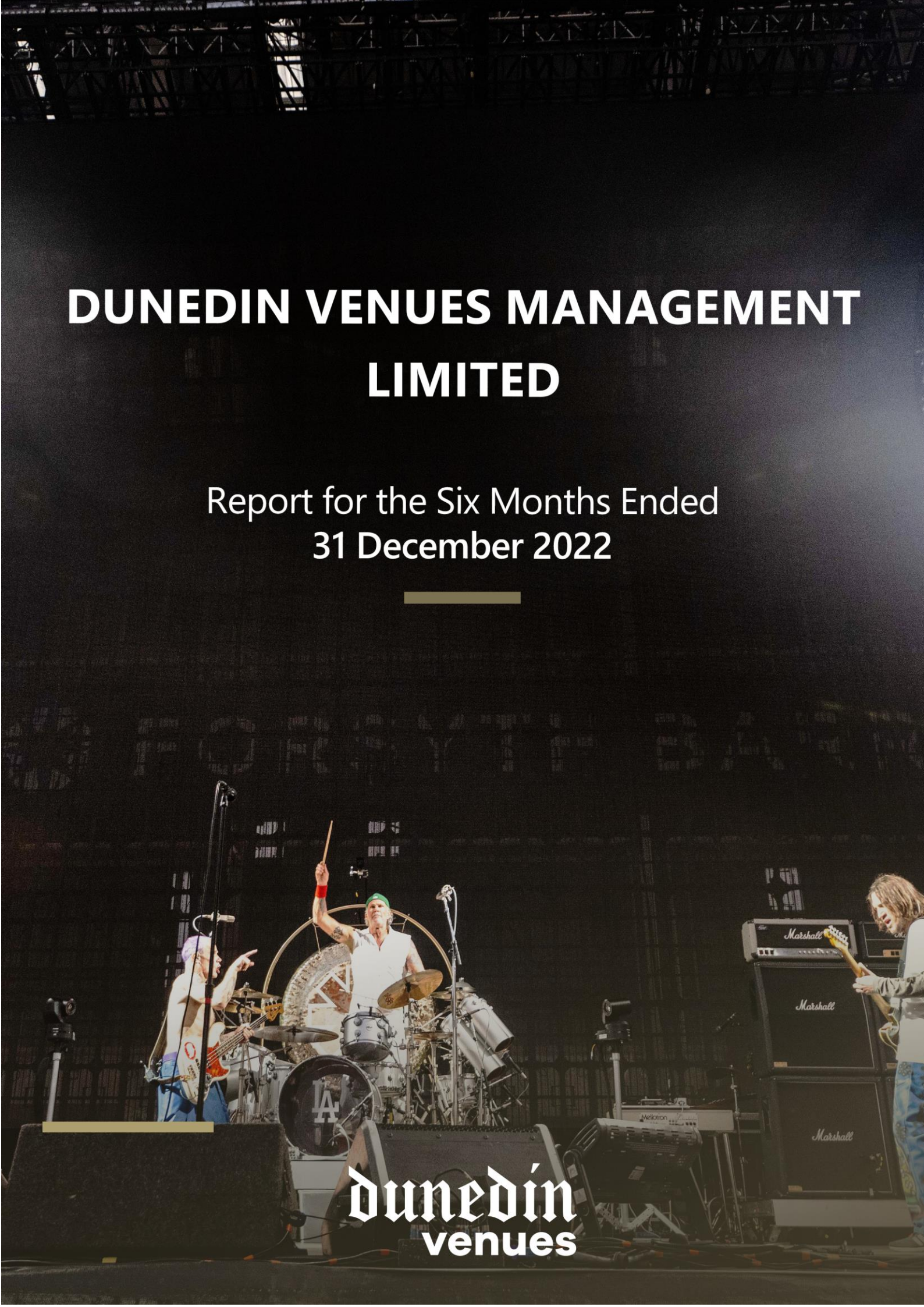


DUNEDIN VENUES MANAGEMENT LIMITED

Report for the Six Months Ended
31 December 2022



dunedin
venues

Dunedin Venues Management Limited
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For the Six Months Ended 31 December 2022

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Dunedin Venues Management Limited
Directors Report
For the Six Months Ended 31 December 2022

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 2022.

