



ATTACHMENTS

**Ordinary Council meeting
Separate Attachments 2**

Tuesday, 29 October 2024

Table of Contents

11.8	Council-Controlled Organisations' Annual Reports 2023/24	
Attachment 1	Attachment 1 - BOPLASS Final Audited Annual Report 2023-24.....	4
Attachment 2	Attachment 2 - Bay Venues Final Audited Annual Report 2023-24	54
Attachment 3	Attachment 3 - Tauranga Art Gallery Trust - Draft Unaudited Annual Report 2023-24.....	103
Attachment 4	Attachment 4 - Tourism BOP - Draft Unaudited Annual Report 2023-24.	145
Attachment 5	Attachment 5 - Te Manawataki o Te Papa Limited - Draft Unaudited Annual Report 2023-24.....	177
Attachment 6	Attachment 6 - Te Manawataki o Te Papa Charitable Trust - Draft Unaudited Annual Report 2023-24.....	203



ANNUAL REPORT 2023-2024

For the year ended
30 June 2024



TABLE OF CONTENTS

PART ONE – OUR YEAR.....	3
BOPLASS Chair’s Report	4
Company Directory	6
Statement of Intent and Performance	7
PART TWO – ACCOUNTABILITY STATEMENTS.....	25
Statement of Responsibility	26
Audit Report.....	27
Financial Statements – Statement of Financial Position	30
Financial Statements – Statement of Financial Performance	31
Financial Statements – Statement of Cashflows	32
Entity Information for the Year Ended 30 June 2024	33
Statement of Accounting Policies	34
Notes to Financial Statements.....	38
Statutory Disclosures	50



PART ONE – OUR YEAR



BOPLASS Chair's Report

On behalf of our Directors, I am pleased to present the BOPLASS 2024 Annual Report to our Shareholders.

BOPLASS has completed an important project to assist with the reduction of retail crime and youth offending across the Bay of Plenty region. Working in conjunction with NZ Police this project was managed by BOPLASS to improve CCTV coverage and, in particular CCTV monitoring, to help reduce retail crime and create safer communities. The project attracted \$1M of co-funding from the Ministry of Social Development (MSD), allowing councils to further expand and improve their CCTV cameras and monitoring services. The improved technology, infrastructure, and connectivity will further assist with stopping or reducing crime, helping with identifying perpetrators, and ultimately making our communities safer. This has proven to be an excellent example of local and central government partnering to achieve valuable outcomes.

One of the larger projects currently being undertaken by BOPLASS is the development of a Waste Operator Licensing and Data System (WOLDS) as a shared service for all BOPLASS and Waikato councils. This has now generated strong interest from around the country, with a number of other councils and council groups requesting to participate in this service once it is established. Last year BOPLASS completed the successful appointment of an information management services provider. This was undertaken as a competitive joint procurement process. Aggregating the requirements across a large group of councils resulted in receiving very competitive pricing and this will provide a standard system across all councils, ensuring best practice and helping to reduce council resources required for the management of waste operators.

BOPLASS delivered three aerial imagery contracts across the region in 2023. Like most BOPLASS tenders, these are undertaken as collective tenders to leverage off the size of the greater group to deliver maximum benefits to the member councils. However, while the significant financial savings may be obvious, tendering as a collective also provides other benefits to the participating councils which are not always as apparent. For example, the BOPLASS aerial imagery collective tenders also provide sustainability benefits (less aircraft/less flying), produce a single aerial imagery database, provide centralised management of the tender and contract, support centralised quality control across the region, and facilitate sharing of the data with key NZ organisations delivering services to NZ communities, e.g., Land Information NZ. In many cases these additional benefits provided through BOPLASS are not measured, but they still represent savings and benefits to the member councils.

Securing full insurance cover for NZ councils was difficult in 2023/24 and remains challenging due to an unprecedented level of claims for both national and international natural disasters and catastrophes. Underwriters continue to be selective in the business they write, and they are reliant on up to date and accurate information from their clients to better understand their risks and their exposure. BOPLASS has consciously focused on proactively informing underwriters on how the BOPLASS councils actively manage their risks and their assets. The quality of this information has been reflected in the competitive pricing received, but more importantly, BOPLASS' direct engagement into the markets has meant that placements were able to be secured for all BOPLASS councils' insurance. We expect the insurance markets to remain challenging for local government. The board have promoted a strategic approach to insurance and BOPLASS is reviewing and investigating alternative risk transfer options.

We welcomed two directors to the governance table in 2023/24. Firstly, the Board welcomed Morgan Godfery from Kawerau District Council, replacing our long-serving director, Russell George. Morgan has a depth of experience in public policy, journalism and communications having worked across central government, trade union and education sectors.

More recently, the Board welcomed Andrew Moraes from Rotorua Lakes Council, replacing Geoff Williams as BOPLASS director. Andrew is a chartered engineer and a graduate of the INSEAD Global Executive MBA programme. His professional career includes extensive international experience in business, commercial development, and organisational leadership.

On behalf of the Board, I wish to acknowledge Directors Russell George and Geoff Williams' contribution to the company. We thank them for their assistance and particularly wish to note Russell George's support during his long tenure as BOPLASS director and his significant contribution as one of the company's founding directors.

During 2023/24 BOPLASS has continued to deliver significant value to the shareholding councils for a modest investment. We would like to thank the various individuals within all the councils who have supported and assisted with the achievements of the company.



Craig O'Connell
Chair



Company Directory

Nature of Business:	Shared Service Provider
Registered Office:	Regional House, 1 Elizabeth Street, Tauranga 3110
Telephone:	+64 7 577 7342
Email:	contact@boplass.govt.nz
Website:	https://www.boplass.govt.nz
Incorporation Number:	2074873
Incorporation Date:	14 January 2008
IRD Number:	98-965-361
Directors:	Craig O'Connell Fiona McTavish Julie Gardyne Andrew Moraes Martin Grenfell John Holyoake Nedine Thatcher-Swann Morgan Godfery Stephanie O'Sullivan Stace Lewer
Shareholders:	Bay of Plenty Regional Council Gisborne District Council Kawerau District Council Ōpōtiki District Council Rotorua Lakes Council Taupō District Council Tauranga City Council Western Bay of Plenty District Council Whakatāne District Council
Auditor:	BDO Tauranga
Bankers:	ANZ Bank
Solicitors:	Cooney Lees and Morgan

Statement of Intent and Performance

The company has complied with section 64 of the Local Government Act 2002 (LGA) and has had the Statement of Intent for 2024-2027 and associated budget formally adopted by the directors by resolution on 21 June 2024.

Performance Targets 2024-2027

To ensure the company continues to operate effectively in both governance and management terms over the next three years the targets are to:

Targets <u>2024-2027</u>	How	Measure
Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.	Manage and/or renegotiate existing contracts.	Contracts are reviewed annually to test for market competitiveness. New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.
Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.	Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration.	A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.
Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.	BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration.	Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.
Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater Local Government community to increase breadth of BOPLASS collaboration.	Increase usage of the Collaboration Portal by providing support and training material for new and existing users. Proactively market the benefits to councils.	Number of active users to increase by 5% per year.
Communicate with each shareholding council at appropriate levels.	Actively engage in obtaining political support for identified projects.	Information provided to elected members, and feedback sought, on BOPLASS projects, benefits to local communities, and value added to each council.
Ensure current funding model is appropriate.	Review BOPLASS expenditure and income and review council contributions and other sources of funding.	Performance against budgets reviewed quarterly. Company remains financially viable.

Statement of Intent and Performance continued

The following is a report of performance against targets set in the Statement of Intent for 2023/26.

Target <u>2023/24</u>	Result	Narration
<p>Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.</p> <p>Manage and/or renegotiate existing contracts.</p> <p>Contracts are reviewed annually to test for market competitiveness.</p> <p>New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.</p>	Achieved	<p>Contracts negotiated and/or renewed for:</p> <p><u>VertiGIS Studio</u> – Contracts for Geocortex Essentials and Analytics were renewed as the newly rebranded product VertiGIS Studio. BOPLASS councils continue to benefit from the renewed collective contract through reduced pricing and collective training.</p> <p><u>Aerial Imagery</u> – Two BOPLASS tenders were awarded to Aerial Surveys Ltd for rural orthophotography covering Taupō, Rotorua and Western Bay of Plenty regions, and urban imagery for the Gisborne region.</p> <p>The Tauranga City interim flying programme was awarded to Woolpert NZ Ltd, including specific requirements for the capture of high growth areas.</p> <p><u>Inter-Council Network (ICN)</u> – Following the expiry of the initial 24-month agreement for ICN services with Kordia, BOPLASS renegotiated the agreement for a further 12 months, achieving a reduction in cost of approximately 19% for these services. The Kordia service covers the primary connectivity to the ICN for councils. Councils are currently investigating using the ICN for CCTV services between councils as part of the BOPLASS CCTV project.</p> <p><u>Zoom Video Conferencing Services (VC)</u> – BOPLASS has managed a Zoom video conference service for councils for several years. This was renegotiated and renewed by BOPLASS this year on behalf of the councils. While Microsoft Teams appears to be becoming the primary VC platform for most councils' internal communications, many use Zoom for their councillors and governance teams.</p> <p><u>Health & Safety Management Software</u> – BOPLASS renegotiated the collective contract with Damstra (ex-Vault) as H&S management software provider for the BOPLASS and Waikato councils.</p> <p><u>GIS software and services</u> –</p> <ul style="list-style-type: none"> • NZ Archaeological Association • FME Software • ESRI Enterprise Licensing Agreement <p><i>Contracts renegotiated and renewed – no alternative suppliers.</i></p>

Target 2023/24	Result	Narration
		<p><u>My Everyday Wellbeing</u> – BOPLASS renewed the agreement for the staff online wellbeing platform. Discounted pricing is provided to BOPLASS as a single entity, allowing all participating councils to benefit from the associated savings. Increased participation from MW LASS, Co-Lab and BOPLASS councils has resulted in further financial savings for the collective.</p> <p><u>Media Copyright Agency (MCA)</u> – a collective contract providing savings for all BOPLASS councils has been renewed with MCA (originally PMCA) for councils' print and media copyright services. <i>Sole NZ provider of print and media copyright services.</i></p> <p><u>Cyber Insurance</u> – BOPLASS was able to facilitate the renewal of councils' cyber insurance policies on favourable terms with Berkshire Hathaway by working closely with councils to ensure all underwriter requirements were met and demonstrated through the collective approach. <i>Cyber cover is an annual agreement that requires going to market every year.</i></p> <p><u>n3</u> – Collective purchasing group membership negotiated by BOPLASS. Councils achieve significant savings on membership costs and trade pricing through the group scheme. Agreement renewed for another year at same discounted rates. <i>Sole NZ provider.</i></p> <p><u>Standards NZ</u> – BOPLASS has renewed the agreement with Standards NZ for discounted access to the full Standards catalogue at significantly reduced pricing for all BOPLASS councils. <i>No alternative provider in NZ.</i></p> <p><u>NAMS+ Subscription</u> – BOPLASS renewed the collective NAMS+ agreement with discounted rates for BOPLASS councils. <i>No alternative provider in NZ.</i></p> <p><u>IPWEA Membership</u> - The Institute of Public Works Engineering Australasia (IPWEA) agreement was renewed in 2023 to provide a single BOPLASS portal to allow all constituent councils to access the full IPWEA online catalogue at heavily reduced pricing. The standards are used by all councils for a variety of engineering purposes. The collective agreement provides for unrestricted access for all councils at a significantly lower cost than under individual arrangements. <i>No alternative provider in NZ.</i></p>

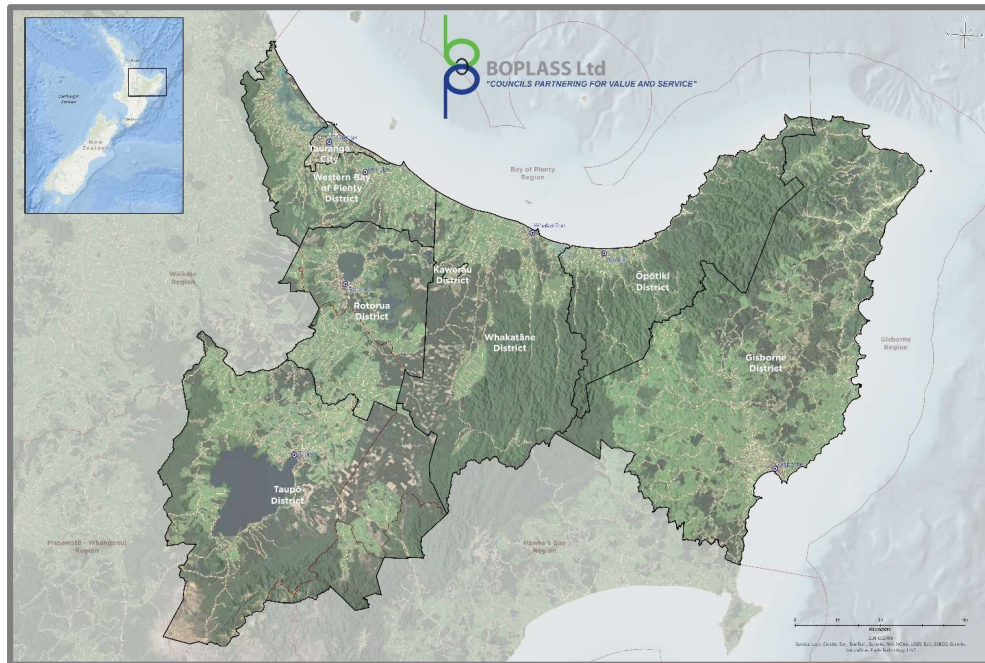
Target 2023/24	Result	Narration
		<p><u>GIS Training</u> – BOPLASS coordinated specialised GIS training across the BOPLASS councils. Substantial savings were achieved through the collective training while also helping to bring all councils up to similar skill levels.</p>
<p>Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.</p> <p>Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration.</p> <p>A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.</p>	Achieved	<p>The new procurement initiatives which have been investigated during the year are as follows:</p> <p><u>Internal Audits</u> – BOPLASS completed a review of councils' internal audit services requirements with the intention of undertaking a collective procurement process on behalf of BOPLASS councils. Through the procurement process, BOPLASS identified that the Ministry of Business Innovation and Employment (MBIE) has an All of Government (AoG) panel contract available to Local Authorities that covers most councils' requirements. BOPLASS recommended that councils give consideration to the AoG Consultancy Services contract for the provision of internal audit services. Given the variations of councils' internal audit requirements, the diversity of the AoG panel and the ease of take up of the contract was suitable for most councils' requirements.</p> <p><u>Schedule of Values (SOVs) – Data Enhancement</u> – BOPLASS has been investigating options for improving councils' SOVs. Accurate schedules are demanded by insurance underwriters and directly reflect on the premiums councils will be charged. They are also essential in avoiding potential exposure to shortfalls or losses at the time of an insurance claim. Working with our brokers, we have engaged Harmonic Analytics to develop a methodology to produce accurate SOVs. This project is being underwritten by Aon as a pilot for two councils. The project will save BOPLASS councils significant time, reduce costs, improve data quality, and reduce the likelihood of assets being missed off schedules.</p> <p><u>Above Ground Earthquake Loss Modelling</u> – The existing BOPLASS Material Damage placement does not have an overarching loss limit, making it less attractive to underwriters. BOPLASS engaged Aon to undertake a high-level loss modelling exercise to determine and set appropriate loss limits for the region and for BOPLASS councils.</p> <p><u>Business Continuity Planning</u> – BOPLASS councils are working together to further improve business interruption processes from a technology perspective. The catalyst for this work was the learnings from</p>

Target 2023/24	Result	Narration
		<p>Cyclone Gabrielle, with this invaluable information shared within the IT Managers Group to assist all councils. <i>Project still underway.</i></p> <p><u>Protected Disclosures</u> – With many councils reviewing their Protected Disclosures policies and processes, BOPLASS is coordinating a workgroup to share information and help develop best practice. <i>Project still underway.</i></p> <p><u>GIS Technical Advisory Group (GIS TAG)</u> – GIS team leaders recognised the benefit in GIS technical staff establishing a forum to develop opportunities and share learnings at a practitioner level. In addition to sharing expertise and learnings, the technical group have investigated the development of further system commonality across councils. While common platforms support improved sharing opportunities and joint procurement of software, they also help enable councils to provide GIS support to each other in civil defence events.</p> <p><u>CCTV monitoring</u> – BOPLASS secured \$1M co-funding from the Ministry of Social Development (MSD) to undertake crime prevention initiatives and programmes within the Bay of Plenty. BOPLASS councils identified the installation of CCTV cameras and monitoring services as a key initiative to help reduce retail crime and create safer communities. This project has been completed in conjunction with NZ Police, with improved CCTV cameras and monitoring achieved for all Bay of Plenty councils.</p> <p><u>Waste Operator and Licensing Data System – Information Management System</u> – BOPLASS facilitated an extensive tender for an Information Management System (IMS), with Water Outlook appointed as the provider for the delivery of the IMS. Water Outlook provide existing water services to many BOPLASS and Waikato councils and their proposal allows for an extension of the existing software into waste services requirements.</p> <p>The single shared service provides standardisation across all regions, improved waste data, and savings through a centralised service.</p> <p>The project covers all BOPLASS and Co-Lab councils. However, strong interest has been expressed from councils outside the LASS councils with further growth expected with the established service.</p>

Target 2023/24	Result	Narration
		<p><u>Waste Operator and Licensing Data System (WOLDS) – Administration Service</u> – BOPLASS is investigating options for the delivery of the Administration Service. The Administration Service will streamline and centralise waste operators, and significantly reduce much of the workload for councils, while ensuring councils still retain control over the service. <i>Project is currently underway.</i></p> <p><u>Infrastructure Insurance</u> – Placements for BOPLASS councils' infrastructure insurance are only provided on a 12-month term and all placements need to be procured annually. This involves identifying and negotiating with alternative markets every year and often undertaking placements through new or different insurers. Negotiations for councils' infrastructure insurance were undertaken in late 2023 through direct engagement with the international markets and Lloyds syndicates. The size of the collective BOPLASS account allows us to undertake this direct engagement. Given the continued global increase in natural disaster events, underwriters remain very risk adverse and demanding in the level of data and information they require. Through providing up to date and accurate information, and being able to leverage off our established relationships, very good outcomes were achieved for all BOPLASS councils, in both insurance rates and the level of cover achieved. Insurers continue to demonstrate support for the BOPLASS programme; however, councils are encouraged to continue reviewing alternative risk transfer options.</p> <p><u>Media Monitoring Services</u> – BOPLASS facilitated a secondary procurement process for media monitoring services and social listening services. Fuseworks were awarded the contract and appointed as Preferred Supplier to BOPLASS councils. The collective contract provides significant savings and a range of new services for all participants. Social listening services require specific tools for identifying and analysing online conversations to help better understand sentiments within council communities.</p>
Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.	Achieved	<p>BOPLASS continues to work closely with MW LASS and Co-Lab with the LASS leads engaging regularly and formally meeting on a quarterly basis.</p> <p>Shared services projects being undertaken by other LASS have been offered to BOPLASS councils, with the board making a decision to utilise these opportunities</p>

Target <u>2023/24</u>	Result	Narration
<p>BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration.</p> <p>Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.</p>		<p>to avoid any duplication of services where we can work with other LASS.</p> <p>Some of the shared service projects offered to BOPLASS councils include:</p> <ul style="list-style-type: none"> • Debt Management • Archives • Building Consent services • Health and Safety training <p>BOPLASS is leading or managing, on behalf of other LASS:</p> <ul style="list-style-type: none"> • Waste Operator and Licensing Data System • H&S management system • Staff wellbeing portal • Regional contractor database • Rates collections • Inter-council secondments • Insurance Markets Joint Communications • Occupational Health Services <p><u>Managing Conflict & Aggression</u> – Addressing aggressive behaviour continues to be a challenge for councils and for the BOPLASS Health & Safety Advisory Group. Working in collaboration with Waikato councils and other Council-Controlled Organisations (CCOs) has allowed the group to share resources between regions ensuring best practice is shared and developed to the benefit of all parties.</p> <p><u>Motor vehicle monitoring</u> – MW LASS identified four vehicle monitoring providers used across their LASS and extended an invitation for BOPLASS and Waikato councils to participate in presentations from these organisations.</p> <p><u>LGOIMA requests</u> – BOPLASS councils have collaborated to draft appropriate responses to LGOIMA requests to reduce duplication of effort and ensure best practice is established and shared. This project is to be extended across the other two LASS and possibly more widely within local government.</p> <p><u>Health & Safety training</u> – BOPLASS and Co-Lab have established aligned contracts with H&S trainers. To provide improved market leverage and ensure the best value is delivered to all councils, it was agreed to tender for service as a collective covering all BOPLASS and Co-Lab councils.</p> <p><u>Insurance Forum</u> – BOPLASS hosted and coordinated an insurance forum to cover key insurance topics in local government. The forum was well attended by councils from throughout the upper and central North Island.</p>

Target 2023/24	Result	Narration
		<u>Engagement with other LG collaborative groups</u> – BOPLASS continues to offer support to other local government collaborative groups looking to leverage benefits from working collectively.
<p>Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater Local Government community to increase breadth of BOPLASS collaboration.</p> <p>Increase usage of the Collaboration Portal by providing support and training material for new and existing users.</p> <p>Proactively market the benefits to councils.</p> <p>Number of active users to increase by 5% per year.</p>	Achieved	<p>Collaborative projects continue to be added to the MahiTahi LG Collaboration Portal, along with several specific Teams or Channels established for confidential projects being run outside of the main Portal.</p> <p>Continued promotion of the MahiTahi LG Collaboration Portal has seen a 5% increase in registered users with numbers increasing from 485 to 507.</p> <p>On-boarding and training material has been developed for creating a smooth transition for any new members.</p> <p>The Te Uru Kahika hub (regional and unitary councils) has continued to grow and is hosted within the same environment as the MahiTahi Collaboration Portal.</p> <p>There are now over 2,800 users within the wider portal.</p>
<p>Communicate with each shareholding council at appropriate levels.</p> <p>Meeting with members of Executive Leadership Team.</p> <p>At least one meeting per year.</p>	Achieved	<p>BOPLASS continues to regularly engage with our constituent councils, senior management, and shareholders to ensure opportunities continue to be developed to the benefit of all stakeholders.</p> <p>In addition, BOPLASS chairs and coordinates meetings and activities for specific council advisory groups that manage or lead new collaborative initiatives. These groups generally comprise of managers from each council.</p>
<p>Ensure current funding model is appropriate.</p> <p>Review BOPLASS expenditure and income and review council contributions and other sources of funding.</p> <p>Performance against budgets reviewed quarterly. Company remains financially viable.</p>	Achieved	<p>The sources of BOPLASS funding and the viability of the funding model are regularly reviewed with financial reporting provided to the BOPLASS Board.</p> <p>Council contributions were levied with annual council contributions now CPI adjusted.</p> <p>Contributions were received from activities producing savings.</p> <p>An annual contribution from Co-Lab, MW LASS, Regional Software Holdings (RSHL) and BOPLASS councils is received for membership of the MahiTahi Local Government Collaboration Portal.</p> <p>Monthly and quarterly performance reviewed.</p> <p>Financial statements and budget variances reported and reviewed at Board meetings.</p> <p>Financial position year end 30 June 2024: (\$1,323) deficit.</p>



Building Blocks

BOPASS Ltd has been built on a number of principles and activities and these are the building blocks of our success.

You will find examples in text boxes scattered through the document.



Statement of Intent and Performance continued

The following is a report of performance against targets set in the Statement of Intent for 2022/23 and is provided for comparative purposes.

