DUNEDIN VENUES MANAGEMENT LIMITED

Report for the Six Months Ended 31 DECEMBER 2023

dunedin
venues

Dunedin Venues Management Limited
Contents
For the Six Months Ended 31 December 2023

Directors Report	1
Statement of Comprehensive Income	3
Statement of Changes in Equity	4
Statement of Financial Position	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Directory	11
Statement of Service Performance	12

Dunedin Venues Management Limited
Directors Report
For the Six Months Ended 31 December 2023

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 2023.

Principal Activities of the Company

The organisation is a stadium operator and an events and venues management company.

Results for the Six Months Ended 31 December 2023

The report covers the financial period 1 July 2023 to 31 December 2023.

	unaudited 6 months to 31 Dec 2023 $'000	**unaudited 6 months to 31 Dec 2022 $'000**	**audited full year to 30 Jun 2023 $'000**
Total Revenue	11,116	7,627	13,979
Profit/(Loss) before tax and other comprehensive income	1,049	(29)	17
Net cash flow from operating activities	4,233	(440)	1,489
Total Assets	20,573	20,718	19,419

Review of Operations

The net surplus before taxation and other comprehensive income was $1,049,000 for the six months to 31 December 2023 compared to a deficit of $29,000 for the same period in the previous year.

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 2023

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 fairly reflect the financial position and operations of Dunedin Venues Management Limited.

The Board of Dunedin Venues Management Limited present the interim financial statements, set out on pages 3 to 10, for the six months ended 31 December 2023 and authorises them for issue on 7 February 2024.

Raewyn Lovett Chairperson	Adam La Hood Director

Dunedin Venues Management Limited
Statement of Comprehensive Income
For the Six Months Ended 31 December 2023

	Note	**unaudited 6 months to 31 Dec 2023 $'000**	**unaudited 6 months to 31 Dec 2022 $'000**	**audited full year to 30 Jun 2023 $'000**
Revenue				
Operating revenue		9,282	6,741	12,141
Government Grants		1,727	856	1,720
Interest received from funds on deposit		107	30	118
Total revenue		11,116	7,627	13,979
Less expenses				
Audit Fees		48	26	89
Audit New Zealand recoveries		12	-	8
Bad Debts		2	10	-
Depreciation and impairment - PP&E	5	225	145	363
Depreciation - Right of Use lease asset		808	823	1,614
Directors fees		56	50	101
Employee Expenses		1,431	1,429	2,841
Finance Costs - Lease Liability		200	240	432
Operating expenses		7,285	4,933	8,514
Total expenditure		10,067	7,656	13,962
Profit/(Loss) before taxation		1,049	(29)	17
Income tax expense/(credit)		294	(55)	(65)
Profit/(Loss) after taxation		755	26	82
Other Comprehensive Income		-	-	-
Gain / (Loss) on cash flow hedges taken to equity		(110)	157	110
Tax effect of cash flow hedges taken to equity		31	(44)	(31)
Total Comprehensive Income		**676**	**139**	**161**

Dunedin Venues Management Limited
Statement of Changes in Equity
For the Six Months Ended 31 December 2023

	Share capital $'000	Retained earnings $'000	Hedging Reserve $'000	Total equity $'000
unaudited				
Equity as at 1 July 2023	10,677	(8,986)	79	1,770
Total Comprehensive Income	-	755	(79)	676
Equity as at 31 December 2023	10,677	(8,231)	-	2,446
unaudited				
Equity as at 1 July 2022	10,377	(9,069)	-	1,308
Total Comprehensive Income	-	26	113	139
Equity as at 31 December 2022	10,377	(9,043)	113	1,447
audited				
Equity as at 1 July 2022	10,377	(9,069)	-	1,308
Capital Contribution	300	-	-	300
Total Comprehensive Income	-	82	79	161
Equity as at 30 June 2023	10,677	(8,986)	79	1,770

Share Equity as at 31 December 2023 is made up of 10,677,065 fully paid ordinary shares

Dunedin Venues Management Limited
Statement of Financial Position
As at 31 December 2023

