



2024

ANNUAL REPORT

dunedin
venues

Dunedin Venues Management Limited
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For the Year Ended 30 June 2024

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Dunedin Venues Management Limited
Directory
For the Year Ended 30 June 2024

DIRECTORS

- Raewyn Lovett
- Adam La Hood
- Verity Webber
- Dylan Rushbrook
- Lee Piper

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

It has been a year filled with memorable and diverse events and significant contributions to our city's economic and social landscape.

The year's greatest highlight was undoubtedly the FIFA Women's World Cup, where Forsyth Barr Stadium played host to six matches, attracting an attendance of 64,774. This included 18,600 visitors from outside Dunedin, contributing a substantial \$21.1 million to the city's economy. The accompanying fan festival hosted at the Dunedin Centre further bolstered the event's appeal, attracting 13,600 visitors.

Building on this success, the team seamlessly transitioned from FIFA to the sell-out All Blacks versus Australia test match, injecting an additional \$12.6 million into the economy and attracting 16,515 visitors to our city.

In March 2024, the P!nk Summer Carnival Concert delivered a world-class show, attracting 72% of attendees from outside Dunedin and resulting in an impressive \$16.6 million economic impact.

Our city's sporting events continued to be a cornerstone of our offerings, with domestic rugby from the Highlanders, Otago Rugby, and the WXV tournament. Additionally, international cricket matches against Pakistan and Bangladesh were successfully hosted and well attended at the University of Otago Oval.

The upgrade installation of the Sports and Crowd Experience Lights at Forsyth Barr Stadium raised our venue's standards and improved the spectator experience, providing programmable colours, patterns, and sequencing that have been well-received by event organisers.

The Dunedin Centre remained a hub for diverse events, including performances by the DSO, Graduations, domestic concerts featuring artists like Kaylee Bell and Dragon, and comedy shows with talents like Tom Sainsbury and Chris Parker. International acts such as Postmodern Jukebox, Bill Bailey, Emma Memma, and Russell Howard further enhanced our offerings.

Throughout the year, conference and incentive activities remained robust, with 170 Business Events, including eleven multi-day conferences, catering to 2,300 delegates who experienced our venues. In addition, there were 28 social functions and our own WYCBO event, which was warmly received by the business community and served as a highlight for the Dunedin Venues Team.

The Community Access Grant supported a wide range of events, including Movie Magic on the pitch, RMHC Supper Club, Moana Nui Festival, Relay for Life, Toss the Boss, and various sporting development initiatives.

We extend our gratitude to the Forsyth Barr Stadium members and sponsors whose ongoing support drives our success.

In addition, we express our sincere appreciation to our dedicated staff, for their unwavering commitment to delivering high-quality event experiences.

Raewyn Lovett
Chairperson

27 September 2024

Terry Davies
Chief Executive Officer

27 September 2024

Dunedin Venues Management Limited
Statutory Information
For the Year Ended 30 June 2024

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 2024.

Principal Activities of the Company

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

Results for the Year Ended 30 June 2024

The report covers the financial year 1 July 2023 to 30 June 2024.

	2024
	\$'000
Profit/(Loss) for the year before taxation	290
Income tax expense	82
Profit/(Loss) for the year after taxation	<u>208</u>

State of Affairs

The Company recorded a net profit after tax of \$208,000 for the year.

Changes in Accounting Policies

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

Review of Operations

Net profit before taxation and subvention was \$290,000 for the year, compared to a net profit of \$17,000 for the previous year.

Change of Directors

Verity Webber was appointed a Director on 1 October 2023.

Joanne Conroy resigned from her position as Director on 31 December 2023.

Lee Piper was appointed a Director on 17 June 2024.

Dunedin Venues Management Limited
Statutory Information
For the Year Ended 30 June 2024

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 2024 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 29 to 31.

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 21.

Employee Remuneration

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

Remuneration range	Number of Employees	
	2024 Total	2023 Total
\$440,000 - 449,999	-	1
\$430,000 - 439,999	1	-
\$190,000 - 199,999	1	1
\$180,000 - 189,999	1	-
\$170,000 - 179,999	1	-
\$140,000 - 149,999	-	2
\$130,000 - 139,999	-	1
\$100,000 - 109,999	3	-

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

2024
\$'000

Remuneration paid to the Chief Executive for the year ended 30 June 2024 is outlined below:

Fixed remuneration and other benefits	434
Short Term Incentive	-
Long Term Incentive	-
	<u>434</u>

Dunedin Venues Management Limited
Statutory Information
For the Year Ended 30 June 2024

Directors' Remuneration

Director	Responsibility	Remuneration	
		2024 \$'000	2023 \$'000
Raewyn Lovett	Chairperson	41	40
Joanne Conroy	Director	10	20
Adam La Hood	Director	20	20
Verity Webber	Director	15	-
Dylan Rushbrook	Director	20	20
Lee Piper	Director	1	-

Directors' Insurance

As provided in the Company's Constitution, the Company 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 2024

Director	Declarations of Interest
Raewyn Lovett (appointed 1 January 2015)	Partner, Duncan Cotterill, Lawyers Director, Sport New Zealand Trustee, CHT Healthcare Trust Co-Chair, 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 Director, High Performance Sport New Zealand
Adam La Hood (appointed 27 August 2019)	Director, Centre of Digital Excellence Limited CFO, Cook Brothers Construction Limited
Verity Webber (appointed 1 October 2023)	Director, Shotover Jet Limited - appointed 15 April 2024 Director Shareholder, Webber Family Investment Limited Investment Manager, Ngāi Tahu Holdings Corporation
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 - resigned 15 May 2024 Group Manager Community Vision, CODC
Lee Piper (appointed 17 June 2024)	Director, NZ Direct Markets - Stuff Limited Director - Sandpiper Properties Limited
Joanne Conroy (resigned 31 December 2023)	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 Chair of Westland Holdings Limited Director, QLCHT Shotover Country Limited Director, Destination Westland Limited - resigned 30 January 2023 Director, Queenstown Citizens Advice Bureau - resigned 17 August 2022 Trustee, Queenstown Lakes Community Housing Trust Chair, Sky City Queenstown Community Trust Trustee, St John New Zealand Priory Chapter - resigned 24 June 2023 Executive Officer, Whakatipu Wildlife Trust Chair, Queenstown Airport Liaison Committee

