Dunedin Venues Management Limited

Report for the Six Months Ended

31 December 2018

Dunedin Venues Management Limited
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For the Six Months Ended 31 December 2018

Dunedin Venues Management Limited
Directors Report
For the Six Months Ended 31 December 2018

The Directors of Dunedin Venues Management Limited are pleased to present their report on the activities of the Company for the six months ended 31 December 2018.

Principal Activities of the Company

The organisation is an events, turf and venues management company.

Results for the Six Months Ended 31 December 2018

The report covers the financial period 1 July 2018 to 31 December 2018

	unaudited 6 months to 31 Dec 2018 $'000	**unaudited 6 months to 31 Dec 2017 $'000**	**audited full year to 30 Jun 2018 $'000**
Total Revenue	5,257	5,588	16,641
Profit/(Loss) before tax	15	417	837
Net cash flow from operating activities	792	1,496	724
Total Assets	5,469	5,131	5,953

Review of Operations

The net surplus before taxation was $15,000 for the six months to 31 December 2018 compared to a surplus of $417,000 for the same period in the previous year.

The decrease in surplus was a result with timing of a combination of the All Blacks test and concerts, most notable being the All Black test which was July the previous period, whereas the test this year was against France and in June 18. Membership renewals were lower than the previous period due to a shift in timing, term, and conditions that impacted the first half revenues for December 2018. Despite the lower profitability for the six months, operating cashflows were still strong with $798,000 positive outcome building to a cash position of $1,697,000 in funds at 31 December 2018, a pleasing result.

Seasonality

As the core business of the company is event management, the timing of events can have a significant impact on the financial results within any given period. A major source of income for the company is income from rugby events. The majority of income from rugby traditionally occurs in the second half of the financial year. Subsequently, subject to the timing of major events, the company generally has a higher level of income in the second half of the financial year compared to the first half.

Dividends

No dividends were paid by the Company.

Events after Balance Date

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

Dunedin Venues Management Limited
Directors Report
For the Six Months Ended 31 December 2018

Statement of Responsibility

The Directors accept responsibility for the preparation of the interim financial statements and the judgements used in them;

The Directors accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting; and

In the opinion of the Board of Dunedin Venues Management Limited, the interim financial statements for the financial year ended 31 December 2018 fairly reflect the financial position and operations of Dunedin Venues Management Limited.

The Board of Dunedin Venues Management Limited have pleasure in presenting the interim financial statements, set out on pages 3 to 10, for the six months ended 31 December 2018 and authorises them for issue on 13 February 2019.

Chair **Director**

Dunedin Venues Management Limited
Statement of Profit and Loss
For the Six Months Ended 31 December 2018

	Note	unaudited 6 months to 31 Dec 2018 $'000	unaudited 6 months to 31 Dec 2017 $'000	audited full year to 30 Jun 2018 $'000
Revenue				
Operating revenue		5,199	5,529	16,455
Services to Delta Utility Services Limited		-	4	4
Services to Aurora Energy Limited		1	1	1
Management Fees from Dunedin Stadium Property Limited		35	35	139
Interest income from non related parties		4	4	25
Interest from Dunedin City Treasury Limited		18	15	17
Total revenue		5,257	5,588	16,641
Less expenses				
Audit Fees		15	11	29
Bad Debts		(1)	25	17
Depreciation and impairment	5	185	204	522
Directors fees		40	39	79
Employee Expenses		1,347	1,274	3,019
Rental and costs to Dunedin Stadium Property Limited		1,190	1,144	2,505
Services from Delta Utility Services Limited		1	2	3
Operating expenses		2,465	2,472	9,630
Total expenditure		5,242	5,171	15,804
Profit/(Loss) before taxation		15	417	837
Income tax (expense) credit		(4)	(119)	(235)
Total comprehensive profit after taxation		**11**	**298**	**602**

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

Dunedin Venues Management Limited
Statement of Changes in Equity
For the Six Months Ended 31 December 2018

	Share capital $'000	Retained earnings $'000	Total equity $'000
unaudited			
Equity as at 1 July 2018	9,177	(7,192)	1,985
Profit/(Loss) after taxation	-	11	11
Equity as at 31 December 2018	9,177	(7,181)	1,996
unaudited			
Equity as at 1 July 2017	8,877	(7,794)	1,083
Profit/(Loss) after taxation	-	298	298
Equity as at 31 December 2017	8,877	(7,496)	1,381
audited			
Equity as at 1 July 2017	8,877	(7,794)	1,083
Capital Contribution	300	-	300
Profit/(Loss) after taxation	-	602	602
Equity as at 30 June 2018	9,177	(7,192)	1,985