	Note	**unaudited 31 Dec 2023 $'000**	**unaudited 31 Dec 2022 $'000**	**audited 30 Jun 2023 $'000**
Current Assets				
Cash and cash equivalents		3,525	941	591
Trade and other receivables	3	1,419	2,124	2,069
Derivative financial instruments	6	-	157	110
Work in progress		-	1,262	-
Total Current Assets		4,944	4,484	2,770
Non-Current Assets				
Property, plant and equipment	5	2,377	937	2,371
Right of use assets		12,248	14,055	13,012
Deferred Tax		1,004	1,242	1,267
Total Non-Current Assets		15,629	16,234	16,649
Total Assets		20,573	20,718	19,419
Current Liabilities				
Trade and other payables	4	546	817	811
Contract liabilities / Income in advance		2,211	2,238	1,789
Employee entitlements		179	142	149
Current portion of lease liabilities		1,649	1,613	1,622
Total Current Liabilities		4,585	4,810	4,371
Non-Current Liabilities				
Contract liabilities / Income in advance		1,469	546	416
Lease liabilities		12,073	13,915	12,861
Total Non-Current Liabilities		13,542	14,461	13,277
Equity				
Share capital		10,677	10,377	10,677
Retained deficits		(8,231)	(9,043)	(8,986)
Hedging reserve		-	113	79
Total Equity		2,446	1,447	1,770
TOTAL EQUITY AND LIABILITIES		20,573	20,718	19,419

Raewyn Lovett
Chairperson

Adam La Hood
Director

07 February 2024

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

Dunedin Venues Management Limited
Statement of Cashflows
For the Six Months Ended 31 December 2023

	Note	unaudited 6 months to 31 Dec 2023 $'000	unaudited 6 months to 31 Dec 2022 $'000	audited full year to 30 Jun 2023 $'000
Cashflows from Operating Activities				
Cash was provided from				
Receipts from customers		12,892	6,940	13,578
Interest received		105	23	95
Net GST received		294	-	-
Subvention payments		-	-	9
		13,291	6,964	13,682
Cash was disbursed to				
Payments to suppliers and employees		9,058	7,320	11,935
Income tax paid		0	-	-
Net GST paid		-	84	259
		9,058	7,404	12,194
Net Cashflow from Operating Activities	2	4,233	(440)	1,489
Cashflows from Investing Activities				
Cash was provided from				
Sale of property, plant and equipment		-	-	-
Cash was disbursed to				
Purchase of property, plant and equipment		293	17	1,609
Net Cashflow from Investing Activities		(293)	(17)	(1,609)
Cashflows from Financing Activities				
Cash was provided from				
Shareholder capital		-	-	300
		-	-	300
Cash was disbursed to				
Interest paid		200	240	1,576
Repayment of lease liability		806	783	432
		1,006	1,023	2,008
Net Cashflow from Financing Activities		(1,006)	(1,023)	(1,708)
Net Increase/(Decrease) in Cash and Cash Equivalents		2,934	(1,480)	(1,829)
Opening Cash and Cash Equivalents		591	2,421	2,421
Closing Cash and Cash Equivalents		3,525	941	591
Composition of Cash and Cash Equivalents				
Cash on Hand		-	4	-
Bank Current Account		275	337	591
Deposit/(Overdraft) accounts		3,250	600	-
Cash and Cash Equivalents at the end of the year		3,525	941	591

Dunedin Venues Management Limited
Notes to the Financial Statements (unaudited)
For the Six Months Ended 31 December 2023

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 registered address of the Company is 130 Anzac Avenue, Dunedin 9016.

The financial statements of Dunedin Venues Management Limited are for the six months ended 31 December 2023 and comply with the Financial Reporting Act 1993.

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.

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).

Basis of Preparation

The financial statements are unaudited.

The financial statements have been prepared in accordance with and comply with NZ IAS 34, Interim Financial Reporting, and should be read in conjunction with the audited financial statements for the year ended 30 June 2023.

The accounting policies applied are consistent with those published in the annual report for the year ended 30 June 2023.

The judgement, estimates and assumptions used to prepare these interim financial statements are consistent with those used at 30 June 2023.

Dunedin Venues Management Limited
Notes to the Financial Statements (unaudited)
For the Six Months Ended 31 December 2023

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

	unaudited 6 months to 31 Dec 2023 $'000	unaudited 6 months to 31 Dec 2022 $'000	audited full year to 30 Jun 2023 $'000
Profit/(Loss) for the year after taxation	755	26	82
Plus Items Not Involving Operating Cashflows			
Depreciation and impairment	225	145	363
Depreciation of right of use asset	808	823	1,614
Interest paid	200	240	432
Impact of Changes in Working Capital Items			
(Increase) / Decrease in trade and other receivables	406	(723)	(486)
(Increase) / Decrease in assets held for sale	-	64	64
(Increase) / Decrease in work in progress	-	(870)	392
(Increase) / Decrease in accrued income and prepayments	(32)	(301)	(306)
(Increase) / Decrease in GST receivable	276	(84)	(259)
(Increase) / Decrease in deferred tax	294	(55)	(66)
Increase / (Decrease) in GST payable	18	-	-
Increase / (Decrease) in trade payables	(222)	276	203
Increase / (Decrease) in subvention payable	-	-	9
Increase / (Decrease) in employee entitlements	30	24	31
Increase / (Decrease) in income received in advance	1,475	(4)	(583)
Net cashflows from operating activities	4,233	(440)	1,489