Target 2022/23	Result	Narration
<p>Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.</p> <p>Manage and/or renegotiate existing contracts.</p> <p>Contracts are reviewed annually to test for market competitiveness.</p> <p>New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.</p>	Achieved	<p>Contracts negotiated and/or renewed for:</p> <p><u>Cyber Insurance</u> – BOPLASS was able to again maintain councils' cyber insurance policies with Berkshire Hathaway by working closely with councils to ensure all underwriter requirements were met and demonstrated. Through the collective approach, BOPLASS was able to secure the renewal on favourable terms and with an increased policy limit across the collective group. <i>Cyber cover is an annual agreement that requires going to market every year.</i></p> <p><u>GIS software and services</u> – Geocortex Essentials Geocortex Analytics NZ Archaeological Association <i>Contracts renegotiated and renewed – no alternative suppliers.</i></p> <p><u>FME software</u> – significant price increase negated by negotiating two-year extension of current agreement under the same terms and pricing. <i>Sole NZ provider</i></p> <p><u>X-Tools</u> - With the agreement of councils' GIS managers, a decision was made to discontinue the XTools maintenance licence as it was purchased from Russia. This supported the NZ Government's position on trade sanctions and the absence of this software did not have an undue impact on council operations.</p> <p><u>LiDAR Capture</u> – the capture of LiDAR data was completed this year across the BOP region ahead of schedule. The early provision of this updated data helps councils with catchment mapping, understanding and preparing for natural hazards, and better planning for climate change.</p> <p><u>My Everyday Wellbeing</u> – BOPLASS renewed the annual subscription for the staff online wellbeing platform with the supplier continuing to provide pricing for all participating councils as a single entity. Increased participation from MW LASS, Co-Lab and BOPLASS councils resulted in further financial savings for the collective.</p>

Target 2022/23	Result	Narration
		<p><u>Print Media Copyright Agency (PMCA)</u> – a collective contract providing savings for all BOPLASS councils has been renewed with PMCA for councils' print and media copyright services. <i>Sole NZ provider of print and media copyright services.</i></p> <p><u>ESRI Enterprise Licensing Agreement</u> – Core GIS software used in all BOPLASS councils. BOPLASS Enterprise Agreement renegotiated and renewed for a further 3-year term with no increases. Retained the same structure, with all councils continuing to participate under a collective MOU. <i>No alternative provider in NZ.</i></p> <p><u>n3 (previously known as GSB)</u> – Collective purchasing group membership negotiated by BOPLASS. Councils achieving significant savings on membership costs and trade pricing through the group scheme. Agreement renewed for another year at same rates. <i>Sole NZ provider.</i></p> <p><u>Media Monitoring Services</u> – BOPLASS continues to manage a collective media monitoring service with Isentia that provides automatic monitoring and reporting of broadcast, print and social media based upon council requirements. The single BOPLASS portal provides substantial savings to councils while also providing a significant reduction in internal resource requirements. This service has proven to be invaluable for councils during the pandemic and weather events. <i>Service to be put to tender in 2023-24.</i></p> <p><u>Inter-Council Network (ICN)</u> – Review, redesign and renegotiation of suppliers and services – the ICN is a shared service high-capacity fibre network connecting the majority of BOPLASS councils. A review of ICN contracts was undertaken in 2021 to deliver further cost reductions. Since then, further reviews have been conducted with some service costs reduced. This was balanced out by additional services as requested from councils.</p> <p><u>Zoom Video Conferencing Services</u> – Zoom video conference services continue to provide BOPLASS councils with a centralised account management and shared infrastructure. The collective contract was renewed through BOPLASS. <i>VC infrastructure upgrades underway.</i></p> <p><u>Standards NZ</u> – BOPLASS has renewed the agreement with Standards NZ for discounted access to the full</p>

Target 2022/23	Result	Narration
		<p>Standards catalogue at significantly reduced pricing for all BOPLASS councils. <i>No alternative provider in NZ.</i></p> <p><u>Antenno</u> – this LG community engagement tool is used by the majority of BOPLASS councils. Uptake in the Waikato and MW LASS regions has recently increased. By working in conjunction with the other two LASS a discounted fee was negotiated for any further LASS councils wishing to take up the service.</p> <p><u>Health & Safety Management Software</u> – BOPLASS has negotiated with the collective H&SMS provider on behalf of BOPLASS and Waikato councils for an improvement to reporting systems and an alternative fee structure.</p> <p><u>IPWEA Membership</u> - The Institute of Public Works Engineering Australasia (IPWEA) agreement was renewed in 2022 to provide a single BOPLASS portal to allow all constituent councils to access the full IPWEA online catalogue at heavily reduced pricing. The standards are used by all councils for a variety of engineering purposes. The collective agreement provides for unrestricted access for all councils at a significantly lower cost than under individual arrangements. <i>No alternative provider in NZ.</i></p> <p><u>Aerial Imagery</u> – BOPLASS coordinates a regional imagery programme across the region. Two new tenders were run for orthophotography services this year with contracts awarded to AAM NZ for the eastern BOP region and a TCC interim flying programme, including specific requirements for the capture of high growth areas.</p> <p>As part of the BOPLASS regional imagery programme, two tenders were run for orthophotography services this year. Both contracts were awarded to AAM NZ for the BOP region and TCC interim flying programme. The flying and imagery included specific requirements for the capture of 8-Pulse LiDAR and additional tiles for Maketu and Putuaki.</p> <p><u>GIS Training</u> – BOPLASS coordinated specialised GIS ArcPro training across the BOPLASS councils. Substantial savings were achieved through the collective training while also helping to bring all councils up to similar skill levels.</p>
Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.	Achieved	The new procurement initiatives which have been investigated during the year are as follows:

Target 2022/23	Result	Narration
<p>Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration.</p> <p>A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.</p>		<p><u>MFDs (Photocopiers/Printers)</u> – Joint procurement for a multi-function device provider resulted in Canon NZ being appointed as preferred provider to the BOPLASS councils. The outcome through the group approach included very competitive pricing, with further savings achieved through bundled services and shared software solutions across the councils. The procurement process maintained a strong focus on achieving broader outcomes, with Canon demonstrating support for local businesses and communities, working with Māori/Pasifika communities through Ākina and Amotai, and practicing sustainable and environmental processes.</p> <p><u>Oblique Aerial Imagery</u> – BOPLASS investigated collaborative opportunities for the capture of Oblique Aerial Imagery for the BOPLASS councils. The imagery provides a more effective visual experience than traditional vertical imagery and is particularly useful for discerning features in the landscape. Delivered through a tailored online viewer and using a subscription-based model through BOPLASS negates the need for councils to store and manage the data. <i>One council has trialled the solution and negotiations with the provider are underway for group pricing.</i></p> <p><u>Infrastructure Insurance</u> – the international placements for BOPLASS councils' infrastructure insurance are only provided on a 12-month term and all placements need to be procured annually. This involves identifying and negotiating with alternative markets every year and often undertaking placements through new or different insurers. Negotiations for councils' infrastructure insurance were undertaken in late 2022 through direct engagement with the London markets and Lloyds syndicates. The size of the collective BOPLASS account allows us to undertake this direct engagement. Despite the restricted capacity and the underwriters become more risk adverse, very good outcomes were achieved for all councils, in both insurance rates and the level of cover achieved. Insurance markets remain cautious about the risk they are prepared to write but have demonstrated confidence in the BOPLASS programme due to the quality of information provided and our historical relationship.</p> <p><u>NAMS+</u> Subscription – BOPLASS negotiated discounted rates for NAMS+ subscription used by council asset managers.</p>

Target 2022/23	Result	Narration
		<p><u>Social Listening Services</u> – Although BOPLASS manages a media monitoring contract on behalf of the councils, the growth in social media (and decline in traditional media) requires specific tools for identifying and analysing online conversations about councils' brand, to help better understand our communities and their feedback through these channels. <i>A collective procurement process has been initiated.</i></p> <p><u>Crime Prevention Co-funding</u> – BOPLASS successfully secured co-funding from the Ministry of Social Development (MSD) to undertake crime prevention initiatives and programmes within the Bay of Plenty. BOPLASS councils identified the key areas as installation of CCTV equipment and monitoring services; and Crime Prevention through Environmental Design (CPTED) projects. <i>\$1M co-funding has been received and the below projects initiated.</i></p> <p><u>CCTV Monitoring</u> – BOPLASS has worked with councils to identify opportunities for improved CCTV coverage and to collaborate with CCTV monitoring. Joint procurement of systems and technologies are being undertaken as well as shared project management resource. <i>Project is still underway.</i></p> <p><u>Crime Prevention through Environmental Design (CPTED)</u> – To support further crime reduction initiatives, BOPLASS is working with councils on the effective use of the environmental design to reduce criminal opportunity, with designs also fostering positive social interaction within community spaces. <i>Project is still underway.</i></p> <p><u>24/7 Emergency Communications</u> – The BOPLASS IT Managers group have reviewed the harsh lessons learned about telecommunication interruptions in the aftermath of Cyclone Gabrielle. They have undertaken a project to identify improved technologies for councils' usage that are not reliant on traditional methods of delivery. Starlink has been identified as a reliable solution during severe weather events and investigations are underway to determine the opportunities for councils to share membership and/or hardware or leverage improved pricing through collective procurement. <i>Project is still underway.</i></p> <p><u>New service for ICN</u> – Following a redesign of some aspects of the Inter-Council Network (ICN) new links</p>

Target 2022/23	Result	Narration
		<p>were required. BOPLASS engaged with suitable vendors and Spark were appointed to provision this service. Discounted rates were achieved on behalf of the councils. Procurement was undertaken for the addition of a service in Whakatāne for a new council site and reinstatement of a service to provide backup/redundant services for councils between Whakatāne and Tauranga.</p> <p><u>Electronic Signing</u> – BOPLASS has led a project undertaking investigation into a shared agreement for DocuSign for councils. <i>Project is still underway.</i></p> <p><u>Waste Operator and Licensing Data System (WOLDS)</u> – The second phase of this project has been initiated with procurement underway for a WOLDS service provider including the provision of an Information Management System. This BOPLASS led project covers all BOPLASS and Co-Lab councils, with a number of other councils expressing interest in participating once the service is established. A single shared service provides the opportunity for standardisation across all regions, improved waste data, and savings through a centralised service. <i>Project is still underway.</i></p>
<p>Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.</p> <p>BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration.</p> <p>Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.</p>	Achieved	<p>BOPLASS continues to work closely with MW LASS and Co-Lab with the LASS leads engaging regularly and formally meeting on a quarterly basis.</p> <p>Shared services projects being undertaken by other LASS have been offered to BOPLASS councils, with the board making a decision utilise these opportunities to avoid any duplication of services where we can work with other LASS.</p> <p>Some of the shared service projects offered to BOPLASS councils include:</p> <ul style="list-style-type: none"> • Debt Management Central • Archives Central • Building Consent services <p>BOPLASS is leading or managing, on behalf of other LASS:</p> <ul style="list-style-type: none"> • Waste Operator and Licensing Data System • Postal services • Courier services • H&S management system • Staff wellbeing portal • Regional contractor database • Occupational Health Services

Target <u>2022/23</u>	Result	Narration
		<p><u>Broader Outcomes in Procurement</u> – The BOPLASS Procurement Group have identified the need to develop a framework around broader outcomes in procurement. To assist this process, BOPLASS are also working closely with Co-Lab and MW LASS for extended understanding, sharing of best practice, and to explore the opportunity for establishing a standard framework across the three regions.</p> <p>In conjunction with this shared work, MWLASS are leading a specific project on social procurement and sharing the outputs with the other two LASS.</p> <p><u>Managing Conflict & Aggressive Behaviour</u> – The BOPLASS Health & Safety Advisory Group identified an increase in aggressive behaviour across all BOPLASS councils. Working in collaboration with Waikato councils allowed the group to share resources between regions ensuring best practice was shared and to reduce the duplication of effort to the benefit of all parties.</p> <p><u>Health & Safety training</u> – BOPLASS and Co-Lab have established aligned contracts with H&S trainers. To provide improved market leverage and ensure the best value is delivered to all councils, it was agreed to tender for service as a collective covering all BOPLASS and Co-Lab councils. This project is being led by Co-Lab on behalf of both LASS.</p> <p><u>SHE Prequalification</u> – Co-Lab have funded full access to the SHE prequalification database and extended this access to cover BOPLASS councils opting into the scheme.</p> <p><u>Insurance Markets Joint Communications</u> – To ensure an aligned approach to insurance renewals, and leverage maximum benefits from an aggregated approach, LASS leads collaborated to develop joint underwriter communications that emphasised the geographical spread of assets and the diversity of risk across the greater region. The communications also highlighted risk management and resiliency work undertaken by LASS councils that had proved to perform well through recent events. Continued collective messaging and leveraging of our underwriter relationships remains critical to reinstalling confidence within the markets we engage with.</p> <p><u>Insurance Forum</u> – BOPLASS hosted and coordinated an insurance forum to cover key insurance topics in local government. The forum was well attended by</p>

Target 2022/23	Result	Narration
		<p>councils from throughout the upper and central North Island.</p> <p><u>Engagement with other LG collaborative groups:</u> Taranaki councils have formed an informal corporate services group to collaborate and share information across the district. BOPLASS and Co-Lab presented to the group on how our formal arrangements work and the benefits achieved, both within the LASSes and inter-regionally. An offer has been made to include Taranaki councils in any BOPLASS contracts that will be beneficial to all parties.</p> <p>A similar presentation and offer was provided to the Canterbury Mayoral Forum (10 TAs and the regional council), with the group expressing strong interest in utilising the MahiTahi Portal and widening their collaboration</p>
<p>Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater Local Government community to increase breadth of BOPLASS collaboration.</p> <p>Increase usage of the Collaboration Portal by providing support and training material for new and existing users.</p> <p>Proactively market the benefits to councils.</p> <p>Number of listed projects to increase by 5% per year.</p> <p>Number of active users to increase by 5% per year.</p>	Achieved	<p>Projects continue to be added to the MahiTahi LG Collaboration Portal, increasing 5% from 88 to 93 this year. Over time, usage of the dedicated project area has declined, with project activity increasing but now being mainly run from within specific Teams or Channels within the Portal. Given this change in usage, and the difficulty of monitoring individual Channels, this target has been removed for future years.</p> <p>Continued promotion of the MahiTahi LG Collaboration Portal has seen a 13% increase in registered users with numbers increasing from 429 to 485.</p> <p>On-boarding and training material has been helpful in creating a smooth transition for any new members.</p> <p>The Regional Software Holdings Limited migration has resulted in exponential growth, with the Te Uru Kahika hub (regional and unitary councils) now hosted within the same environment as the MahiTahi Collaboration Portal. Both the MahiTahi LG Collaboration Portal and Te Uru Kahika sit side-by-side, with regional council users able to interact on both platforms.</p> <p>A Teams environment was developed for Entity B of the Affordable Water Reform in order to provide a secure workspace and assist the group with communications and collaboration. The development of this Team was conducted in conjunction with the Entity B stakeholders and a third-party Teams developer.</p>
Communicate with each shareholding council at appropriate levels.	Achieved	BOPLASS continues to regularly engage with our constituent councils, senior management, and shareholders to ensure opportunities continue to be developed to the benefit of all stakeholders.

Target 2022/23	Result	Narration
Meeting with each Executive Leadership Team. At least one meeting per year.		Engagement with individual ELT members was regularly undertaken but formal meetings with all executive teams was unable to be completed with all councils this year.
Ensure current funding model is appropriate. Review BOPLASS expenditure and income and review council contributions and other sources of funding. Performance against budgets reviewed quarterly. Company remains financially viable.	Achieved	<p>The sources of BOPLASS funding and the viability of the funding model are regularly reviewed with financial reporting provided to the BOPLASS Board.</p> <p>Council contributions were levied with annual council contributions now CPI adjusted.</p> <p>Contributions were received from activities producing savings.</p> <p>Vendor rebates collected.</p> <p>An annual contribution from Co-Lab, MW LASS, Regional Software Holdings (RSHL) and BOPLASS councils is received for membership of the MahiTahi Local Government Collaboration Portal.</p> <p>Monthly and quarterly performance reviewed.</p> <p>Financial statements and budget variances reported and reviewed at Board meetings.</p> <p>Financial position year end 30 June 2023: \$6,244 surplus.</p>

MahiTahi Local Government Collaboration Portal



A portal for registration of council projects, collaboration opportunities and identification of potential project partners. Also includes collaboration areas for staff to engage with their peers within other councils.



PART TWO – ACCOUNTABILITY STATEMENTS



Statement of Responsibility


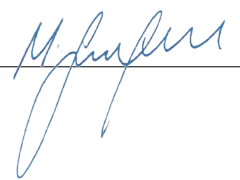
The following pages 27-50 outline the financial statements and notes for year ended 30 June 2024 for BOPLASS Limited.

The directors believe that proper accounting records have been kept that enable, with reasonable accuracy, the determination of the financial position of the company and facilitate compliance of the financial statements with the Financial Reporting Act 1993.

The directors consider that they have taken adequate steps to safeguard the assets of the company, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements.

The directors are pleased to present the financial statements of BOPLASS Ltd for the twelve months ended 30 June 2024.

For and on behalf of the Board of Directors:

Signed:		Craig O'Connell – Chair	Date:	26 September 2024
Signed:		Marty Grenfell – Director	Date:	26 September 2024



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New Zealand

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF BOP LASS LIMITED'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

The Auditor-General is the auditor of BOP LASS Limited (the company). The Auditor-General has appointed me, Donna Taylor, using the staff and resources of BDO Tauranga, to carry out the audit of the financial statements of the company on his behalf.

Opinion

We have audited the financial statements of the company on pages 30 to 49, that comprise the statement of financial position as at 30 June 2024, the statement of financial performance and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

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 Public Benefit Entity Simple Format Reporting – Accrual (Public Sector); and
- the performance information of the company on pages 7 to 24 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, 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.

PARTNERS: Fraser Lellman CA Janine Hellyer CA Paul Manning CA Donna Taylor CA Linda Finlay CA Michael Lim CA

BDO New Zealand Ltd, a New Zealand limited company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO New Zealand is a national association of independent member firms which operate as separate legal entities.

Responsibilities of the Board of Directors for the financial statements

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 responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Companies Act 1993.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, 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 shareholders taken on the basis of these financial statements.

For the budget information reported in the financial statements, 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.

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 risk of material misstatement of the financial statements, 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 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, 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, including the disclosures, and whether the financial statements 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 6, 25 to 26 and 50 but does not include the financial statements, statement of intent and performance and our auditor's report thereon.

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

Independence

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

Other than in our capacity as the auditor, we have no relationship with, or interests in, the company.




Donna Taylor
BDO Tauranga
On behalf of the Auditor-General
Tauranga, New Zealand

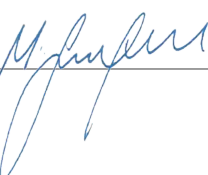
Financial Statements – Statement of Financial Position

STATEMENT OF FINANCIAL POSITION - AS AT 30 JUNE 2024			
BOP LASS LTD	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
ASSETS - CURRENT			
Bank accounts and cash	10	853,691	445,751
Short Term Investments	10	0	250,000
Debtors and Other Receivables	11	624,266	1,813,692
Prepayments	12	112,812	171,055
Total Current Assets		1,590,769	2,680,500
ASSETS - NON-CURRENT			
Intangible Assets	13	5,365	7,055
Plant and Equipment	14	12,560	16,855
Total Non-Current Assets		17,925	23,910
TOTAL ASSETS		1,608,694	2,704,410
LIABILITIES - CURRENT			
Creditors and Accrued Expenses	15	223,843	459,207
Employee Costs Payable	16	45,683	40,554
Income in Advance	17	1,311,972	2,176,128
Borrowings	18	0	0
Total Current Liabilities		1,581,498	2,675,889
TOTAL LIABILITIES		1,581,498	2,675,889
TOTAL ASSETS less TOTAL LIABILITIES		27,197	28,520
EQUITY			
Accumulated Deficits	19	(71,804)	(70,482)
Share Capital	19	99,002	99,002
TOTAL EQUITY		27,197	28,520

The notes and Statement of Accounting Policies form part of these financial statements.

For and on behalf of the Board of Directors:

Signed:  Craig O'Connell – Chair Date: 26 September 2024

Signed:  Marty Grenfell – Director Date: 26 September 2024

Financial Statements – Statement of Financial Performance

STATEMENT OF FINANCIAL PERFORMANCE - FOR THE YEAR ENDED 30 JUNE 2024				
BOP LASS LTD	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
REVENUE				
Council Contribution	2	348,219	321,637	328,507
Project Revenue	2	2,053,866	1,210,000	1,583,738
Interest Revenue	3	56,149	9,200	14,936
Other Income	2.5	2,670	0	0
Total Revenue		2,460,904	1,540,837	1,927,181
EXPENSES				
Depreciation and Amortisation	4	5,984	7,000	8,191
Employee Related Costs	5	334,694	291,803	319,349
Directors Costs	6	19,314	23,000	19,393
Finance Cost	7	0	0	0
Other Expenses	8	2,102,234	1,219,034	1,603,799
Total Expenses		2,462,226	1,540,837	1,950,730
Surplus/(Deficit) before tax		(1,323)		(23,549)
Income Tax Expense/(Benefit)	9	0	0	0
Surplus/(Deficit) after tax		(1,323)	0	(23,549)

The notes and Statement of Accounting Policies form part of these financial statements.
 Explanations of major variances against budget are provided in note 25.

Media Monitoring

A shared media monitoring portal provides councils with improved visibility of community feedback through monitoring of press and social media.



Financial Statements – Statement of Cashflows

STATEMENT OF CASHFLOWS - FOR THE YEAR ENDED 30 JUNE 2024			
BOP LASS LTD	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
CASHFLOWS FROM OPERATING ACTIVITIES			
Council Contribution		348,219	328,507
Other Revenue		2,670	0
Project Revenue		2,500,185	1,221,724
Interest Revenue		20,589	14,936
Tax Paid - RWT (net)			0
Goods and Services Tax (net)			0
Total Cash Provided		2,871,663	1,565,167
Employee Related Costs		(329,599)	(301,800)
Payments to Suppliers		(2,104,470)	(1,694,384)
Interest Paid		0	0
Tax Paid - RWT (net)		(13,142)	(3,837)
Goods and Services Tax (net)		(266,544)	210,022
Total Cash Applied		(2,713,722)	(1,789,999)
NET CASHFLOWS FROM OPERATING ACTIVITIES		157,941	(224,835)
CASHFLOWS FROM INVESTING ACTIVITIES			
Acquisition of Investments		250,000	300,000
Purchase of Plant and Equipment			0
Purchase of Intangibles			0
Total Investing Cash Applied		250,000	300,000
NET CASHFLOWS FROM INVESTING ACTIVITIES		250,000	300,000
CASHFLOWS FROM FINANCING ACTIVITIES			
Proceeds from Loans			0
Repayment of Loans			0
NET CASHFLOWS FROM FINANCING ACTIVITIES			0
NET INCREASE/(DECREASE) IN CASH		407,940	75,165
CASH AT BEGINNING OF THE YEAR		445,751	370,586
CASH AT END OF THE YEAR	10	853,691	445,751

The GST component of operating activities reflects the net GST paid and received to and from the Inland Revenue Department. The GST component has been prepared on a net basis, as the gross amounts do not provide meaningful information for financial purposes.

The notes and Statement of Accounting Policies form part of these financial statements.

Entity Information for the Year Ended 30 June 2024**LEGAL NAME**

BOPLASS Limited stands for Bay of Plenty Local Authority Shared Services.

TYPE OF ENTITY AND LEGAL BASIS

BOPLASS Limited is incorporated in New Zealand under the Companies Act 1993.

COMPANY'S PURPOSE

BOPLASS Ltd is based in Tauranga and is a joint venture between nine councils formed to provide shared services.

STRUCTURE OF COMPANY'S OPERATIONS INCLUDING GOVERNANCE ARRANGEMENTS

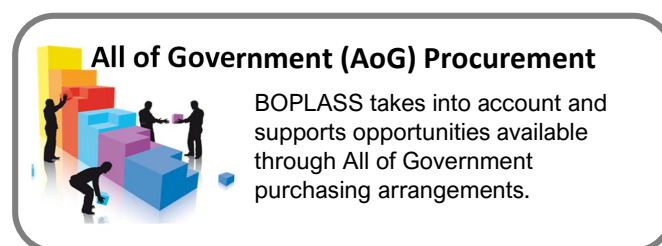
The company is owned and controlled by the nine councils and comprises a Board of ten directors who oversee the governance of the company. A Chief Executive is responsible for the day-to-day operations of the company and reports to the Board, with two other staff supporting the Chief Executive in delivering against the company's objectives. The Board is made up of nine Chief Executives from participating councils and one independent director. Refer Statutory Disclosure note page 50 for list of councils.

MAIN SOURCE OF THE COMPANY'S CASH AND RESOURCES

Annual operating contribution received from each of the nine councils and project commissions are the main source of funding.

OUTPUTS

As per the Statement of Intent and Performance.



Statement of Accounting Policies**Statement of Accounting Policies for the Year Ended 30 June 2024****ACCOUNTING POLICIES APPLIED:*****BASIS OF PREPARATION***

The Board has elected to apply PBE SFR-A (PS) *Public Benefit Entity Simple Format Reporting – Accrual (Public Sector)* on the basis that the company does not have public accountability (as defined) and has total annual expenses less than \$5 million.

All transactions in the financial statements are reported using the accrual basis of accounting. The financial statements are presented in New Zealand dollars (\$) and all values are rounded to the nearest dollar. The functional currency of BOPLASS Ltd is New Zealand dollars.

The financial statements are prepared on the assumption that the company will continue to operate in the foreseeable future.

SIGNIFICANT ACCOUNTING POLICIES

There have been no changes to accounting policies during the reporting period.

GOODS AND SERVICES TAX

The company is registered for GST. All amounts in the financial Statements are recorded exclusive of GST, except for debtors and creditors which are stated inclusive of GST.

REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable.

Contributions received from the nine shareholder councils are BOPLASS Limited's primary source of funding for the 12 months ended 30 June 2024.

Council contributions are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions of the contributions are not met. No such obligation is attached to the council contributions received for the twelve months ended 30 June 2024.

Project revenue is recognised when the sale of goods or services is sold to the customer.

Interest revenue is recorded as it is earned during the year.

EMPLOYEE RELATED COSTS

Wages, salaries, and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries and leave entitlements.

Performance payments are recorded when the employee is notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

ADMINISTRATION, OVERHEADS AND PROJECT EXPENDITURE COSTS

These are expensed when the related service has been received.

LEASE EXPENSES

Lease payments are recognised as an expense on a straight-line basis over the lease term.

BANK ACCOUNTS AND CASH

Bank accounts and cash comprise cash on hand, cheque or savings accounts, and deposits held at call with banks.

DEBTORS AND OTHER RECEIVABLES

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

PLANT AND EQUIPMENT

Plant and equipment is recorded at cost, less accumulated depreciation and impairment losses.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount. For an asset to be used by the company, the asset is impaired if the value to the company in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a diminishing value basis over the estimated useful life, at the same rate as is allowed by the Income Tax Act 1994.

The useful lives for associated depreciation rates of other assets have been estimated using the diminishing value basis as follows:

Office equipment	5 years	20%
Computer equipment/ICN	4 years	25%
Mobile Phone	3 years	67%

INTANGIBLE ASSETS

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred.

The carrying value of an intangible asset with a finite life is amortised on a diminishing value basis over its estimated useful life, at the same rate as is allowed by the Income Tax Act 1994. This charge is recognised as an expense.

The useful lives for associated amortisation rates of major classes of intangible assets have been estimated using the diminishing basis as follows:

2022 Computer Software	2 years	50%
2021 Computer Software	2 years	50%

CREDITORS AND ACCRUED EXPENSES

Creditors and accrued expenses are measured at the amount owed.

EMPLOYEE COSTS PAYABLE

A liability for employee costs payable is recognised when an employee has earned the entitlement.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. A liability and expense for long service leave and retirement gratuities is recognised when the entitlement becomes available to the employee.

INTEREST BEARING LOANS AND BORROWINGS

Loans & Borrowings are recognised at the amount borrowed from the lender.

Interest costs and interest accrued are recognised as an expense when incurred.

INCOME TAX

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax. Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

BUDGET FIGURES

The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

COMMITMENT AND CONTINGENT LIABILITIES

Commitments and contingencies are disclosed exclusive of GST.

EQUITY

Equity is measured by the value of total assets less total liabilities.

Print Services

A collective contract with Canon for photocopiers and printers has delivered significant savings to the group. It has also provided a common technology platform supporting the development and delivery of further shared services.



Notes to Financial Statements

NOTE 2: COUNCIL CONTRIBUTION / PROJECT REVENUE

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Revenue				
Council Contribution		348,219	321,637	328,507
		348,219		328,507
Project Revenue				
Rebates	*	243	1,000	622
Aerial Photography Revenue	**	263,312	300,000	741,188
Video Conferencing Revenue	***	18,380	24,000	22,472
Revenue - ICN	****	147,324	130,000	127,595
Recoveries	*****	611,176	710,000	641,448
Crime Prevention		980,776		13,163
Collaboration Portal Revenue	*****	32,655	45,000	37,250
TOTAL CORE AND PROJECT REVENUE		2,053,866	1,531,637	1,912,245

* Rebates for Services contracted by BOP LASS Ltd are received from NZ Post Ltd and a final from CSG.

** Aerial Photography revenue is offset by Aerial Photography expenditure paid by BOP LASS Ltd on behalf of the councils. Refer to Note 8.

*** Video Conferencing Revenue is offset by Video Conferencing expenditure.

**** ICN Revenue is offset by ICN expenditure.

***** Recovery Revenue is offset by recovery expenditure refer to Note 8. This is the recovery of BOP LASS project or procurement costs incurred on behalf of the participating councils.