Dunedin Venues Management Limited
Statement of Responsibility
For the Year Ended 30 June 2024

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 2024 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



27 September 2024

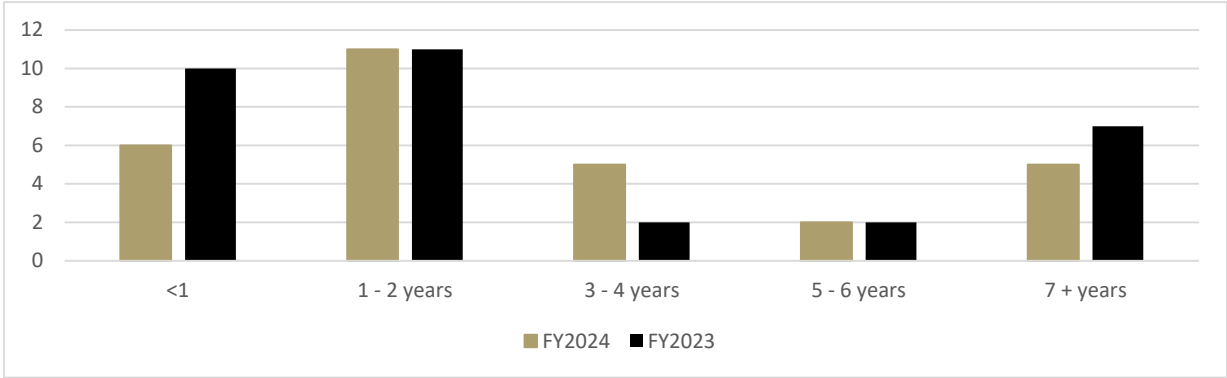
Adam La Hood
Director



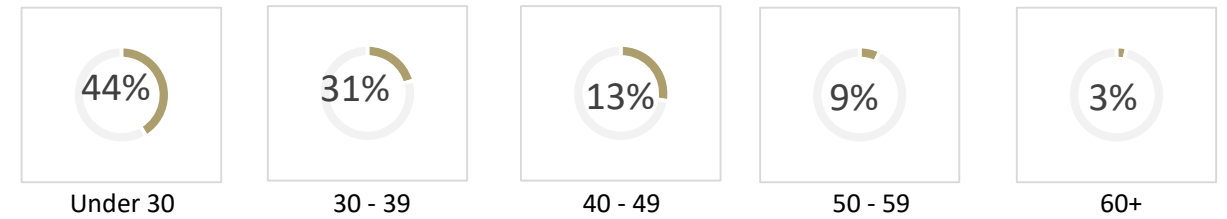
27 September 2024

Dunedin Venues Management Limited
Our People
As at 30 June 2024

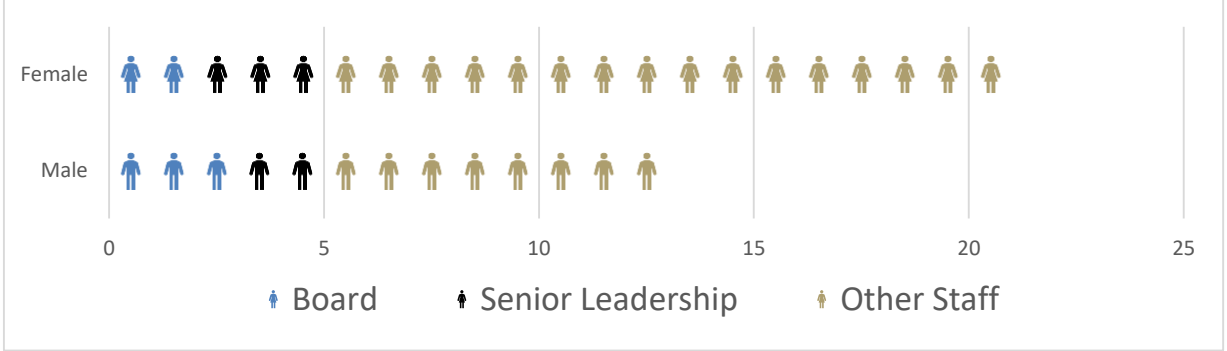
Summary of employees by length of service (years)



Summary of employees by age range



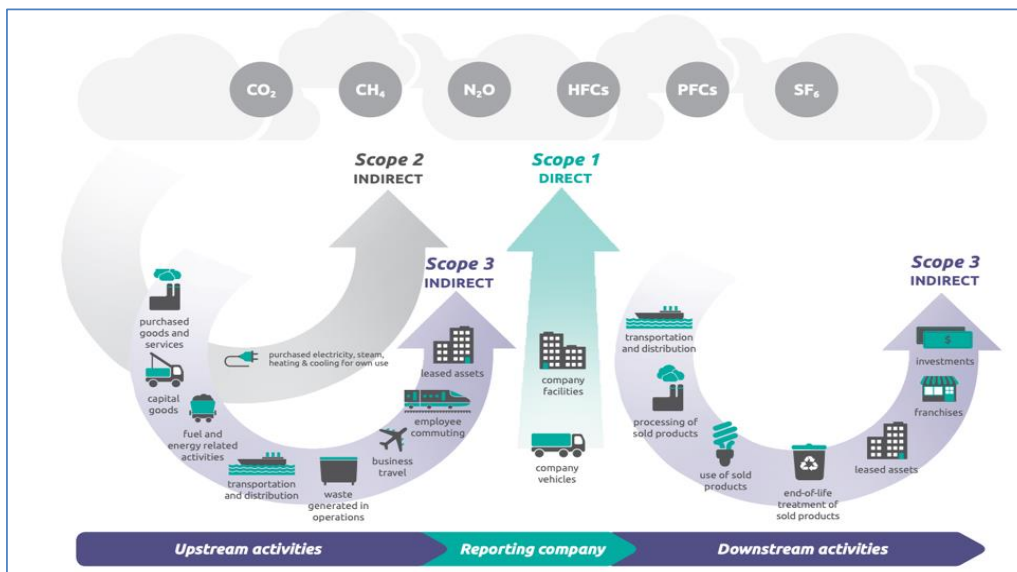
Summary of employees by gender



Greenhouse Gas Emissions Summary

During the year the Company has assessed and measured its Greenhouse Gas (GHG) emissions. The process was completed 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. The Company created its first GHG inventory in the 2021 financial year and have been developing it further each year. The Company has, at this stage, focussed on measuring its 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 the Company, 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 the Company.
- Fugitive emissions from refrigerant use within HVAC systems the Company operates.