Share Equity as at 31 December 2018 is made up of 9,177,065 fully paid ordinary shares

Dunedin Venues Management Limited
Balance Sheet
As at 31 December 2018

	Note	unaudited 31 Dec 2018 $'000	unaudited 31 Dec 2017 $'000	audited 30 Jun 2018 $'000
Current Assets				
Cash and cash equivalents		1,697	1,593	986
Trade and other receivables	3	1,780	1,360	2,869
Total current assets		3,477	2,953	3,855
Non-Current Assets				
Property, plant and equipment	5	1,627	1,915	1,731
Deferred Tax		365	263	367
Total non-current assets		1,992	2,178	2,098
Total Assets		5,469	5,131	5,953
Current Liabilities				
Trade and other payables	4	3,092	3,396	3,501
Employee entitlements		128	125	150
Total current liabilities		3,220	3,521	3,651
Non-Current Liabilities				
Income in Advance		253	229	317
Total non-current liabilities		253	229	317
Equity				
Share capital		9,177	8,877	9,177
Retained deficits		(7,181)	(7,496)	(7,192)
Total Equity		1,996	1,381	1,985
TOTAL EQUITY AND LIABILITIES		5,469	5,131	5,953

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

Dunedin Venues Management Limited
Statement of Changes in Cashflows
For the Six Months Ended 31 December 2018

	Note	unaudited 6 months to 31 Dec 2018 $'000	unaudited 6 months to 31 Dec 2017 $'000	audited full year to 30 Jun 2018 $'000
Cashflows from Operating Activities				
Cash was provided from				
Receipts from customers		7,093	7,617	15,874
Interest received		22	19	42
Net GST received		165	84	(137)
		7,280	7,720	15,779
Cash was disbursed to				
Payments to suppliers and employees		6,413	5,995	14,443
Income tax paid		75	229	235
Subvention payments		-	-	377
		6,488	6,224	15,055
Net Cashflow from Operating Activities	2	792	1,496	724
Cashflows from Investing Activities				
Cash was provided from				
Sale of property, plant and equipment		-	-	6
Cash was disbursed to				
Purchase of property, plant and equipment		81	101	242
Net Cashflow from Investing Activities		(81)	(101)	(236)
Cashflows from Financing Activities				
Cash was provided from				
Shareholder capital		-	-	300
		-	-	300
Net Cashflow from Financing Activities		-	-	300
Net Increase/(Decrease) in Cash and Cash Equivalents		711	1,395	788
Opening Cash and Cash Equivalents		986	198	198
Closing Cash and Cash Equivalents		1,697	1,593	986
Composition of Cash and Cash Equivalents				
Cash on Hand		4	4	4
Bank Current Account		393	239	282
Deposit with Dunedin City Treasury Limited		1,300	1,350	700
Cash and Cash Equivalents at the end of the year		1,697	1,593	986

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

Dunedin Venues Management Limited
Notes to the Financial Statements (unaudited)
For the Six Months Ended 31 December 2018

1 REPORTING ENTITY

The financial statements presented here are for the reporting entity Dunedin Venues Manageme Company).

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

The registered address of the Company is 50 The Octagon, Dunedin 9016.

The financial statements of Dunedin Venues Management Limited are for the six months ended 31 Dec comply with the Financial Reporting Act 1993.

The primary objective of Dunedin Venues Management Limited is to ensure the successful operation Stadium and the Dunedin Centre (a multi-purpose entertainment, conference and events hub incluc Town Hall and the Glenroy Auditorium). Dunedin Venues Management Limited is the central hub for pre entertainment in Dunedin. Dunedin Venues Management Limited also has the turf management University of Otago Oval.

Dunedin Venues Management Limited is a for profit company.

These financial statements are presented in New Zealand dollars because that is the currency of the p environment in which the Company operates.

Basis of Preparation

The financial statements are unaudited.

The financial statements have been prepared in accordance with New Zealand Equivalents to Internatio Standards 34, Interim Financial Reporting, and should be read in conjunction with the audited financial the year ended 30 June 2018.

The accounting policies applied are consistent with those published in the annual report for the year enc 2018.

The judgement, estimates and assumptions used to prepare these interim financial statements are cons used at 30 June 2018.

