneration received or due and receivable by the Directors shown in the financial statements.

Staff

The Directors once again record their appreciation of the professional and positive manner in which the staff have conducted their duties during the year. The dedication of staff in endeavouring to ensure that the Company meets its operational and financial targets is highly commendable.

Dunedin Venues Management Limited
Directors Declarations of Interest
For the Year Ended 30 June 2022

Director	Declarations of Interest
Raewyn Lovett (appointed 1 January 2015)	Partner of Duncan Cotterill, Lawyers Director, Sport New Zealand Trustee of CHT Healthcare Trust Co-Chair of International Working Group of Women and Sport Shareholder, Onelaw Limited Shareholder, Pearl River Holdings Limited Shareholder in various Duncan Cotterill companies Director, TAB New Zealand - appointed 1 August 2021 Director - High Performance Sport New Zealand - appointed 22 February 2022
Joanne Conroy (appointed 1 January 2018)	Director, Queenstown Housing Bonds Limited Director, Queenstown Lakes Community Housing Trust Developments Limited Director, Queenstown Lakes Community Housing Trust Property Portfolio Limited Director and Shareholder, QDC Services Limited Director and Shareholder, Marcon Holdings Limited Director, Quoteable Value - resigned 30 September 2021 Chair of Westland Holdings Limited Director, QLCHT Shotover Country Limited Director, Destination Westland Limited Director, Queenstown Citizens Advice Bureau Trustee, Queenstown Lakes Community Housing Trust Chair, Sky City Queenstown Community Trust Trustee, St John New Zealand Priory Chapter Executive Officer, Whakatipu Wildlife Trust - appointed 5 July 2021
Adam La Hood (appointed 27 August 2019)	Chair, Otago Polytechnic Limited CFO, Cook Brothers Construction Limited
Dylan Rushbrook (appointed 27 August 2019)	Director and Shareholder, Synergy Tourism Consulting Limited Director and Shareholder, Tourism Talent Limited Director and Shareholder, Tourism Central Limited Director, Tourism Talent Australia Trustee, Regional Tourism New Zealand Southern Lakes Events Investment Panel General Manager, Tourism Central Otago

Dunedin Venues Management Limited
Statement of Responsibility
For the Year Ended 30 June 2022

The Board of Dunedin Venues Management Limited accepts responsibility for the preparation of the annual financial statements and the judgements used in them;

The Board of Dunedin Venues Management Limited accepts 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 Board of Dunedin Venues Management Limited, the annual financial statements for the financial year ended 30 June 2022 fairly reflect the financial position and operations of Dunedin Venues Management Limited.

The Company's owners do not have the power to amend the financial statements after issue.

Raewyn Lovett
Chairperson



14 March 2023

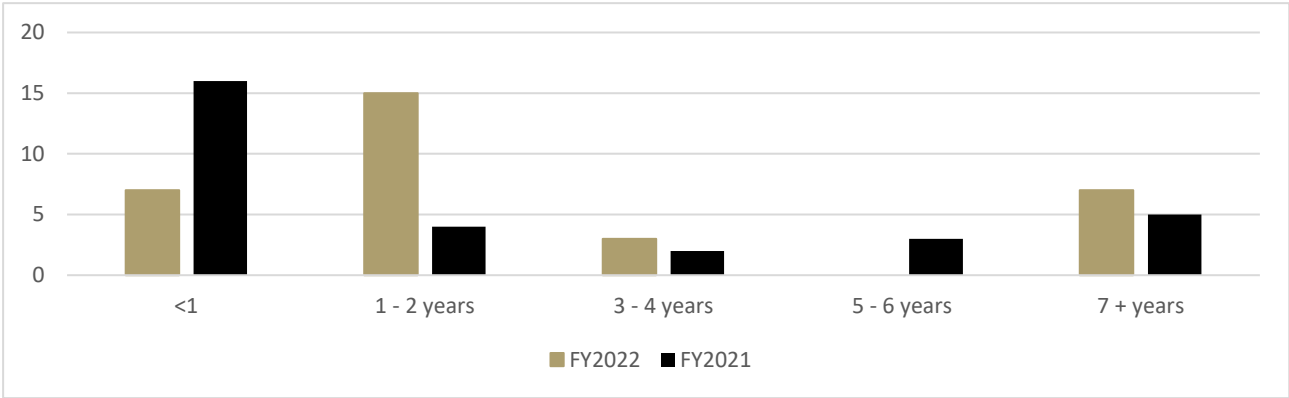
Adam La Hood
Director



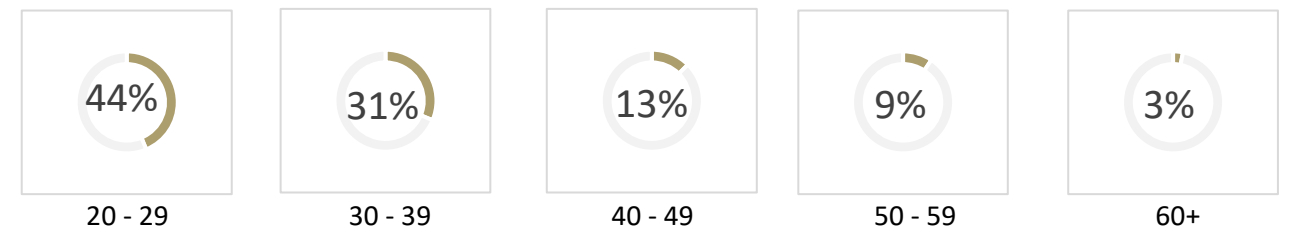
14 March 2023

Dunedin Venues Management Limited
Our People
As at 30 June 2022

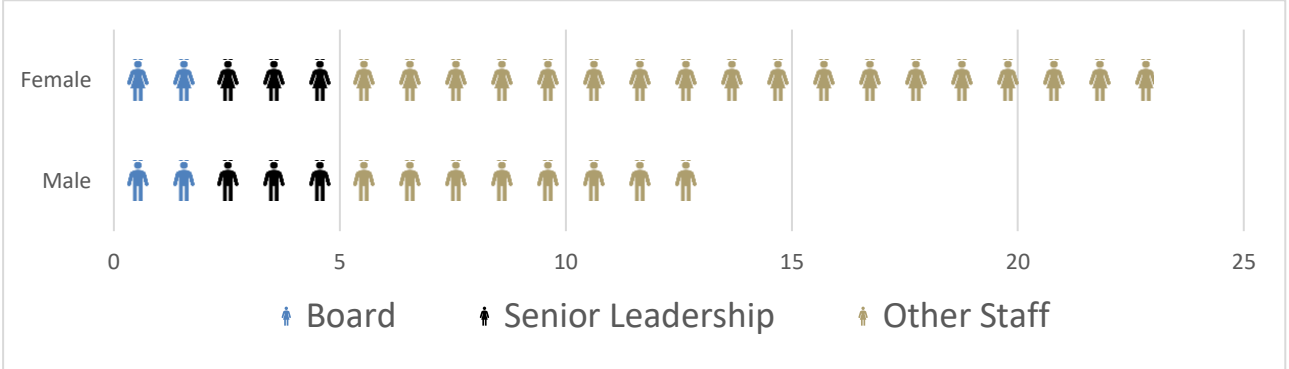
DVML Employees by length of service (years)