***** Collaboration Portal Revenue is offset by Collaboration Portal expenditure.

NOTE 2.5: OTHER INCOME

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Other Income				
Income Tax Refund		2,670	0	0
TOTAL OTHER INCOME		2,670	0	0

NOTE 3: INTEREST REVENUE

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Revenue				
Interest Revenue - Current account		41,922	9,000	6,039
Project Revenue				
Interest Revenue - Aerial Trust account		14,227	200	8,897
TOTAL INTEREST REVENUE		56,149	9,200	14,936

NOTE 4: DEPRECIATION AND AMORTISATION EXPENSE

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Expenditure				
Intangibles	*	1,689	2,000	2,285
Plant and Equipment	**	4,295	5,000	5,906
TOTAL DEPRECIATION AND AMORTISATION EXPENSE		5,984	7,000	8,191

* Intangibles refer to Note 13.

** Plant and Equipment refer to Note 14.

NOTE 5: EMPLOYEE RELATED COSTS

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Expenditure				
Salary and Wages		288,454	267,403	275,060
Superannuation	*	21,368	0	20,379
Direct Personnel Overheads	**	24,872	24,400	23,910
TOTAL EMPLOYEE RELATED COSTS		334,694	291,803	319,349


* Superannuation includes employer contributions to Kiwisaver.

** Direct Personnel Overheads include ACC, Fringe Benefit Tax, staff training costs and other staff support costs.

NOTE 6: DIRECTORS COSTS

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Expenditure				
Directors Costs (Fees & Travel)	*	19,314	23,000	19,393
TOTAL DIRECTORS COSTS		19,314	23,000	19,393

* Craig O'Connell is the only independent paid Director, commenced February 2015. The other nine Directors are the Chief Executives of participating Councils and do not receive any remuneration from BOPLASS.



Insurance

Collaboration with insurance has provided improved service levels and substantial premium savings for all councils.

NOTE 7: FINANCE COST

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Expenditure				
Interest on Borrowings	*	0	0	0
TOTAL FINANCE COST		0	0	0

* Interest on Tauranga City Council loan refer to Note 18.

NOTE 8: OTHER EXPENSES

	Notes	BOP LASS Ltd		
		2023/24 Actual	2023/24 Budget	2022/23 Actual
Core Expenditure				
Audit Fees	*	21,006	22,000	21,277
Administration Expenses	**	17,576	18,000	18,049
Consultancy	***	6,200	5,300	8,400
General Costs	****	30,161	11,500	9,985
Insurance		11,517	11,500	10,950
Crime Prevention		982,456	0	13,163
		1,068,916	68,300	81,824
Project Expenditure				
Aerial Photography	*	263,312	300,000	741,188
Video Conferencing	**	19,175	22,560	19,360
Inter Council Network (ICN)	**	134,557	124,800	115,910
Recoveries	***	597,601	674,500	618,870
Collaboration Portal Opex	****	18,673	28,874	26,647
		1,033,318	1,150,734	1,521,975
TOTAL OTHER EXPENSES		2,102,234	1,219,034	1,603,799

Core

- * Audit Fees for 2024 are \$21,006
- ** Administration Expenses
- *** Consultancy includes tax advice for both 2023 and 2024
- **** Accommodation & Travel, Bank Fees, Conferences, General Expenses, Health & Safety, Legal, Subscriptions

Project

- * BOPLASS Ltd has a contract for aerial photography on behalf of the councils. This expenditure is offset from the revenue received from the councils. BOPLASS Ltd is acting on behalf of the councils.
- ** ICN Expenses. This expenditure is offset from the revenue received from the councils. BOPLASS Ltd is acting on behalf of the councils.
- *** Recoveries - This expenditure is offset from the revenue received from the councils for project work.
- **** Collaboration Portal Opex - to assist in accelerating growth of shared service strategies and projects throughout local government in New Zealand by increasing visibility of councils' opportunities to collaborate.

NOTE 9: INCOME TAX EXPENSE

	Notes	BOP LASS Ltd	
		2023/2024 Actual	2022/23 Actual
Components of tax expense			
Current Tax Expense		0	0
Adjustments to current tax in prior years		0	0
Tax Expense		0	0
INCOME TAX EXPENSE		0	0
Relationship between tax expense and accounting profit			
Net surplus (deficit) before Taxation*		(1,323)	(23,550)
Tax calculation @ 28%		370	(6,594)
Plus/(Less) Taxation effect of:		0	0
Non-deductible Expenditure		348,219	328,507
Imputation credit adjustment		0	0
Non-taxable (income)/expenditure		(348,219)	(328,507)
Prior Period Adjustment		0	0
Income not included in accounting profit		0	0
Tax Losses not recognised		0	0
Deferred tax adjustment		(370)	(6,594)
TOTAL INCOME TAX EXPENSE		0	0

Joint Procurement

The procurement of services or products by two or more councils, from an external provider regardless of whether the service is paid for through BOPLASS or individually by participating councils.



NOTE 10: BANK ACCOUNTS, CASH AND OTHER FINANCIAL ASSETS

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Cash at Bank - Current account		646,128	439,819
Cash at Bank - Aerial Trust account		206,435	5,932
Cash at Bank – Crime Prevention		1,128	0
Term Deposit 182 days @ 2.00% Maturing 10 October 2022		0	250,000
TOTAL BANK ACCOUNTS AND CASH		853,691	695,751

NOTE 11: DEBTORS AND OTHER RECEIVABLES

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Debtors – Other		504,573	1,734,157
Goods and Services		77,457	0
Accrued Revenue		17,316	67,758
Tax (Payable) / Receivable		24,919	11,777
TOTAL DEBTORS AND OTHER RECEIVABLES		624,266	1,813,692

Debtors are non-interest bearing and receipt is normally 30-day terms. Therefore, the carrying figure of debtors approximates their fair value.

NOTE 12: PREPAYMENTS

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Under 1 Year		112,812	171,055
TOTAL PREPAYMENTS		112,812	171,055

Coalition of the Willing

BOPLASS councils work within an opt-in principle, meaning projects initially advance with willing and active participants.



NOTE 13: INTANGIBLE ASSETS

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Computer Software			
Cost			
Cost at beginning of Year		79,174	79,174
Current Year Additions		0	0
Current Year Disposals		0	0
Cost Balance at Year End		79,174	79,174
Accumulated Amortisation and Impairment			
Cost at beginning of Year		(72,119)	(69,835)
Amortisation Expense		(1,689)	(2,284)
Impairment Losses			
Accumulated Amortisation and Impairment Balance at Year End		(73,808)	(72,119)
Carrying Amounts			
Cost at beginning of Year		7,055	9,340
Carrying Amount at Year End		5,366	7,055

Amortisation Expense was at varying rates between 15% to 60%.

No impairment losses have been recognised for intangible assets.

NOTE 14: PLANT AND EQUIPMENT

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Office and Computer Equipment			
Cost			
Cost at beginning of Year		29,613	29,613
Current Year Additions	*	0	0
Current Year Disposals		0	0
Cost Balance at Year End		29,613	29,613
Accumulated Depreciation and Impairment			
Cost at beginning of Year		(12,757)	(6,852)
Depreciation Expense		(4,295)	(5,905)
Impairment Losses		0	0
Loss on Disposal of Asset		0	0
Accumulated Depreciation and Impairment Balance at Year End		(17,052)	(12,757)
Carrying Amounts			
Cost at beginning of Year		16,855	22,762
Carrying Amount at Year End		12,560	16,855

Office equipment has been depreciated over its life (5 years).

Computer equipment has been depreciated over its life (4 years). Mobile Phone (3 years).

NOTE 15: CREDITORS AND ACCRUED EXPENSES

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
ANZ Business Credit Card		284	0
Creditors		193,996	202,057
Accrued Expenses	*	19,537	25,691
Goods and Services Tax Payable		0	194,515
Retentions		10,026	36,944
TOTAL CREDITORS AND ACCRUED EXPENSES		223,843	459,207

ANZ Business Credit Card facilities were arranged primarily to pay international accounts for software to reduce the fees charged and to improve expense processes and reporting.

Creditors are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

* Accrued Expenses relates to Audit Fees for the 2024 financial year.

NOTE 16: EMPLOYEE COSTS PAYABLE

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Salaries and Wages Payable		8,169	8,163
Annual Leave		27,862	23,357
PAYE		9,652	9,034
TOTAL EMPLOYEE COSTS PAYABLE		45,683	40,554

NOTE 17: INCOME IN ADVANCE

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Income in Advance		1,311,972	2,176,128
TOTAL INCOME IN ADVANCE		1,311,972	2,176,128

NOTE 18: BORROWINGS

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Maturing in Under 1 Year		0	0
TOTAL BORROWINGS		0	0

BOPLASS Ltd has a reciprocal borrowing arrangement with Tauranga City Council which allows for the borrowing of funds and placement of excess funds. The current loan balance as at 30 June 2024 is \$NIL. Interest is accrued during each interest period.

This loan facility is still available to BOPLASS Ltd.

Interest is calculated at current market rates. The loan from Tauranga City Council is unsecured.

NOTE 19: EQUITY

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Share Capital			
Balance at beginning of Year		99,002	99,002
Fully Paid up Shares		0	0
Balance at Year End		99,002	99,002
Accumulated Surpluses/(Deficit)			
Balance at beginning of Year		(70,482)	(46,932)
Surplus/(Deficit) after Taxation		(1,322)	(23,550)
Balance at Year End		(71,804)	(70,482)

Share Capital - As at 30 June 2024, share capital comprised of thirty-one Ordinary Shares and twenty-two Non-Voting Shares.

The holders of the ordinary shares are entitled to receive dividends as declared from time to time, are entitled to one vote per share at meetings of the Company, and rank equally regarding the Company's residual assets.

Dividends - No dividends have been paid or are proposed by the Company.

NOTE 20: CONTINGENCIES

BOPLASS Ltd have no contingencies at year end and that there were no contingencies for prior year.

NOTE 21: EVENTS OCCURRING AFTER BALANCE DAY

No events have occurred since balance date for BOPLASS Ltd.

NOTE 22: STATEMENT OF COMMITMENTS

	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Capital Commitments		0	0
TOTAL CAPITAL COMMITMENTS		0	0


This statement represents extraordinary or exceptionally large commitments for that type of expenditure within the normal course of business, which have been contractually entered. As at balance date, BOPLASS Ltd has no large commitments of this nature.

BOPLASS Ltd has a contractual agreement with Woolpert Limited and Aerial Surveys Ltd to provide aerial photos for the councils. This is treated as an operational expense in the BOPLASS Ltd accounts.

OPERATING LEASES AS LESSEE	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Not later than one year		0	0
Later than one year and not later than five years		0	0
Later than five years		0	0
TOTAL OPERATING LEASES AS LESSEE		0	0

The expense of \$134,557 for the Inter Council Network is recognised in the Statement of Financial Performance refer to Note 8. Participating councils are invoiced by BOPLASS Ltd on a quarterly basis to recover the costs of the Inter Council Network. The pricing is reviewable not less than annually and adjustments are to be made for market trends and for the number of councils participating.

RECOVERY OF OPERATING LEASES PAYMENTS FROM PARTICIPATING COUNCILS	Notes	BOP LASS Ltd	
		2023/24 Actual	2022/23 Actual
Not later than one year		0	0
Later than one year and not later than five years		0	0
Later than five years		0	0
TOTAL OPERATING LEASES AS LESSOR		0	0



Video Conferencing

Distance and travel time are a significant cost. BOPLASS has assisted councils to implement video conferencing to make activities more efficient.

NOTE 23: RELATED-PARTY TRANSACTIONS

Related-party disclosures have not been made for transactions with related parties that are within a normal supplier or client / recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the company would have adopted in dealing with the party at arm's length in the same circumstances.

Related party required to be disclosed

Tauranga City Council provided accounting services to BOPLASS Ltd during the financial year to 30 June 2024 free of charge. An estimated value of the accounting services provided for the year is \$15,000.

NOTE 24: STATEMENT OF PERFORMANCE AGAINST STATEMENT OF INTENT

The Equity Ratio is a good indicator of the level of leverage used by a company. The Equity Ratio measures the proportion of the total assets that are financed by stockholders and not creditors.

The calculation of equity ratio is:

2024: 1.69% (2023: 1.05%)

NOTE 25: EXPLANATIONS OF MAJOR VARIANCES AGAINST BUDGET

BOP LASS Ltd	
Statement of Financial Performance	Variance against Budget
Recoveries and Projects – Recoveries (Note 2 & 8)	Project timing is often impacted by reprioritisation of workstreams and effects the Project Recoveries and Expenditure. Both the project expense and revenue remained proportional.
Other Income (Note 2.5)	BOPLASS received an income tax refund of \$2,670
Interest Revenue (Note 3)	Higher interest rates resulted in an increase in bank interest earned against budget.
Employee Related Expenses (Note 5)	OPEX Salaries have decreased when compared to budget which was a result of fewer hours being spent on the Collaboration Portal and specific projects that off-set salaries.
Collaboration Portal Opex (Note 8)	Collaboration Portal operating expenses have decreased through introducing efficiencies into the administration processes and services.

NOTE 26: BOPLASS CONTRACTUAL OFFSETTING REVENUE & EXPENDITURE TRANSACTIONS

	BOP LASS Ltd 2023/24			
	Revenue	Expenditure	Net Operating Surplus/(Deficit)	Explanation
Core				
Council Contribution	348,219	0	348,219	BOPLASS Ltd receives funds from nine councils to fund administrative costs not related to projects. Includes CPI Adjustment.
Interest Revenue	56,149	0	41,922	Refer Note 3.
Other Income – Reimbursement	2,670	0	2,670	Refer Note 2.5.
Depreciation & Amortisation	0	5,984	(5,984)	Refer to Note 4.
Salary and Wages	0	288,454	(288,454)	Refer to Note 5.
Superannuation	0	21,368	(21,368)	Refer to Note 5.
Direct Personnel Overheads	0	24,872	(24,872)	Refer to Note 5.
Directors Fees & Costs	0	19,314	(19,314)	Refer to Note 6.
Administration Expenses	0	17,576	(17,576)	Refer to Note 8.
Audit Fees	0	21,006	(21,006)	Refer to Note 8.
Consultancy	0	6,200	(6,200)	Refer to Note 8.
Insurance	0	11,517	(11,517)	Refer to Note 8.
General	0	30,161	(30,161)	Refer to Note 8.
Tax Expense	0	0	(0)	Refer to Note 9.
Total	407,038	446,452	(39,414)	
Projects				
Aerial Photography	263,312	263,312	0	Participating councils are invoiced by BOPLASS Ltd and the vendor is paid as percentages of the work on the project are completed.
Canon Video Conferencing	18,380	19,175	(795)	Councils pay BOPLASS Ltd an amount charged by Canon plus an administrative fee for BOPLASS Ltd maintaining a service and maintenance contract on behalf of the councils.
Inter Council Network	147,324	134,557	12,767	Participating councils are invoiced by BOPLASS Ltd on a quarterly basis to recover the cost for the Inter Council Regional Network Platform. ICN revenue includes recovery of other operating expenditure - ICN, interest on borrowings - ICN loan and BOPLASS Ltd administration fees.
Recoveries	611,176	597,601	13,575	BOPLASS charges an administration fee for management of project recoveries
Crime Prevention	980,776	982,456	(1,680)	DIA provided funding to support crime prevention initiatives which started in 2023 and has been completed in 2024
Rebates	243	0	243	Rebates earned by BOPLASS from CSG Technology and NZ Post Ltd.

Collaboration Portal	32,655	18,673	13,982	The Portal is to assist in accelerating growth of shared service strategies and projects throughout local government in New Zealand by increasing visibility of councils' opportunities to collaborate. Membership Revenue lower than expected.
Total	2,053,866	2,015,774	38,092	
Overall Total	2,460,903	2,462,226	(1,323)	

BOP LASS Ltd 2022/23			
	Revenue	Expenditure	Net Operating Surplus/(Deficit)
Core			
Council Contribution	328,507	0	328,507
Interest Revenue	6,039	0	6,039
Other Income – Reimbursement	0	0	0
Depreciation & Amortisation	0	8,191	(8,191)
Salary and Wages	0	275,060	(275,060)
Superannuation	0	20,379	(20,379)
Direct Personnel Overheads	0	23,910	(23,910)
Directors Fees & Costs	0	19,393	(19,393)
Administration Expenses	0	18,049	(18,049)
Audit Fees	0	21,277	(21,277)
Consultancy	0	8,400	(8,400)
Insurance	0	10,950	(10,950)
General	0	9,985	(9,985)
Crime Prevention	0	13,163	(8,155)
Total	334,546	428,755	(93,639)
Projects			
Aerial Photography	741,188	741,188	0
Interest Revenue related to Aerial Photography	8,897	0	8,897
Canon Video Conferencing	22,472	19,360	3,112
Inter Council Network	127,595	115,910	11,685
Project Recoveries	654,611	618,870	35,741
Rebates	622	0	622
Collaboration Portal	37,250	26,647	10,603
Total	1,592,635	1,521,975	70,659
Overall Total	1,927,181	1,950,730	(23,550)

Statutory Disclosures**as per section 211 (1) of the Companies Act (1993)****NATURE OF BUSINESS**

There has been no change in the nature of the business of the company during the year.

DIRECTORS APPOINTED

Under the Shareholder Agreement directors are appointed by the constituent councils. Directors and their dates of appointment are as follows:

Independent director	Craig O'Connell	26 February 2015 Chair from 16 March 2016
Kawerau District Council	Russell George Morgan Godfery	14 January 2008 until 23 January 2024 28 February 2024
Bay of Plenty Regional Council	Fiona McTavish	30 June 2018
Western Bay of Plenty District Council	John Holyoake	19 July 2021
Rotorua Lakes Council	Geoff Williams Andrew Moraes	1 July 2013 until 22 September 2023 24 April 2024
Whakatane District Council	Stephanie O'Sullivan	19 November 2018 until 19 July 2024
Tauranga City Council	Martin Grenfell	3 September 2018
Taupo District Council	Julie Gardyne	2 June 2023
Gisborne District Council	Nedine Thatcher-Swann	13 March 2017
Opotiki District Council	Stace Lewer	23 September 2022

INTEREST REGISTER

There have been no disclosures of self-interest during the period.

DIRECTORS REMUNERATION

In February 2015 the Board appointed an independent director. The independent director receives remuneration and is reimbursed for related expenses. No remuneration had been paid to other directors.

DONATIONS

There were no donations made by the company during the period.





Facilities

- Mercury Baypark (Arena & Stadium)
- Adams Centre for High Performance
- 3 Community Centres
- 4 Sports Centres
- 5 Aquatics Facilities
- 8 Community Halls

BayAudioVisual

COMMUNITY
CENTRES & HALLSTAURANGA
POOLS

BayActive

BaySwim



CONTENTS

03	Our Year in Numbers
05	A Year in Review
08	Statement of Intent Performance
10	Bay Venues Board
11	Highlights
14	Community Outcomes
16	Key Facility Projects
18	Financial Statements 2023-2024
18	Statement of Comprehensive Revenue and Expenses
19	Statement of Changes in Equity
20	Statement of Financial Position
21	Statement of Cashflows
22	Statement of Accounting Policies and Notes
43	Statutory Disclosures
45	Independent Auditor's Report

Who we are and what we do

Bay Venues is the kaitiaki of more than 20 community facilities – aquatic centres, indoor sport and fitness facilities, event venues, and community centres and halls. Connecting the community through exceptional experiences is the driving force behind this council-controlled organisation that has the community at heart. Bay Venues also has several commercial business units, which help keep entry to these public facilities affordable and accessible.

**Tauranga City**

These facilities are operated by Bay Venues, a Tauranga City Council organisation.



OUR YEAR IN NUMBERS

OPERATING REVENUE

\$27.49m*

(↑ 2% ahead of budget)

(↑ 9% ahead FY23)

TOTAL EBITDA

\$-2.24m**

(↓ 3% behind budget)

(↓ 38% behind FY23)

Operating Revenue

Aquatics:

\$6.49m

Sports & Fitness:

\$4.54m

Community Centres & Halls:

\$0.73m

Events & Associated Activities^:

\$9.60m

Business Support:

\$0.77m

TCC Operating Grant:

\$5.17m

Non-Operating Revenue

TCC Renewal Funding:

\$5.89m

TCC Debt Servicing:

\$1.32m



146

Full Time Staff

142

Part Time Staff

122

Casual Staff



86%

Overall Customer Satisfaction

85%

Overall Satisfaction with the Facility

88%

Overall Satisfaction with the Service

86%

Overall Satisfaction with our Staff



68

Number of Sporting & Aquatic Tournaments

83

Number of Significant Events (over 500 pax)

56

Cultural Activities & Events

* Excludes non-operating revenue: TCC Renewal Funding & Debt Servicing. **Council (our shareholder) has agreed to facilitate the return of Bay Venues to a cash-flow break-even position from FY25 via increased operational funding in the Long-Term Plan. EBITDA excludes provision for \$180k to calculate prior year Holidays Act remediation costs (taking total reported EBITDA to -\$2.56m). ^Includes Bay Catering, Bay Audio Visual, and Aquatic Merchandise.



OUR YEAR IN NUMBERS

VISITS

2.20m

to our **facilities**
 (↑10% ahead of plan)
 (↑4% ahead of FY23)

829,524

Visits to **Aquatics**

358,184

Visits to **Community Centres & Halls**

803,232

Visits to **Sports & Fitness**

209,531

Visits to **Mercury Baypark**



SCHOOLS IN POOLS
 (Water Safety)

2,864

Children
 Participated
 In Lessons

12

Schools Joined



Participants in Bay Venues
 Led Activity Programmes

99,963

Adults & Senior

104,383

Child/Youth

22,041

Pre-School

226,360

TOTAL



HEARTY KAI LUNCHES

235,193

Total Lunches
 Supplied

11

Schools Supplied



A YEAR IN REVIEW

Strong Demand and Challenging Conditions

Waiho i te toipoto, kaua i te toiroa.

Let us keep close together, not far apart.

Our community facilities across Tauranga were busier than they have ever been in the year ended 30 June 2024. Our venue network hosted more than 2.2 million visits – the highest number recorded by Bay Venues.

There were 83 significant events held in our venues this year (+4% on FY23), 68 sporting and aquatic tournaments (-12% on FY23), and 56 cultural activities and events*.

Our aquatic venues, indoor sports and fitness facilities, and community centres and halls, all recorded tens of thousands more visits compared to last year. Aquatics led the way with an 8% increase year on year – a difference of more than 60,000.

This level of community use and demand comes as no surprise. The population of Tauranga continues to grow and people are prioritising their health, wellbeing and community connection in record numbers.

However, despite the increased patronage, people have been spending less during their visits to our venues this year. The difficult economic environment has increased pressure on household discretionary income and meant fewer add-on purchases and reduced spend per person, most notably across Aquatics.

The challenging economic environment has also seen margins reduced in other areas of our organisation, particularly events, as well as events-related business such as catering. This is an industry-wide issue with some events downsized or cancelled, which is reflected in the 15% drop



The Zespri AIMS Games at Baywave

in Mercury Baypark visit numbers this year.

While user revenue is slightly up, costs are rising faster, resulting in squeezed margins. Our FY24 financial operating result fell behind budget due to these economic headwinds.

// Our venue network hosted more than 2.2 million visits – the highest number recorded by Bay Venues. //

VENUES IN HIGH DEMAND

Our key venues are operating at capacity and demand is only increasing, especially during peak times, with little ability to accommodate new activities.

Community sports and recreation groups are under significant pressure as they struggle to find enough court or pool time to accommodate their growing number of members.

No new indoor courts, pools, community centres or halls, or event venues, have been built in Tauranga in over a decade. Meanwhile, the city's population has grown by more than 30% during that time. Sport New Zealand has identified significant shortfalls in both indoor court space and pool space in the Bay of Plenty, and the current situation in Tauranga is the key driver of this.



Social indoor netball at Mercury Baypark Arena

** New measure, too early to compare.*



A YEAR IN REVIEW

Our existing facilities are all ageing. Several facilities, including four of our five aquatic venues, are more than 50 years old and require significant ongoing maintenance and renewals. In addition, many facilities do not meet current standards or needs.

Two new community venues planned for the central city will provide some relief. However, these facilities will be replacing other end-of-life venues and will only contribute a limited increase in capacity.

Further investment in community facilities and associated infrastructure is needed over the coming years in Tauranga. We would like to thank the outgoing Commissioners for their leadership in recognising this shortfall and planning for future growth and demand across the city. We look forward to continuing this work with Tauranga's new mayor Mahé Drysdale and our new city councillors.

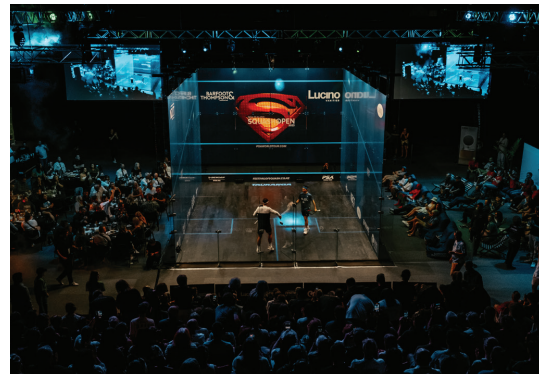
// Tauranga City Council (our shareholder) has agreed to facilitate the return of Bay Venues to a cash-flow break-even position from FY25 via increased operational funding in the Long-Term Plan. **//**

FINANCIAL POSITION & NEW FUNDING MODEL

Full year adjusted EBITDA for FY24 was -\$2.24m. This was \$0.06m (3%) behind budget and \$0.61m (38%) behind FY23. Total reported (unadjusted) EBITDA was -\$2.56m, which included a provision to calculate prior year Holidays Act remediation costs.



The Mount Hot Pools



The New Zealand Festival of Squash at Mercury Bapark Arena

Full year operating revenue, including all Tauranga City Council operating funding, was \$27.49m. This was 2% ahead of budget and 9% ahead of FY23.

Significant efforts to reduce some of our controllable costs, such as staff costs and costs of goods sold, have been successful – but not enough to offset the drop in discretionary spending. There has also been additional investment in security measures to address anti-social behaviour issues, as well as increasing maintenance requirements. These costs were unbudgeted but were critical for ensuring the safety and wellbeing of our staff and customers.

Tauranga City Council (our shareholder) has agreed to facilitate the return of Bay Venues to a cash-flow break-even position from FY25 via increased operational funding in the Long-Term Plan.

DELIVERING ON OUR STATEMENT OF INTENT

This year we achieved most of the performance targets set out in our Statement of Intent, including our venue utilisation, diversity and inclusion, staff engagement and retention, and customer satisfaction measures.

There were a few areas that remain a work in progress or where we fell short, including our financial result. We will endeavour to focus more on these areas, including our mana whenua relationships. For more information on our Statement of Intent performance, please see pages 8-9 of this report.



A YEAR IN REVIEW

LOOKING AHEAD

We expect FY25 will continue to provide economic challenges. We will continue to closely monitor these uncertain operating conditions and work proactively to manage any impact on financial results, maintaining tight cost control and looking for efficiency improvements where possible, as well as new revenue generating opportunities.