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:

The Company's Scope 3 emissions include the following:

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

At this stage the Company has not captured the indirect emissions from its suppliers and contractors. The Company will review which Scope 3 emissions are relevant and appropriate to measure and report on an ongoing basis.

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.

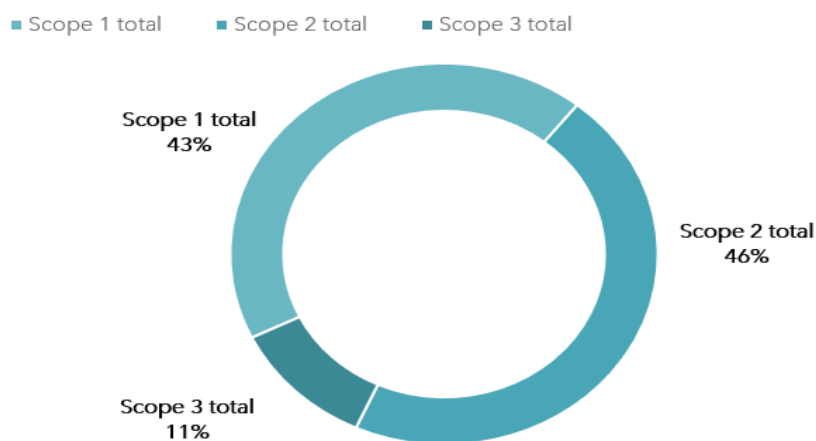
The Company's measured GHG emissions for the year end 30 June 2024 are 479.7 tCO₂-e.

Table 1 Emissions by Scope

Scope	tCO ₂ -e	% of total
Scope 1	205.9	43%
Scope 2	220.9	46%
Scope 3	52.9	11%
Total	479.7	100%

Figure 2 Emissions by Scope

Emissions scope split



Emissions by Activity

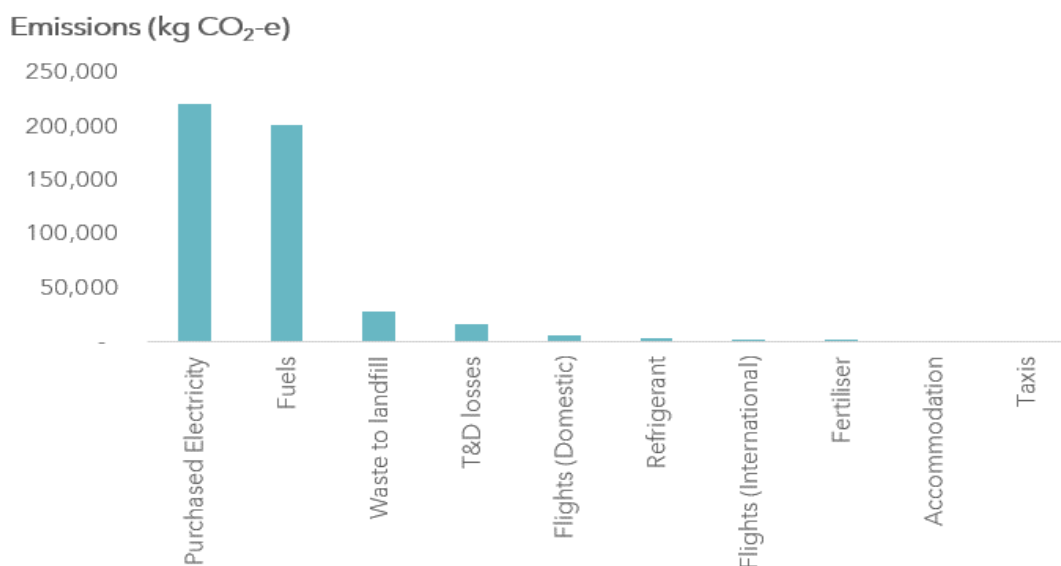
The Company's top emissions sources are summarised below.

Table 2 Emissions by Activity

Category emission source	t CO ₂ -e
Purchased Electricity	220.9
Fuels	201.1
Waste to landfill	28.0
T&D losses	16.2
Flights (Domestic)	6.2
Refrigerant	2.8
Flights (International)	2.0
Fertiliser	2.0
Taxis	0.4
Accommodation	0.1
Total	479.7

As the table shows, fuel is the Company's highest source of emissions.

Figure 3 Emissions by Activity



Reporting Against Base Line

The Company has taken an alternative approach to reporting against its baseline, in recognition of the varied operational profile the Company has had over recent years and could have over the next few years. Under this approach, emissions are monitored and reported as emissions "per 1,000 event attendee's". This allows the Company to target emission reduction, while minimising the impact from the volume of events held.

Emissions "per 1,000 event attendees" in the 2024 year, and the baseline year, are reported below.

	2024	Baseline - 2019
000's of event attendees	307.5	390.4
Total Company emissions (tCO ₂ -e)	479.7	911.2
Emissions per 000's of event attendees (tCO₂-e)	1.6	2.3

Carbon and Waste Reduction Strategies

During the 2023 financial year the Company developed an emissions reduction strategy and associated targets.

The strategy set an emissions reduction target to reduce emissions per 1,000 event attendees by 45% from the baseline year by 2030.

The Company's emissions reduction strategy focuses on gross emissions reduction which is demonstrated through the actions taken this year.

During the 2024 financial year, DVML achieved a 30% tCO₂-e reduction per 1,000 event attendee's on the 2019 baseline emissions.

With 40% of the Company's baseline emissions coming from waste to landfill in its baseline year, a specific waste reduction strategy has been implemented to reduce emissions from waste to landfill.

This strategy records Dunedin Venues' commitment to reducing the volume of waste disposed of to landfill, per 1,000 event attendees, year-on year.