DVML Employees by age range



DVML Employees by gender

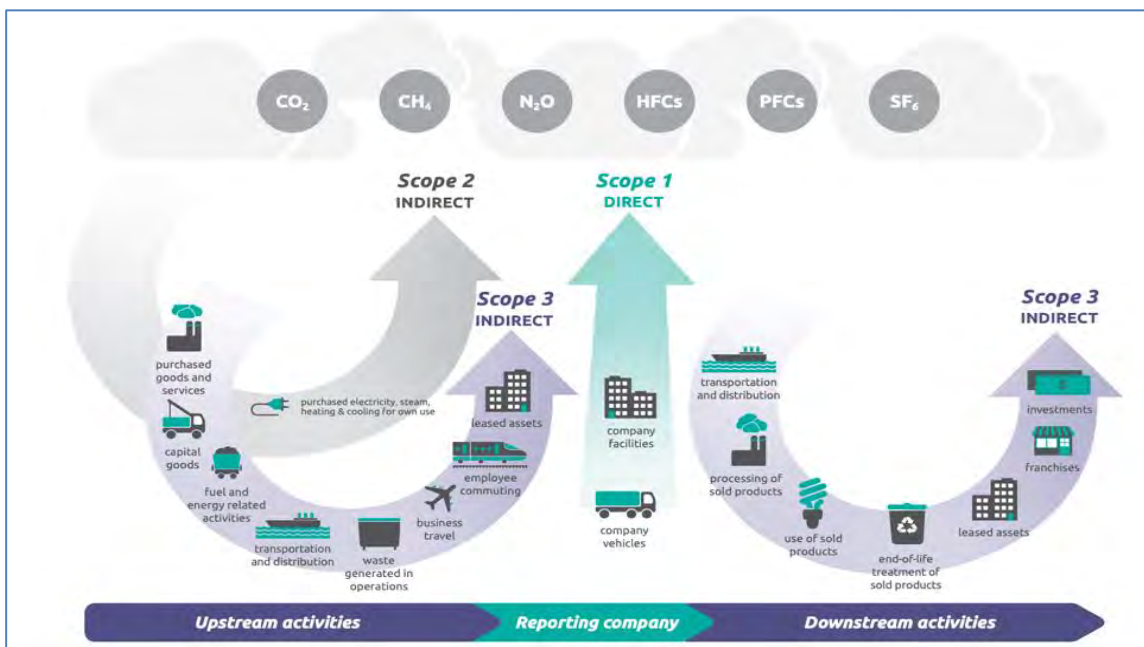


Dunedin Venues Management Limited
Our Sustainability
For the Year Ended 30 June 2022

Greenhouse gas emissions summary

During the year we have assessed and measured our Greenhouse Gas (GHG) emissions. We completed this process in accordance with the requirements of the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and ISO 14064-1:2006 Specification with Guidance at the Organisation Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals. At this stage we have focussed on measuring our Scope 1 and 2 emissions and an agreed selection of Scope 3 (indirect, or value chain) emissions.

Figure 1 Source: GHG Protocol - Figure 1.1 of Scope 3 Standard



Scope 1 emissions are direct emissions that are operationally controlled by DVML, including:

- Stationary combustion emissions related to heating Forsyth Barr Stadium and the Dunedin Centre
- Mobile combustion emissions related to vehicles and machinery owned or operated by DVML.
- Fugitive emissions from refrigerant use within HVAC systems we operate.

Scope 2 emissions are indirect GHG emissions from imported energy, including

- Purchased electricity that is consumed at Forsyth Barr Stadium and the Dunedin Centre.

Scope 3 emissions - To provide alignment across the Dunedin City Holdings Limited (DCHL) group of companies a consistent set of Scope 3 emission categories have been applied, which are waste, travel and freight.

Our Scope 3 emissions include the following:

- Waste generated in our offices.
- Waste generated from activity at Forsyth Barr Stadium and the Dunedin Centre. We have widened the scope of our waste measurement and reporting to include the waste generated from our key contractors who operate from these facilities.
- Business travel (primarily flights and accommodation).
- Freight transportation (the freighting of goods purchased by DVML).
- Electricity transmission and distribution losses.

At this stage we have not captured the indirect emissions from the third-party promoters who hold events on our sites (i.e. their travel and freight activity).

We will review which Scope 3 emissions are relevant and appropriate on an ongoing basis, as we continue to measure and report our carbon footprint.

Results

Emissions are reported as tonnes (t) of Carbon Dioxide (CO2) equivalent (e); or tCO2-e. “Carbon dioxide equivalent” is a standard unit for counting greenhouse gas emissions regardless of whether they are from carbon dioxide or another greenhouse gas.

DVML’s measured GHG emissions for the year end 30 June 2022 are 496 tCO2-e.

Table 1 Emissions by Scope

Scope	tCO2-e	% of total
Scope 1	246	50%
Scope 2	213	43%
Scope 3	37	7%
Total	496	100%

Figure 1 Emissions by Scope



Emissions by Activity

Our top emissions sources are summarised below.

Table 2 Emissions by activity

Category emission source	t CO₂-e
Purchased Electricity	213
Fuels	209
Refrigerant	26
Waste to landfill	18
T&D losses	16
Fertiliser	11
Flights (Domestic)	2
Flights (International)	0.6
Accommodation	0.2
Taxis	0.1

Next Steps

A number of assumptions and estimates have been made when calculating our emissions. It is our intention to measure and manage our footprint on an ongoing basis and to report on this annually. As noted in our 2022-2023 Statement of Intent, the next steps include implementing emissions and waste reduction strategies and associated targets.

We will also focus on improving the accuracy of our calculations, giving consideration to the most relevant Scope 3 emissions that we track, and implementing measures to reduce our emissions.

Dunedin Venues Management Limited
Statement of Comprehensive Income
For the Year Ended 30 June 2022

		2022	2021
	<i>Note</i>	\$'000	\$'000
Revenue			
Operating revenue		7,262	10,114
Government grants		1,237	978
Interest received from funds on deposit		21	9
Total revenue	3(c)	<u>8,520</u>	<u>11,101</u>
Less expenses			
Operating expenses	4	7,496	9,029
Depreciation and impairment	11	315	358
Depreciation - Right of use lease asset	10	1,618	1,619
Interest expense		476	519
Total expenditure		<u>9,905</u>	<u>11,525</u>
Profit/(Loss) for the Year before Taxation		(1,385)	(424)
Income tax expense/(credit)	5	(483)	(117)
Profit/(Loss) for the Year after Taxation		<u>(902)</u>	<u>(307)</u>
Other comprehensive income		-	-
Total Comprehensive Income		<u>(902)</u>	<u>(307)</u>

The accompanying notes and accounting policies form an integral part of these audited financial statements.