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 2022

The report covers the financial period 1 July 2022 to 31 December 2022.

	unaudited 6 months to 31 Dec 2022 \$'000	unaudited 6 months to 31 Dec 2021 \$'000	unaudited full year to 30 Jun 2022 \$'000
Total Revenue	7,627	4,522	8,520
Profit/(Loss) before tax and other comprehensive income	(29)	(614)	(1,385)
Net cash flow from operating activities	(440)	810	884
Total Assets	20,718	21,787	20,743

Review of Operations

The net deficit before taxation was \$29,000 for the six months to 31 December 2022 compared to a deficit of \$614,000 for the same period in the previous year.

COVID-19

The effects of the COVID-19 pandemic are still being felt by Dunedin Venues Management Limited. Uncertainty of border control affected DVML's ability to host major events and the confidence of content providers to book additional events to 31 December 2022.

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 2022

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 2022 and authorises them for issue on 10 February 2023.



Raewyn Lovett
Chairperson



Adam La Hood
Director

Dunedin Venues Management Limited
Statement of Comprehensive Income
For the Six Months Ended 31 December 2022

	<i>Note</i>	unaudited 6 months to 31 Dec 2022 \$'000	unaudited 6 months to 31 Dec 2021 \$'000	unaudited full year to 30 Jun 2022 \$'000
Revenue				
Operating revenue		6,741	3,662	7,262
Government Grants		856	854	1,237
Interest received from funds on deposit		30	6	21
Total revenue		7,627	4,522	8,520
Less expenses				
Audit Fees		26	18	52
Bad Debts		10	(7)	(4)
Depreciation and impairment - PP&E	5	145	119	315
Depreciation - Right of Use lease asset		823	809	1,618
Directors fees		50	50	100
Employee Expenses		1,429	1,322	2,524
Finance Costs - Lease Liability		240	244	476
Operating expenses		4,933	2,581	4,824
Total expenditure		7,656	5,136	9,905
Profit/(Loss) before taxation		(29)	(614)	(1,385)
Income tax expense/(credit)		(55)	(172)	(482)
Profit/(Loss) after taxation		26	(442)	(903)
Other comprehensive income		113	-	-
Total Comprehensive Income		139	(442)	(903)

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 2022

	Share capital \$'000	Retained earnings \$'000	Total equity \$'000
unaudited			
Equity as at 1 July 2022	10,377	(9,069)	1,308
Total Comprehensive Income	-	139	139
Equity as at 31 December 2022	<u>10,377</u>	<u>(8,930)</u>	<u>1,447</u>
unaudited			
Equity as at 30 June 2021	10,077	(8,166)	1,911
Total Comprehensive Income	-	(442)	(442)
Equity as at 31 December 2021	<u>10,077</u>	<u>(8,608)</u>	<u>1,469</u>
unaudited			
Equity as at 30 June 2021	10,077	(8,166)	1,911
Capital Contribution	300	-	300
Total Comprehensive Income	-	(903)	(903)
Equity as at 30 June 2022	<u>10,377</u>	<u>(9,069)</u>	<u>1,308</u>

Share Equity as at 31 December 2022 is made up of 10,377,065 fully paid ordinary shares

Dunedin Venues Management Limited
Statement of Financial Position
As at 31 December 2022

	Note	unaudited 31 Dec 2022 \$'000	unaudited 31 Dec 2021 \$'000	unaudited 30 Jun 2022 \$'000
Current Assets				
Cash and cash equivalents		941	3,136	2,421
Trade and other receivables	3	2,124	1,130	1,016
Derivative financial instruments	6	157	-	-
Assets held for sale		-	-	64
Work in progress		1,262	-	392
Total Current Assets		4,484	4,266	3,893
Non-Current Assets				
Property, plant and equipment	5	937	1,181	1,009
Right of use assets		14,055	15,420	14,610
Deferred Tax		1,242	920	1,231
Total Non-Current Assets		16,234	17,521	16,850
Total Assets		20,718	21,787	20,743
Current Liabilities				
Trade and other payables	4	817	438	485
Contract liabilities / Income in advance		2,238	2,890	2,429
Employee entitlements		142	147	118
Current portion of lease liabilities		1,613	1,556	1,575
Total Current Liabilities		4,810	5,031	4,607
Non-Current Liabilities				
Contract liabilities / Income in advance		546	25	359
Lease liabilities		13,915	15,262	14,468
Total Non-Current Liabilities		14,461	15,287	14,827
Equity				
Share capital		10,377	10,077	10,377
Retained deficits		(9,043)	(8,608)	(9,069)
Hedging reserve		113	-	-
Total Equity		1,447	1,469	1,308
TOTAL EQUITY AND LIABILITIES		20,718	21,787	20,743