The Company will continue to work on reducing its carbon and waste footprint in the coming year.

Zero Carbon

DCHL companies have been directed by the DCC to reduce their organisational footprint. The companies have also committed to working alongside the DCC to support city wide emissions reduction, as set out in the DCHL Carbon Reduction roadmap.

Dunedin City Wide Zero Carbon Targets

In 2019, the Dunedin City Council declared a climate emergency and brought forward its climate mitigation targets for the city as a whole. There are two targets as follows:

Target 1:

- Net zero carbon by 2030 (excluding biogenic methane):

Net zero carbon means that any greenhouse gases (excluding biogenic methane) emitted into the atmosphere in Ōtepoti Dunedin are in balance with the amount of carbon absorbed out of the atmosphere by trees, also known as sequestration.

Target 2:

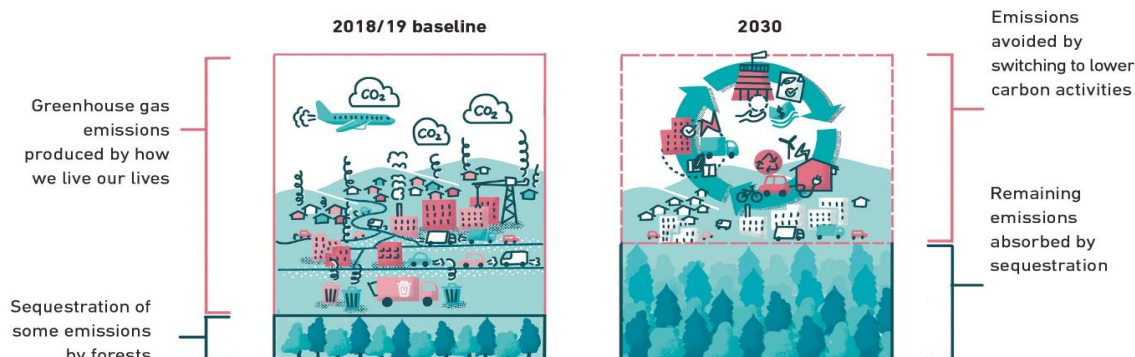
- Net zero carbon by 2030 (excluding biogenic methane):

Biogenic methane is methane produced and released from living organisms like plants and animals. In 2021/22, 85% of the Dunedin City Territorial Area biogenic methane was generated by ruminant animals in agriculture, and 15% generated by waste to landfill and wastewater. The city's biogenic methane reduction targets are the same as the central government targets:

- o 10% reduction from 2017 levels by 2030.
- o 24-47% reduction from 2017 levels by 2050.

1 Net Zero Carbon by 2030

Dunedin can achieve net zero carbon (excluding biogenic methane) through reducing its total emissions by 40% and increasing its carbon sequestration by 64% upon 2018/19 levels. This would require significant reductions in emissions from transport, stationary energy, agriculture, and industrial processes and product use.



Net zero carbon means that any greenhouse gases (excluding biogenic methane) we emit into the atmosphere in Dunedin are in balance with the amount of carbon absorbed out of the atmosphere by trees, also known as sequestration.

2 Reduce biogenic methane emissions



Dunedin's biogenic methane reduction targets are the same as the central government targets

The Zero Carbon Plan sets out how Dunedin can achieve these two targets if everyone works together across the city.

The good news is, people and businesses in Dunedin have already been taking action.

Addressing climate change will take all of us. Work is underway at all levels - from international agreements, to national and city-level action, to organisations and households.

These two targets apply to the Dunedin City Territorial Area. Emissions are calculated using a predominately production-based methodology- the Global Protocol for Community-Scale Greenhouse Gas Inventories BASIC+. Emissions include those from stationary energy (e.g. electricity, coal, or biomass), transport, waste, industrial processes and product use, and the agriculture and forestry sectors.

The Global Protocol for Community-Scale Greenhouse Gas Inventories BASIC+ is production-based methodology which means it focusses on the emissions produced within the territorial area (such as petrol vehicles, livestock, and burning LPG in the city). It also includes emissions from electricity use and cross-boundary transport.

Globally produced emissions that relate to consumption in the city are excluded (e.g., embodied emissions relating to products produced elsewhere but consumed within the geographic area, such as imported food products, cars, phones, clothes etc.).

The city's emission footprint is calculated every three years, with the most recent footprint being calculated for the 2021/2022 financial year. The next scheduled footprint calculation will be completed for 2024/25.

Dunedin Venues Management Limited
Statement of Comprehensive Income
For the Year Ended 30 June 2024

		2024	2023
	<i>Note</i>	\$'000	\$'000
Revenue			
Operating revenue		14,874	12,141
Government grants		2,352	1,720
Interest received from funds on deposit		211	118
Total revenue	3(c)	<u>17,437</u>	<u>13,979</u>
Less expenses			
Operating expenses	4	14,655	11,553
Depreciation and impairment	12	483	363
Depreciation - Right of use lease asset	11	1,620	1,614
Interest expense		389	432
Total expenditure		<u>17,147</u>	<u>13,962</u>
Profit/(Loss) for the Year before Taxation		290	17
Income tax expense/(credit)	5	82	(65)
Profit/(Loss) for the Year after Taxation		<u>208</u>	<u>82</u>
Other comprehensive income		-	-
Gain / (Loss) on cash flow hedges taken to equity		(110)	110
Tax effect of cash flow hedges taken to equity		31	(31)
Total Comprehensive Income		<u>129</u>	<u>161</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 2024

	<i>Note</i>	Share Capital \$'000	Retained Earnings \$'000	Hedging Reserve \$'000	Total Equity \$'000
1 July 2023		10,677	(8,986)	79	1,770
Total Comprehensive Income for the year		-	208	(79)	129
Capital contribution		300	-	-	300
30 June 2024	6, 7	<u>10,977</u>	<u>(8,778)</u>	<u>-</u>	<u>2,199</u>
1 July 2022		10,377	(9,068)	-	1,309
Total Comprehensive Income for the year		-	82	79	161
Capital contribution		300	-	-	300
30 June 2023		<u>10,677</u>	<u>(8,986)</u>	<u>79</u>	<u>1,770</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 2024