Dunedin Venues Management Limited
Statement of Changes in Equity
For the Year Ended 30 June 2022

	<i>Note</i>	Share Capital \$'000	Retained Earnings \$'000	Total Equity \$'000
1 July 2021		10,077	(8,166)	1,911
Total Comprehensive Income for the year		-	(902)	(902)
Capital contribution		300	-	300
30 June 2022	6	<u>10,377</u>	<u>(9,068)</u>	<u>1,309</u>
1 July 2020		9,777	(7,859)	1,918
Total Comprehensive Income for the year		-	(307)	(307)
Capital contribution		300	-	300
30 June 2021		<u>10,077</u>	<u>(8,166)</u>	<u>1,911</u>

The accompanying notes and accounting policies form an integral part of these audited financial statements.

Dunedin Venues Management Limited
Statement of Financial Position
As at 30 June 2022

	<i>Note</i>	2022 \$'000	2021 \$'000
Current Assets			
Cash and cash equivalents		2,421	3,675
Trade and other receivables	7	1,016	810
Assets held for sale	17	64	-
Work in Progress	18	392	-
Total Current Assets		3,893	4,485
Non-Current Assets			
Property, plant and equipment	11	1,009	958
Right of use assets	10	14,610	16,229
Deferred tax	12	1,231	748
Total Non-Current Assets		16,850	17,935
TOTAL ASSETS		20,743	22,420
Current Liabilities			
Trade and other payables	8	484	734
Contract liabilities / Income in advance	3(b)	2,279	2,038
Employee entitlements		118	103
Lease liabilities	10	1,575	1,536
Total Current Liabilities		4,456	4,411
Non-Current Liabilities			
Contract liabilities / Income in advance	3(b)	509	53
Lease liabilities	10	14,468	16,045
Total Non-Current Liabilities		14,977	16,098
Equity			
Share capital	6	10,377	10,077
Retained deficits		(9,068)	(8,166)
Total Equity		1,309	1,911
TOTAL EQUITY AND LIABILITIES		20,743	22,420

For and on behalf of the Directors

Raewyn Lovett
Chairperson



Adam La Hood
Director



14 March 2023

The accompanying notes and accounting policies form an integral part of these audited financial statements.

Dunedin Venues Management Limited
Statement of Cashflows
For the Year Ended 30 June 2022

	<i>Note</i>	2022 \$'000	2021 \$'000
Cashflows from Operating activities			
<i>Cash was provided from</i>			
Receipts from customers		9,059	11,100
Interest received		15	9
Net GST received		-	69
		9,074	11,178
<i>Cash was disbursed to</i>			
Payments to suppliers and employees		8,143	8,628
Net GST paid		47	-
		8,190	8,628
Net Cashflow from Operating activities	9		
		884	2,550
Cashflows from Investing activities			
<i>Cash was provided from</i>			
Sale of property, plant and equipment		-	11
<i>Cash was distributed to</i>			
Purchase of property, plant and equipment		424	31
Net Cashflow from Investing activities		(424)	(20)
Cashflows from Financing activities			
<i>Cash was provided from</i>			
Shareholder capital		300	300
		300	300
<i>Cash was disbursed to</i>			
Repayment of finance lease		1,536	1,493
Interest paid		476	519
		2,012	2,012
Net Cashflow from Financing activities			
		(1,712)	(1,712)
Net Increase/(Decrease) in Cash and Cash equivalents		(1,253)	818
Opening Cash and Cash equivalents		3,675	2,858
Closing Cash and Cash equivalents			
		2,421	3,675
Composition of Cash and Cash equivalents			
Cash on hand		4	4
Bank current account		117	371
Deposit/(overdraft) accounts		2,300	3,300
Cash and Cash Equivalents at the end of the year		2,421	3,675

Cash and short-term deposits comprise cash held by the Company and short-term deposits.
The carrying amount of these assets approximates their fair value.

The accompanying notes and accounting policies form an integral part of these audited financial statements.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

1 REPORTING ENTITY

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

Dunedin Venues Management Limited is a Council Controlled Trading Organisation as defined in the Local Government Act 2002. The Company, incorporated in New Zealand under the Companies Act 1993, is owned by Dunedin City Holdings Limited.

The financial statements of the Company are for the year ended 30 June 2022.

The registered address of the Company is 130 Anzac Avenue, Dunedin.

The primary objective of Dunedin Venues Management Limited is to ensure the successful operation of Forsyth Barr Stadium and the Dunedin Centre (a multi-purpose entertainment, conference and events hub including the Dunedin Town Hall and the Glenroy Auditorium). Dunedin Venues Management Limited is the central hub for premier events and entertainment in Dunedin.

Dunedin Venues Management Limited is a for-profit company.

Statement of Compliance

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, the Companies Act 1993 in accordance with NZ GAAP. For the purpose of complying with NZ GAAP, the Company is a for-profit entity. These financial statements comply with New Zealand International Financial Reporting Standards (Reduced Disclosure Regime).

The Company has adopted External Reporting Board Standard A1 Accounting Standards Framework (For-profit Entities Update) (XRB A1). The Company qualifies for NZ IFRS (RDR) as it does not have public accountability and it is not a large for-profit public sector entity. The Company has elected to apply NZ IFRS (RDR) and has applied disclosure concessions.

The financial statements were authorised for issue by the Directors on 14 March 2023.

Basis of Preparation

The financial statements have been prepared on an historic cost basis.

These financial statements are presented in New Zealand dollars because that is the currency of the primary economic environment in which the Company operates. The financial statements are recorded to the nearest (\$'000).

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2022 and the comparative information for the year ended 30 June 2021.

The financial statements have been prepared on a going concern basis. The Directors deem this basis to be appropriate for the reasons set out in note 19 below.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

2 SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and GST.

Revenue from services rendered is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity. The stage of completion at balance date is assessed based on the value of services performed to date as a percentage of the total services to be performed.

Sales of goods are recognised when significant risks and rewards of owning the goods are transferred to the buyer, when the revenue can be measured reliably and when management effectively ceases involvement or control.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Membership and Sponsorship Revenue

The terms of memberships, corporate box licenses, signage and sponsorship agreements range from one year to ten years. Payment for these items has been received and recorded as income received in advance. This income is amortised as revenue on a straight-line basis over the term of the agreement.

Employee Entitlements

Entitlements to salary and wages and annual leave are recognised when they accrue to employees. This includes the estimated liability for salaries and wages and annual leave as a result of services rendered by employees up to balance date at current rates of pay.