The Government's Ka Ora, Ka Ako | Healthy School Lunches programme in primary schools is unchanged for the next two years (2025/26) which is predominantly where Bay Venues' Hearty Kai team operates. However, programme savings targets might present challenges in future. We are continuing to build strong relationships with the Ministry of Education and other suppliers to proactively address future risks or opportunities.

// We will continue to closely monitor these uncertain operating conditions and work proactively to manage any impact on financial results. //

Our ageing facilities will require more upkeep this year as well as improvements to bring the buildings up to current standards, while also maintaining operational delivery and our high level of customer satisfaction. This includes planning to improve the earthquake resilience of key buildings at Mercury Baypark.



Gala dinner and awards evening at Mercury Baypark Stadium Lounge

Meanwhile, the concerning increase this year in isolated anti-social behaviour incidents across the venue network does not appear to be abating, meaning our investment in additional security measures remains necessary to keep people safe.

Despite these challenges, visitation is higher than it has ever been and we are in a good position to continue connecting our community through exceptional experiences. That is the purpose of Bay Venues, our driving force, and it is only made possible through the combined effort of many.

Thank you to everyone who has contributed and played a part this year.



Tauranga Whai playing in the Sal's NBL at Mercury Baypark Arena



Chad Hooker

Chad Hooker, CEO



Simon Clarke

Simon Clarke, Chair



STATEMENT OF INTENT PERFORMANCE

Activity	Target	Status	Commentary
Maximising Activity & Events	Host >2.0 million visits to our facilities	✓	2.2 million visits to facilities in FY24.
	Host >75 significant events (500+ people)	✓	83 significant events. With Zespri AIMS Games, HoopNation, NZ Festival of Squash, Armageddon Expo, Tauranga Home Show, and BOP Home Show reaching > 5000 people.
	Lead >10 diversity and inclusion initiatives	✓	31 diversity and inclusion initiatives across our venues with 56 cultural events.
	Achieve a customer feedback rating >85%	✓	2,363 survey responses received. 2,027 rated their overall experience as 'Satisfied' – equating to an achieved 86% customer satisfaction rating.
	No preventable serious harm incidents in our facilities*	✓	Zero preventable serious harm incidents. Focused remediation actions from previous years have successfully culminated in a clean record for this period.
	Key projects are completed	✓	All key projects delivered.
Looking After Our Assets	No preventable unplanned facility closures**	✗	Greerton pool closure for six hours. The pool closed alongside the spa for repair.
	Capital and renewals programme delivered on time and on budget.	✓	Capital Programme delivered within 94% of budget for FY24. Timely delivery of capital programme with substantial load of key projects delivered against plan. Capitalised on the opportunity in current works to pull projects from FY25 to deliver for efficiency and cost optimisation in FY24.
	Establish three preventative maintenance initiatives.	✓	A suite of preventative maintenance initiatives was successfully implemented within FY24. Three preventative measures include a roving quarterly assessment of the Arena roof to minimise leaks, a bi-annual access maintenance schedule across the Arena, and annual assessments by plumbers on all toilets and plumbing.
	Reduce energy consumption by >5%	✓	Energy kWh consumption FY23 2,887,882 Energy kWh consumption FY24 2,528,340 12% less consumption year on year FY23-FY24 with an accumulative \$71k savings.
	Key projects are completed	✓	All key projects delivered.
Leveraging Our Capability	Achieve breakeven budgeted financial position or better.	✗	The pretax unadjusted EBITDA was (\$2.559m) however this includes abnormal expenses of Holiday Act Remediation provision \$0.18m and loss on capital disposals \$0.144m. Adjusted EBITDA is therefore (\$2.236m). This indicates we will finish FY24 at \$61k or 3% behind budget.
	Explore new revenue generating initiatives.	✓	We have initiated several new revenue generating initiatives during FY24, including confirmed new tenant for Baypark Pavilion 3 (Bay Roller Sports), advancing new partnership opportunities with the University of Waikato (naming rights and catering), and exploring management of the Mount Holiday Park (which did not go ahead).
	Deliver new shared service initiatives where it makes sense.	✓	Regular engagements between functional teams have encouraged bilateral utilisation of resourcing in policies, templates, and shared services. Bay Venues offering TCC lead training and utilising TCC widely experienced consultants.



STATEMENT OF INTENT PERFORMANCE

Activity	Target	Status	Commentary
Building Our Capability	Achieve >70% team engagement.	✓	73% Achieved. 5% above compared to the external benchmarks. 265 employees participated. Our people enjoy, are proud and would recommend Bay Venues as a great place to work. H&S personal responsibility was another area worth celebrating as 82% of our team feel they know how to keep themselves safe. This is a meaningful movement for an organisation of our size and a reflection of the hard mahi our teams at all levels have done over the last twelve months.
	Achieve <35% staff turnover	✓	Rolling turnover reduction in both permanent and part time staff turnover from 41% to 34.4% in the last two years.
	Agree Memorandum of Understanding with two mana whenua	—	Progress in foundational relationship principles is ongoing. Notable strides have been made in building these relationships and laying the foundations for these valuable understandings.
	Key projects are completed	—	83% of key projects delivered.

Traffic Light Status Key



On track and remaining so



Off track and needing further monitoring

Refer to the Statement of Intent for Individual Weightings of Balanced Scorecards Measures

* Preventable means that Bay Venues was reasonably able to identify a hazard before it occurred and stop harm from occurring by eliminating a hazard or minimising the hazard so far as reasonably practicable.

** Bay Venues defines preventable unplanned facility closures to be more than 4 hours.



BAY VENUES BOARD



Carey Ulrich
Board Intern

Wayne Beilby
Director

Jeremy Curragh
Director

Simon Clarke
Chair

Julie Hardaker
Deputy Chair

Gareth Wallis
Director

Nick Lowe
Director

Adam Lynch
Director

Carey Ulrich is an emerging leader, bringing a wealth of experience in data analysis, business transformation, and strategic planning. With a background that spans high-impact roles in global organisations like Zespri and Vodafone, Carey has consistently demonstrated an ability to drive key initiatives and influence executive decision-making. Their leadership on complex projects, such as the implementation of Zespri's ERP system, showcases their expertise in navigating both technological and financial challenges.

Carey's academic credentials include a Master of Business Administration from the University of Waikato, with a focus on Māori engagement, and a Bachelor of Commerce from the University of Auckland. Their commitment to governance is reflected in board roles at Te Kura O Matapihi, Digital Seniors, and Te Kohanga Reo O Te Akau, where they've contributed to strategic planning, financial oversight, and community engagement initiatives.

"As a Board Intern at Bay Venues, I bring fresh perspectives and strategic insights, grounded in governance best practices and strong stakeholder relationship management," Carey said. "My passion lies in continuous improvement, meaningful strategy development, and promoting cultural integration, all of which align with Bay Venues' mission to enhance community experiences and foster inclusive growth."





HIGHLIGHTS

Mount Hot Pools regulars welcome venue improvements

Tom and Joan Dunne were among the local regulars who were happy to be back at the Mount Hot Pools after a two-month closure in October and November 2023 for planned renewals and maintenance. The couple went to Baywave during the closure to keep up with their aqua exercise regime, but were back at their favourite community facility under Mauao as soon as it re-opened. **"We've noticed a difference," Tom said. He said "the whole place is tidied up" and "modernised" with "a crisper design".** "And the friction on the bottom of the pool makes these exercises easier." Tom and Joan live close by and walk to the venue every single weekday for aqua exercise classes and often return over the weekend as well, to soak in the pools and recover after walking up Mauao. "We're seven-days-a-week users, really," Tom said. "It's a wonderful facility, always has been, particularly with the Mount in the background." He said the outlook is "beyond belief". "You can't get a better combination of comfort and exercise in a facility, it's a chance to remain healthy and in an aesthetic environment." **Joan added: "It's not only the exercise component in the wonderful warm water, but the social component too.** The group here is quite tight and after the exercise session, usually there's a coffee hour."



Mount Hot Pools regulars Tom and Joan Dunne

Great news for gig-goers in Tauranga



Mercury Baypark Arena's Lion Foundation Centre

Mercury Baypark Arena, Tauranga's largest indoor venue for concerts and other events, this year increased its venue capacity and partnered with a leading ticketing provider, opening the door to bigger and better events for the city. **The Arena can now host up to 6,000 people inside its Lion Foundation Centre, which makes it one of the larger spaces in the country of its type.** The work undertaken by health and safety and engineering experts to review and improve the Arena's capacity to host higher occupancy events has brought the venue into the same category as the likes of TSB Arena in Wellington and GLOBOX Arena/Claudlands Events Centre in Hamilton. This increased venue capacity was on full show on New Year's Eve when the Arena hosted the popular drum and bass event Famous Last Words, which was one of 83 significant events (over 500 people) hosted by Bay Venues in FY24. **This year Bay Venues also signed a preferred ticketing partnership for Mercury Baypark with Ticketek, a leading provider in the sports and live entertainment industry in New Zealand and Australia.** This new partnership, along with the increased capacity, is already leading to exciting opportunities for the venue, the city, and the wider region, including more high-profile concerts, quality international family shows, major comedy, and other live entertainment.



HIGHLIGHTS

Toitūtanga / Sustainability

This year Bay Venues launched a new sustainability team – Toitūtanga – made up of people from across the organisation and led by our Asset & Sustainability Manager. The team has developed a comprehensive sustainability action plan, prioritising initiatives in venues across the city to reduce waste and increase energy and water efficiency. **We have upgraded to LED energy efficient lighting in both Mercury Baypark Arena's Lion Foundation Centre and Mercury Baypark Stadium, replaced the Bay Venues maintenance van with an electric vehicle, and transitioned to geothermal heating for the Aqua Play area at Baywave.** The team has also organised beach clean ups, and installed smart meter monitoring at Baywave to track and analyse energy consumption trends. These insights will enable the Aquatics team to make informed operational changes, further reducing energy usage and enhancing overall efficiency. The Toitūtanga team plans to introduce smart meters at other venues with high energy usage. **Bay Venues reduced overall energy consumption across its venue network by more than 10% in FY24 and one of the contributing factors was the series of strategic energy-saving initiatives already implemented.** Bay Venues also helped fund the planting of 62 native trees in our local environment through the Trees That Count reusable cup initiative at Mercury Baypark Arena Café.



The Aqua Play area at Baywave

Athlete's paradise

The performance of Tauranga junior and age group athletes and teams across a wide range of sports, at a national and international level, is a sign of how many up-and-coming high performance athletes we have in the city. Many of them are training in our venues, alongside professional athletes. **Members of both New Zealand Sevens teams, triathlete Hayden Wilde, 1500m runner Sam Tanner, artistic swimmer Eva Morris, and hockey umpire Rachel Williams, all trained at the Adams Centre for High Performance in Mount Maunganui ahead of the Paris 2024 Olympics.** The Adams Centre is a state-of-the-art facility situated on the outskirts of Blake Park and has become a one-stop shop for individual athletes and teams preparing for competition at the highest level. **The Netherlands women's football team trained at the Adams Centre during the FIFA World Cup in July and August 2023.** The Centre is also home to the Adams Academy – a development programme with 118 aspiring and established athletes across more than 25 sporting codes and counting. **Professional triathlete Hannah Berry has been a member of the**

Adams Academy since its inception and won Athlete of the Year at its annual awards in late November. Hannah is based in Mount Maunganui and competes all around the world in the Ironman Pro Series. When she's home and training, she starts her day by swimming five or six kilometres worth of laps at Baywave five days a week, starting at 5.50am. She also does strength and conditioning and gym work at the Adams Centre at least a couple of times a week. "Being surrounded by other high performance athletes is quite unique," Hannah said. "And it's really cool to see other athletes here training – there's motivation everywhere." The Adams Centre has a team of strength and conditioning coaches onsite, a dietitian and sports psychologist, and a sports science laboratory with a full array of testing equipment, including an environmental chamber (one of only two in the country) which helps athletes like Hannah, as well as our Tauranga Olympians, prepare for international competitions in varying climates and altitudes.



Pro triathlete Hannah Berry at the Adams Centre for High Performance



HIGHLIGHTS

Connecting community, celebrating culture



Ngaire Utanga and her ura class at Elizabeth Street Community & Arts Centre

Every Thursday at Elizabeth Street Community & Arts Centre in central Tauranga, you will find a 5.30pm ura class. Ura is traditional Cook Islands dancing and Ngaire Utanga said her class is "all about the fitness". **"I'm getting women out here who are too shy to go to the gym and want to try something new."** She said she started with about 10 dancers and now has close to 30 regulars. "I'm just really proud of them, they've come a long way over a year and a lot of them, when they first started, couldn't even move. They were just so stiff. Now they're so flexible, they're so happy, and they leave here feeling excited because this form of fitness is totally different." Ngaire said the ura class, which also features Tahitian dance styles, has created a "sense of community" and has attracted a diverse group of people, "from the Pacific, Europeans, all over". **There is also a good mix of ages, from high school students all the way up to a woman in her 60s.** "I'm pretty excited. A lot of the participants are from Polynesian backgrounds and a lot of them are coming here to learn the dance, learn the Cook Islands culture through the form of dancing."

Jaxon's journey with BaySwim

BaySwim had a total of 8,784 term enrolments this year. In many cases, these swimming lessons can be life changing for the students. **If you saw Jaxon Armstrong in a pool now, without knowing his story, and saw the 7-year-old's smile and confidence and how he moves in the water, diving down and then jumping up with a splash, you would have no idea that not so long ago he struggled with an intense fear of water.** "Even in the shower he couldn't have water on his face," Jaxon's mum Ellie said. Jaxon refused to get into his school pool. He couldn't take part in school swimming sports. At birthday pool parties, he'd sit off to the side while his mates splashed about having fun. And when Ellie and dad Jarod would try to gently coax him into the water, he'd just cling to them. **BaySwim started working with Jaxon one-on-one and now, after completing four terms of swimming lessons, he's learned how to be comfortable in water, how to float, blow bubbles, hold his breath, and kick.** He's learning entry-level arm movements and how to kick on his back. "Now, it's at the point where it's hard to keep him above water to tell him what to do," Ellie said. "In a year, it's a massive turnaround." Jaxon can now play in the wave pool at Baywave with his dad and have fun swimming races with his mum. He's also looking forward to taking part in his school swimming sports. "Everybody in our family has noticed the change in Jaxon and his confidence and the enjoyment he gets from swimming now and being around water." BaySwim also taught water safety to 2,864 kids from 12 schools this year.



BaySwim student Jaxon Armstrong at Baywave



COMMUNITY OUTCOMES

DELIVERING FOR THE COMMUNITY

Over the past three years, a solid foundation has been set for the future. A fresh strategy and set of values have been introduced and embedded, along with a new leadership and organisational structure that is in line with our four strategic focus areas.

KEY FOCUS AREAS

Our first two focus areas – maximise activities and events, and look after and enhance our assets – are part of our daily mission and purpose. The other two – build our capability, and leverage our capability – are about maintaining our solid foundation, enabling and supporting that daily mahi, while also serving our overall vision.

a) Maximise activities and events

One of our main objectives this year was to grow the number of diverse and inclusive activities, initiatives, and events in our venues. Our team has been working alongside the Council's Community Development Team and many different cultures and communities in Tauranga to connect them with our facilities around the city.

We hosted 56 cultural activities and events in our venues this year, including the Aotearoa Māori Sports Awards, a Māori Pasifika Water Polo tournament, Diwali concert, Brazilian Fair, and many other community gatherings and cultural celebrations.

There are also regular weekly bookings by cultural groups in our venues, especially in our Community Centres & Halls.

Diversity and inclusion initiatives have also been launched to break down barriers and encourage participation and community connection.



Recreate NZ at Pāpāmoa Sports & Recreation Centre



The Healthvision Festival of Disability Sport at Mercury Baypark Arena

Among these initiatives are dedicated culturally appropriate swimming lessons for ethnic women, as well as specialist lessons and programmes for people with sensory sensitivities, children living in foster care, and the transgender community. We have also introduced swimming lessons for our Korean and Chinese communities in their own languages, as well as a "teach the teacher" programme that empowers kaiako to deliver swimming lessons to their own ākonga in te reo Māori.

Our activation team has delivered community play sessions for Pacific, Indian, Korean, and Chinese youth, as well as for young people with intellectual disabilities, teenagers who have been excluded from mainstream schools, as well as pop-in sessions in low socio-economic areas of the city.

National and international sporting events and expos, as well as live music festivals and concerts, also brought tens of thousands of people to Mercury Baypark and the city this year.

Among the largest events were the Zespri AIMS Games, NZ Gymnastics Championships, and The Classic basketball event by HoopNation – to name just a few.

We are also seeing growth in the high-performance sport area with a 30% increase in our Adams Academy membership. This is a positive sign signalling the number of up-and-coming as well as established professional athletes in the city. A new partnership with High Performance Sport NZ has led to even more athlete referrals.

b) Look after and enhance our assets

The Mount Hot Pools reopened on schedule in early December after a two-month closure for planned renewals and maintenance. All the outdoor pools were re-tiled, and improvements and updates were made to the reception area, changing rooms, private pools, massage rooms, and the car park management system and flow.



COMMUNITY OUTCOMES

While we were re-tiling the pools, we also took the opportunity to assess the pool tanks, remedy the pool structure underneath, address any unseen issues, and completely re-waterproof all pool tanks. Important preventive maintenance work on the plant room and pool heating system was also completed and all the gutters inside and outside the facility were replaced.

We have also been working with the Council on the design and delivery of several key facility projects, including a new aquatic facility at Memorial Park, a new indoor sport & recreation centre on Cameron Road, and the Council's Active Reserves Master Plan project which will see Tauranga Netball Centre relocating to Mercury Baypark and becoming part of a multi-use community sports and recreation hub. There is more information about all these facility projects on pages 16-17.

The new Memorial Park aquatic facility will be a destination complex for the central city and surrounding suburbs, including the communities that currently enjoy Memorial Pool over summer and Ōtūmoetai Pool all year round.

Both of those pools are more than 50 years old and require regular maintenance and significant improvements.

We are currently working with the Council, the Ōtūmoetai community, as well as key user groups and stakeholders, to explore the current state of Ōtūmoetai Pool and options for the future of the facility.

The Cameron Road facility will replace Queen Elizabeth Youth Centre (including Memorial Hall). These buildings are also more than 50 years old and at the end of their useful life. Recent building reports have indicated seismic and structural issues.

Tauriko Hall, which was built in the late 1930s, is also in poor condition and end-of-life and will be decommissioned in FY25. It will be replaced by a future community centre and library as part of the development of Tauriko West. We have worked with all regular users of the hall to find alternative locations. The demolition is timed to align with the SH29 Tauriko Enabling Works.

Reprioritising our capital plan to deliver the Council's Active Reserves Master Plan project at Mercury Baypark has also meant other venue projects have been pushed out, most notably the proposed expansion of the Adams Centre for High Performance, which will be postponed until approximately 2027/2028.

The focus at the Adams Centre has now shifted to renewals and capital works to improve venue functionality.

c) Build our capability

This year Bay Venues successfully registered to Mind the Gap, an organisation dedicated to supporting and publishing New Zealand organisations' efforts in addressing pay equity. As of the end of FY24, Bay Venues can report the following pay gaps:

Gender – 4.19%, Māori – 7.47%, and Pacific Peoples – 7.47%. Notably, our gender pay gap has seen a reduction of slightly over 1% since reporting our gaps last year.

This year has also seen the development of a stronger team culture across the organisation, with higher staff engagement scores and lower staff turnover.

A refurbished office space at Mercury Baypark is enabling different teams to work more collaboratively, we have also launched a new finance system and a new human resources information system.



A member of our Baywave lifeguard team

Providing opportunities for our people to develop and grow within the organisation remains a priority. A bespoke Customer Experience Programme was developed and implemented across the organisation this year. There were also new learning and development opportunities for staff, including anti-social behaviour training for customer-facing staff.

d) Leverage our capability

Generating additional revenue to offset the cost of running our ageing community facilities is even more important in the current economic climate. After successfully renewing our partnership with Mercury for Baypark, we are now working on expanding our commercial partnership network, including with the University of Waikato.

There are several other initiatives underway or being actively explored that we intend to implement in FY25, including additional billboard advertising, upselling and bundling products/services, as well as improving and expanding our retail catering offer.

We will also continue to look for ways to further develop our venues to widen our offering and increase our reach. This follows a project completed this year to increase the permitted venue capacity of Mercury Baypark Arena's Lion Foundation Centre to 6,000 people, as well as adding badminton court markings to Greerton Hall.



KEY FACILITY PROJECTS

Mercury Baypark

As part of Tauranga City Council's Active Reserves Master Plan project, it was confirmed this year that Tauranga Netball Centre will be moving from Blake Park to Mercury Baypark. We are working with the Council and Tauranga Netball Centre on the relocation, with detailed design work underway for the courts and buildings, and this exciting project is on track for netball to be relocated in 2026.

This move is part of the Council's city-wide plan to improve and future-proof Tauranga's shared green spaces and key active reserves.

Mercury Baypark will become a multi-use community sports and recreation hub, with facilities for athletics, netball, other court sports (such as basketball and pickleball), speedway, gymnastics, roller sports, as well as dedicated green spaces and walkways. The site will have an increased focus on community sports and recreation, while still delivering events, entertainment, and high-performance sport.

A new facility within this hub is the Revolution Skate Centre, which is due to open in FY25. This indoor skating rink, which has been built inside an existing building at Mercury Baypark, will be run by Bay Roller Sports – a new community venture that is a joint effort between two well established organisations, Mount Mustangs Inline Hockey Club and the Tauranga Roller Skating Club.

The Revolution Skate Centre will cater to indoor roller sports enthusiasts – including inline hockey, artistic/figure skating, roller derby, and speed skating – and will hold discos, tournaments, and other community events.



The vast open and flexible spaces available at the Mercury Baypark site have the potential to be optimised and repurposed to cater to the city's growth and increasing community demand for space to play sports and hold recreational activities and events.



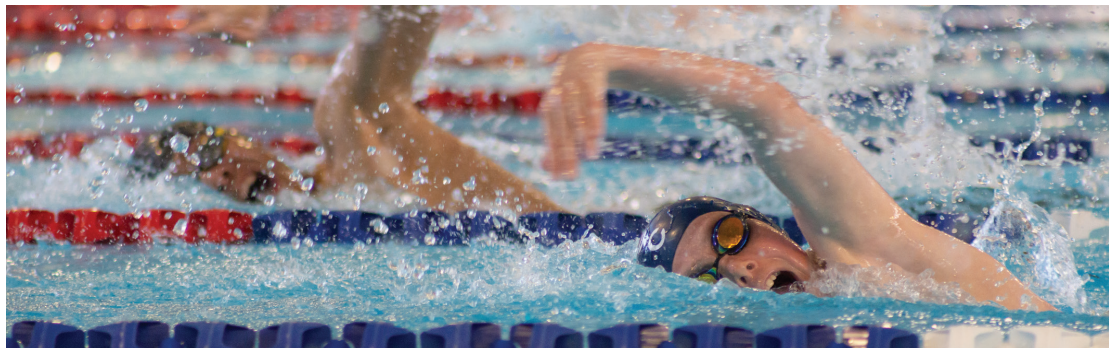
KEY FACILITY PROJECTS

Memorial Park aquatic facility

The new Memorial Park aquatic facility will play a crucial role in addressing the current shortfall in the city's Aquatics network.

This year the Council approved funding towards this new aquatic facility, which is planned to include a deep-water eight-lane 25m indoor swimming pool, alongside a hydrotherapy pool and spa, a learn to swim pool, and a leisure pool with a toddler pool. Outside, a four-lane 25m lido pool, a splash pad, and a manu pool are proposed. There will also be hydrosides, a fitness centre, and a café that services the facility and the park.

The Memorial Park aquatic facility is currently planned to open by the end of 2027 and will be built on the site of Queen Elizabeth Youth Centre (including Memorial Hall). The future focus for Memorial Park will be on aquatic and recreational provision.



The new Memorial Park aquatic facility will include a deep-water eight-lane 25m indoor swimming pool.

Cameron Road indoor sport & recreation centre



The new facility on Cameron Road will have four basketball-size indoor courts and will be home to a variety of community sports.

The Council signed off on plans this year to replace the three indoor courts at QEYC and Memorial Hall with a new indoor sport & recreation centre nearby. Given the difficult ground conditions at Memorial Park, it became evident that it would be expensive to replace the indoor courts at that location.

The Council explored alternative locations for the indoor courts, with a successful property found and secured 750m up the street – the former site of The Warehouse, on the corner of Cameron Rd and 10th Avenue. The Council purchased the property and is funding the design and fit-out of the new facility – a cost-effective solution.

QEYC and Memorial Hall are currently scheduled to close in FY25. The decommissioning of the buildings will align with the opening of the new Cameron Road facility, which will have four basketball-size indoor courts and will be home to a variety of community sports, including basketball, badminton, volleyball, pickleball, netball, table tennis, sports for disabled people, skating, and more.



FINANCIAL STATEMENTS 2023-2024

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES for the Year ended 30 June 2024

	Note	2024 (\$'000's) Actual	2024 (\$'000's) Budget	2023 (\$'000's) Actual
Revenue				
User Revenue*	2	20,621	22,030	19,290
Other Revenue**	3	1,276	251	1,065
TCC Operational Grant	2	5,167	4,663	4,350
TCC Debt Servicing Grant	2	1,317	1,317	1,619
TCC Renewal Funding	2	5,894	6,041	8,739
Rehabilitation Expense Funding	2	416	-	538
COVID-19 Leave Subsidy	2	6	-	39
Total Operational Revenue		34,697	34,302	35,640
Expenditure				
Employee Expense	4	17,416	17,783	15,828
Administrative Expense	8	1,659	1,553	1,385
Consulting & Governance Expenses	5	1,251	692	887
Operating Expenses (incl. COGS)	6	7,967	7,979	7,689
Repairs & Maintenance Expense		1,191	1,113	1,029
Rehabilitation Expense		416	-	538
Profit/Loss on Disposal		144	-	55
Finance Costs		1,305	1,176	954
Depreciation & Amortisation Expense	7	7,981	7,327	6,945
Total Operating Expenditure		39,330	37,623	35,310
Surplus/(Deficit) before tax		(4,633)	(3,321)	330
Income Tax Expense	9	(6,721)	-	(52)
Surplus/(Deficit) After Tax		(11,354)	(3,321)	278
Other Comprehensive Revenue & Expenses				
Gain on Property, Plant & Equipment Revaluation	14	21,809	-	-
Impairment on Revalued Property, Plant & Equipment		-	-	(3,575)
Tax on Revaluation		(6,135)	-	-
Tax on Impairment		-	-	456
		15,674	-	(3,119)
Total Comprehensive Income		4,320	(3,321)	(2,841)

Summary of significant accounting policies and the accompanying notes form part of these financial statements.

* Rental & Sponsorship Revenue was previously included under Other Revenue in FY23, now included under User Revenue in FY24.