	<i>Note</i>	2024 \$'000	2023 \$'000
Current Assets			
Cash and cash equivalents		2,673	591
Trade and other receivables	8	1,165	2,069
Derivative financial instruments		-	110
Total Current Assets		3,838	2,770
Non-Current Assets			
Property, plant and equipment	12	2,796	2,371
Right of use assets	11	4,617	13,012
Net deferred tax	13	1,215	1,267
Total Non-Current Assets		8,628	16,649
TOTAL ASSETS		12,466	19,419
Current Liabilities			
Trade and other payables	9	1,057	811
Contract liabilities / Income in advance	3(b)	1,539	1,789
Employee entitlements		195	149
Lease liabilities	11	748	1,622
Total Current Liabilities		3,539	4,371
Non-Current Liabilities			
Contract liabilities / Income in advance	3(b)	1,393	416
Lease liabilities	11	5,334	12,861
Total Non-Current Liabilities		6,727	13,277
Equity			
Share capital	6	10,977	10,677
Retained deficits		(8,778)	(8,986)
Hedging reserve	7	-	79
Total Equity		2,199	1,770
TOTAL EQUITY AND LIABILITIES		12,466	19,419

For and on behalf of the Directors

Raewyn Lovett
Chairperson

27 September 2024



Adam La Hood
Director



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 2024

		2024	2023
	<i>Note</i>	\$'000	\$'000
Cashflows from Operating activities			
<i>Cash was provided from</i>			
Receipts from customers		18,690	13,578
Interest received		209	95
Net GST received		214	-
Subvention receipts		-	9
		19,113	13,682
<i>Cash was disbursed to</i>			
Payments to suppliers and employees		14,641	11,935
Net GST paid		-	259
		14,641	12,194
Net Cashflow from Operating activities	10		
		4,472	1,489
Cashflows from Investing activities			
<i>Cash was provided from</i>			
Sale of property, plant and equipment		-	-
<i>Cash was distributed to</i>			
Purchase of property, plant and equipment		673	1,609
Net Cashflow from Investing activities		(673)	(1,609)
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		1,626	1,576
Interest paid		389	432
		2,015	2,008
Net Cashflow from Financing activities			
		(1,715)	(1,708)
Net Increase/(Decrease) in Cash and Cash equivalents		2,083	(1,829)
Opening Cash and Cash equivalents		591	2,421
Closing Cash and Cash equivalents		2,673	591
Composition of Cash and Cash equivalents			
Bank current account		273	591
Deposit/(overdraft) accounts		2,400	-
Cash and Cash Equivalents at the end of the year		2,673	591

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.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

1 REPORTING ENTITY

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

The Company 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 2024.

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

The primary objective of the Company 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). The Company is the central hub for premier events and entertainment in Dunedin.

Dunedin Venues Management Limited is a for-profit entity.

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) applicable to a Tier 2 for profit entity, and has applied disclosure concessions.

The financial statements were authorised for issue by the Directors on 27 September 2024.

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 2024 and the comparative information for the year ended 30 June 2023.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

2 MATERIAL 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 material 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, where invoiced, 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.

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 2024

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash and cash equivalents comprise of 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 Business, Innovation & Employment grants relating to the 2023 FIFA Women's World Cup. The grants have been recognised as income on a systematic basis over the period in which the Company recognised expenses related to the tournament.

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.

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

The Company adopted all mandatory new and amended NZ IFRS Standards and Interpretations in the current year. None had a material impact on these financial statements.

Standards issued but not yet effective

No new accounting standards or interpretations that will become effective after the period are expected to have a material impact on the Company.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

3 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company enters into revenue contracts with customers, significant performance obligations can include venue hire, event management, provision of exclusive rights, provision of Forsyth Barr Stadium memberships and facilities management.

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:

	2024	2023
	\$'000	\$'000
<u>Timing of revenue recognition:</u>		
At a point in time	5,681	4,559
Over time	8,600	7,155
	<u>14,281</u>	<u>11,713</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:

	2024	2023
	\$'000	\$'000
Current liabilities	1,539	1,789
Non-current liabilities	1,393	416
	<u>2,932</u>	<u>2,205</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 2024, 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 2024 will be recognised during the next reporting period. Income included in the financial statements for long term contracts past the next reporting period total \$1,363k (2023: \$375k).

(iv) Assets recognised from costs to fulfil a contract

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

	2024	2023
	\$'000	\$'000
3(c) Reconciliation to total revenue		
Contracts with customers	14,281	11,713
Government grants	2,352	1,720
Leases	451	425
Other Revenue	142	3
Interest	211	118
	<u>17,437</u>	<u>13,979</u>

3(d) Critical accounting judgements, estimates and assumptions

Significant judgement is required when determining variable consideration to be included in the transaction price associated with revenue contracts.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

4 OPERATING EXPENSES

	2024	2023
	\$'000	\$'000
Other operating expenses	11,412	8,514
Audit fees - for audit of financial statements	95	89
Audit New Zealand recoveries	13	8
Bad debts	2	-
Directors fees	108	101
Salaries and wages	3,025	2,841
	<u>14,655</u>	<u>11,553</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.

	2024	2023
	\$'000	\$'000
Income Tax Recognised in Comprehensive Income		
Profit/(Loss) for the year before taxation	290	17
Income tax expense calculated at 28% (2023: 28%)	81	5
<i>Tax effect of following adjustments</i>		
Non-deductible expenses	1	3
Prior period adjustments	-	(73)
Tax effect of differences	<u>1</u>	<u>(70)</u>
Tax expense	<u>82</u>	<u>(65)</u>
Effective tax rate	28%	0%
Represented by:		
Current tax provision	-	-
Deferred tax provision	82	7
Prior period adjustment to deferred tax	-	(73)
	<u>82</u>	<u>(65)</u>

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

6 EQUITY - SHARE CAPITAL

	2024	2023
	\$'000	\$'000
Called and Fully Paid Up Capital		
10,977,065 fully paid ordinary shares (2023: 10,677,065)	<u>10,977</u>	<u>10,677</u>

On the 4th June 2024, the Company issued and called 300,000 shares of \$1 each in favour of Dunedin City Holdings Limited. The shares carry equal voting rights.