Entitlements to long service leave and retirement gratuities are calculated on an actuarial basis and are based on the reasonable likelihood that they will be earned by employees and paid by the Company.

The Company recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The calculation is based on the value of excess sick leave taken within the previous twelve months.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. Commitments and contingencies are disclosed exclusive of GST.

Critical Accounting Judgements, Estimates and Assumptions

In preparing these financial statements the Company has made judgements, estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated.

The critical accounting judgements, estimates and assumptions of the Company are contained within the policies.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Provisions

A provision is recognised in the Statement of Financial Position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Income Received in Advance

Income received in advance represents the unexpired portion of Membership and Sponsorship revenue at balance date and income relating to future events not recognised in the Statement of Comprehensive Income. Income received in advance is carried forward in the statement of financial position.

Government Grants

The Company applied for and received Ministry of Social Development grants relating to COVID-19 during the year (Wage Subsidy & Leave Support Scheme payments). The grants have been recognised as income on a systematic basis over the period in which the Company recognised expenses related to employee benefits.

The Company received an Event Attraction Grant and Community Access Grant from the Dunedin City Council during the reporting period. The Event Attraction Grant allows the Company to bid for major events, bringing economic benefit into the city, while the Community Access Grant is to facilitate community groups accessing Forsyth Barr Stadium and the Dunedin Centre. A portion of the Event Attraction Grant has been recognised as income during the financial year, and the balance is held as Income in Advance at Balance Date.

Changes in Accounting Policies

There have been no changes in the company's accounting policies since the date of the last audited financial statements. Accounting policies have been applied consistently to all years presented in these financial statements.

Standards amended or issued during the year

During the period, there were no new or amended accounting standards which materially affected the Company or its reporting

Standards issued but not yet effective

The International Accounting Standards Board (IASB) has issued amendments to IAS 1 Presentation of Financial Statements that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments are effective for periods beginning on or after 1 January 2023 (earlier application is permitted) and require entities to disclose material accounting policies rather than significant accounting policies based on a four-step materiality process.

Comparatives

Certain prior period revenue has been reclassified between functional categories for consistency with the current period.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

3 REVENUE FROM CONTRACTS WITH CUSTOMERS

3(a) Disaggregation of revenue from contracts with customers

Revenue is derived from the transfer of goods and services over time and at a point in time as follows:

	2022	2021
	\$'000	\$'000
Segment revenue	6,613	9,470
Less inter-segment	-	-
Revenue - external customers	<u>6,613</u>	<u>9,470</u>
<u>Timing of revenue recognition:</u>		
At a point in time	2,100	4,553
Over time	<u>4,513</u>	<u>4,917</u>
	<u>6,613</u>	<u>9,470</u>

3(b) Assets and liabilities related to contracts with customers

The Company has recognised the following assets and liabilities related to contracts with customers:

	2022	2021
	\$'000	\$'000
Current liabilities	2,279	2,038
Non-current liabilities	509	53
Contract liabilities - Income in Advance	<u>2,788</u>	<u>2,091</u>

(i) Significant changes in contract assets and liabilities

There are no significant changes in contract assets and liabilities.

(ii) Revenue recognised in relation to contract liabilities

All revenue related to carried-forward contract liabilities for short-term contracts were satisfied in this current year; any long-term contracts in the prior year(s) have been recognised for the relevant portion in this period, and the remaining liabilities treated as Income in Advance if invoiced; no revenue is recognised for long-term contracts past 30 June 2022, where an invoice has not been generated.

(iii) Unsatisfied long-term contracts

All unsatisfied performance obligations resulting from fixed-price long-term commercial rights contracts which have been invoiced have been treated as Income in Advance and recognised on a monthly basis. Management expects that 100% of the transaction price allocated to the unsatisfied contracts as at 30 June 2022 will be recognised during the next reporting period. Income included in the financial statements for long term contracts past the next reporting period total \$359k (2021: \$53k).

(iv) Assets recognised from costs to fulfil a contract

There are no assets recognised from costs to fulfil any contract.

	2022	2021
	\$'000	\$'000
3(c) Reconciliation to total revenue		
Contracts with customers	6,613	9,470
Government grants	1,237	978
Leases	397	349
Other Revenue	251	295
Interest	21	9
	<u>8,520</u>	<u>11,101</u>

3(d) Critical accounting judgements, estimates and assumptions

No significant judgements have been required to determine the revenue. All contracts are either related to an ongoing contract over a period of time (unused contracts quantified and shown as Contract liabilities), or are event based.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

4 OPERATING EXPENSES

	2022	2021
	\$'000	\$'000
Other operating expenses	4,824	6,890
Audit fees - for audit of financial statements	52	33
Bad debts	(4)	(11)
Directors fees	100	98
Salaries and wages	2,524	2,032
Loss/(gain) on fixed asset disposal	-	(13)
	<u>7,496</u>	<u>9,029</u>

5 INCOME TAXES

Accounting Policy

Income tax expense includes components relating to both current and deferred tax.

The tax currently payable is based on taxable profit for the year. The Company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

	2022	2021
	\$'000	\$'000
Income Tax Recognised in Comprehensive Income		
Profit/(Loss) for the year before taxation	(1,385)	(424)
Income tax expense calculated at 28% (2021: 28%)	(388)	(119)
<i>Tax effect of following adjustments</i>		
Non-deductible expenses	(11)	2
Prior period adjustments	(83)	-
Tax effect of differences	<u>(95)</u>	<u>2</u>
Tax expense	<u>(483)</u>	<u>(117)</u>
Effective tax rate	0%	0%
Represented by:		
Current tax provision	-	2
Deferred tax provision	(400)	(119)
Prior period adjustment to deferred tax	(83)	-
	<u>(483)</u>	<u>(117)</u>

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

6 EQUITY - SHARE CAPITAL

	2022	2021
	\$'000	\$'000
Called and Fully Paid Up Capital		
10,377,065 fully paid ordinary shares (2021: 10,077,065)	<u>10,377</u>	<u>10,077</u>

On the 7th June 2022, the Company issued and called 300,000 shares of \$1 each in favour of Dunedin City Holdings Limited. The shares carry equal voting rights.

10,900,000 shares have been issued to Dunedin City Holdings Limited at \$1 per share. At 30 June 2022, 10,377,065 (2021: 10,077,065) of these shares had been called and fully paid.

Fully paid ordinary shares carry one vote per share; carry a right to dividends and, upon winding up, a pro rata share of the Company's net assets.

7 TRADE AND OTHER RECEIVABLES

Accounting Policy

Trade and other receivables are stated at cost less any allowances for estimated irrecoverable amounts.