** Sundry Income & Subsidies Revenue was previously included under User Revenue in FY23, now included under Other Revenue in FY24. Refer to note 3.

FY23 prior year figures adjusted to reflect change in revenue allocation in FY24.



FINANCIAL STATEMENTS 2023-2024

STATEMENT OF CHANGES IN EQUITY for the Year ended 30 June 2024

	Share Capital (\$000's)	Retained Earnings (\$000's)	Revaluation Surplus (\$000's)	Other Reserves (\$000's)	Total Equity (\$000's)
Balance as at 1 July 2022	84,232	(27,538)	44,284	733	101,711
Comprehensive Income					
Surplus or Deficit for the Year	-	278	(3,575)	-	(3,296)
Other Comprehensive Income					
Revaluation Adjustment on Disposal	-	12	-	-	12
Tax on Impairment of Plant, Property & Equipment	-	-	456	-	456
Transfer to Mercury Reserve	-	(200)	-	200	-
Total Other Comprehensive Income, Net of Tax	-	(188)	456	200	468
Balance as at 30 June 2023	84,232	(27,448)	41,165	933	98,883
Balance as at 1 July 2023	84,232	(27,448)	41,165	933	98,882
Comprehensive Income					
Surplus or Deficit for the Year	-	(11,354)	21,809	-	10,455
Other Comprehensive Income					
Tax on Revaluation of Plant, Property & Equipment	-	-	(6,134)	-	(6,134)
Transfer from Trustpower Reserve	-	933	-	(933)	-
Transfer to Mercury Reserve	-	(131)	-	131	-
Total Other Comprehensive Income, Net of Tax	-	(10,552)	15,675	(802)	4,321
Balance as at 30 June 2024	84,232	(38,000)	56,841	131	103,203

Summary of significant accounting policies and the accompanying notes form part of these financial statements.



FINANCIAL STATEMENTS 2023-2024

STATEMENT OF FINANCIAL POSITION as at 30 June 2024

	Note	Actual 2024 (\$000's)	Actual 2023 (\$000's)
ASSETS			
Current Assets			
Cash & Cash Equivalents	10	1,526	629
Inventories	11	475	461
Debtors & Other Receivables	12	1,231	2,495
Total Current Assets		3,232	3,585
Non-Current Assets			
Other Non-Current Assets	15	5,425	4,355
Intangible Assets	13	208	572
Property, Plant & Equipment	14	157,035	133,471
Total Non-Current Assets		162,668	138,398
Total Assets		165,900	141,983
Liabilities			
Current Liabilities			
Employee Entitlements	16	2,195	1,753
Creditors & Other Payables	17	3,597	4,091
Borrowings - Adams Centre Loan	18	1,000	1,000
Total Current Liabilities		6,792	6,844
Non-Current Liabilities			
Borrowings	18	34,565	27,773
Deferred Tax	9	21,339	8,483
Total Non-Current Liabilities		55,904	36,256
Total Liabilities		62,696	43,100
Net Assets		103,203	98,883
EQUITY			
Share Capital	19	84,232	84,232
Retained Earnings	20	(38,000)	(27,449)
Other Reserves	22	131	933
Revaluation Reserves	21	56,841	41,167
Total Equity		103,203	98,883

Summary of significant accounting policies and the accompanying notes form part of these financial statements.


Simon Clarke – Director

27 September 2024
Date


Jeremy Curragh – Director

27 September 2024
Date



FINANCIAL STATEMENTS 2023-2024

STATEMENT OF CASHFLOWS for the Year ended 30 June 2024

	Note	Actual 2024 (\$000's)	Actual 2023 (\$000's)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers		22,908	17,348
Grants received		12,378	14,708
Dividend received		6	11
Cash received from other sources		356	127
Goods & Services Tax (net)		(111)	183
		35,537	32,378
Payments to Employees		(16,975)	(15,131)
Payments to Suppliers		(12,567)	(11,908)
Interest Paid		(1,305)	(954)
		(30,847)	(27,993)
Net cash flow from operating activities	24	4,690	4,385
Cash flows from investing activities			
Proceeds from Sale of Property, Plant and Equipment		-	88
Purchase of Property, Plant & Equipment		(9,515)	(10,883)
Transfer to Depreciation Investment		(1,070)	(930)
		(10,586)	(11,813)
Net cash flow from investing activities		(10,586)	(11,725)
Cash flows from financing activities			
Proceeds from borrowings		11,292	10,236
Repayment of TCC borrowings		(4,500)	(3,000)
Net Cash Flow From Financing Activities	24A	6,792	7,236
Net Increase / Decrease in Cash Held		896	(104)
Cash & cash equivalents at beginning of year		629	733
Cash, cash equivalents, and bank overdrafts at the end of the year	10	1,526	629

Summary of significant accounting policies and the accompanying notes form part of these financial statements.



STATEMENT OF ACCOUNTING POLICIES AND NOTES for the Year Ended 30 June 2024

1.1 ENTITY STATEMENT

Bay Venues Limited is a Council Controlled Organisation (CCO) as defined in Section 6 of the Local Government Act 2002. The company is wholly owned by Tauranga City Council. The company is registered under the Companies Act 1993 and is a reporting entity for the purposes of the Financial Reporting Act 1993.

The primary objective of Bay Venues Limited is to provide goods and services for the community or social benefit, rather than making a financial return. Accordingly, Bay Venues Limited, as part of the Tauranga City Council group, has designated itself as a Public Benefit Entity (PBE) for financial reporting purposes.

The financial statements of Bay Venues Limited are for the year ended 30 June 2024. The financial statements were authorised for issue by Bay Venues Limited Directors on 24 September 2024.

1.2 BASIS OF PREPARATION

The financial statements have been prepared on the going concern basis and the accounting policies have been applied consistently throughout the period.

The financial statements of Bay Venues Limited have been prepared in accordance with the requirements of the Companies Act 1993, the Financial Reporting Act 1993 and the Local Government Act 2002, which includes the requirements to comply with New Zealand generally accepted accounting practice (GAAP).

These financial statements and service performance information have been prepared in accordance with Tier 1 Public Benefit Entity (PBE) accounting standards. Tier 1 PBE standards have been newly adopted from Tier 2 for the year ended 30 June 2024 because its expenses are above \$33 million. However, Bay Venues Limited had not previously taken advantage of all Tier 2 exemptions. These financial statements comply with PBE standards.

The accounting notes set out below have been applied consistently to all periods presented in these financial statements.

Measurement Base

The financial statements have been prepared on historical cost basis, modified by the revaluation of land, plant and buildings.

Functional & Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of Bay Venues Limited is New Zealand dollars.

New Standards Issued & Adopted in Current Annual Reporting

Amendment applicable for the year ending 30 June 2024.

An amendment to PBE IPSAS 2 Cash Flow Statements requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The new information required by this amendment has been disclosed in Note 24(A).

Standards, Amendments, & Interpretations Issued that are Not Yet Effective

Standards, amendments, and interpretation issued that are not yet effective will have a minimal impact on the entity.

1.3 REVENUE RECOGNITION

Revenue is recognised at fair value of the consideration received or receivable.

Sale of Goods

Revenue from the sale of goods is recognised when the product is sold to the customer.

User Fees & Charges

User fees and charges are recognised on the basis of actual services provided. Any fees and charges received in advance are recognised as unearned income.

Grant Income

Grant income is recognised upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled. Revenue is classified as exchange and non-exchange. Subsidised income received is recognised as non-exchange revenue.

1.4 BORROWING COSTS

Borrowing costs are recognised as an expense in the period in which they are incurred.

1.5 INCOME TAXATION

Income tax expense includes components relating to current tax and deferred tax, and is calculated using tax rates and tax laws that have been enacted or substantively enacted at balance date.

Current tax is the income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.



STATEMENT OF ACCOUNTING POLICIES AND NOTES for the Year Ended 30 June 2024

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

Current and deferred tax is recognised against the profit or loss for the period, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

1.6 LEASES

(i) Operating Lease

An operating lease is a lease that does not transfer substantially all the risks and benefits of ownership of the leased item to the lessee.

Lease payments under an operating lease are recognised as expenses in the surplus or deficit on a straight line basis over the lease term.

1.7 CASH & CASH EQUIVALENTS

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

1.8 DEBTORS & OTHER RECEIVABLES

Debtors and other receivables are included at their net realisable value after deduction of a provision for doubtful debts.

1.9 IMPAIRMENT OF FINANCIAL ASSETS

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Receivables

Impairment is established when there is objective evidence that Bay Venues Limited will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy and default on the payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectable, it is written off

against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is not past due). Impairment in term deposits is recognised directly against the instrument's carrying value.

1.10 INVENTORIES

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at cost, adjusted when applicable, for any loss of service potential. The loss of service potential of inventory held for distribution is determined on the basis of obsolescence. Where inventories are acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

Inventory held for use in the production of goods and services on a commercial basis is valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the first in first out (FIFO) method.

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at cost adjusted for any loss of service potential.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

1.11 PROPERTY, PLANT & EQUIPMENT

Property, plant, and equipment consists of land, buildings & improvements, plant & equipment, and motor vehicles.

Property, plant, and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Revaluation

Land, buildings and Plant are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost. Revaluations of property, plant, and equipment are accounted for on a class of asset basis.

The net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expenses.

The most recent valuations were performed by Quotable Value on Buildings & Land and by Forbes Valuation on



STATEMENT OF ACCOUNTING POLICIES AND NOTES for the Year Ended 30 June 2024

Property, Plant & Equipment, with the valuations being effective as at 30 June 2024.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Bay Venues Limited and the cost of the item can be measured reliably.

Costs incurred subsequent to initial recognition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Bay Venues Limited and the cost of the item can be measured reliably.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Work in progress is recognised at cost less impairment and is not depreciated.

Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are included in the surplus or deficit. When revalued assets are sold, the amounts included in the asset revaluation reserves in respect of those assets are transferred to retained earnings.

Depreciation

All assets are depreciated over their expected useful lives. Depreciation is provided on a straight line (SL) basis, at rates calculated to allocate the asset cost less estimated residual value over the estimated useful life. When assets are revalued, depreciation rates are overridden by the new annual depreciation rates to accurately reflect the useful life of the asset.

CLASS OF ASSET DEPRECIATED	Estimated Useful Life(Years)	Depreciation Method
Operational Assets		
Buildings & Improvements	1-100	SL
Plant & Equipment	1-100	SL
Computer Equipment	3-10	SL
Office Furniture & Equipment	1-20	SL
Motor Vehicles	4.5-10	SL

1.12 INTANGIBLE ASSETS

Software Acquisition & Development

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred. Staff training costs are recognised as an expense when incurred.

Intellectual Property Development

CLASS OF INTANGIBLE ASSET	Estimated Useful Life	Amortisation Rates
Acquired Computer Software	3-10 years	10% - 33.3%

1.13 IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the carrying amount of property, plant and equipment exceeds its recoverable amount. Any impairment loss is recognised immediately in surplus or deficit unless the asset is revalued, in which case any impairment loss is treated as a revaluation decrease. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Assets are considered cash generating if their primary objective is to provide a commercial return. The value in use for cash generating assets is the present value of expected future cash flows. For non cash generating assets, value in use is determined using an approach based on a depreciated replacement cost.

There has not been any impairments during the year ended 30 June 2024.

1.14 CREDITORS & OTHER PAYABLES

Creditors and other payables are recognised at fair value and subsequently measured at amortised cost.

1.15 BORROWINGS

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest rate method.

Borrowings are classified as current liabilities unless Bay Venues Limited has an unconditional right to defer settlement of the liability for at least 12 months after balance date, or if the borrowings are expected to be settled within 12 months of balance date.



STATEMENT OF ACCOUNTING POLICIES AND NOTES for the Year Ended 30 June 2024

1.16 EMPLOYEE ENTITLEMENTS

Short-Term Employee Entitlements

Salaries, wages and annual leave, that are due to be settled within 12 months after the end of the period in which the employee renders the related service, are measured at nominal values based on accrued entitlements at current rates of pay.

A liability and an expense are recognised for bonuses where Bay Venues Limited has a contractual obligation or where there is a past practice that has created a constructive obligation.

Long-Term Employee Entitlements

Employee entitlements are those entitlements that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

Superannuation Schemes

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit when incurred.

Annual leave and long service leave, expected to be settled within 12 months or balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

1.17 PROVISIONS

Bay Venues Limited recognises a provision for future expenditure of an uncertain amount or timing when there is a present obligation, (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. Provisions are not recognised for future operating losses.

1.18 EQUITY

Capital Management

Bay Venues Limited capital is its equity, which comprises accumulated comprehensive revenue and expenses and all equity reserves. Equity is represented by net assets.

Bay Venues Limited is a Council Controlled Organisation as defined by the Local Government Act 2002 which includes restrictions on how it operates and defines reporting and

accountability processes. Tauranga City Council has a general security agreement over all Bay Venues Limited assets which restricts the ability to dispose of certain property and to enter into new borrowing arrangements.

Bay Venues Limited manages its revenues, expenses, assets, liabilities and general financial dealings prudently and in a manner that promotes the current and future interest of the community. Bay Venues Limited's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities and general financial dealings.

The objective of managing Bay Venues Limited's equity is to ensure that it effectively and efficiently achieves the goals and objectives for which it has been established, while remaining a going concern.

There have been no changes in relation to Capital Management during the current financial period.

Accounting Policy

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

- Share Capital - (Note 19)
- Retained Earnings - (Note 20)
- Property, Plant & Equipment Revaluation Reserve - (Note 21)
- Other Reserves - (Note 22)

Property Revaluation Reserves

This reserve relates to the revaluation of property, plant, and equipment to fair value.

The revaluation reserve will be realised when the assets within the class of property, plant and equipment to which the surplus relates to, are retired or disposed of.

Other Reserves

This reserve relates to the Mercury naming rights reserve.

1.19 GOODS & SERVICES TAX

All items in the financial statements are exclusive of goods and services tax (GST) with the exception of receivables and payables, which are stated with GST included. When GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

Commitments and contingencies are disclosed exclusive of GST.

The net amount of GST recoverable from, or payable to the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.



STATEMENT OF ACCOUNTING POLICIES AND NOTES for the Year Ended 30 June 2024

1.20 BUDGET FIGURES

The budget figures are those adopted by Bay Venues Limited and approved by Tauranga City Council in its 2023/24 Annual Plan. The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies adopted by Bay Venues Limited for the preparation of the financial statements.

1.21 CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING ESTIMATES

In preparing these financial statements, Bay Venues Limited has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below:

Note 14 – Property Plant and Equipment

Note 28 - Financial Instruments

1.22 EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET

Note 27 provides explanations of major variances against budget.



STATEMENT OF ACCOUNTING POLICIES AND NOTES

for the Year Ended 30 June 2024

NOTE 2: REVENUE FROM EXCHANGE AND NON-EXCHANGE TRANSACTIONS

	Actual 2024 (\$000's)	Budget 2024 (\$000's)	Actual 2023 (\$000's)
Non-Exchange			
TCC Operational Grant	5,167	4,663	4,350
TCC Debt Serving Grant	1,317	1,317	1,619
TCC Renewal Funding	5,894	6,041	8,739
Aquatics	4,667	5,015	4,473
Indoor Facilities	2,158	2,071	1,680
Memberships	262	302	209
Rehabilitation Expense Funding	416	-	538
COVID-19 Leave Subsidy	6	-	39
Total Non-Exchange	19,887	19,409	21,647
Exchange			
Memberships	2,485	2,477	1,873
Events & Catering	9,616	9,968	9,031
Other User Fees & Charges	1,304	1,089	1,961
Learn to Swim	1,404	1,359	1,128
Total Exchange	14,809	14,894	13,993
Total Exchange & Non-Exchange	34,697	34,302	35,640

NOTE 3: OTHER REVENUE

	2024 Actual (\$000's)	2024 Budget (\$000's)	2023 Actual (\$000's)
Rental*	-	-	-
Dividends	6	11	11
Interest Received	-	-	-
Sponsorship*	-	-	-
Sundry Income**	1,149	188	991
Subsidies**	121	52	63
Total Other Revenue	1,276	251	1,065

* Revenue included under User Revenue in FY24. ** Previously included under User Revenue in FY23.
FY23 prior year figures adjusted to reflect change in revenue allocation in FY24.

NOTE 4: EMPLOYEE EXPENSES

	2024 Actual (\$000's)	2024 Budget (\$000's)	2023 Actual (\$000's)
Salaries & Wages*	16,655	16,865	15,122
Defined Contribution Plan Employer Contributions (KiwiSaver)	321	332	296
Other Personnel Expense	440	586	410
Total Employee Expenses	17,416	17,783	15,828

* For FY23 Salaries & wages includes a \$450k provision for Holiday Act Remediation which is an estimate only



STATEMENT OF ACCOUNTING POLICIES AND NOTES for the Year Ended 30 June 2024

NOTE 5: CONSULTING & GOVERNANCE EXPENSES

	2024 Actual (\$000's)	2024 Budget (\$000's)	2023 Actual (\$000's)
Audit Fees	146	159	133
Consulting*	785	244	467
Director Fees	254	239	239
TCC Shared Services	20	24	26
Tax Advisory	46	26	22
Total Consulting Governance Expenses	1,251	692	887

* Consultancy includes a \$180k provision for Holidays Act Remediation which is an estimate only. Also included is SaaS costs for Datascope and Bamboo HR.

NOTE 6: OPERATING EXPENSES

	2024 Actual (\$000's)	2024 Budget (\$000's)	2023 Actual (\$000's)
Cost of Goods Sold	2,562	2,674	2,646
Electricity	1,347	1,424	1,098
Insurance	720	604	525
Other*	2,886	2,744	2,717
Events Expenses	149	116	309
Marketing	303	417	394
Total Operating Expenses	7,967	7,979	7,689

* Other Operating Expenditure includes such items as: (i) Cleaning (ii) Rates (iii) Recoverable Expenses

NOTE 7: DEPRECIATION & AMORTISATION EXPENSE

	2024 Actual (\$000's)	2024 Budget (\$000's)	2023 Actual (\$000's)
Buildings & Improvements	4,090	3,756	3,615
Intangibles	157	144	189
Office Furniture & Equipment	1,048	962	828
Plant & Equipment	2,566	2,356	2,222
Motor Vehicles	120	110	91
Total Depreciation & Amortisation	7,981	7,327	6,945

NOTE 8: ADMINISTRATIVE EXPENSES

	2024 Actual (\$000's)	2024 Budget (\$000's)	2023 Actual (\$000's)
Operating Lease costs	102	101	106
Other Administrative Expenses	1,557	1,452	1,279
Total Administrative Expenses	1,659	1,553	1,385



STATEMENT OF ACCOUNTING POLICIES AND NOTES

for the Year Ended 30 June 2024

NOTE 9: INCOME TAX EXPENSE / (BENEFIT)

	2024 Actual (\$000's)	2023 Actual (\$000's)
(a) Operational Surplus / (Deficit) Before Taxation	(4,633)	330
Prima Facie Taxation at 28% (2023: 28%)	(1,297)	93
Non-Deductible Expenditure	1,967	1,841
Non Taxable Income	(1,967)	(1,843)
Prior Year Adjustment	150	-
Removal of Tax Depreciation on Buildings*	7,526	-
Deferred Tax Adjustment	342	(38)
Recognition of Buildings Tax Base	-	-
Tax Expense	6,721	52
Components of Tax Expense		
Current Taxation	-	-
Deferred Taxation Expense/(Benefit)	6,721	52

* On 28 March 2024 the Taxation (Annual Rates for 2023-24, Multinational Tax, and Remedial Matters) Act passed into law. The Act removed tax depreciation deductions for industrial and commercial buildings with an estimated tax useful life of 50 years or more, with effect from 2024/25 income tax year. Application of the enacted tax law has resulted in a \$7,526k increase in the recognition of deferred tax expense in the Statement of Comprehensive Income and a corresponding increase to the deferred tax liability recognised in the Statement of Financial Position.

(B) Deferred Tax Asset / (Liability)

	Property, Plant & Equipment (\$000's)	Employee Entitlements (\$000's)	Other Provisions (\$000's)	Tax Losses (\$000's)	Total (\$000's)
Entity					
Balance at 30 June 2022	(21,450)	199	20	12,345	(8,886)
Charged to Surplus or Deficit	(1,455)	176	(2)	1,228	(52)
Charged to Other Comprehensive Income	456	-	-	-	456
Balance at 30 June 2023	(22,448)	375	18	13,572	(8,483)
Charged to Surplus or Deficit	(8,704)	80	(1)	1,903	(6,721)
Charged to Other Comprehensive Revenue & Expense	(6,135)	-	-	-	(6,135)
Balance at 30 June 2024	(37,287)	456	17	15,476	(21,339)

NOTE 10: CASH & CASH EQUIVALENTS

	2024 Actual (\$000)	2023 Actual (\$000)
Cash at Bank	1,514	617
Cash in Hand	12	12
Total Cash & Cash Equivalents	1,526	629

The Carrying Value of Cash at Bank or Till Floats Approximates Their Fair Value. There Is No Restriction on Their Use.



STATEMENT OF ACCOUNTING POLICIES AND NOTES for the Year Ended 30 June 2024

NOTE 11: INVENTORIES

	2024 Actual (\$000's)	2023 Actual (\$000)
Held for Distribution Inventories		
Chemical at Cost	12	11
Held for Commercial Inventories		
Merchandise at Cost	218	158
Food & Beverages	245	292
Total Inventory	475	461

There is no write down of inventory during the year. No inventory is pledged as security for liabilities (2023 \$nil).

NOTE 12: DEBTORS AND OTHER RECEIVABLES

	2024 Actual (\$000's)	2023 Actual (\$000)
Trade Debtors	888	2,153
Accruals	17	114
Provision for Doubtful Receivables	(18)	(17)
Prepayments	343	245
Total Debtors & Other Receivables	1,231	2,495
Receivables from Non Exchange Transactions	205	101
Receivables from Exchange Transactions	1,025	2,392
Total Debtors & Other Receivables	1,231	2,494

	2024 Gross (\$000's)	Impairment (\$000's)	2024 Net (\$000's)	2023 Gross (\$000's)	Impairment (\$000's)	2023 Net (\$000's)
Trade & Related Parties Debtors						
Not Past Due	653	-	653	2,076	-	2,076
Aged Receivables: 31-60 days	120	(6)	114	18	(4)	15
Aged Receivables: 61-90 days	40	-	40	42	-	42
Aged Receivables: Greater than 90 days	75	(11)	64	14	(13)	1
Total	888	(18)	871	2,151	(17)	2,135

FAIR VALUE

Debtors and Other receivables are non interest bearing and receipt is normally 30 day term. Therefore, the carrying amount of debtors and other receivables approximates to their fair value.

IMPAIRMENT

An impairment of \$17,934 was provided for doubtful debt at 30 June 2024. (2023: \$16,786). No debtor is pledged as security for liabilities (2023: \$nil)

EXPECTED CREDIT LOSS (ECL) ALLOWANCE

Bay Venues Limited consider a financial asset to be in default when the financial asset is more than 90 days past due. Bay Venues Limited may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligations in full.



STATEMENT OF ACCOUNTING POLICIES AND NOTES

for the Year Ended 30 June 2024

OTHER FINANCIAL ASSETS

ECL measured for other financial assets are trivial. They are low risk and Bay Venues Limited has not identified any indications that credit risk associated with those instruments has significantly increased since initial recognition.

RECEIVABLES

ECL for other receivables is based on the payment profile of revenue on credit over the prior two years the measurement date and the corresponding historical credit losses experienced for that period. This historical loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the expected recoverability of receivables. Given the short period of credit risk exposure, the effects of macroeconomic factors are not considered significant. There have been no changes in the estimation techniques or significant assumptions in measuring the loss allowance.

NOTE 13: INTANGIBLE ASSETS

	Computer Software (\$000's)	Total (\$000's)
Cost		
Balance as at 1 July 2022	2,142	2,142
Additions	32	32
Disposals	194	194
Balance as at 30 June 2023	2,369	2,369
Balance as at 1 July 2022 Balance as at 1 July 2023	2,369	2,369
Additions	9	9
Disposals	-	-
Work In Progress Disposals	(254)	
Work In Progress	39	(216)
Balance as at 30 June 2024	2,162	2,162
Accumulated Amortisation & Impairment		
Balance as at 1 July 2022	(1,612)	(1,612)
Amortisation Change	(185)	(185)
Balance as at 30 June 2023	(1,797)	(1,797)
Balance as at 1 July 2023	(1,797)	(1,797)
Amortisation Charge	(157)	(157)
Balance as at 30 June 2024	(1,954)	(1,954)
Carrying Amounts		
As at 1 July 2022	531	531
As at 30 June 2023	572	572
As at 30 June 2024	208	208

There are no restrictions over the title of intangible assets. No intangible assets are pledged as security for liabilities.



STATEMENT OF ACCOUNTING POLICIES AND NOTES

for the Year Ended 30 June 2024

NOTE 14: PROPERTY PLANT AND EQUIPMENT

	2023 Cost / Valuation (\$000's)	2023 Accum Depn (\$000's)	Opening Book Value (\$000's)	2024 Asset Additions (\$000's)	2024 Asset Disposals (\$000's)	Current Depn (\$000's)	Revaluation 2024 (\$000's)	Cost Reval (\$000's)	2024 Accum Depn (\$000's)	2024 Closing book value (\$000's)
At cost & valuation										
Land	2,500	-	2,500	-	-	-	(100)	2,400	-	2,400
Buildings & Improvements	113,870	(7,189)	106,680	4,158	-	(4,090)	19,301	126,049	-	126,048
Plant & Equipment	22,942	(4,756)	18,186	1,648	(146)	(2,566)	2,608	19,729	-	19,729
Office Furniture & Equipment	7,124	(3,570)	3,554	2,005	-	(1,048)	-	9,129	(4,618)	4,510
Motor Vehicles	980	(381)	599	130	-	(120)	-	1,110	(500)	610
Subtotal	147,415	(15,896)	131,519	7,941	(146)	(7,823)	21,809	158,417	(5,118)	153,298
Work in Progress	1,953	-	1,953	9,510	(7,725)	-	-	-	-	3,737
Total	149,369	(15,896)	133,472	17,451	(7,871)	(7,823)	21,809	158,417	(5,118)	157,035

Work in Progress: additional work is shown within the New Assets column and any capitalised assets are shown in Assets Disposed column.