3 TRADE AND OTHER RECEIVABLES

	unaudited 31 Dec 2023 $'000	unaudited 31 Dec 2022 $'000	audited 30 Jun 2023 $'000
Trade and other receivables	944	1,592	1,348
Provision for Doubtful Debts	(7)	(14)	(5)
Accrued income and prepayments	482	445	450
GST receivable	-	101	276
	1,419	2,124	2,069

4 TRADE AND OTHER PAYABLES

	unaudited 31 Dec 2023 $'000	unaudited 31 Dec 2022 $'000	audited 30 Jun 2023 $'000
Trade payables	528	826	811
GST payable	18	-	-
Subvention payable	-	(9)	-
	546	817	811

Dunedin Venues Management Limited
Notes to the Financial Statements (unaudited)
For the Six Months Ended 31 December 2023

5 PROPERTY, PLANT AND EQUIPMENT

31 December 2023 unaudited	Buildings	Furniture & Fittings	Office Equipment	Stadium Equipment	Motor Vehicles	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Cost or Valuation						
Balance at beginning of period	473	503	207	4,008	-	5,191
Additions	52	-	30	149	-	231
Disposals	-	-	-	-	-	-
Balance at end of period	525	503	237	4,157	-	5,422
Accumulated depreciation						
Balance at beginning of period	213	343	181	2,083	-	2,820
Depreciation	20	20	17	168	-	225
Disposals	-	-	-	-	-	-
	233	363	198	2,251	-	3,045
Balance at end of period	292	140	39	1,906	-	2,377

31 December 2022 unaudited	Buildings	Furniture & Fittings	Office Equipment	Stadium Equipment	Motor Vehicles	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Cost or Valuation						
Balance at beginning of period	449	491	184	2,376	-	3,500
Additions	-	12	10	51	-	73
Disposals	-	-	-	-	-	-
Balance at end of period	449	503	194	2,427	-	3,573
Accumulated depreciation						
Balance at beginning of period	178	303	147	1,863	-	2,491
Depreciation	18	20	17	90	-	145
Disposals	-	-	-	-	-	-
	196	323	164	1,953	-	2,636
Balance at end of period	253	180	30	474	-	937

30 June 2023 audited	Buildings	Furniture & Fittings	Office Equipment	Stadium Equipment	Motor Vehicles	Total
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Cost or Valuation						
Balance at beginning of period	449	491	184	2,376	-	3,500
Additions	24	13	23	1,665	-	1,725
Disposals	-	-	-	-	-	-
Impairment	-	(1)	-	(33)	-	(34)
Balance at end of period	473	503	207	4,008	-	5,191
Accumulated depreciation						
Balance at beginning of period	178	303	147	1,863	-	2,491
Depreciation	35	41	34	236	-	346
Disposals	-	-	-	-	-	-
Impairment	-	(1)	-	(16)	-	(17)
	213	343	181	2,083	-	2,820
Balance at end of period	260	160	26	1,925	-	2,371

6 DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are recognised at fair value.

	unaudited 31 Dec 2023 $'000	unaudited 31 Dec 2022 $'000	audited 30 Jun 2023 $'000
Assets:			
Forward Exchange Contracts	-	157	110

7 CAPITAL EXPENDITURE COMMITMENTS

The Company had capital expenditure commitments of $575,000 at the end of the period (2022: $nil).

8 EVENTS AFTER BALANCE DATE

There have been no significant events subsequent to balance date.

Dunedin Venues Management Limited
Directory
For the Six Months Ended 31 December 2023

DIRECTORS

Raewyn Lovett
Adam La Hood
Joanne Conroy (ceased 31 December 2023)
Verity Webber (appointed 1 October 2023)
Dylan Rushbrook

CHIEF EXECUTIVE OFFICER

Terry Davies

REGISTERED OFFICE

130 Anzac Avenue
50 The Octagon
Dunedin 9016

BANKERS

Westpac
Dunedin

SOLICITORS

Anderson Lloyd
Dunedin

AUDITOR

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

Dunedin Venues Management Limited
Statement of Service Performance
For the Six Months Ending 31 December 2023