	2022	2021
	\$'000	\$'000
Trade and other receivables	859	722
Expected credit losses	(4)	(10)
Accrued income and prepayments	144	98
GST receivable	17	-
	<u>1,016</u>	<u>810</u>

8 TRADE AND OTHER PAYABLES

Accounting Policy

Trade and other payables are stated at amortised cost.

	2022	2021
	\$'000	\$'000
Trade payables	493	713
GST payable	-	30
Subvention payable	(9)	(9)
	<u>484</u>	<u>734</u>

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

**9 RECONCILIATION OF NET PROFIT FOR THE YEAR TO
CASHFLOWS FROM OPERATING ACTIVITIES**

	2022 \$'000	2021 \$'000
Profit/(Loss) for the year after taxation	(902)	(307)
<i>Items Not Involving Operating Cashflows</i>		
Depreciation and impairment	315	358
Depreciation on right of use asset	1,618	1,619
(Gain)/Loss on fixed asset disposal	-	(13)
Interest paid	476	519
<i>Impact of Changes in Working Capital Items</i>		
(Increase)/Decrease in trade and other receivables	(137)	70
(Increase)/Decrease in inventory held for sale	-	173
(Increase)/Decrease in work in progress	(392)	
(Increase)/Decrease in prepayments	(46)	2
(Increase)/Decrease in deferred tax	(483)	(119)
(Increase)/Decrease in GST receivable	(17)	39
Increase/(Decrease) in GST payable	(30)	30
Increase/(Decrease) in trade and other payables	(230)	218
Increase/(Decrease) in subvention payable	-	(1)
Increase/(Decrease) in employee entitlements	15	24
Increase/(Decrease) in income received in advance	697	(62)
Net cashflows from operating activities	884	2,550

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

10 RIGHT OF USE ASSET AND LEASE LIABILITY

The right of use asset is recognised at the present value of future lease payments, depreciated straight line over the term of the lease. The Company's depreciation rates on the right of use assets have a range of 6% - 33% (2021: 6% - 33%), depending on the length of the lease. The lease liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate. The weighted average lessee's incremental borrowing rate applied is 2.85% (2021: 2.85%).

	2022	2021
	\$'000	\$'000
Right of use assets:		
Opening Balance	16,229	17,823
Additions	-	25
Depreciation	(1,618)	(1,619)
	<u>14,610</u>	<u>16,229</u>
Lease Liabilities		
Opening Balance	17,581	19,050
Additions	-	25
Payments - Property	(1,524)	(1,482)
Payments - Plant & Equipment	(5)	(5)
Payments - Vehicles	(7)	(7)
	<u>16,044</u>	<u>17,581</u>
Classified as:		
Less than one year	1,575	1,536
One to five years	6,749	6,568
More than five years	7,719	9,477
Lease liabilities recognised as at 30 June	<u>16,044</u>	<u>17,581</u>

Low Value Leases

Low value leases have been identified and are exempt from recognition under IFRS 16. Low value lease expenses are \$2k annually (2021: \$4k).

Critical accounting judgements, estimations and assumptions

Forsyth Barr Stadium Lease

The Forsyth Barr Stadium lease expires in 2031. The lease includes a right of renewal clause for two 20 year periods which, if exercised, would extend the lease under current terms to 2071. In determining the accounting treatment of the Forsyth Barr Stadium lease relating to IFRS 16, the Board have assessed there are a number of factors that need consideration before it can be reasonably certain it will exercise its option to renew the lease under the current terms of the contract. Therefore the Right of Use Asset and Lease Liability have been calculated based on the lease terminating in 2031. Had the Company opted to include the two renewal periods, the effect would have been to increase the ROU asset by \$34.5m (2021: \$33.9m) and the Lease Liability by \$36.9m (2021: \$35.9m). The impact on the reported before tax surplus would be a decrease of \$386k (2021: \$401k). An assessment will be made each year regarding the certainty of renewal and the associated entries will be booked in the year the Board becomes reasonably certain it will exercise its right to extend the lease.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

11 PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Property, plant and equipment are those assets held by the Company for the purpose of carrying on its business activities on an ongoing basis.

All property, plant and equipment is stated at cost less any subsequent accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets on a straight line basis. Rates used have been calculated to allocate the assets cost or valuation less estimated residual value over their estimated remaining useful lives.

Depreciation of these assets commences when the assets are ready for their intended use.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Assets held under finance leases are depreciated.

Depreciation rates and methods used are as follows:

	<i>Rate</i>	<i>Method</i>
Leasehold alterations	2% - 21%	Straight line
Furniture and fittings	7% - 18%	Straight line
Office equipment	12% - 67%	Straight line
Plant and equipment	3% - 40%	Straight line

Critical accounting judgements, estimations and assumptions

Impairment of Assets

At each balance date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is immediately recognised as an expense.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is immediately recognised as income.

	2022					
	Leasehold Alterations \$'000	Furniture & Fittings \$'000	Office Equipment \$'000	Stadium Equipment \$'000	Motor Vehicles \$'000	Total \$'000
Cost or Valuation						
Balance at beginning of year	439	449	180	3,131	-	4,199
Additions	10	46	39	334	-	429
Transfer to Assets held for sale	-	-	-	(198)	-	(198)
Disposals	-	-	-	-	-	-
Impairment	-	(4)	(35)	(891)	-	(930)
Balance at end of year	449	491	184	2,376	-	3,500
Accumulated depreciation						
Balance at beginning of year	129	271	145	2,696	-	3,241
Depreciation	49	34	37	191	-	311
Transfer to Assets held for sale	-	-	-	(135)	-	(135)
Disposals	-	-	-	-	-	-
Impairment	-	(2)	(35)	(888)	-	(925)
	178	303	147	1,863	-	2,491
Balance at end of year	271	188	37	513	-	1,009

	2021					
	Leasehold Alterations \$'000	Furniture & Fittings \$'000	Office Equipment \$'000	Stadium Equipment \$'000	Motor Vehicles \$'000	Total \$'000
Cost or Valuation						
Balance at beginning of year	573	462	364	3,541	23	4,963
Additions	-	-	31	-	-	31
Transfer to Assets held for sale	-	-	-	-	-	-
Disposals	-	-	-	(30)	(23)	(53)
Impairment	(134)	(13)	(215)	(380)	-	(742)
Balance at end of year	439	449	180	3,131	-	4,199
Accumulated depreciation						
Balance at beginning of year	227	240	341	2,846	14	3,668
Depreciation	36	44	19	259	-	358
Transfer to Assets held for sale	-	-	-	-	-	-
Disposals	-	-	-	(28)	(14)	(42)
Impairment	(134)	(13)	(215)	(380)	-	(742)
	129	271	145	2,696	-	3,241
Balance at end of year	310	178	35	435	-	958

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

12 DEFERRED TAX

Accounting Policy

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised.