	2022 Cost / Valuation (\$000's)	2022 Accum Depn (\$000's)	Opening Book Value (\$000's)	2023 Asset Additions (\$000's)	2023 Asset Disposals (\$000's)	Current Depn (\$000's)	Revaluation 2023 (\$000's)	Cost Reval (\$000's)	2023 Accum Depn (\$000's)	2023 Closing Book Value (\$000's)
At Cost & Valuation										
Land	2,500	-	2,500	-	-	-	-	2,500	-	2,500
Buildings & Improvment	108,091	-	108,091	5,779	-	(3,615)	(3,575)	113,870	(7,189)	106,680
Plant & Equipment	19,169	(2,534)	16,635	3,861	(88)	(2,222)	-	22,942	(4,756)	18,186
Office Furniture & Equipment	5,420	(2,742)	2,679	1,704	-	(828)	-	7,124	(3,570)	3,554
Motor Vehicles	785	(289)	495	195	-	(91)	-	980	(381)	599
Sub Total	135,965	(5,565)	130,400	11,538	(88)	(6,756)	(3,575)	147,415	(15,896)	131,519
Work in Progress	2,882	-	2,882	10,609	(11,538)	-	-	1,954	-	1,953
Total	138,847	(5,565)	133,282	22,147	(11,626)	(6,756)	(3,575)	149,369	(15,896)	133,472



STATEMENT OF ACCOUNTING POLICIES AND NOTES for the Year Ended 30 June 2024

VALUATION

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Land & Buildings

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values.

Adjustments have been made where there is a designation against the land or the use of the land is restricted because of reserve or endowment status, the valuation approach reflects the restriction in use. These adjustments are intended to reflect the negative effect on the value of the land where an owner is unable to use the land more intensively.

Specialised buildings are valued at fair value using Optimised Depreciated Replacement Cost (ODRC) because no reliable market data is available for such buildings.

Optimised Depreciated Replacement Cost is determined using a number of significant assumptions. Significant assumptions include:

- The replacement costs of the specific assets are adjusted where appropriate for optimisation due to over-design or surplus capacity. There have been no optimisation adjustments for the most recent valuations.
- The replacement cost is derived from recent construction contracts of similar assets and Property Institute of New Zealand cost information.
- The remaining useful life of assets is estimated after considering factors such as the condition of the asset, future maintenance and replacement plans, and experience with similar buildings.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Non specialised buildings (for example, residential buildings) are valued at fair value using market based evidence. Market rents and capitalisation rates were applied to reflect market value.

The building valuation was performed by a registered independent valuer, Ashley Pont of the firm Quotable Value Limited, and the valuation is effective 30 June 2024.

Restrictions

Bay Venues Limited does not own any of the land that Building and Improvements are located on, except for a house at Miro Street. All land is owned by Tauranga City Council, with some of this land being reserve land. As such there are restrictions on both use and disposal of these Buildings and Improvements.

There is no restriction on the other classes of asset in the account and no amount of any property, plant and equipment was pledged as security for liabilities.

Plant

The approach utilised is a "fair" or "equitable" value which is reflected as market value for the existing use. Market value being defined as the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arms length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Generally values have been calculated utilising either a comparable sales approach or on a depreciated replacement cost basis, whichever was more appropriate. Depreciated replacement cost is defined as the gross current replacement cost reduced by factors providing for age, physical depreciation and technical and functional obsolescence taking into account the assets total estimated useful life and anticipated residual value.

The age of each asset has been established utilising:

- Data provided;
- Research;
- On-site assessment;
- Assessment based on the assets being combined with other fixtures.

The most recent plant valuation was undertaken by a registered independant valuer, Ewan Forbes of the firm Forbes Valuation, on behalf of Quotable Value Limited, and the valuation is effective 30 June 2024.

WORK IN PROGRESS

The total amount of property, plant, and equipment in the course of construction is \$3,775,862 (2023 \$2,207,003). Intangibles in the course of construction, included in above balance, is \$38,581 (2023 \$254,399).



STATEMENT OF ACCOUNTING POLICIES AND NOTES

for the Year Ended 30 June 2024

NOTE 15: OTHER INVESTMENTS - NON-CURRENT PORTION

	Actual 2024 (\$000's)	Actual 2023 (\$000's)
Related Party Investments		
Depreciation Investment	5,425	4,355
Total Other Investments - Non-Current Portion	5,425	4,355

Bay Venues Limited transfer funds to Tauranga City Council to be held in a depreciation reserve to fund future renewals capital for Bay Venues Limited.

NOTE 16: EMPLOYEE ENTITLEMENT LIABILITIES

	Actual 2024 (\$000's)	Actual 2023 (\$000's)
Accrued Pay	377	241
Annual Leave*	1,628	1,340
ACC Employer Contribution	42	48
Payroll Taxes	148	124
Total Employee Entitlements	2,195	1,753

* Annual Leave includes estimate of \$450k for Holiday Act remediation in both FY23 & FY24.

NOTE 17: CREDITORS AND OTHER PAYABLES

	Actual 2024 (\$000's)	Actual 2023 (\$000's)
Income in Advance	540	857
Trade & Other Payables	549	928
Accrued Expenditure	2,416	2,104
Deposits & Bonds	24	22
Other Payables	-	-
GST Payable	69	180
Total Creditors & Other Payables	3,597	4,091
Payables from Non Exchange Transactions	4	1,540
Payables from Exchange Transactions	3,593	2,550
Total Creditors & Other Payables	3,597	4,090

Accounting Policy

Short-term creditors and other payable are measured at the amount payable.

Trade and other payables are non-interest bearing and are normally settled on 30 day terms, therefore the carrying value of trade and other payables approximates their value.

There is a liability calculated by ASB Bank for our Credit Card Clearing account \$19,087 (2023 : \$15,445).



STATEMENT OF ACCOUNTING POLICIES AND NOTES

for the Year Ended 30 June 2024

NOTE 18: BORROWINGS

	Actual 2024 (\$000's)	Actual 2023 (\$000's)
Current Borrowings		
Adams Centre for High Performance	1,000	1,000
Total Current Portion	1,000	1,000
Non-Current Borrowings		
Loan from Tauranga City Council*	34,565	27,773
Total Non-Current Portion	34,565	27,773

* A new funding structure begins in FY2025 which will reduce the loan balance with Tauranga City Council.

SECURITY

Tauranga City Council loan is unsecured.

Council has agreed to guarantee the Adams Centre for High Performance loan on the terms contained in the agreement.

FINANCE COSTS

Tauranga City Council charge interest at 4.25%. (2023 : 3.75%)

University of Waikato charge interest to the value of 55% of the total rental fee for the High Performance Centre.

NOTE 19: SHARE CAPITAL

Fully Paid Ordinary Shares

	Actual 2024 (\$000's)	Actual 2023 (\$000's)
Balance at Beginning of Financial Year	84,232	84,232
Reclassification of Capital	-	-
Closing Balance of Ordinary Shares Issued	84,232	84,232

- Fully paid ordinary shares carry one vote per share and carry the right to dividends.
- No ready market for these shares so recognised at cost.
- Shares have no par value.
- Bay Venues Limited also holds \$18,000,000 uncalled shares of \$1 per share.
- 84,232,000 ordinary shares at \$1 per share are fully paid out and carry the right to dividends per share.

NOTE 20: RETAINED EARNINGS

	Actual 2024 (\$000's)	Actual 2023 (\$000's)
Accumulated Funds		
Balance at 1 July	(27,449)	(27,539)
Surplus/(Deficit) for the Year	(11,354)	278
Transfer (to)/from Trustpower Reserve	933	
Transfer to Reserve	(131)	(200)
Disposal of Property, Plant & Equipment	-	12
Balance 30 June 2024	(38,000)	(27,449)



STATEMENT OF ACCOUNTING POLICIES AND NOTES for the Year Ended 30 June 2024

NOTE 21: REVALUATION RESERVE

	Actual 2024 (\$000's)	Actual 2023 (\$000's)
Balance at 1 July	41,166	44,285
Net Revaluation Gains	15,675	-
Net Impairment on Revalued Property, Plant & Equipment	-	(3,119)
Balance at 30 June	56,841	41,166

NOTE 22: OTHER RESERVES

	Actual 2024 (\$000's)	Actual 2023 (\$000's)
Naming Rights	131	933
Total Reserves	131	933

* The Naming Rights reflects the Mercury naming rights arrangement for Mercury Baypark.

NOTE 23: CONTINGENCIES

Compliance with Holidays Act 2003: Many public & private sector entities, including Bay Venues Limited, have considered and continue to investigate historic underpayment of holiday entitlements. In the current financial year, Bay Venues Limited has recognised a provision of \$180k at balance date based on a reasonable estimate of the potential liability. (Contingent Liabilities in 2023: \$450k).

Bay Venues Limited has no contingent assets at 30 June 2024 (2023: nil).

Bay Venues Limited has no contingent rent recognised during the year. (2023: nil).

NOTE 24: RECONCILIATION OF NET SURPLUS / (DEFICIT) AFTER TAX TO NET CASHFLOW FROM OPERATING ACTIVITIES

	Actual 2024 (\$000's)	Actual 2023 (\$000's)
Net Surplus / (Deficit) from Statement of Comprehensive Income	(11,354)	278
Add/(Deduct) Non Cash Items		
Depreciation/Amortisation + Loss on Disposal	8,124	7,456
Add/(Deduct) Movements in Working Capital		
Movement in Trade & Other Receivables	1,263	(1,654)
Movement in Inventories	(13)	(94)
Movement in Employee Entitlements	441	696
Movement in Trade & Other Payables	(381)	(2,077)
Movement in GST Payable	(111)	183
Movement in Deferred Tax Relating to Operating Activities	6,721	(403)
Net Cash Inflow/(Outflow) from Operating Activities	4,690	4,385



STATEMENT OF ACCOUNTING POLICIES AND NOTES

for the Year Ended 30 June 2024

NOTE 24: (A) RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below provides a reconciliation between the opening and closing balance of liabilities with cash flows that were, or future cash flows that will be, classified as a financing activity in the statement of cash flows.

	Loan from Tauranga City Council 2024 (\$000's)	Loan from Tauranga City Council 2023 (\$000's)
Balance as at 1 July 2023	27,773	20,537
Cash Inflows	11,292	10,236
Cash Outflows	(4,500)	(3,000)
Non-Cash Changes	-	-
Balance as at 30 June 2024	34,565	27,773

NOTE 25: CAPITAL COMMITMENTS AND OPERATING LEASES

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred.

There are no capital commitments in the current financial year.

OPERATING LEASES AS LESSEE

The Company leases equipment in the normal course of its business for a range of terms from 1 – 60 months. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

	Actual 2024 (\$000's)	Actual 2023 (\$000's)
Not Later than One Year	44	83
Later than One Year and Not Later than Five Years	30	71
Later than Five Years	-	-
Total Non-Cancellable Operating Leases	74	154

OPERATING LEASES AS LESSOR

The Company provides leased office spaces in the normal course of its business. Signed lease agreements are in place for periods from 12 to 180 months.

	Actual 2024 (\$000's)	Actual 2023 (\$000's)
Not Later than One Year	320	446
Later than One Year and Not Later than Five Years	632	780
Later than Five Years	1,737	1,669
Total Non-Cancellable Operating Leases	2,689	2,894

No contingent rents have been recognised during the year (2023: nil).



STATEMENT OF ACCOUNTING POLICIES AND NOTES for the Year Ended 30 June 2024

NOTE 26: RELATED PARTY TRANSACTIONS

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the Company would have adopted in dealing with the party at arm's length in the same circumstances.

Related party disclosures have also not been made for transactions with Council (such as funding), where the transactions are consistent with the normal operating relationships between the entities and are on normal terms and conditions for such transactions.

	Actual 2024 (\$000's)	Actual 2023 (\$000's)
Transactions with Key Management Personnel		
Salaries and Other Short Term Employee Benefits	1,231	1,263
Directors Fees and Travel	254	239
Total Key Management Personnel Remuneration	1,485	1,502
Total Full-Time Equivalent Personnel	7	7

Key management personnel include the Board of Directors, Chief Executive, General Manager Operations, General Manager Finance & Commercial, General Manager Customer Experience, General Manager Facilities and General Manager People & Capability. Directors fees and travel excludes meeting costs such as catering. Due to the difficulty in determining the full-time equivalent for all Directors, the full-time equivalent is taken as one.

NOTE 27: EXPLANATIONS OF MAJOR VARIANCES AGAINST BUDGET

Explanations for major variations from the Company's budget figures in the 2023-24 Financial Statements are as follows:

Statement of Comprehensive Revenue and Expense

- User Revenue was \$1.4m behind budget due to lower user fees in events and aquatics.
- Consultancy expenses includes SaaS implementation expenses of \$284k funded by TCC.

NOTE 28: FINANCIAL INSTRUMENTS

(A) FINANCIAL INSTRUMENT CATEGORIES

	Actual 2024 (\$000's)	Actual 2023 (\$000's)
FINANCIAL ASSETS		
Loans & Receivables		
Cash & Cash Equivalents	1,526	629
Debtors & Other Receivables	870	2,135
Total Financial Assets	2,396	2,764
FINANCIAL LIABILITIES		
Financial liabilities at amortised cost		
Creditors & Other Payables	571	950
Borrowings - Adams Centre Loan	1,000	1,000
Borrowings - TCC Loan	34,565	27,773
Total Financial Liabilities	36,136	29,723



STATEMENT OF ACCOUNTING POLICIES AND NOTES

for the Year Ended 30 June 2024

Financial Instrument Risks

Bay Venues Limited complies with Tauranga City Council's policies to manage the risks associated with financial instruments. Bay Venues Limited is risk averse and seeks to minimize exposure from its financial instruments. Bay Venues Limited complies with Tauranga City Council's established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

(a) Market Risk

Fair Value Interest Rate Risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The main objective of interest rate risk management is to reduce uncertainty around net interest expense as interest rates change. All current borrowings are from Tauranga City Council. The interest rates are fixed by Tauranga City Council annually on 1 July each year therefore Bay Venues Limited is not subject to market interest rate fluctuations during the financial year.

Cash Flow Interest Rate Risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Bay Venues Limited only borrows, or invests, with Tauranga City Council and the interest rates on these borrowings are fixed by Tauranga City Council annually on 1 July each year therefore Bay Venues Limited is not subject to fluctuating market interest rates during the financial year.

Currency Risk

Currency risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in foreign exchange rates.

Bay Venues Limited purchases events from overseas event promoters, which require it to enter into transactions dominated in foreign currencies. As a result of these activities, exposure to currency risk arises.

It is Bay Venues Limited's policy to manage foreign currency risks arising from contractual commitments and liabilities that are above \$20,000 by entering into forward foreign exchange contracts to manage the foreign currency risk. This means that Bay Venues Limited is able to fix the New Zealand dollar amount payable for the delivery of these events.

(b) Sensitivity Analysis

The table below illustrates the potential effect on the surplus or deficit and equity for reasonably possible market movements, with all other variables held constant based on Bay Venues Limited's financial instrument exposure at balance date.

	-100BPS		+100BPS	
	Surplus/ (Deficit) (\$000's)	Equity (\$000's)	Surplus/ (Deficit) (\$000's)	Equity (\$000's)
30 JUNE 2024				
Interest Rate Risk				
Financial Assets	-	-	-	-
Cash & Cash Equivalents	-	-	-	-
Financial Liabilities	-	-	-	-
Secured Loans	356	-	(356)	-
Total Sensitivity	356	-	(356)	-



STATEMENT OF ACCOUNTING POLICIES AND NOTES for the Year Ended 30 June 2024

	-100BPS		+100BPS	
	Surplus/ (Deficit) (\$000's)	Equity (\$000's)	Surplus/ (Deficit) (\$000's)	Equity (\$000's)
30 JUNE 2023				
Interest Rate Risk				
Financial Assets	-	-	-	-
Cash & Cash Equivalents	-	-	-	-
Financial Liabilities	-	-	-	-
Secured Loans	288	-	(288)	-
Total Sensitivity	288	-	(288)	-

Explanation of Interest Rate Risk Sensitivity

The interest rate risk sensitivity is based on a reasonably possible movement in interest rates, with all other variables held constant, measured as a basis points (bps) movement. For example, a decrease of 100 bps is equivalent to a decrease in market interest rates of 1.0%.

The sensitivity for derivatives (interest rate swaps) has been calculated using a derivative valuation model based on a parallel shift in interest rates of 100bps/+100bps (2023: 100bps/+100bps).

(c) Credit Risk

Credit risk is the risk that a third party will default on its obligations to Bay Venues Limited, causing the company to incur a loss. In the normal course of business, Bay Venues Limited incurs credit risk from accounts receivables only.

The carrying value of financial instruments in the Statement of Financial Position reflects their credit risk exposure. The exposures are net of any recognised provisions for losses on these financial instruments. No collateral is held.

Bay Venues Limited complies with Councils Treasury Policy which permits a minimum credit rating of A for registered banks and other organisations. On 30 June 2024 all financial instruments were held with the New Zealand registered trading banks which are rated AA-. There are no major concentrations of credit risk in relation to debtors and other receivables, as it has many credit customers.

Maximum Exposure to Credit Risk

Bay Venues Limited's maximum credit risk exposure for each class of financial instruments is as follows:

	30 June 2024 (\$000's)	30 June 2023 (\$000's)
Cash at Bank	1,526	629
Debtors & Other Receivables	870	2,135
Total Credit Risk	2,396	2,764

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates.

Counterparties with Credit Ratings	30 June 2024 (\$000's)	30 June 2023 (\$000's)
Cash at Bank		
AA-	1,526	629
Total Credit Risk	1,526	629

Bay Venues Limited has no significant concentrations of credit risk in relation to debtors and other receivables, as it has many credit customers.



STATEMENT OF ACCOUNTING POLICIES AND NOTES

for the Year Ended 30 June 2024

(d) Liquidity risk

Liquidity risk is the risk that Bay Venues Limited will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities, in Bay Venues Limited case, via funding through Tauranga City Council. Bay Venues Limited mostly manages liquidity risk by continuously monitoring forecast and actual cashflow requirements.

Contractual Maturity Analysis

The table below analyses Bay Venues Limited's financial assets and liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Less than 1 year (\$000's)	Between 1 and 2 years (\$000's)	Between 2 and 5 years (\$000's)	Over 5 years (\$000's)	Total Contractual Cash Flows (\$000's)
30 JUNE 2024					
Contractual Maturity Analysis					
Financial Assets					
Cash & Cash Equivalents	1,526	-	-	-	1,526
Debtors & Other Receivables	870	-	-	-	870
Total Financial Assets	2,396	0	0	0	2,396
Financial Liabilities					
Secured Loans	1,000	-	-	34,565	35,565
Creditors & Other Payables	570	-	-	-	570
Total Financial Liabilities	1,570	0	0	34,565	36,136
30 JUNE 2023					
Contractual Maturity Analysis					
Financial Assets					
Cash & Cash Equivalents	632	-	-	-	632
Debtors & Other Receivables	2,135	-	-	-	2,135
Total Financial Assets	2,766	0	0	0	2,766
Financial Liabilities					
Secured Loans	1,000	-	-	27,773	28,773
Creditors & Other Payables	950	-	-	-	950
Total Financial Liabilities	1,950	0	0	27,773	29,723



STATEMENT OF ACCOUNTING POLICIES AND NOTES

for the Year Ended 30 June 2024

NOTE 29: EMPLOYEES REMUNERATION EXCEEDING \$100,000

	Actual Number of Employees	
	2024	2023
\$100,001 - \$110,000	2	5
\$110,001 - \$120,000	4	2
\$120,001 - \$130,000	3	-
\$130,001 - \$140,000	4	3
\$140,001 - \$150,000	1	1
\$150,001 - \$160,000	1	2
\$160,001 - \$170,000	1	-
\$170,001 - \$180,000	1	1
\$180,001 - \$190,000	1	1
\$190,001 - \$200,000	1	-
\$200,001 - \$210,000	1	1
\$210,001 - \$220,000	-	-
\$220,001 - \$230,000	-	-
\$270,001 - \$280,000	-	1
\$280,001 - \$290,000	1	-
Total Employees	21	17

Remuneration includes paid and payable at 30 June 2024.

NOTE 30: EVENTS OCCURRING AFTER BALANCE DATE

The Queen Elizabeth Youth Centre and Memorial Hall will be demolished & courts replaced in a new facility located at the old The Warehouse building on Cameron Road.

Tauriko Hall is to be demolished due to no longer being fit for purpose.

NOTE 31: STATEMENT OF INTENT NON-COMPLIANCE

Bay Venues presented financial information in its 2023 Statement of Intent (SOI) which did not fully comply with the requirements of the Local Government Act 2002. Forecast financial information was limited to the Statement of Comprehensive Revenue & Expenses, which was consistent with prior years, however CCO's are now required to present full financial statements in accordance with generally accepted accounting practice (requirement 64 below). This oversight will be rectified in future SOI's.

64. Statements of intent for council-controlled organisations

(7) All information that is included in a statement of intent under this section must be prepared in accordance with generally accepted accounting practice if that information is of a form or nature for which generally accepted accounting practice has developed standards.

Clause 10, Part 4 of Schedule 8

(b) forecast financial statements of the organisation for the financial year to which the statement of intent relates, and each of the 2 following financial years.



STATEMENT OF ACCOUNTING POLICIES AND NOTES for the Year Ended 30 June 2024

STATUTORY DISCLOSURES

NATURE OF BUSINESS

There have been no changes to the nature of the business of the company.

CHIEF EXECUTIVE REMUNERATION

Total Remuneration Paid or Payable	2024	2023
\$270,001 - \$280,000	-	1
\$280,001 - \$290,000	1	-

Directors during the year and directors fees paid and accrued were as follows:

Director	Appointed Date	Resigned Date	Director Fees 2024	Travel & Accom 2024	Director Fees 2023	Travel & Accom 2023
Nick Lowe	01/07/2017	N/A	35,000	-	33,000	-
Simon Clarke (Chair)	01/07/2021	N/A	70,000	-	66,000	-
Julie Hardaker (Deputy Chair)	01/07/2021	N/A	43,750	-	41,250	-
Adam Lynch	01/07/2021	N/A	35,000	-	33,000	-
Jeremy Curragh	01/07/2021	N/A	35,000	-	33,000	-
Wayne Beilby	25/07/2022	N/A	35,000	-	33,000	-
Gareth Wallis	10/05/2021	N/A	Nil Fees	-	Nil Fees	-

Carey Ulrich was a Board Intern in 2024.

There were no Director Remuneration benefits paid in excess of \$100,000.

DONATIONS

There were no donations made by the company during the period.

INTEREST REGISTER

There have been no disclosures of self interest during the year.



STATEMENT OF INTENT FINANCIAL PERFORMANCE

	23/24 Actual (\$000's)	23/24 Budget (\$000's)	22/23 Actual (\$000's)
Revenue	27,485	26,945	25,282
Less Cost of Goods Sold	2,562	2,674	2,646
Gross Profit	24,923	24,271	22,636
Less Operating Expenditure	27,483	26,446	24,765
EBITDA	(2,560)	(2,175)	(2,129)
Add Back Adjustments for Prior Year & Capital Transactions:			
Holiday Act Remediation Provision	180	-	450
Loss on Disposal of Assets	144	-	55
Adjusted EBITDA	(2,236)	(2,175)	(1,624)

Notes:

- Includes TCC Operational Grant, excludes TCC funding for depreciation, debt servicing and renewals.
- Excludes expenditure related to depreciation and debt servicing.
- Revenue includes user fees and charges, other sundry revenue earned and COVID-19 leave subsidy.
- Operating expenditure includes costs relating to employees, administration, marketing, governance, normal business operations and repairs and maintenance.
- Details on the results and variances to budget are reported within the Annual Financial Statements and notes.

RECONCILIATION TO STATEMENT OF COMPREHENSIVE REVENUE & EXPENSES

	23/24 Actual (\$000's)
Adjusted EBITDA	(2,236)
Add	
TCC Debt Servicing Grant	1,317
TCC Renewal Funding	5,894
Less	
Finance Cost	(1,305)
Depreciation	(7,979)
Holiday Act Remediation Provision	(180)
Less Loss on Disposal of Assets	(144)
Suplus Before Tax	(4,633)



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF BAY VENUES LIMITED'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2024

The Auditor-General is the auditor of Bay Venues Limited (the company). The Auditor-General has appointed me, Leon Pieterse, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the company on his behalf.

OPINION

We have audited:

- the financial statements of the company on pages 18 to 42, 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 cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the company on pages 8 to 9 and 44.

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 Public Benefit Entity Reporting Standards; and
- the performance information 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 performance information, we comment on other information, and we explain our independence.

EMPHASIS OF MATTER - COMPARISON OF FORECAST FINANCIAL STATEMENTS WITH HISTORICAL FINANCIAL STATEMENTS

Without modifying our opinion, we draw attention to note 31 on page 42, which outlines that the Company presented forecast financial information with the historical financial statements that was limited to the statement of comprehensive revenue and expenses.

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 PERFORMANCE INFORMATION

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 performance information 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 performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, 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.



INDEPENDENT AUDITOR'S REPORT

RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS AND THE PERFORMANCE INFORMATION

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, 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 performance information.

For the budget information reported in the financial statements and the performance information, 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 performance information.

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 performance information, 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 performance information 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 performance information 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 performance information, including the disclosures, and whether the financial statements and the performance information 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 7, 10 to 17 and page 43, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information 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 performance information, 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 performance information 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.



INDEPENDENT AUDITOR'S REPORT

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.