Raewyn Lovett
Chairperson

Adam La Hood
Director

10 February 2023

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 2022

		unaudited 6 months to 31 Dec 2022 \$'000	unaudited 6 months to 31 Dec 2021 \$'000	unaudited full year to 30 Jun 2022 \$'000
	<i>Note</i>			
Cashflows from Operating Activities				
<i>Cash was provided from</i>				
Receipts from customers		6,940	5,246	9,059
Interest received		23	6	15
Net GST received		-	5	-
		<u>6,964</u>	<u>5,257</u>	<u>9,074</u>
<i>Cash was disbursed to</i>				
Payments to suppliers and employees		7,320	4,447	8,142
Income tax paid		-	-	-
Net GST paid		84	-	47
		<u>7,404</u>	<u>4,447</u>	<u>8,190</u>
Net Cashflow from Operating Activities	2	<u>(440)</u>	<u>810</u>	<u>884</u>
Cashflows from Investing Activities				
<i>Cash was provided from</i>				
Sale of property, plant and equipment		-	-	-
<i>Cash was disbursed to</i>				
Purchase of property, plant and equipment		17	342	424
Net Cashflow from Investing Activities		<u>(17)</u>	<u>(342)</u>	<u>(424)</u>
Cashflows from Financing Activities				
<i>Cash was provided from</i>				
Shareholder capital		-	-	300
		<u>-</u>	<u>-</u>	<u>300</u>
<i>Cash was disbursed to</i>				
Interest paid		240	244	476
Repayment of lease liability		783	763	1,536
		<u>1,023</u>	<u>1,007</u>	<u>2,012</u>
Net Cashflow from Financing Activities		<u>(1,023)</u>	<u>(1,007)</u>	<u>(1,712)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents		(1,481)	(539)	(1,254)
Opening Cash and Cash Equivalents		2,421	3,675	3,675
Closing Cash and Cash Equivalents		<u>941</u>	<u>3,136</u>	<u>2,421</u>
Composition of Cash and Cash Equivalents				
Cash on Hand		4	4	4
Bank Current Account		337	232	117
Deposit/(Overdraft) accounts		600	2,900	2,300
Cash and Cash Equivalents at the end of the year		<u>941</u>	<u>3,136</u>	<u>2,421</u>

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 2022

1 REPORTING ENTITY

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

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

The 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 2022 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 unaudited financial statements for the year ended 30 June 2022 and audited financial statements for the year ended 30 June 2021.

The accounting policies applied are consistent with those published in the annual report for the year ended 30 June 2021.

The judgement, estimates and assumptions used to prepare these interim financial statements are consistent with those used at 30 June 2022 and 30 June 2021.

The annual report for the year ended 30 June 2022 has not been audited and is therefore not yet publically available. The legislative requirement is for the audit to be completed by 30 November 2022. This timeframe was not met.

Dunedin Venues Management Limited
Notes to the Financial Statements (unaudited)
For the Six Months Ended 31 December 2022

	unaudited 6 months to 31 Dec 2022 \$'000	unaudited 6 months to 31 Dec 2021 \$'000	unaudited full year to 30 Jun 2022 \$'000
2 RECONCILIATION OF NET PROFIT FOR THE YEAR TO CASHFLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) for the year after taxation	139	(442)	(903)
<i>Plus Items Not Involving Operating Cashflows</i>			
Depreciation and impairment	145	119	315
Depreciation of right of use asset	823	809	1,618
Fair value adjustment of financial derivatives	(157)	-	-
Interest paid	240	244	476
<i>Impact of Changes in Working Capital Items</i>			
(Increase) / Decrease in trade and other receivables	(723)	(93)	(137)
(Increase) / Decrease in assets held for sale	64	-	-
(Increase) / Decrease in work in progress	(870)		(392)
(Increase) / Decrease in accrued income and prepayments	(301)	(189)	(46)
(Increase) / Decrease in GST receivable	(84)	-	(17)
(Increase) / Decrease in deferred tax	(11)	(172)	(483)
Increase / (Decrease) in GST payable	-	5	(30)
Increase / (Decrease) in trade payables	276	(338)	(229)
Increase / (Decrease) in employee entitlements	24	44	15
Increase / (Decrease) in income received in advance	(4)	823	697
Net cashflows from operating activities	(440)	810	884
	unaudited 31 Dec 2022 \$'000	unaudited 31 Dec 2021 \$'000	unaudited 30 Jun 2022 \$'000
3 TRADE AND OTHER RECEIVABLES			
Trade and other receivables	1,592	811	859
Provision for Doubtful Debts	(14)	(6)	(4)
Accrued income and prepayments	445	325	144
GST receivable	101	-	17
	2,124	1,130	1,016
	unaudited 31 Dec 2022 \$'000	unaudited 31 Dec 2021 \$'000	unaudited 30 Jun 2022 \$'000
4 TRADE AND OTHER PAYABLES			
Trade payables	826	412	494
GST payable	-	35	-
Subvention payable	(9)	(9)	(9)
	817	438	485