11,500,000 shares have been issued to Dunedin City Holdings Limited at \$1 per share. At 30 June 2024, 10,977,065 (2023: 10,677,065) 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 RESERVES

	2024	2023
	\$'000	\$'000
Hedging Reserve		
Balance at the beginning of the year	79	-
Gain/(loss) in fair value movement in derivatives	(79)	79
Balance at the end of the year	<u>-</u>	<u>79</u>

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of the hedging instruments relating to foreign exchange transactions that have not yet occurred.

8 TRADE AND OTHER RECEIVABLES

Accounting Policy

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

	2024	2023
	\$'000	\$'000
Trade and other receivables	876	1,348
Expected credit losses	(7)	(5)
Accrued income and prepayments	234	450
GST receivable	62	276
	<u>1,165</u>	<u>2,069</u>

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

9 TRADE AND OTHER PAYABLES

Accounting Policy

Trade and other payables are stated at amortised cost.

	2024	2023
	\$'000	\$'000
Trade payables	1,057	811
	<u>1,057</u>	<u>811</u>

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

	2024	2023
	\$'000	\$'000
Profit/(Loss) for the year after taxation	208	82
<i>Items Not Involving Operating Cashflows</i>		
Depreciation and impairment	483	363
Depreciation on right of use asset	1,620	1,614
Deferred tax	82	(66)
Interest portion of lease liability	389	432
<i>Impact of Changes in Working Capital Items</i>		
(Increase)/Decrease in trade and other receivables	477	(486)
(Increase)/Decrease in Assets held for sale	-	64
(Increase)/Decrease in work in progress	-	392
(Increase)/Decrease in prepayments	216	(306)
(Increase)/Decrease in GST receivable	214	(259)
Increase/(Decrease) in trade and other payables	10	203
Increase/(Decrease) in subvention payable	-	9
Increase/(Decrease) in employee entitlements	46	31
Increase/(Decrease) in income received in advance	727	(583)
Net cashflows from operating activities	<u>4,472</u>	<u>1,489</u>

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

11 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% - 20% (2023: 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 4.66% (2023: 2.85%).

	2024	2023
	\$'000	\$'000
Right of use assets:		
Opening Balance	13,012	14,610
Additions	47	16
Depreciation	(1,620)	(1,614)
Write down - Forsyth Barr Stadium Lease	(6,822)	-
	<u>4,617</u>	<u>13,012</u>
Lease Liabilities		
Opening Balance	14,484	16,044
Additions	47	16
Payments - Property	(1,615)	(1,568)
Payments - Plant & Equipment	(2)	(2)
Payments - Vehicles	(10)	(6)
Write down - Forsyth Barr Stadium Lease	(6,822)	-
	<u>6,083</u>	<u>14,484</u>
Classified as:		
Less than one year	748	1,622
One to five years	3,353	6,951
More than five years	1,982	5,911
Lease liabilities recognised as at 30 June	<u>6,083</u>	<u>14,484</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 (2023: \$2k).

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 \$9.7m (2023: \$35.1m) and the Lease Liability by \$13.1m (2023: \$38.0m). The impact on the reported before tax surplus would be a decrease of \$476k (2023: \$460k). 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.

When reviewing whether the carrying amount of the right of use asset is impaired, the Company follows the same assessment process as that set out in note 12 below. Changes to assumptions relating to the pre-tax discount rate and number of events held at Forsyth Barr Stadium, have the potential to cause a material adjustment to the carrying value of the right of use asset.

A +/- 1% movement in the calculated discount rate will increase/(decrease) the carrying value of the right of use asset by (\$627k)/\$677k.

A +/- 10% movement in the estimated future projected cashflow will increase/(decrease) the carrying value of the right of use asset by \$1.2m/(\$1.2m).

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

12 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	9% - 71%	Straight line
Plant and equipment	3% - 71%	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 2024

12 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.

	2024					
	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	473	503	207	4,008	-	5,191
Additions	55	(0)	40	814	-	909
Transfer to Assets held for sale	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Impairment	-	(29)	-	(2)	-	(31)
Balance at end of year	528	474	247	4,820	-	6,069
Accumulated depreciation						
Balance at beginning of year	213	343	181	2,083	-	2,820
Depreciation	41	40	30	367	-	478
Transfer to Assets held for sale	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Impairment	-	(23)	-	(2)	-	(25)
	254	360	211	2,448	-	3,273
Balance at end of year	274	114	36	2,372	-	2,796

	2023					
	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	449	491	184	2,376	-	3,500
Additions	24	13	23	1,665	-	1,725
Transfer to Assets held for sale	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Impairment	-	(1)	-	(33)	-	(34)
Balance at end of year	473	503	207	4,008	-	5,191
Accumulated depreciation						
Balance at beginning of year	178	303	147	1,863	-	2,491
Depreciation	35	41	34	236	-	346
Transfer to Assets held for sale	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Impairment	-	(1)	-	(16)	-	(17)
	213	343	181	2,083	-	2,820
Balance at end of year	260	160	26	1,925	-	2,371

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

13 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.

Critical accounting judgements, estimations and assumptions

Recognition of Deferred Tax Asset

A deferred tax asset shall be recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. To the extent that it is not probable that taxable profit will be available against which the unused tax losses or unused tax credits can be utilised, the deferred tax asset is not recognised.