Leon Pieterse

Audit New Zealand

On behalf of the Auditor-General

Tauranga, New Zealand



Tauranga Art Gallery Trust Annual Report 2023–2024



Contents

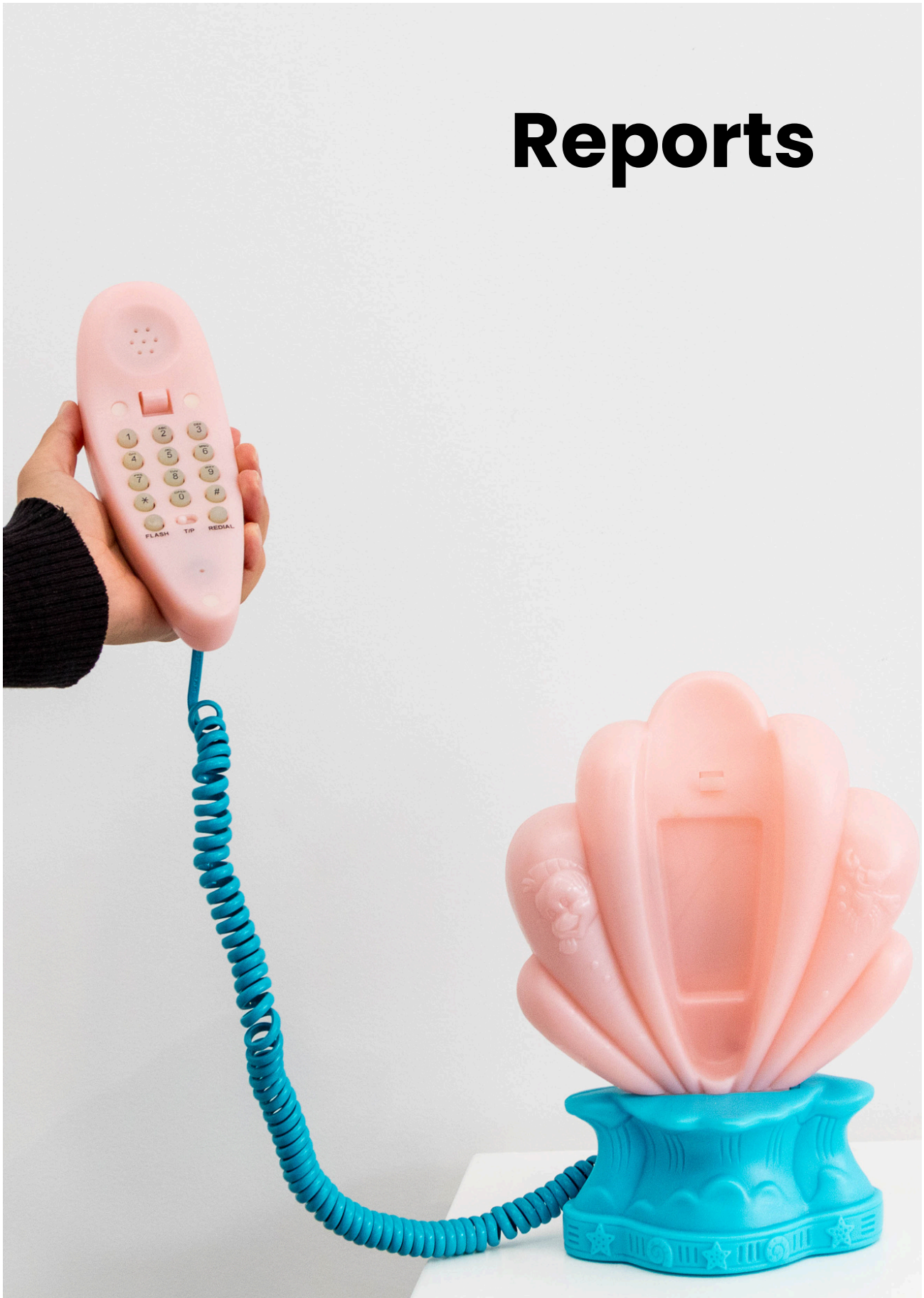
Introduction	2
Chairperson's Report	4
Director's Report	9
Visitor Surveys	11
Exhibitions & Events	14
Non Financial Performance	21
Financial Performance	25
Staff	41

Tauranga Art Gallery Trust (TAGT) is incorporated under the Charitable Trusts Act 1957 as a not-for-profit entity, established to deliver and operate a public art gallery to serve residents of Tauranga, the Western Bay of Plenty, and visitors to the region. TAGT has charitable status with the Inland Revenue Department.

This report has been completed in accordance with our Tauranga City Council Statement of Intent and the Local Government Act 2002, which requires that TAGT report to Council on a six-monthly and annual basis.



Reports



CHAIR'S REPORT

Gallery History

In the mid-1970s, an art gallery opened on Elizabeth Street that was funded by the Tauranga Regional Council, with staff and volunteers provided by the Tauranga Art Society. Though short-lived, the gallery demonstrated a community desire for a public art gallery.

Upon her passing in 1984, painter Ethel Urania MacMillan (Ray) bequeathed \$457,000 towards a public art gallery for Tauranga. Eight years later in 1992 Tauranga Art Society member Venetta Jessie Miles passed and donated an additional \$1 million. These were the beginnings of the Tauranga Art Gallery Fund. In 1993 a steering group was formed, and in 1997 the Friends of Tauranga Art Gallery came together to advocate for a public art gallery. In 1998 the Tauranga Art Gallery Trust was established. Then a year later in 1999 the former BNZ building on the corner of Wharf and Willow Street was purchased by the Trust with funding from Tauranga District Council and the Venetta Miles Estate. Further funding was made available from the Macmillan Estate, the Joy Owens Trust, Regional Museums Fund, community trusts and various other donors from across the region to develop the building so that it was fit for purpose to international museum standards. In 2007 the Gallery designed by Mitchell & Stout Architects opened its doors.

This was 17 years ago and now we are excited to see the next evolution of the Gallery.

A Redevelopment Project

2025 will see a reorientation of the gallery to face Masonic Park along with a new entrance and extension that will enhance the visitor experience with exciting retail and hospitality offerings – facilities our community has been asking for.

We will be upgrading the interior, lighting and air-conditioning systems, bringing the Gallery up to international museum standards – a requirement to be able to loan artworks from institutions such as Te Papa.

During the 2023 planning process we discovered that significant seismic strengthening work is required. The Trust is committed to future-proofing this important and much loved community asset, while also minimizing the time the Gallery is closed to the public. Thus, in the interests of time, cost, and sustainability, the Trust decided to complete the necessary seismic strengthening at the same time as the redevelopment.

To meet these increased costs, which took the project outside of the initial \$3.38m redevelopment funding committed by Tauranga City Council in March 2023, we considered all possible sources of funding and I wish to thank the Tauranga Art Gallery Foundation, TECT and Pub Charity for their support. In addition Tauranga Art Gallery Trust, as owners of the land and Gallery building, negotiated an arrangement to sell the land to Tauranga City Council who will in turn lease it back to the Trust for \$1 annually. Releasing these funds has enabled the seismic works and redevelopment to commence this year. I wish to thank Tauranga City Council for their vision and commitment in supporting the Gallery and future proofing this community asset for the next generation.

With opportunity however comes change and this has been a difficult year maintaining business as usual delivery from the main building until it closed, a pop-up on Devonport Road and a full education programme, along with a redevelopment project. The Board and Gallery staff have had to be flexible with shifting timeframes, and innovative in how we have adapted to challenges as they have arisen. The good news is that our supportive stakeholder community has been on the journey with us – every step of the way.

Governance and Financials

In February the Trust farewelled Trustee Zara Stanhope and in June mana whenua representative Sylvia Willison (Ngāi Tamarāwaho, Ngāti Ranganui, Ngāi te Rangi). Hanna Scott joins the trust in Zara's place with extensive governance and industry experience and in August 2024 matauranga Māori expert and mana whenua representative Allanah Winiata-Kelly came onboard too.

Earlier this year the Tauranga Art Gallery Foundation finished operations and released its funds to the Tauranga Art Gallery Trust for the purposes of capital development. The Trust wishes to thank the Foundation for their investment and growth of these monies over the past decade.

For the period under review the total revenue was \$1,984,443. Expenses were \$1,941,902 resulting in a surplus for the year of \$42,541 (after depreciation). This primarily came through a reduction of costs associated with the staffing restructure and

Other key numbers:

- Assets: \$2,011,550
- Non-Current Assets (property, plant and equipment) \$11,402,783
- Total Assets \$13,414,333
- Liabilities \$803,958
- Total assets less total liabilities (net assets) \$12,610,375

The Gallery has performed exceptionally well across the majority of its non-financial measures. However the closure of the gallery comes at a cost with a reduction in visitation and community engagement. Over the coming financial year additional costs are to be incurred in the relocation of the art collection and fit-out of a new storage facility. This is to be balanced with the longer view and benefit of the civic precinct Te Manawataki o Te Papa. The Trust continues to investigate and determine its best strategic options to future proof the Gallery so that long term fiscal and operational capability is assured. Financial sustainability remains a key focus over the coming years.

I wish to thank Deputy Chair Wayne Werder, Chair Audit Finance and Risk Alan Withrington along with trustees Rachel Scott, Ciska Vogelzang, and new and outgoing trustees too for their commitment and guidance over the past year.

Thanks

Established 27 years ago, the Friends of the Art Gallery continue to be enthusiastic and committed supporters of the Gallery. Over the coming months they are surveying our wider community for input into what a dynamic membership programme could look like when the Gallery reopens. We are supporting the committee to undertake this review and look forward to relaunching this popular group.

The Trust also greatly appreciates the continued support of all its various funders, exhibition sponsors, supporters and of course, our artists. Without this continued support we would not be able to provide the exciting exhibitions and programmes that have become the hallmark of the Tauranga Art Gallery.

Thank you to you all
Rosemary Protheroe
Chair – Tauranga Art Gallery Trust





**"I will never forget this exhibition.
Gorgeous." – C Compton**

Tauranga Art Gallery Trust (TAGT) was established in 1998 to manage and operate Tauranga Art Gallery Toi Tauranga (TAG), ensuring sound governance and financial management.

TAG creates lifelong relationships with art through exceptional art experiences that engage, inspire, challenge, and educate.

DIRECTORS REPORT

The last 12 months have seen my 1st full cycle as Director of the Gallery. Over this period we have kept our core focus of 'creating lifelong relationships with art', at the forefront of our programme delivery, planning and resourcing for the future. The Gallery team has worked extremely hard to keep up 'business as usual' whilst navigating temporary sites and shifting goal-posts. I wish to acknowledge the expertise and commitment of my staff over this time.

New Art Award

It was a pleasure to announce the Jann Medlicott Award for Contemporary Art this year in partnership with the Acorn Foundation. This major new art award is for an artist who has made a significant contribution to contemporary art practice. It will be judged biennially by a panel of industry experts and the value of this award is \$30,000 plus an exhibition at Tauranga Art Gallery. As we have seen over the years with her support of the Jann Medlicott Acorn Prize for Fiction, this new art award will be life changing for the winner.

Audience Engagement

With the main Gallery closing in November 2023, the second half of the year meant our programme was delivered solely from the Devonport Road pop-up. Despite working from a single gallery and adjacent education space, our schools education programmes were fully booked with nearly 4,000 children attending, most choosing to journey on the Art Bus funded by the Gallery.

On the national front our touring exhibition "Terminus" by Jess Johnson and Simon Ward attracted over 35,000 visitors at its final stop at Otago Museum. Additionally, the augmented reality project "Whakairo" by Kereama Taepa was shown at Aotearoa Art Fair to over 10,000 art enthusiasts, showcasing the significant interest in contemporary art and the Gallery's ability to connect with audiences nationally.

We finished the year with a total of 20,733 on-site visitors. Importantly, once national presentations are added, the Gallery achieved a much higher level of engagement with 65,733 visitors experiencing a Tauranga Art Gallery exhibition.

One of the ways we have successfully adapted to the closure of the main building has been through looking to digital solutions. Live-streaming artist talks and panel discussions not only helps maintain community engagement but has significantly broadened audience reach. With over 100,000 viewers tuning in to online experiences they provide valuable insights and feedback for future programming.

DIRECTORS REPORT

Strategic Development

With the opportunity of a redeveloped building to open, the Gallery has focussed on the development of a Visitor Experience Framework. The outcome and accompanying plan is one that identifies key audiences, and informs how we can best offer an exceptional experience. Key development focus areas of the framework are:

- engaging experiences
- attraction and retention
- diversification and inclusion, and
- building and redevelopment

We completed a Māori Engagement Framework that champions excellence for Māori artists and communities by casting a Te Ao Māori lens over programmes, building relationships and strengthening cultural competency within the organisation. We have secured funding from a Lotteries Grant to implement the strategy and a new part-time role 'Kaitohutohu Toi Māori' will be appointed to lead this work programme.

Nāku te rourou, nāu te rourou, ka ora ai te iwi

With your contribution and my contribution, together we will all flourish.

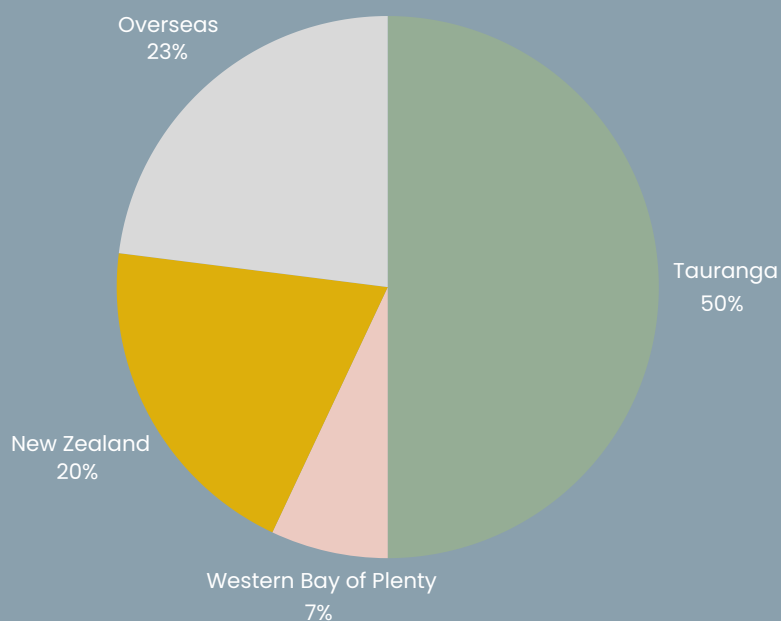
Sonya Korohina

Director – Tauranga Art Gallery

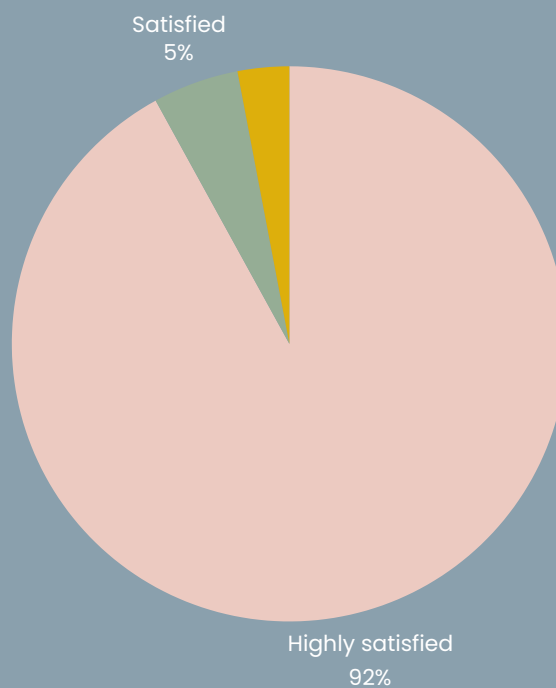


Visitor Surveys

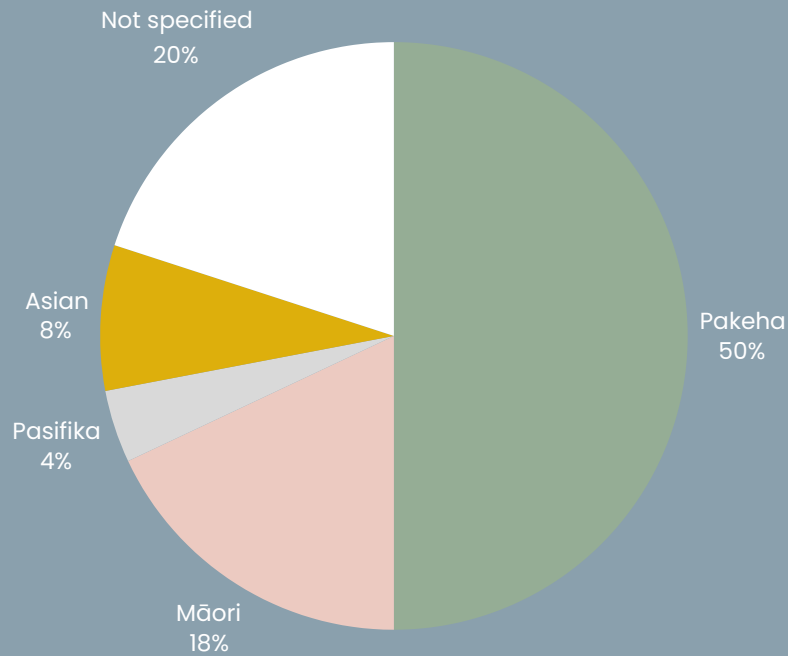
Residence



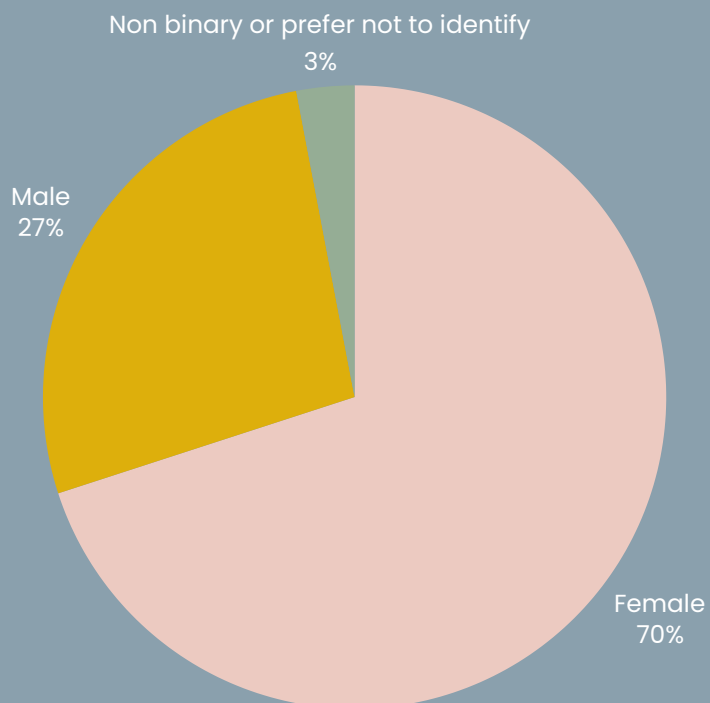
How was your visit?



Ethnicity



Gender



2023–2024 Highlights

4,000+

students caught the Art Bus provided for free funded by TAG and partners

65,733

people attended TAG programmes
20,733 – onsite gallery engagement
45,000 – national visitors to touring exhibitions

85%

were highly satisfied with their visit to the collection exhibition: Tauranga Moana Waterscapes

Digital Audience Growth

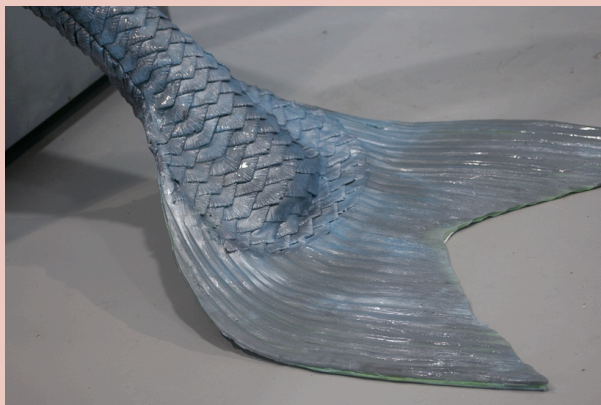
- Increase of 26.3% website users
- Organic content reach up 332% on FB and 100% on Instagram
- Profile visits on FB are up 45.4% and Instagram 17.9%

Exhibitions & Events



MEGAN DUNN: THE MERMAID CHRONICLES 2.0 **14 October 2023 – 4 February 2024**

The Mermaid Chronicles 2.0 explored writer and curator Megan Dunn's longstanding interest in mermaids, especially the world of professional mermaiding. The new Tauranga edition of the show included a special focus on the art and poetry of the Māori Mermaid (Jessica Thompson Carr), based in Ōtepoti Dunedin.



WUNDERBOXES: RAUMATI – SUMMER BY EMMA PRILL **14 October 2023 – 1 April 2024**

The Wunderboxes were a miniature art adventure throughout the city centre. Families were guided by renowned Tauranga based artist, Emma Prill. Inspired from local pūrākau, you embarked on an extraordinary artistic exploration fuelled by the spirit of summertime. In partnership with Craigs Investment Partners.

TAURANGA MOANA WATERSCAPES: 1800S – PRESENT

17 February 2024 – 3 June 2024

Drawing on artworks from three of Tauranga's largest public collections; the Tauranga Art Gallery Collection, Tauranga City Libraries Archives, and the Civic Art Collection, as well as selected works by prominent local contemporary artists, Tauranga Moana Waterscapes 1800s – Present showcased an evolution of artistic interpretations. Each artwork revealed how the same subject can inspire diverse expressions; from references to the Takitimu waka to vistas that the artist simply wishes to preserve. This exhibition presented the beauty, variety and importance of the estuaries, beaches, harbours, and sea that make up Tauranga Moana. Curated by Ellie Smith.



"Such a cool space and the works are magnificent!!! Ka Pai!" – N Cording

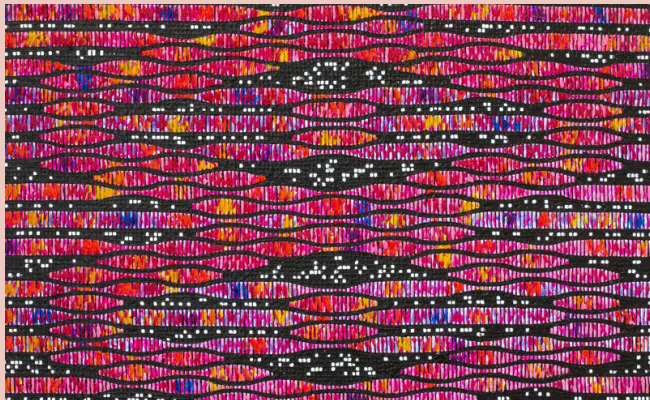
"You guys are so great and what you offer our community!" – OPM



WHAKA-AHO: PEATA LARKIN AND ALEXIS NEAL**8 July 2023 – 1 October 2023**

Peata Larkin (Tūhourangi, Ngāti Whakāue, Ngāti Tūwharetoa) and Alexis Neal's (Ngāti Awa/Te Ātiawa) practices intersect through their ancestral connections to weaving. Whaka-aho/connecting threads is a joint exhibition presenting a timeline of works that ignite shared conversations between the artists' personal developments, influences, and materiality; celebrating weaving structures that explore a sense of identity.

Whaka-aho was a new iteration of the artist's 2022 exhibition Whakamata at Mangere Arts Centre in Tāmaki Makaurau.

**FULL CIRCLE: 12 YEARS OF THE MILES****19 August 2023 – 1 October 2023**

Full Circle: 12 Years of The Miles celebrated the past winners of the much beloved Miles Art Awards. Running biennially for the past decade, the Miles Art Awards have been an opportunity for artists residing in the Bay of Plenty to submit their most accomplished artworks for Tauranga's premiere art award and to be exhibited in Tauranga Art Gallery. The event is named after one of Tauranga Art Gallery's original donors, the late Venetta Miles, who is remembered for her considerable foresight and generosity.

**REBECCA ANN HOBBS: MĀNGERE BRIDGE; 246 METERS (2010)****19 August – 1 October 2023**

Māngere Bridge; 246 meters (2010) is a single shot video directed by artist Rebecca Ann Hobbs that tracks the liquid rhythms of dancer Amelia Lynch as she winds, bops, and rolls the length of the old Māngere Bridge.

"Wow what an amazing display of art. Friendly yet helpful service. I can't wait to see more upcoming art especially the local talent of Aotearoa." – N Paul

**ART + ARCHITECTURE: A
TAURANGA ART
GALLERY STORY
19 August 2023 – 1
October 2023**

This exhibition mapped the key moments of Tauranga Art Gallery's conception and journey as a public art gallery.



**JUSTINE WALKER: 100's & 1000's (2013)
22 July 2023 – 17 August 2023**

The video 100's & 1000's is based on a simple premise. Conducted in real time across 43 minutes, a woman's hand gently separates 100's & 1000's into coloured-coded piles. This careful and methodical organisation of tiny objects hints at meditative practices such as mindfulness and the very human desire to bring order to the world.



**ACORN FOUNDATION JUNIOR ART AWARDS 2023
22 July 2023 – 1 October 2023**

Tauranga Art Gallery proudly presented our biennial Acorn Foundation Junior Art Awards finalists exhibition. The exhibition showcased a diverse range of exceptional talent from our tamariki aged 4-18, living in the Bay of Plenty. The theme Ahurea Tuakiri | Cultural Identity was open to limitless interpretation

**NICK AUSTIN: LIFE PUZZLE
27 May 2023 – 6 August 2023**

Life Puzzle is the first substantial exhibition to survey the work of Ōtepoti-based artist Nick Austin. Featuring works produced over the last 15 years selected and arranged by the artist, it was first presented in 2022 at the Whangārei Art Museum, in the town where he was born and grew up. Austin describes the exhibition's presentation as being "in the manner of a person who, late in the evening, gazing into the middle distance asks: 'How the heck did I get here?'".

"What a fabulous resource/experience for the students! Very creative and inspiring!" – T Golding

"Angie is amazing with the kids in our Home Schooling group. The children are always excited to see her and to hear what she has to say. A truly wonderful teacher." – J Doe

RON TE KAWA: HEAVENLY BODIES**20 May – 6 August**

Maungarongo 'Ron' Te Kawa (Ngāti Porou) has made unique, exuberantly styled quilts since the early 1990s. Using bold colour and a tactile application of materials, his practice explores mātauranga Māori, his whakapapa and atua wāhine (goddesses) with a vigor and energy that is palpably infectious. He says; "My quilts are an invitation to celebrate the fun, colour and magic of te ao Māori and all those things that fill my heart and heal my mind and spirit. Dance, connection to wairua and nature, whānau, whenua, stories, survival, resilience." Te Kawa's Heavenly Bodies series consists of nine quilts. Each represents one of the nine stars of the Matariki star cluster, which are often personified as a mother, Matariki, and her eight children. First presented in 2022 at Season gallery in Tāmaki Makaurau, they were reunited by Tauranga Art Gallery especially for Matariki.

**CHRISTINA READ: BEING A PERSON****10 June – 6 August 2023**

Christina Read's work is bright, playful, and deeply vulnerable. The UK-born Tāmaki-based artist's practice spans drawing, painting, collage, textiles, and sculpture, all created with a distinctly 'handmade' sensibility that reveals the vulnerabilities of being an artist – and a person. Oscillating between fiction and autobiography, Read's work explores the construction of selfhood, giving language and form to the complexities of life.

"I'm so excited for our city to have an (even more) amazing art facility at its centre!" – N Hampshire

Touring Exhibition

TERMINUS: JESS JOHNSON & SIMON WARD**12 August 2023 – 25 February 2024****Toured to Otago Museum**

With their pioneering use of virtual reality, artists Jess Johnson and Simon Ward created a mysterious universe of alien architecture populated by humanoid clones and cryptic symbols. Johnson's drawings are transformed from analogue into digital, animated by Ward and enriched with input from developer Kenny Smith and sound composer Andrew Clarke to create a virtual reality quest; a choose-your-own adventure into the technological. Originally commissioned by the National Gallery of Australia and the Balnaves Foundation





"Awesome opportunity for a wonderful collaboration!" - D Clarke

PUBLIC PROGRAMMES
July 2023 – June 2024

This year Toi Tauranga held a diverse range of public programs providing educational and knowledge sharing opportunities as well as nourishing our communities with the joy of creativity.

Highlights included renowned textile artist Maungarongo (Ron) Te Kawa in conversation with local artist Darcell Apelu, with Ron speaking about his art practice and philosophies to a full-house. The Alice Sea Mermaid Experience in support of Megan Dunn's Mermaid Chronicles exhibition was also a great success. This programme saw record attendance and left bystanders in awe of seeing a local Mermaid swimming and performing in Pilot Bay.