	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000	2022 \$'000
	Opening Balance Sheet	Charged to Income	Closing Balance Sheet		Net
			Assets	Liabilities	
Property, plant and equipment	206	(89)	117	-	117
Employee entitlements	35	(4)	31	-	31
Provisions and adjustments	3	13	16	-	16
IFRS 16 Leases	378	23	401	-	401
Tax losses	126	540	666	-	666
	748	483	1,231	-	1,231

	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000	2021 \$'000
	Opening Balance Sheet	Charged to Income	Closing Balance Sheet		Net
			Assets	Liabilities	
Property, plant and equipment	244	(38)	206	-	206
Employee entitlements	13	22	35	-	35
Provisions and adjustments	12	(9)	3	-	3
IFRS 16 Leases	343	35	378	-	378
Tax losses	17	109	126	-	126
	629	119	748	-	748

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

13 CAPITAL EXPENDITURE COMMITMENTS

The Company had capital expenditure commitments of \$1,257,000 at year end (2021: \$52,000).

14 CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or liabilities at year end (2021: \$nil).

15 FINANCIAL INSTRUMENTS

Accounting Policy

Financial Instruments

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial Liability and Equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

a) Capital Risk Management

When managing capital, management's objective is to ensure the entity continues as a going concern. The Company has uncalled capital of \$522,935 and the Company's ability to make calls on this uncalled capital will enable the Company to manage the capital risk.

	2022	2021
	\$'000	\$'000
b) Categories of Financial Instruments		
Financial Assets		
Trade and other receivables	1,016	810
Less:		
Accrued income and prepayments	144	98
GST receivable	17	-
	<u>855</u>	<u>712</u>
Loans and receivables		
Financial Liabilities		
Trade and other payables	484	734
Less:		
GST payable	-	30
Subvention payable	(9)	(9)
Lease liabilities	16,044	17,581
	<u>16,537</u>	<u>18,294</u>
Financial liabilities at amortised cost		

All financial assets and liabilities are recognised at amortised cost.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

16 RELATED PARTY TRANSACTIONS

The Company is a wholly owned subsidiary of Dunedin City Holdings Limited. Dunedin City Holdings Limited is wholly owned by Dunedin City Council.

The Company undertakes transactions with the Dunedin City Council and other Dunedin City Council controlled entities.

Transactions with Dunedin City Council:

The Company provided services and traded with Dunedin City Council in respect of the following transactions:

	2022 \$'000	2021 \$'000
Rates and property rentals and other charges	(605)	(649)
Revenue from property/event management and contribution from Event Attraction Fund	1,926	2,066
	<u>1,321</u>	<u>1,417</u>
<i>As at balance date:</i>		
Payable to Dunedin City Council	50	54
Receivable from Dunedin City Council	73	75

Transactions with Dunedin City Council Controlled Entities:

The Company provided services and traded with Dunedin City Council controlled entities in respect of the following transactions:

	2022 \$'000	2021 \$'000
Dunedin City Treasury Limited		
Interest received	20	7
Subvention received	30	-
	<u>50</u>	<u>7</u>
<i>As at balance date:</i>		
Deposit with Dunedin City Treasury Limited	2,300	3,300
	<u>2,300</u>	<u>3,300</u>

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

16 RELATED PARTY TRANSACTIONS (CONTINUED)

	2022 \$'000	2021 \$'000
Dunedin City Holdings Limited		
Revenue from event management	1	-
	<u>1</u>	<u>-</u>
<i>As at balance date:</i>		
Receivable from Dunedin City Holdings Limited:	-	-
Dunedin Stadium Property Limited		
Management fee and reimbursements	287	310
Expense on charges	(445)	(413)
Lease liability and interest payments	(2,000)	(2,000)
	<u>(2,158)</u>	<u>(2,103)</u>
<i>As at balance date:</i>		
Receivable from Dunedin Stadium Property Limited:	41	-
Dunedin Railways Limited		
Management fee and expense on charges	233	218
	<u>233</u>	<u>218</u>
<i>As at balance date:</i>		
Receivable from Dunedin Railways Limited:	-	12
Delta Utility Services Limited		
Assets sold on transfer of contract and other services	-	180
	<u>-</u>	<u>180</u>
<i>As at balance date:</i>		
Receivable from Delta Utility Services Limited:	-	-
Dunedin International Airport Ltd		
Revenue from membership and associated services	11	11
	<u>11</u>	<u>11</u>
<i>As at balance date:</i>		
Receivable from Dunedin International Airport Limited:	-	-

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

16 RELATED PARTY TRANSACTIONS (CONTINUED)

	2022 \$'000	2021 \$'000
Aurora Energy Ltd		
Revenue from venue hire and associated services	7	-
	<u>7</u>	<u>-</u>
<i>As at balance date:</i>		
Receivable from Aurora Energy Limited:	-	-

In relation to the 2022 year, there is not expected to be any transfer of tax losses to other entities in the DCC Group (2021: \$Nil).

No related party debts have been written off or forgiven during the year and no provision has been required for impairment of any receivables to related parties.

Transactions with companies in which key management personnel have an interest and with close members of the family of key management personnel (amounts to the nearest \$1,000):

During the course of the year:

- Cook Brothers Group Ltd, of which Adam La Hood is the Chief Financial Officer, purchased eight OCR Memberships for \$14,000 and services of \$2,000 (2021: \$22,000). No amounts (2021: \$7,000) were outstanding at balance date.
- Otago Polytechnic Ltd, of which Adam La Hood is Chair of the Board of Directors, purchased carparks for \$147,000, sponsorship of \$85,000, and services of \$15,000 (2021: \$218,000). An amount of \$12,000 (2021: \$52,000) was outstanding at balance date.
- The Company purchased \$5,000 (2021: \$2,000) of services from Otago Polytechnic Ltd. Adam La Hood is Chair of the Board of Directors of Otago Polytechnic Ltd. An amount of \$1,000 (2021: \$1,000) was outstanding at balance date.

The remuneration of Directors and other members of key management during the year was as follows:

	2022 \$'000	2021 \$'000
Key management remuneration	1,136	1,038

17 ASSETS HELD FOR SALE

The sale of assets held for sale was completed in August 2022 at fair value less costs to sell and comprised the following assets:

	2022 \$'000	2021 \$'000
Property, plant & equipment	64	-
Assets held for sale	<u>64</u>	<u>-</u>

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2022

18 WORK IN PROGRESS

Work in Progress is measured at the lower of cost and net realisable value.

	2022	2021
	\$'000	\$'000
Work in Progress	392	-
Work in Progress	<u>392</u>	<u>-</u>

19 IMPACT OF COVID-19

The COVID-19 pandemic has continued to significantly impact the revenues of the Company in the year ended 30 June 2022 through the restrictions on mass gatherings and constraints on New Zealand's borders.

At the Orange traffic light setting the Company are able to hold mass gatherings. Borders are now open, paving the way for international sports teams and entertainment acts to return. Any future mass gathering restrictions will again impact the Company's revenues directly through loss of events.