Performance Targets	**Results as at 31 December 2023**
Safety and Compliance	
No incidents or injuries reportable to Worksafe during the reporting period as logged into the safety management system.	No reportable incidents or injuries during the reporting period.
An Incident Frequency Rate Events (IFRE) of less than 0.05% of the total number of event attendees across all venues.	The IFRE of total attendees is 0.033% for the 6 month reporting period. (2022 HY: 0.055%)
Total Incident Rate (TIR) of less than 6 incidents per 200,000 hours worked.	The TIR is 5.4 for the 6 month reporting period (2022 HY: 0).
Total Recordable Incidents (TRI) of less than 3.	The TRI rate is 1 for the 6 month reporting period (2022 HY: 0).
Lost Time Incident of less than 2.	Lost Time Incident rate is 1 for the 6 month reporting period (2022 HY: 0).
Lost Time Incident Frequency Rate (LTIFR) less than 17 per 1,000,000 hours worked.	The LTIFR is 27 for the 6 month reporting period (2022 HY: 0).
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.	Audits completed as per programme.
Current Building Warrant of Fitness (BWOF) is maintained.	Achieved.
Financial Achieve or exceed budget results.	Achievement against forecasted SOI results are as follows:

	Actual $,000	**Target 30 June 2024 $,000**
EBITDA	These will be reported at year end	2,744
Net Profit after Tax		113
Cash Flow from Operations		4,455
Capital Expenditure		788
Term Borrowings		-
Shareholder Funds		1,652
Shareholder Funds to Total Assets		0.09 : 1
Dividend/Subvention Distribution		-

Achieve a 15:1 return on investment of the Event Attraction Fund. ROI is achieved and calculated by Visitor Marginal Direct Spend against the level of EAF investment for the major event.	A breakdown of the return on investment for the six months to 31 December 2023 are as follows:

Event	**Return**
All Blacks vs Australia	73 : 1
Total	**73 : 1**

Marketing and Business Objectives	
Achieve 75% retention rate of Member renewals by contract value.	Achieved.
Survey Members for satisfaction level – minimum 80% satisfaction to be achieved.	Not achieved.
Attend at least 1 Conference and Incentive Trade Show per annum and meet/communicate with major content providers on a regular basis.	Achieved.
Human Resources	
Performance reviews are conducted at least twice per year.	Six monthly staff performance reviews were completed during December 2023.
Conduct a confidential staff annual engagement survey acting on outcomes as appropriate.	A confidential staff survey is scheduled to be completed in April 2024.
Provide quarterly 'pop up' staff wellness sessions on various topics of interest through the Safety and Wellness Committee.	Achieved.
No employee is paid less than the living wage.	All staff are paid the living wage, or more.
To create a People and Culture Strategy, and a Diversity, Equity and Engagement Strategy by 30 June 2024.	A strategy is scheduled to be in place by 30 June 2024.
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 the company with a particular focus on matters of interest to the media.	There were no matters, which may have the potential to negatively impact on the shareholder and the company, that were required to be reported to Dunedin City Holdings Limited.
Social and Wellbeing	
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.	Completed and submitted to the Dunedin City Council.
Achieve 85% ratepayer satisfaction with Forsyth Barr Stadium in the Dunedin City Council's Residents' Opinion Survey.	Forsyth Barr Stadium achieved a 90% satisfaction rate in the 2023 Residents' Opinion Survey for those that have used the facility in the last 12 months.

Economic Development Strategy	
A minimum of $5m visitor marginal direct spend for Dunedin City per each major event which uses Event Attraction Funding.	The visitor direct spend for major events for the six months to 31 December 2023 are as follows: **Event** — **Visitor marginal direct expenditure ($,000)** All Blacks v Australia — 12,600 **Total** — **12,600**
Achieve minimum 80% satisfaction rating through surveys of all major events (>10,000 pax).	The following satisfaction and attendance numbers were achieved for the six months to 31 December 2023: **Event** — **Satisfaction** All Blacks v Australia — 90%
Environment Strategy	
Continue to refine and implement DVML's carbon emissions strategy developed in the 2022 financial year and achieve our FY2024 targets.	Strategy has been implemented and targets on track to be completed by 30 June 2024.
Continue to refine and implement DVML's waste reduction strategy developed in the 2022 financial year and achieve our FY2024 targets.	Strategy has been implemented and targets on track to be completed by 30 June 2024.
Measure and publicly report our Greenhouse Gas (GHG) emissions, and progress towards our emissions and waste reduction strategies and targets, in our Annual Report.	The Company's annual report includes Greenhouse Gas reporting.
Tenders for asset refurbishments and replacements to consider the carbon impact of the lifecycle of the asset.	Achieved.