At 30 June 2024, the Company has recognised a deferred tax asset of \$1,215,000. \$747,000 of this relates to unused tax losses. The Directors deem it probable that the Company will have taxable profits against which the unused tax losses or unused tax credits can be utilised before they expire. The Directors have reached this conclusion after reviewing the Company's 5 year forecasts, confirming a taxable profit over this period that will utilise approximately a third of the existing deferred tax losses. The Directors consider this to be acceptable progress in utilising deferred tax losses and deem it probable that further losses will be utilised in future financial years, beyond this five year period. The Directors therefore deem it appropriate for the deferred tax asset relating to the losses, to be recognised.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

13 DEFERRED TAX (CONTINUED)

	2024 \$'000	2024 \$'000	2024 \$'000	2024 \$'000	2024 \$'000	2024 \$'000
	Opening Balance Sheet	Charged to Income	Charged to Equity	Closing Balance Sheet Assets	Liabilities	Net
Property, plant and equipment	91	(39)	-	52	-	52
Employee entitlements	39	7	-	46	-	46
Provisions and adjustments	2	(42)	-	-	(39)	(39)
IFRS 16 Leases	412	(2)	-	410	-	410
Hedging Instruments	(31)	-	31	-	-	-
Tax losses	754	(8)	-	746	-	746
	1,267	(84)	31	1,254	(39)	1,215

	2023 \$'000	2023 \$'000	2023 \$'000	2023 \$'000	2023 \$'000	2023 \$'000
	Opening Balance Sheet	Charged to Income	Charged to Equity	Closing Balance Sheet Assets	Liabilities	Net
Property, plant and equipment	117	(26)	-	91	-	91
Employee entitlements	31	8	-	39	-	39
Provisions and adjustments	16	(14)	-	2	-	2
IFRS 16 Leases	401	11	-	412	-	412
Hedging Instruments	-	-	(31)	-	31	(31)
Tax losses	666	88	-	754	-	754
	1,231	67	(31)	1,298	31	1,267

14 CAPITAL EXPENDITURE COMMITMENTS

The Company had capital expenditure commitments of \$Nil at year end (2023: \$Nil).

15 CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or liabilities at year end (2023: \$Nil).

16 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.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

16 FINANCIAL INSTRUMENTS (CONTINUED)

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.

	2024	2023
	\$'000	\$'000
b) Categories of Financial Instruments		
Financial Assets		
Trade and other receivables	1,165	2,069
Less:		
Accrued income and prepayments	234	450
GST receivable	62	276
	<u>869</u>	<u>1,343</u>
Loans and receivables		
	<u>869</u>	<u>1,343</u>
Financial Liabilities		
Trade and other payables	1,057	811
Less:		
Subvention payable	-	-
Lease liabilities	6,083	14,484
	<u>7,140</u>	<u>15,295</u>
Financial liabilities at amortised cost		
	<u>7,140</u>	<u>15,295</u>

All financial assets and liabilities are recognised at amortised cost.

17 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:

	2024	2023
	\$'000	\$'000
Rates and property rentals and other charges	(784)	(694)
Revenue from property/event management and contribution from Event Attraction Fund	2,066	2,036
	<u>1,282</u>	<u>1,342</u>
<i>As at balance date:</i>		
Payable to Dunedin City Council	56	53
Receivable from Dunedin City Council	79	82

The lease between the Company and Dunedin City Council for the Dunedin Centre remains unsigned due to a dispute over the ownership of certain assets. The lease is cancellable by the Company, having given 20 working day notice. In the event of cancellation, the Company will be liable for certain make good costs. These costs have not been quantified.

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

17 RELATED PARTY TRANSACTIONS (CONTINUED)

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:

	2024	2023
	\$'000	\$'000
Dunedin City Forests Limited		
Subvention received	-	9
	<u>-</u>	<u>9</u>
<i>As at balance date:</i>		
Receivable from Dunedin City Forests Limited:	-	-
Dunedin City Treasury Limited		
Interest received	193	97
Subvention received	-	-
	<u>193</u>	<u>97</u>
<i>As at balance date:</i>		
Receivable from Dunedin City Treasury Limited:	29	29
Deposit with Dunedin City Treasury Limited	2,400	-
Dunedin City Holdings Limited		
Revenue from event management	1	2
	<u>1</u>	<u>2</u>
<i>As at balance date:</i>		
Receivable from Dunedin City Holdings Limited:	-	-
Dunedin Stadium Property Limited		
Management fee and reimbursements	683	987
Expense on charges	(647)	(545)
Assets purchased	(268)	-
Lease liability and interest payments	(2,000)	(2,000)
	<u>(2,232)</u>	<u>(1,558)</u>
<i>As at balance date:</i>		
Receivable from Dunedin Stadium Property Limited:	268	216
Payable to Dunedin Stadium Property Limited:	308	-

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

17 RELATED PARTY TRANSACTIONS (CONTINUED)

	2024	2023
	\$'000	\$'000
Dunedin Railways Limited		
Management fee and expense on charges	241	233
	<u>241</u>	<u>233</u>
<i>As at balance date:</i>		
Receivable from Dunedin Railways Limited:	22	23
Delta Utility Services Limited		
Assets sold on transfer of contract and other services	-	64
Turf management fee and expense on charges	(158)	(148)
	<u>(158)</u>	<u>(84)</u>
<i>As at balance date:</i>		
Payable to Delta Utility Services Limited:	8	12
Dunedin International Airport Ltd		
Revenue from membership and associated services	15	12
	<u>15</u>	<u>12</u>
<i>As at balance date:</i>		
Receivable from Dunedin International Airport Limited:	-	-

In relation to the 2024 year, there is not expected to be any transfer of tax losses to other entities in the DCC Group (2023: \$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 \$1,000 (2023: \$20,000). No amounts (2023: \$Nil) were outstanding at balance date.
- The Company incurred \$7,000 (2023: \$5,000) of director related travel expenses which were invoiced to the Company from Duncan Cotterill. Raewyn Lovett is a Partner of Duncan Cotterill. An amount of \$3,000 (2023: \$2,000) was outstanding at balance date.

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

	2024	2023
	\$'000	\$'000
Key management remuneration	1,299	1,267

Dunedin Venues Management Limited
Notes to the Financial Statements
For the Year Ended 30 June 2024

18 EVENTS AFTER BALANCE DATE

On 26 September 2024, the Company signed a lease variation agreement with effect from 1 July 2024 with Dunedin Stadium Property Limited to reduce the annual rental from \$2,000,000 to \$1,000,000 plus GST, the Company will no longer be responsible for rates or levies payable to any local or territory authority, insurance excess or insurance premiums.

Subsequent to year end, the Dunedin City Council (the DCC) confirmed its intention to undertake a review of the Company and Dunedin Stadium Property Limited (DSPL). The aim of the review is to establish a future operating and financial model for the stadium and related venues that is fit for purpose, financially and economically sustainable, and delivers the desired community outcomes. The review is yet to commence. Whilst there is a focus on CCO structure and composition, it is expected that the review will deliver a range of possible future scenarios. Any changes the DCC propose to implement as a result of this review, will be consulted on as part of its 2026/34 nine year plan consultation.