Dunedin Venues Management Limited
Notes to the Financial Statements (unaudited)
For the Six Months Ended 31 December 2022

5 PROPERTY, PLANT AND EQUIPMENT

	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	2,428	-	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	475	-	937

	31 December 2021					
	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	439	449	180	3,131	-	4,199
Additions	10	-	28	305	-	343
Disposals	-	-	-	-	-	-
Balance at end of period	449	449	208	3,436	-	4,542
Accumulated depreciation						
Balance at beginning of period	129	271	145	2,697	-	3,242
Depreciation	19	16	15	69	-	119
Disposals	-	-	-	-	-	-
	148	287	160	2,766	-	3,361
Balance at end of period	301	162	48	670	-	1,181

Dunedin Venues Management Limited
Notes to the Financial Statements (unaudited)
For the Six Months Ended 31 December 2022

	30 June 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	439	449	180	3,131	-	4,199
Additions	10	46	39	334	-	429
Transfer to Assets held for sale	-	-	-	(198)	-	(198)
Disposals	-	-	-	-	-	-
Impairment	-	(4)	(35)	(891)	-	(930)
Balance at end of period	449	491	184	2,376	-	3,500
Accumulated depreciation						
Balance at beginning of period	129	271	145	2,696	-	3,241
Depreciation	49	34	37	191	-	311
Transfer to Assets held for sale	-	-	-	(135)	-	(135)
Impairment	-	(2)	(35)	(888)	-	(925)
Disposals	-	-	-	-	-	-
	178	303	147	1,863	-	2,491
Balance at end of period	271	188	37	513	-	1,009

6 DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are recognised at fair value.

	unaudited 31 Dec 2022 \$'000	unaudited 31 Dec 2021 \$'000	unaudited 30 Jun 2022 \$'000
Assets:			
Forward Exchange Contracts	157	-	-

7 CAPITAL EXPENDITURE COMMITMENTS

The Company had no capital expenditure commitments at the end of the period (2021: \$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 2022

DIRECTORS

Raewyn Lovett
Adam La Hood
Joanne Conroy
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 2022

Performance Targets	Results as at 31 December 2022
Safety and Compliance	
Manage and implement Government and ministry of Health guidelines as set out in New Zealand's COVID-19 traffic light system.	The Company has met requirements set out by the Ministry of Health through all levels of the COVID pandemic.
Ensure all staff have access to required systems in the event they are not able to work in the office.	Completed.
Safety and Wellness management system and improvement plan is reviewed. Opportunities for improvement and corrective actions are prioritised and actioned.	Completed.
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 0.055% for the 6 month reporting period. (2021 HY: 0.007%)
Total Incident Rate (TIR) rate of less than 6 incidents per 200,000 hours worked.	The TIR is zero for the 6 month reporting period (2021 HY: 0).
Total Recordable Incidents (TRI) rate of less than 3.	The TRI rate is zero for the 6 month reporting period (2021 HY: 0).
Lost Time Incident rate of less than 2.	Lost Time Incident rate is zero for the 6 month reporting period (2021 HY: 0).
Lost Time Incident Frequency Rate (LTIFR) less than 17 per 1,000,000 hours worked.	The LTIFR is zero for the 6 month reporting period (2021 HY: 0).
Staff training is relevant, current and meets current legislative requirements.	All training is current and meets legislative requirements.
Audits completed as per programme and show no critical non-compliances. Opportunities for improvement and corrective actions are prioritised and completed.	Audits completed as per programme.
Facilities and infrastructure are maintained as fit for purpose and in accordance with the Asset Management Plan (AMP) entered into with Dunedin Stadium Property Limited (DSPL).	All facilities and infrastructure have been maintained in accordance with the asset management plan.
Reports on facility indicators and statistical data provided to the Board at each meeting.	Completed.
No material breaches of legislation.	There were no breaches of compliance or warranties during the reporting period.