Dunedin Venues Management Limited
Notes to the Financial Statements (unaudited)
For the Six Months Ended 31 December 2018

	unaudited 6 months to 31 Dec 2018 $'000	unaudited 6 months to 31 Dec 2017 $'000
2 RECONCILIATION OF NET LOSS FOR THE YEAR TO CASHFLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) for the year after taxation	11	298
Plus Items Not Involving Cashflows		
Depreciation and impairment	185	204
Loss on fixed asset disposal		
Impact of Changes in Working Capital Items		
(Increase) /Decrease in trade and other receivables	1,158	823
(Increase) /Decrease in accrued income and prepayments	(186)	(223)
(Increase) / Decrease in GST receivable	165	84
(Increase) /Decrease in subvention receivable	(73)	(114)
(Increase) /Decrease in deferred tax	2	4
Increase / (Decrease) in trade payables	(1,148)	(797)
Increase / (Decrease) in employee entitlements	(22)	(8)
Increase / (Decrease) in income received in advance	700	1,225
Net cashflows from operating activities	792	1,496

	unaudited 31 Dec 2018 $'000	unaudited 31 Dec 2017 $'000
3 TRADE AND OTHER RECEIVABLES		
Trade and other receivables	1,377	1,068
Accrued income and prepayments	355	301
Subvention receivable	48	47
GST receivable	-	(56)
	1,780	1,360

	unaudited 31 Dec 2018 $'000	unaudited 31 Dec 2017 $'000
4 TRADE AND OTHER PAYABLES		
Trade payables	1,126	799
Subvention payable	-	-
Income received in advance	1,966	2,597
	3,092	3,396

5 PROPERTY, PLANT AND EQUIPMENT

31 December 2018
unaudited

	Buildings	Furniture & Fittings	Office Equipment	Stadium Equipment	Motor Vehicles
	$'000	$'000	$'000	$'000	$'000
Cost or Valuation					
Balance at beginning of period	464	514	314	3,485	23
Additions	4	2	26	49	-
Balance at end of period	468	516	340	3,534	23
Accumulated depreciation					
Balance at beginning of year	176	166	259	2,461	7
Depreciation	9	28	19	127	2
	185	194	278	2,588	9
Balance at end of year	283	322	62	946	14

31 December 2017
unaudited

	Buildings	Furniture & Fittings	Office Equipment	Stadium Equipment	Motor Vehicles
	$'000	$'000	$'000	$'000	$'000
Cost or Valuation					
Balance at beginning of year	439	493	262	3,343	38
Additions	-	-	5	96	-
Balance at end of year	439	493	267	3,439	38
Accumulated depreciation					
Balance at beginning of year	93	109	229	2,113	13
Depreciation	13	26	9	154	2
	106	135	238	2,267	15
Balance at end of year	333	358	29	1,172	23

	30 June 2018 audited Buildings	Furniture & Fittings	Office Equipment	Stadium Equipment	Motor Vehicles
	$'000	$'000	$'000	$'000	$'000
Cost or Valuation					
Balance at beginning of year	439	493	262	3,343	38
Additions	25	21	53	142	-
Disposals	-	-	(1)	-	(15)
Balance at end of year	464	514	314	3,485	23
Accumulated depreciation					
Balance at beginning of year	93	109	229	2,113	13
Depreciation	36	52	28	334	3
Impairment	47	5	3	14	-
Disposals	-	-	(1)	-	(9)
	176	166	259	2,461	7
Balance at end of year	288	348	55	1,024	16

6 CAPITAL EXPENDITURE COMMITMENTS

The Company had no capital expenditure commitments at the end of the period (2017: $nil).

7 CONTINGENT LIABILITIES

There were no contingent liabilities at year end of the period (2017: $nil).

8 EVENTS AFTER BALANCE DATE

There have been no significant events subsequent to balance date.

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audited full year to 30 Jun 2018 $'000
602
522
10
(643)
(91)
(137)
(42)
(100)
668
17
(82)
724

audited 30 Jun 2018 $'000
2,535
169
-
165
2,869

audited 30 Jun 2018 $'000
2,274
25
1,202
3,501

Total
$'000
4,800
81
4,881
3,069
185
3,254
1,627

Total
$'000
4,575
101
4,676
2,557
204
2,761
1,915

Total
$'000
4,575
241
(16)
4,800
2,557
453
69
(10)
3,069
1,731

Dunedin Venues Management Limited
Directory
For the Six Months Ended 31 December 2018

DIRECTORS

Raewyn Lovett
Joanne Conroy
Glenys Coughlan
Kevin Winders

CHIEF EXECUTIVE OFFICER

Terry Davies

REGISTERED OFFICE

Dunedin City Council
50 The Octagon
Dunedin 9016

BANKERS

BNZ
Dunedin

SOLICITORS

Anderson Lloyd
Dunedin

AUDITOR

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