Dunedin Venues Management Limited
Statement of Service Performance
For the Year Ended 30 June 2024

Performance Targets	Achievements
Safety and Compliance	
No incidents or injuries reportable to Worksafe during the reporting period as logged into the safety management system.	Achieved.
An Incident Frequency Rate Events (IFRE) of less than 0.05% of the total number of event attendees across all venues.	Achieved.
Total Incident Rate (TIR) of less than 6 incidents per 200,000 hours worked.	Achieved.
Total Recordable Incidents (TRI) of less than 3.	Achieved.
Lost Time Incident of less than 2.	Not achieved - there were 2 lost time incidents during the reporting period.
Lost Time Incident Frequency Rate (LTIFR) less than 17 per 1,000,000 hours	Not achieved - the Lost Time Incident Frequency Rate was 29 per 1,000,000 hours worked.
Safety and Wellness internal audits completed as per programme, the resulting actions added to the Safety & Wellness improvement plan and completed within the agreed timeframes.	Achieved.
Current Building Warrant of Fitness (BWOFF) is maintained.	Achieved.
Marketing and Business Objectives	
Survey Members for satisfaction level - minimum 80% satisfaction to be achieved.	Not measured - a question on Members satisfaction was not included in the Members Survey.
Achieve a 75% retention rate of member renewals by contract value.	Achieved.
Achieve 85% ratepayer satisfaction with Forsyth Barr Stadium in the Dunedin City Council's Residents' Opinion Survey.	Achieved.
Report to the Dunedin City Council on the application of the Service Level Agreement for Community Event Funding to ensure it caters to a variety of events and community groups.	Achieved.
Attend at least 1 Conference and Incentive Trade Show per annum and meet/communicate with major content providers on a regular basis.	Achieved.

Performance Targets	Achievements								
Marketing and Business Objectives (Economic Development Strategy)									
A minimum of \$5m visitor marginal direct spend for Dunedin City per each major event which uses Event Attraction Funding.	The Visitor Marginal Direct Spend for major events in the year to 30 June 2024 as determined by an independent economist were as follows: <table> <tr> <th>Event</th><th>Visitor Marginal Direct Spend (\$,000)</th></tr> <tr> <td>All Blacks v Australia</td><td>12,600</td></tr> <tr> <td>P!NK</td><td>16,610</td></tr> <tr> <td>Total</td><td>\$29,210</td></tr> </table>	Event	Visitor Marginal Direct Spend (\$,000)	All Blacks v Australia	12,600	P!NK	16,610	Total	\$29,210
Event	Visitor Marginal Direct Spend (\$,000)								
All Blacks v Australia	12,600								
P!NK	16,610								
Total	\$29,210								
Achieve minimum 80% satisfaction rating through surveys of all major events (> 10,000 pax).	Not achieved - due to satisfaction of one event not measured. Satisfaction and attendance numbers for major events in the year to 30 June 2024 were: <table> <tr> <th>Event</th><th>Satisfaction</th></tr> <tr> <td>FIFA Women's World Cup</td><td>Not measured</td></tr> <tr> <td>All Blacks v Australia</td><td>90%</td></tr> <tr> <td>P!NK</td><td>93%</td></tr> </table>	Event	Satisfaction	FIFA Women's World Cup	Not measured	All Blacks v Australia	90%	P!NK	93%
Event	Satisfaction								
FIFA Women's World Cup	Not measured								
All Blacks v Australia	90%								
P!NK	93%								
Environment & Sustainability									
Continue to refine and implement DVML's carbon emissions strategy developed in the 2022 financial year and achieve our FY2024 targets.	Achieved.								
Continue to refine and implement DVML's waste reduction strategy developed in the 2022 financial year and achieve our FY2024 targets.	Achieved.								
Measure and publicly report our Greenhouse Gas (GHG) emissions, and progress towards our emissions and waste reduction strategies and targets, in our Annual Report.	Achieved.								
Tenders for asset refurbishments and replacements to consider the carbon impact of the lifecycle of the asset.	Achieved.								
Human Resources									
Performance Reviews are conducted at least twice per year.	Achieved.								
Conduct a confidential staff annual engagement survey acting on outcomes as appropriate.	Achieved.								
Provide 'pop up' staff wellness sessions on various topics of interest through the Safety & Wellness Committee.	Achieved.								
No employee is paid less than the living wage.	Achieved.								
Create a People and Culture Strategy, and a Diversity, Equity and Engagement Strategy by 30 June 2024.	Achieved.								

Performance Targets	Achievements								
Financial									
Achievement against forecasted Statement of Intent results are as follows:									
		Actual \$'000	Target \$'000						
	EBITDA	2,782	2,744						
	Net Profit after Tax	208	113						
	Operating Cashflow	4,472	4,455						
	Capital Expenditure	909	788						
	Term Borrowings	-	-						
	Shareholder Funds	2,199	1,652						
	Shareholder Funds to Total								
	Assets	0.18 : 1	0.09 : 1						
	Dividend	-	-						
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.	The return on investment of the Event Attraction Fund for 2023/24 was: <table><tr><td>Event</td><td>Return</td></tr><tr><td>All Blacks v Australia</td><td>73 : 1</td></tr><tr><td>P!NK</td><td>58 : 1</td></tr></table>			Event	Return	All Blacks v Australia	73 : 1	P!NK	58 : 1
Event	Return								
All Blacks v Australia	73 : 1								
P!NK	58 : 1								
Shareholder									
Matters which may or could conflict have been escalated to the Shareholder.	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 DVML with a particular focus on matters of interest to the media.	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 2024

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.

Opinion

We have audited:

- the financial statements of the company on pages 14 to 33, that comprise the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cashflows 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 34 to 36.

In our opinion:

- the financial statements of the company:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2024; 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; and
- the statement of service performance of the company 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 2024.

Our audit was completed on 27 September 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. 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

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.

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. For the budget information reported in the statement of service performance, our procedures were limited to checking that the information agreed to the company's statement of intent.

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 13, 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* (including International Independence Standards) (New Zealand) (PES 1), issued by the New Zealand Auditing and Assurance Standards Board.

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



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