Financial			
Achieve or exceed budget results.	Achievement against forecasted SOI results are as follows:		
		Actual \$,000	Target 30 June 2023 \$,000
	EBITDA		2,773
	Net Profit after Tax		184
	Cash Flow from Operations		2,149
	Capital Expenditure	These will be reported at year end	1,617
	Term Borrowings		-
	Shareholder Funds		1,603
	Shareholder Funds to Total Assets		0.08 : 1
	Dividend/Subvention Distribution		-
Achieve a 15:1 return on investment of the Event Attraction Fund.	A breakdown of the return on investment for the six months to 31 December 2022 are as follows:		
	Event	Return	
	All Blacks vs Ireland	23 : 1	
	Total	23 : 1	
Marketing and Business Objectives			
Achieve 80% retention rate of Commercial Partner renewals by contract value.	80% retention rate of Commercial Partner renewals to 31 December 2022 has not been achieved.		
Achieve 75% retention rate of Member renewals by contract value.	Of the membership contracts up for renewal, 85% re-signed during the reporting period (2021: 78%).		
Survey Members for satisfaction level – minimum 80% satisfaction to be achieved.	Membership survey scheduled to be sent out in Q4.		
Human Resources			
Performance reviews are conducted with all staff at least every six months, implement any training, improvements and recommendations as appropriate..	Six monthly staff performance reviews were completed during December 2022.		
Conduct a confidential staff annual engagement survey acting on outcomes as appropriate.	A confidential staff survey is scheduled to be completed in April 2023.		
Provide quarterly 'pop up' staff wellness sessions on various topics of interest.	Staff Welfare pop up sessions have been held in each quarter.		
DVML employees are paid at least the living wage.	All staff are paid the living wage, or more.		
Shareholder			
Matters which may or could cause 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 is applied efficiently and 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.	The Company reaches out to its community through various social media channels. The 2022 DCC Residents Opinion Survey is due to be released by Council in February 2023.						
Positive community feedback and increased satisfaction levels through the Residents Opinion Survey.	The 2022 DCC Residents Opinion Survey is due to be released by Council in February 2023.						
Senior management conduct a minimum of 5 speaking engagements.	Senior Management have participated in 2 speaking engagements to 31 December 2022.						
Economic Development Strategy Achieve a minimum of \$5m visitor marginal direct spend per each major event (>10,000 pax) for DVML and Dunedin City.	The visitor direct spend for major events for the six months to 31 December 2022 are as follows: <table><tr><th>Event</th><th>Visitor marginal direct expenditure (\$,000)</th></tr><tr><td>All Blacks vs Ireland</td><td>12,940</td></tr><tr><td>Total</td><td>12,940</td></tr></table>	Event	Visitor marginal direct expenditure (\$,000)	All Blacks vs Ireland	12,940	Total	12,940
Event	Visitor marginal direct expenditure (\$,000)						
All Blacks vs Ireland	12,940						
Total	12,940						
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 2022:						
60% of attendees of all major events (>10,000 pax) to come from outside of Dunedin City.	<table><tr><th>Event</th><th>Satisfaction</th><th>% Attend outside of Dunedin</th></tr><tr><td>All Blacks vs Ireland</td><td>77%</td><td>70%</td></tr></table>	Event	Satisfaction	% Attend outside of Dunedin	All Blacks vs Ireland	77%	70%
Event	Satisfaction	% Attend outside of Dunedin					
All Blacks vs Ireland	77%	70%					
In conjunction with the DCC, submit bids of a high quality that will drive economic benefit and civic pride for the city.	Bidding documentation and presentations for major events have been submitted to promoters and sporting bodies.						
Environment Strategy							
Implement DVML's carbon emissions strategy developed in the 2022 financial year and achieve our FY2023 targets.	Strategy has been implemented and targets on track to be completed by 30 June 2023.						
Implement DVML's waste reduction strategy developed in the 2022 financial year and achieve our FY2023 targets, which will include specific measures relating to the use of single use plastic cups.	Strategy has been implemented and targets on track to be completed by 30 June 2023.						
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.						
Asset refurbishments and replacement to consider the carbon impact of the lifecycle of the asset.	Completed.						