Underpinning the going concern assessment is the incredibly positive future commitment from the Company's members, sponsors and commercial partners. All of which are continuing to invest in the Company into and beyond the next financial year.

Judgements have been made regarding the event calendar and the timing and recovery of events. Financial forecasts have been prepared which incorporate the Directors' and management's current view of the recovery time frame. Based on what is known today the forecasts show that the Company can return to profit within the next two years.

Should there be another wave of COVID-19 lockdowns, other scenarios have been considered including careful management of operating and capital expenditure, the support of Dunedin City Holdings Limited and Dunedin Stadium Property Limited and funding through loan facilities. The Directors are satisfied that the going concern basis remains valid for the preparation of these financial statements.

20 BREACH OF STATUTORY REPORTING DEADLINE

The Company was required under section 67(1) of the Local Government Act 2002 to complete its audited financial statements and service performance information by 30 November 2022. This timeframe was not met.

21 EVENTS AFTER BALANCE DATE

There have been no significant events subsequent to balance date.

Dunedin Venues Management Limited
Statement of Service Performance
For the Year Ended 30 June 2022

Performance Targets	Achievements
Safety and Compliance	
Meet Ministry of Health and Government requirements as set out in New Zealand's Alert Level system which specifies measures to be implemented against COVID-19 at each level. Ensure all staff have access to systems in the event they are not able to work in the office.	Achieved. The Company has met requirements set out by the Ministry of Health through all levels of the Covid pandemic. Achieved. Staff are able to access systems remotely.
Health and Safety Plan has been reviewed. Corrective actions are prioritised and actioned.	Achieved. The current Safety and Wellness Strategic Plan has been reviewed by the Health and Safety Committee during the year.
Site, Contractor and Event Audits show no breaches of agreed procedures. Only inducted Contractors gain entry into venues.	Not achieved. There was one instance where an audit found a contractor working on site and had not been inducted.
An Incident Frequency Rate Events of less than 0.05% of the total number of people attending events at the venues.	Achieved. The Incident Frequency Rate was 0.015% of the total number of people attending events and the venues.
Total Incident Rate of less than six incidents per 200,000 hours worked.	Achieved. Total Incident Rate was zero incidents per 200,000 hours worked.
Total Recordable Incidents rate of less than three.	Achieved. Total Recordable Incidents was zero for the reporting period.
Lost Time Incident rate of less than two.	Achieved. The Lost Time Incident rate was zero for the reporting period.
Lost Time Incident Frequency Rate of less than 17 per 1,000,000 hours worked.	Achieved. The Lost Time Incident Frequency Rate was zero for the reporting period.
Staff training is current and meets current legislative requirements.	Achieved. Training requirements have been met throughout the year.
Continuously show improvement to audit achieving a Performing Score or better across all elements of the SafePlus criteria within three years.	Not achieved. An overall score of Developing was achieved against the SafePlus auditing criteria in FY2022. Although still in Developing, there was a significant improvement from the previous audit in all measurable areas.
Meet and maintain all statutory, regulatory and resource consent requirements. No material breaches of legislation.	Achieved. There were no identified breaches of statutory obligations during the year.
No material breaches of KPI's as set out in the approved current Asset Management Plan section 4.4.3.	This performance measure is unable to be reported on. The Stadium Facilities and Infrastructure are maintained as fit for purpose, as can be verified by a current Building Warrant of Fitness and the ability to hold events throughout the entirety of the stadium facility. However, DVML have been unable to provide sufficient audit evidence to prove the performance measure set in the Statement of Intent has been met.
Report on facilities indicators and provide statistical data in the monthly board reports. Reports are provided within deadlines and data is acted upon.	Achieved. Agreed KPI's reported against at each Dunedin Stadium Property Limited Board meeting.

Performance Targets	Achievements
Safety and Compliance (Social and Wellbeing)	
Positive community feedback and increased satisfaction levels through the Residents Opinion Survey.	Achieved. The latest Dunedin City Council's Residents Opinion Survey (2021) had a satisfaction rating of 87% for residents who attended Forsyth Barr Stadium.
Achieve 85% ratepayer satisfaction with Forsyth Barr Stadium in the Dunedin City Council's Residents' Opinion Survey.	
Report to the Dunedin City Council on the application of the Service Level Agreement for Community Event Funding to ensure it is applied efficiently and caters to a variety of events and community groups.	Achieved. Two reports were provided to the Dunedin City Council on the application of the Service Level Agreement for Community Event Funding covering the 2021/22 financial year.
Senior management conduct a minimum of five speaking engagements.	Achieved. Senior management conducted five speaking engagements for the year.
Marketing and Business Objectives	
Achieve a 80% retention rate of Commercial Partner renewals.	Achieved. The retention rate of Commercial Partners up for renewal was 90%.
Produce a Venue Hirer document that encompasses all venues and shows the diversity of space.	Not achieved. Proposals have been developed and presented to clients with the focus on increased utilisation of spaces. Bookings have been secured with new and existing venue hirers.
Members receive quality engaging communication and content through a regular newsletter.	Achieved. Members are sent a monthly newsletter which includes updates from the CEO and various aspects of their membership, along with event specific announcements and presale communications.
Survey Members for satisfaction level - minimum 80% satisfaction to be achieved.	Not achieved. A member survey was not completed, due to restrictions on crowd numbers and access to events. This meant there was limited content and experiences for Members to provide feedback on.
Achieve a 75% retention rate of member renewals.	Achieved. The retention rate of Members up for renewal was 83%.

Performance Targets	Achievements		
Marketing and Business Objectives (Economic Development Strategy)			
Visitor Marginal Direct Spend target is achieved, determined through a post event patron survey assessed by an independent economist.	Achieved. The Visitor Marginal Direct Spend for major events in the year to 30 June 2022 as determined by an independent economist were as follows:		
	Event	Visitor Marginal Direct Spend (\$,000)	
	All Blacks v Fiji	5,230	
	Total	\$5,230	
Achieve minimum 80% satisfaction rating through surveys of all major events (> 10,000 pax). 60% of attendees of all major events (> 10,000 pax) to come from outside of Dunedin City.	The following satisfaction and attendance numbers were achieved in the year to 30 June 2022:		
	Event	Satisfaction	% Attendance outside of Dunedin
	All Blacks v Fiji	88%	58%
In conjunction with the DCC, submit bids of a high quality that will drive economic benefit and civic pride for the city.	Achieved. A submission was made to New Zealand Rugby to host All Blacks matches at Forsyth Barr Stadium. The bid was successful with the All Blacks v Ireland Test match hosted 9 July 2022.		
Keep DVML board of directors updated with potential opportunities.	Achieved. The board of directors have been kept informed of potential opportunities.		
Environment & Sustainability			
Prioritise cost effective carbon emission reducing projects.	Achieved: Completed projects include Improved Air Handling Units and LED Lighting upgrades.		
Systems for measuring and publicly reporting carbon emissions are established. The Company will develop an emissions reduction strategy and associated targets for inclusion in its 2022/2023 Statement of Intent.	Achieved. Systems for measuring and publicly reporting carbon emissions are in place. During the year an emissions reduction strategy and associated targets were developed.		
The Company will develop a waste reduction strategy and associated targets for inclusion in the 2022/2023 Statement of Intent.	Achieved. The Company has developed a waste reduction strategy and have included associated targets in the FY2023 Statement of Intent.		
The Company will investigate solutions to reduce cups to landfill with associated targets for inclusion in the 2022/2023 Statement of Intent.	Achieved. Various solutions have been investigated, cups will be substituted with aluminium cans until there is the ability to process BioCups in the region. Targets have been included in the FY2023 Statement of Intent.		
Building Management System (BMS) has been reviewed annually to ensure maximum efficiency from Heating, Ventilation and Air-Conditioning (HVAC system).	Achieved. The functionality of the BMS has been reviewed by an independent party.		

Performance Targets	Achievements																					
Human Resources																						
Staff numbers are at a level and skill base whereby all business activity can be undertaken safely and effectively.	Achieved. Staff numbers and skill base are constantly reviewed against the event calendar to ensure business activity can be undertaken safely and successfully.																					
Ensure all the Company's employees are paid at least the Living Wage.	Achieved. All employees are paid the living wage, or more.																					
Performance Reviews are conducted with all staff at least every six months, implement and training, improvements and recommendations as appropriate.	Achieved. Staff Performance Reviews were completed in December 2021 and June 2022.																					
Financial																						
Achievement against forecasted Statement of Intent results are as follows:																						
	<table><tr><td></td><td>Actual \$'000</td><td>Target \$'000</td></tr><tr><td>EBITDA</td><td>1,024</td><td>2,843</td></tr><tr><td>Net Profit after Tax</td><td>(902)</td><td>239</td></tr><tr><td>Operating Cashflow</td><td>884</td><td>976</td></tr><tr><td>Capital Expenditure</td><td>429</td><td>2,658</td></tr><tr><td>Shareholder Funds to Total Assets</td><td>0.06 : 1</td><td>0.13 : 1</td></tr><tr><td>Dividend</td><td>-</td><td>-</td></tr></table>		Actual \$'000	Target \$'000	EBITDA	1,024	2,843	Net Profit after Tax	(902)	239	Operating Cashflow	884	976	Capital Expenditure	429	2,658	Shareholder Funds to Total Assets	0.06 : 1	0.13 : 1	Dividend	-	-
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Achieve a 15:1 return on investment (ROI) of the Event Attraction Fund (EAF). ROI is achieved and calculated by Visitor Marginal Direct Spend against the level of EAF investment for the major event.	Achieved. The Event Attraction Fund for 2021/22 was partially applied to major events in the 2022 financial year, the unused balance of the fund is held as Income in Advance on the Balance Sheet to be utilised in 2022/23. The overall return on investment of the Event Attraction Fund for 2021/2022 was: <table><tr><td>Event</td><td>Return</td></tr><tr><td>All Blacks v Fiji</td><td>17 : 1</td></tr></table>	Event	Return	All Blacks v Fiji	17 : 1																	
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Matters which may or could conflict have been escalated to the Shareholder.	Achieved. There were no matters, where there may be conflict between the Dunedin City Holdings Limited outcomes, that required escalation to the Shareholder.																					
Report to Dunedin City Holdings Limited within 24 hours of the Board becoming aware of substantive matters which have the potential to negatively impact on the Shareholder and the Company with a particular focus on matters of interest to the media.	Achieved. There were no matters, which had the potential to negatively impact on the Shareholder and the Company, that were required to be reported to Dunedin City Holdings Limited.																					

Independent Auditor's Report

To the readers of Dunedin Venues Management Limited's financial statements and statement of service performance for the year ended 30 June 2022

The Auditor-General is the auditor of Dunedin Venues Management Limited (the company). The Auditor-General has appointed me, Rudie Tomlinson, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and statement of service performance of the company on his behalf.

We have audited:

- the financial statements of the company on pages 12 to 31, that comprise the statement of financial position as at 30 June 2022, the statement of profit and loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the company on pages 32 to 35.

Opinion

Unmodified opinion on the financial statements

In our opinion:

- the financial statements of the company on pages 12 to 31:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2022; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime.

Qualified opinion on the statement of service performance

In our opinion, except for the matter described in the Basis for our opinion section of our report, the statement of service performance of the company on pages 32 to 35 presents fairly, in all material respects, the company's actual performance compared against the performance targets and other measures by which performance was judged in relation to the company's objectives, for the year ended 30 June 2022.

Our audit was completed on 14 March 2023. This is the date at which our opinion is expressed.

The basis for our opinion is explained below and we draw attention to the ongoing impact of Covid-19 on the company. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements and the statement of service performance, we comment on other information, and we explain our independence.

Basis for our opinion

Statement of service performance: The company was unable to report on whether there were any material breaches of the key performance indicators (KPIs) set in the approved asset management plan

A material aspect of the company's service performance is its management of community assets in accordance with the KPIs set in the approved asset management plan. As reported on page 32, the company has not been able to report on its compliance with these KPIs. As a result, the company's reported performance is incomplete in this material aspect and therefore does not fairly reflect its achievements for the year ended 30 June 2022.

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – ongoing impact of Covid-19

Without further modifying our opinion, we draw attention to note 19 to the financial statements, which outlines the significant ongoing impact of Covid-19 on the company's operations. The note also highlights the Board of Directors' judgements made in forecasting the company's future performance and the reasons why the going concern basis remains valid in preparing the financial statements.

Responsibilities of the Board of Directors for the financial statements and the statement of service performance

The Board of Directors is responsible on behalf of the company for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Directors is also responsible for preparing the statement of service performance for the company.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the statement of service performance, the Board of Directors is responsible on behalf of the company for assessing the company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and the statement of service performance

Our objectives are to obtain reasonable assurance about whether the financial statements and the statement of service performance, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the statement of service performance.

We did not evaluate the security and controls over the electronic publication of the financial statements and the statement of service performance.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the statement of service performance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- We evaluate the appropriateness of the reported statement of service performance within the company's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the statement of service performance or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 1 to 11, but does not include the financial statements and the statement of service performance, and our auditor's report thereon.

Our opinion on the financial statements and the statement of service performance does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the statement of service performance, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the statement of service performance or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the company in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the company.

A handwritten signature in blue ink, appearing to read 'Rudie Tomlinson', with a long horizontal stroke extending to the right.

Rudie Tomlinson
Audit New Zealand
On behalf of the Auditor-General
Dunedin, New Zealand