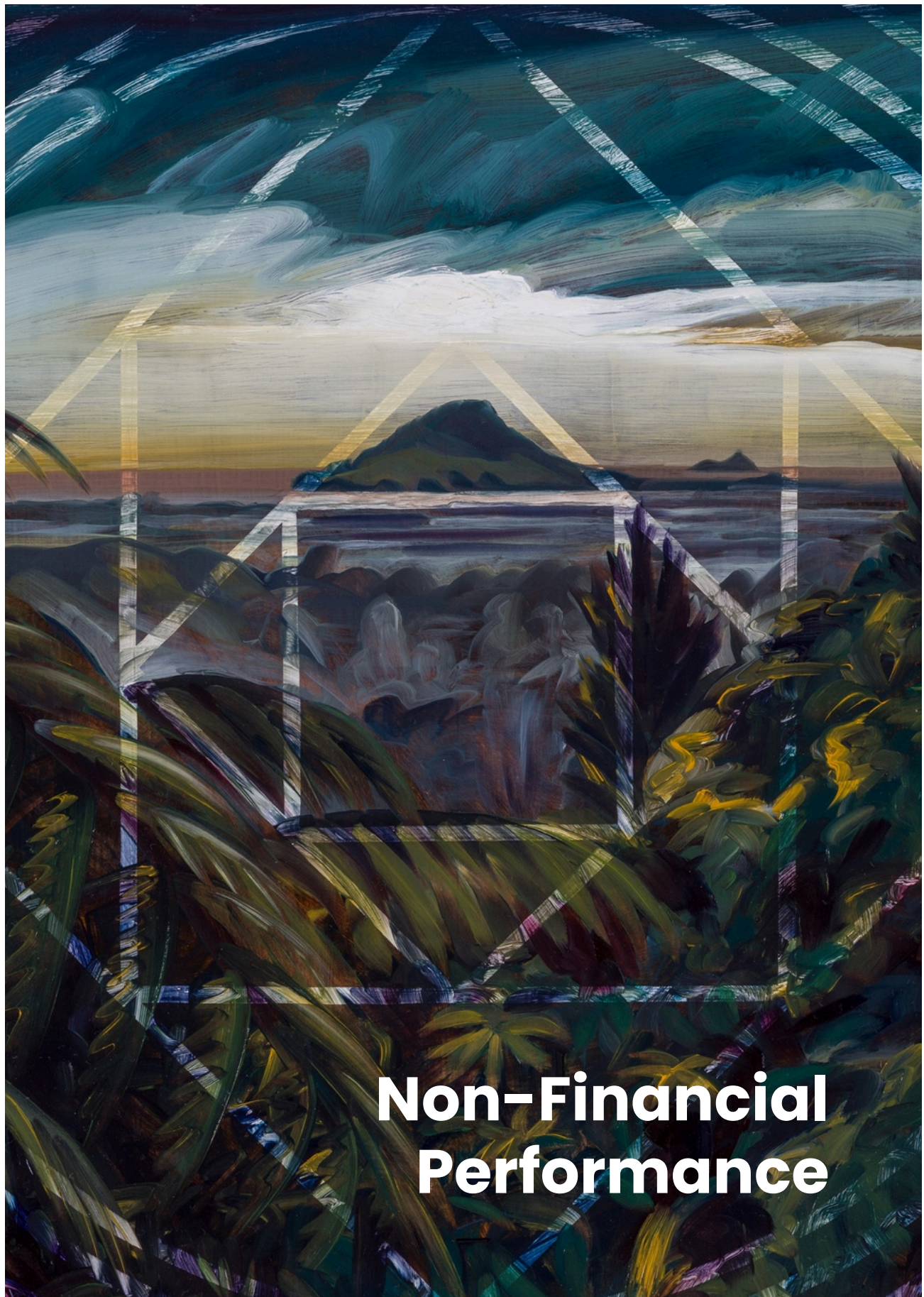
Tangaroa Piri Whare – Reverberating Through Time was an impressive evening of conversation with leading local artists and knowledge holders discussing the significance of Tauranga Moana through time. The panel was led by Antoine Coffin and included artist Duane Moyle, singer – songwriter Ria Hall and Josh Te Kani story teller and co-owner of Noa Blanket Co.












This year we have worked to capture all talks and presentations via Instagram-Live to attract audiences from outside the region and to offer greater access to our programs. This has been a tremendous success, and we will continue this offer as we move into hosting public programs at various sites across the city.

While the gallery is closed for renovation we will continue to support the arts in our communities by hosting events and talks in partnership with local organisations and businesses. Our next event, the annual Claudia Jarman Memorial Lecture hosted at Waikato University promises to be both stimulating and memorable.





Non-Financial Performance

Strategy	Objective	Performance Target	Status	2023–24 Results
He Tauranga Auaha To be an anchor of innovation and creativity TAG is a destination for both city visitors and residents, providing the opportunity for all to learn about and experience art	Deliver a diverse exhibition and events programme.	A high-quality programme with a minimum of 12 exhibitions and events is delivered that reflects the unique character and needs of Tauranga, inspires the Tauranga community, includes international representation, and integrates key objectives in the areas of innovation, diversity, community, environment. At least 35,000 visitors to the Gallery (2022–23); 35,000 for 2023–24 and 38,000 (2024–25)	 	12 exhibitions 20,733 to the gallery and 45,000 to other TAG exhibitions around NZ, total of 65,733
	Achieve a high level of customer satisfaction.	85% "highly satisfied/ positive" rating via our visitor survey and feedback received from schools and other participants of programmes and events.		92.5% highly satisfied
	Deliver a range of education programmes and learning opportunities that meets the needs of our clients.	Education programmes are linked to the exhibition programme and align with the Te Whāriki(ECE) and the NZ Curriculum (primary secondary) curriculum focus areas and identified tertiary outcomes. Programmes are developed to meet the needs of our participants, with te reo and te ao māori principles integrated within our programmes. A range of in-gallery, outreach and holiday programmes are delivered to a minimum of 7,500 students across Tauranga and the larger WBOP region. Continue to identify opportunities to expand our reach of programmes to schools/ kura. Deliver a range of other learning opportunities for targeted groups and families / whānau – a minimum of 4 in 2023–24, and a minimum of 8 in 2024–25.	  	The Education Department delivered progressive programming, weaving the new curriculum and holistic learning experiences steeped in Te Reo Maori. This Innovative ECE programming meets all threads of the ECE curriculum – Te Whariki. 3,938 students engaging in education programmes in the temporary Devonport Rd space Weekend activity centres set up in both Main building and pop-up. Wunderboxes especially for 0–5 year olds
<div> <div>KEY</div> <div>TARGET MET</div> <div>TARGET NOT MET</div> <div>TARGET ON TRACK TO BE MET</div> </div> <div>    </div>				

Strategy	Objective	Performance Target	Status	2023-24 Results
He Tauranga Matarau To be an anchor for diversity TAG is inclusive and promotes partnerships with tangata whenua, values culture, and diversity and where people of all ages and backgrounds are included, feel safe, connected, and healthy.	Enhance our marketing and communication	A marketing and communications strategy is developed that effectively promotes the Gallery's full range of activities. It will include brand alignment and options to develop technology and digital platforms to provide alternative art experiences to grow audiences and enabling greater access to the visual arts.		With the development of a strategy and the appointment of a Marketing and Communications Co-ordinator and a Business Development and Experience Manager, the Gallery's promotional and engagement activity has increased in presentation and engagement. Highlights include 100,000+ online engagement with talks and panel discussions
	Partner with mana whenua, and ensure strong engagement with Māori	Implement an engagement strategy that reflects Tikanga Māori, enabling us to build stronger relationships with mana whenua and enabling wider engagement with Māori.		Māori Engagement Framework implementation underway
	Partner with government agencies, councils, and other organisations.	Staff, and where appropriate trustees, work in collaboration with relevant government agencies, groups, and councils to share best practice and to align with other events held across the city, i.e., Tauranga Arts Festival, Jazz Festival.		The Director is a member of the Aotearoa Gallery Directors network, Toi Ohomai and Te Tuhi Advisory Groups. Director on TCC Public Art Panel appointments panel. Curator on FONT public art trust curatorial advisory.
He Tauranga Whaihua To be an anchor of enduring success TAGT will pursue opportunities to secure funding and manage all funds with prudence and care with a commitment towards being financially sustainable.	Develop a greater awareness of our Social Return on Investment (SROI)	Our Social Return on Investment (SROI) impact is integrated into messages with stakeholders and Gallery supporters, leading to a better understand of our social and economic impact. Report findings to TCC as part of 2022-23 Annual Report.		Research by MCH and CNZ provides evidence and tools for 'changing the conversation'. TAG has been implementing key phrases into messaging and reporting to stakeholders and supporters. Sharing stories around key activity (i.e. through the newsletter) has been a key method of building understanding and support.
		New measures and statistics are identified, in addition to ongoing visitor attendance and feedback surveys, to be reported back through the 2022-23 Annual Report		New online and incentivised data capture implemented. New Business Development and Experience Manager appointed with a focus on developing Visitor Experience strategy that will improve reporting and in return overall experience
	Implement prudent financial management processes	Appropriate systems and controls are in place for the efficient financial management planning across all areas of the organisation.		TCC accountant performs monthly checks on financial processes. Compliance with TAGT Audit Committee Policy, Audit NZ requirements and approved general accounting practices.
		Our annual budget is monitored regularly, with current financial projections maintained to ensure gross revenue targets and forecasted expenditure is within budget.		TAGT Finance Audit and Risk committee oversaw monitoring of budget
		Generate 20% revenue from sources other than TCC (2022-23), building towards increasing our alternative revenue by a minimum of 20% (24% of overall operating budget) by 2024-25.		This financial year saw TAG generate 20.5% income from sources other than TCC
<div> <div>KEY</div> <div>TARGET MET</div> <div>TARGET NOT MET</div> <div>TARGET ON TRACK TO BE MET</div> </div> <div>    </div>				

Strategy	Objective	Performance Target	Status	2022-23 Results
He Tauranga Haukaha To be an anchor of great shelter He Tauranga Taiao To be anchor in environmental sustainability	Involved in City Centre redevelopment project (Civic Precinct) discussions.	Evidence of collaboration with TCC management team on the development of the Civic Precinct.	<div></div>	Working closely with City Centre teams across partnerships, development and Te Manawataki o Te Papa. Director has established a Te Manawataki o Te Papa leadership and programming group with other facilities partners.
		An Asset Management Plan is developed that includes a well-planned repairs and maintenance programme, renewals, and future CAPEX priorities	<div></div>	HVAC review completed. Full plan now underway.
	Gallery operates in an environmentally sustainable way.	Investigate ways of using resources better and reducing waste by recycling and/or reusing materials and monitoring power consumption. ArtBus provides environmentally sustainable means for education students to attend programmes	<div></div>	ArtBus actively used throughout period with 98% of the schools using this transportation method. Investigating maintenance and renewal items that are environmentally sustainable including lighting and paint. New HVAC will be more efficient than current system. Paperless customer surveys implemented
		TAGT identifies targets in period, in work towards achieving a sustainability accreditation by 2024-25	<div></div>	Application underway for Sustainability Certification
He Tauranga Haumaru To be anchor for development. TAGT will take all practical steps to ensure our people are valued, supported feel safe, connected, and healthy.	Health, safety, and well-being is a priority	All health, safety and well- being policies and procedures reviewed,and an internal review programme developed to ensure they are regularly monitored to meet statutory requirements.	<div></div>	H&S policies updated to ensure we meet statutory requirements. Health and safety meetings are held monthly.
	Implement best practice human resource management policies and processes	To improve the culture of the organisation, staff are engaged, increased in employee satisfaction, meeting statutory obligations, and reducing organisational risk.	<div></div>	Health and Safety Policy and operational procedures meet statutory requirements and best practice standards of reporting. Monthly H&S staff meetings held to identify risks or concerns, with required actions promptly conveyed to all staff.
		Annual staff survey to be undertaken, potentially in collaboration with Council with a staff rating of 80% staff satisfaction achieved.	<div></div>	TeamPulse survey scheduled for October 2024
	The board is providing best practice governance.	The board provides governance for the TAG strategic direction. All Trustees have a clear understanding of their roles and actively seek professional development opportunities. Board will also exercise openness and transparency, publishing our SOI on ourwebsite and key strategic documents, policies and staffand board charters.	<div></div>	Monthly TAGT meetings are held with clear strategic direction given to TAG Director. SOI and Annual reports published on website.
		TAGT board values align with Tauranga City Council's values.	<div></div>	TAGT works closely with TCC to ensure values align. This is reflected in the SOI.
<div><div>KEY</div><div>TARGET MET<div></div></div><div>TARGET NOT MET<div></div></div><div>TARGET ON TRACK TO BE MET<div></div></div></div>				

24



Entity Information

Tauranga Art Gallery
For the year ended 30 June 2024

Legal Name of Entity

The Tauranga Art Gallery Trust

Entity Type and Legal Basis

The Tauranga Art Gallery Trust (Trust) is a charitable trust formed in 1998 and is registered as a charitable entity under the New Zealand Charities Act 2005. The Trust also has charitable status with the Inland Revenue Department.

Registration Number

CC38535

Entity's Purpose or Mission

The primary objective of The Tauranga Art Gallery Trust is to develop and manage a public art gallery for the community, rather than making a financial return.

Entity Structure

The Trust is controlled by the Tauranga City Council and is a Council Controlled Organisation as defined in section 7 of the Local Government Act 2002.

The Trust comprises a Board of 8 Trustees who oversee the governance of the Trust, a Director who is responsible for the day to day operations of the Trust and reporting to the Trustees, as well as 6 full time, 6 part time and 14 casual staff who support the Director in delivering against the Trust's objectives. The Trustees are appointed by the Tauranga City Council.

Main Sources of Entity's Cash and Resources

An operating grant received from the Tauranga City Council is the Trust's main source of income. The Trust also has a Community Service Contract with the Western Bay of Plenty District Council and had a 3-year Contract for Service with the Ministry of Education to provide Learning and Education Outside the Classroom (LEOTC) programmes to local schools.

Physical Address

108 Willow Street, Tauranga, Tauranga, New Zealand, 3110

Postal Address

108 Willow Street, Tauranga, Tauranga, New Zealand, 3110

Contact details

Corner of Wharf and Willow Streets

Box 13255, Tauranga 3141 | New Zealand
Phone 07 578 7933
email: accounts@artgallery.org.nz
www.artgallery.org.nz

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Statement of Financial Performance

Tauranga Art Gallery

For the year ended 30 June 2024

'How was it funded?' and 'What did it cost?'

Account	Notes	2024 Actual \$	2024 Budget (unaudited) \$	2023 Actual \$
Revenue				
Funding from Local and Central Government	1	1,548,478	1,504,102	1,399,987
Non-government grants, sponsorship and donations	1	61,788	95,000	32,485
Interest, dividends and other investment revenue	1	65,323	31,200	37,360
Other revenue	1	308,854	242,560	293,382
Total Revenue		1,984,443	1,872,862	1,763,214
Expenses				
Volunteer and employee related costs	2	936,938	1,021,829	1,046,885
Advertising and marketing	2	45,002	65,000	49,255
Lease expense	2	5,564	7,668	6,292
Depreciation and amortisation		150,827	151,740	152,134
Costs related to providing goods or service	2	760,854	887,688	677,604
Special Projects		42,717	0	19,143
Total Expenses		1,941,902	2,133,925	1,951,313
Surplus/(Deficit) for the Year		42,541	(261,063)	(188,099)
Other Comprehensive Revenue & Expense				
Property, plant and equipment revaluations		0	0	(2,146,626)
Total Other Comprehensive Revenue & Expense		0	0	(2,146,626)
Total Comprehensive Revenue and Expense		42,541	(261,063)	(2,334,725)

Explanation of major variances against budget are provided on Note "14. Explanations of Major Variances to Budget"

For and on behalf of the Trustees:

Deputy Chair

Chair

Date:

Date:

This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Statement of Financial Position

Tauranga Art Gallery

As at 30 June 2024

Account	Notes	30-Jun-24	30-Jun-23
Assets			
Current Assets			
Bank accounts and cash	3	1,043,893	509,198
Debtors and prepayments	3	45,127	298,498
Inventory	3	6,848	9,000
Term deposits	3	915,681	872,889
Other current assets	3	0	0
Total Current Assets		2,011,550	1,689,585
Non-Current Assets			
Property, plant and equipment		11,402,783	11,469,158
Total Non-Current Assets		11,402,783	11,469,158
Total Assets		13,414,333	13,158,743
Liabilities			
Current Liabilities			
Creditors and accrued expenses	4	774,172	523,481
Employee costs payable	4	29,786	69,562
Total Current Liabilities		803,958	593,040
Total Liabilities		803,958	593,040
Total Assets less Total Liabilities (Net Assets)		12,610,375	12,565,703
Accumulated Funds			
Capital contributed by owners or members	5	1,000,000	1,000,000
Accumulated surpluses or (deficits)	5	5,889,695	5,845,022
Reserves	5	5,720,681	5,720,681
Total Accumulated Funds		12,610,375	12,565,703

Statement of Cash Flows

Tauranga Art Gallery

For the year ended 30 June 2024

Account	2024	2023
Cash Flows from Operating Activities		
Donations, fundraising and other similar receipts	61,788	29,985
Funding from Central and Local Government	1,548,478	1,391,717
Receipts from non-governmental sources for providing of goods or services	308,854	291,972
Interest, dividends and other investment receipts	65,323	26,970
GST	14,313	29,203
Payments to suppliers and employees	(1,918,206)	(1,805,504)
Cash flows from other operating activities	0	0
Total Cash Flows from Operating Activities	80,550	(35,657)
Cash Flows from Investing and Financing Activities		
Receipts from sale of property, plant and equipment	0	0
Payments to acquire property, plant and equipment	(84,454)	(30,620)
Payments to purchase investments	0	(19,163)
Cash flows from other investing and financing activities	538,600	0
Total Cash Flows from Investing and Financing Activities	454,146	(49,783)
Net Increase/(Decrease) in Cash	534,695	(85,440)
Bank Accounts and Cash		
Opening cash	509,198	594,638
Closing cash	1,043,893	509,198
Net change in cash for period	534,695	(85,440)

This statement has been prepared without conducting an audit or review engagement, and should be read in conjunction with the attached Compilation Report.

Statement of Accounting Policies

Tauranga Art Gallery

For the year ended 30 June 2024

Basis of Preparation

The entity has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Grants

Council, government and non-government grants are recognised as revenue when the funding is received or receivable unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

Sale of goods

Revenue from the sale of goods is recognised when the goods are sold to the customer.

Sale of services

Revenue from the sale of services is recognised when the services are provided to the customer.

Donated assets

Revenue from donated assets is recognised upon receipt of the asset, if the asset has a useful life of 12 months or more and the value of the asset is readily obtainable and significant.

Entrance fees

Entrance fees are not charged, any revenue in the form of admission donations is recognised upon receipt of the donation.

Venue hire

Fees charged for events or venue hire are recognised upon attendance at the event or at the time of venue hire. Refundable fees, paid in advance of an event or venue hire are recognised as liabilities until the time of the event or venue hire, at which time they are recognised as revenue. Non-refundable deposits are recognised as revenue at the time of receipt.

Interest and dividend revenue

Interest revenue is recorded as it is earned during the year. Dividend revenue is recognised when the dividend is declared.

Employee related costs

Wages, salaries and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries and leave entitlements.

Performance payments are recorded when the employee is notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide the services and become entitled to the contributions.

Advertising, marketing, administration, overhead and fundraising costs

These costs are expensed when the related service has been received.

Lease expense

Lease payments are recognised as an expense on a straight line basis over the lease term.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

Inventories

Inventories are initially recorded at cost. Goods held for sale are subsequently measured at the lower of cost and their selling price. Goods for use or distribution are subsequently measured at cost and written down if they become obsolete.

When inventories are sold, exchanged or distributed, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. If there is no related revenue, the expense is recognised when the goods are distributed or the related service is rendered.

The amount of any write-down of inventories and all losses of inventories is recognised as an expense in the period the write-down loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Investments

Investments comprise term deposits with banks. Bank deposits are initially measured at the amount paid. The carrying value of bank deposits maturing within 12 months approximates their fair value. If it appears that the carrying amount of the investment will not be recovered, it is written down to expected recoverable amount.

Property, Plant and Equipment

Land is measured at fair value and buildings are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

Land, buildings and artwork are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value. A revaluation is undertaken at least every three years with the most recent being 30 June 2022.

Revaluation movements are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expense.

Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more and the current value of the asset can be readily obtainable and significant. For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a straight line (SL) or diminishing value (DV) basis, at rates that will write the asset off over their useful lives. The useful lives and associated depreciation rates of major classes of assets is unchanged from prior year and estimated as follows:

	Rate	SL and/or DV
Artworks	N/A	N/A
Land	N/A	N/A
Building	1.0% - 2.0%	SL
Building Improvements	1.0% - 33.3% / 20%	SL/DV
Office equipment	4.0% - 30.0%	DV
Exhibition Equipment	6.6% - 40.0%	DV
Computer Equipment:	20.0%	DV
Tools and Workshop Equipment	10.0%	DV
Intangibles	20.0% - 50.0%	DV

Creditors and accrued expenses

Creditors and accrued expenses are measured at the amount owed.

Employee costs payable

A liability for employee costs payable is recognised when an employee has earned the entitlement.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date. A liability and expense for long service leave and gratuities are recognised when the entitlement becomes available to the employee.

Loans

Loans are recognised at the amount borrowed from the lender. Loan balances include interest accrued at year end that has not yet been paid.

Provisions

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation as a result of a past event, if it is probable that expenditure will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Income Tax

Tauranga Art Gallery is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Budget figures

The budget is approved by the Board at the beginning of each financial year.

The budget figures have been approved in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Tier 2 PBE Accounting Standards applied

The trust has not applied any Tier 2 PBE accounting standards in preparing these financial statements.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Notes to the Performance Report

Tauranga Art Gallery

For the year ended 30 June 2024

Account	2024	2024 Budget \$ (unaudited)	2023
1. Analysis of Revenue			
Funding from Central and Local Government			
Tauranga City Council			
Operating Grant	1,255,102	1,255,102	1,325,243
Relocation Grant	219,377	175,000	0
Total Tauranga City Council	1,474,479	1,430,102	1,325,243
Western Bay of Plenty District Council	40,000	40,000	40,000
LEOTC Funding Education Programme	33,999	34,000	34,744
Total Funding from Central and Local Government	1,548,478	1,504,102	1,399,987
Non-government grants, sponsorship and donations			
Exhibition Sponsorship	7,500	25,000	2,609
Artbus Sponsorship	4,178	0	3,478
Admission Donations	4,658	12,000	22,241
Other donations			
Donation of art works (non- cash)	0	0	2,500
500 Club / Contemporary Corporate Donations	0	0	1,000
FoTAG Donations	6,299	8,000	50
Other Sponsorship In Kind	135	0	607
Grants Other (Non Ed/Exh related)	38,007	20,000	0
Donations	1,011	30,000	0
Total Other donations	45,452	58,000	4,157
Total Non-government grants, sponsorship and donations	61,788	95,000	32,484
Interest, dividends and other investment revenue	65,323	31,200	37,360
Other revenue			
Education programme revenue	114,387	122,200	54,863
Events and exhibitions	178,879	116,400	170,564
Exhibition Touring Income	0	0	19,490
Retail Sales	4,151	3,960	40,261
Venue hire	0	0	4,121
Sundry Income	11,437	0	4,082
Total Other revenue	308,854	242,560	293,382

Account	2024	2024 Budget \$ (unaudited)	2023
2. Analysis of Expenses			
Volunteer and employee related costs			
Salaries and wages	841,185	881,581	946,641
Recruitment and HR costs	14,488	18,200	22,580
Staff travel	8,853	10,700	913
Staff training	2,604	9,000	7,515
Other Employee related costs	11,302	35,448	5,951
Contractor expenses	58,505	66,900	63,285
Total Volunteer and employee related costs	936,938	1,021,829	1,046,885
Advertising and marketing			
Advertising Print Media	15,385	9,000	24,214
Advertising Radio, TV	4,165	5,000	3,332
Digital Media	7,936	6,000	1,838
Marketing and advertising Other	5,851	14,000	17,825
Graphic Design	9,210	19,000	243
Large Format M&M	2,455	12,000	1,803
Total Advertising and marketing	45,002	65,000	49,255
Lease expense			
TCC Car Park Lease	2,214	4,464	3,200
TCC Transformer Site Rental	3,349	3,204	3,092
Total Lease expense	5,564	7,668	6,292
Costs related to providing goods or services			
Accounting and payroll administration	1,891	8,400	7,875
Administration expenses	102,971	95,685	127,086
Audit fees	27,917	40,000	25,200
Building and maintenance	163,105	117,340	154,076
Consultants and legal	7,360	3,000	0
Cost of goods sold	7,762	3,240	11,316
Education expenses - Art bus	26,300	54,000	41,504
Education program expenses	16,204	23,600	16,004
Interest Expense	(5)	0	11
Relocation expenses	171,755	251,749	0
Insurance	14,214	26,082	28,304
Venue Hire	0	0	914
Collection expenses	0	39,900	1,400
Offsite Storage	25,704	24,996	11,930
Event and exhibition expenses			
Exhibition Catalogue	1,892	0	0
Exhibition Contractors	13,700	0	20,421
Exhibition Misc Expenses	44,404	195,642	31,532
Artist Exhibition Fee	39,159	0	36,109
Fundraising Expenses	14,342	3,500	0
Graphics Production Exhibitions	8,306	0	23,423
Licencing Fees	954	0	267
Materials Exhibition	28,033	0	18,196
Opening Exhibition/TAG Event expenses	2,448	15,000	10,823
Artist related expenses	6,753	0	19,588
Paint	1,609	0	9,936
Rydal Art Prize Expenses	0	0	52,596
TAG Events Supplies and Facilities	14,216	2,700	6,677
Touring Costs Exhibitions	5,156	5,000	13,580
Freight	10,871	0	4,084
Staff Travel Costs	3,835	2,850	4,751
Total Event and exhibition expenses	195,676	224,692	251,984
Total Costs related to providing goods or services	760,854	887,688	677,604

Account	2024	2024 Budget \$ (unaudited)	2023
3. Analysis of Assets			
Bank accounts and cash			
BNZ Oncall account	1,034,517	0	498,304
BNZ Operational Account	9,377	0	10,894
Total Bank accounts and cash	1,043,893	0	509,198
Debtors and prepayments			
Debtors	20,198	0	262,302
Prepayments	1,865	0	20,712
Interest Accrued	23,063	0	15,484
Total Debtors and prepayments	45,127	0	298,498
Inventory			
Inventory	6,848	0	9,000
Other current assets			
Assets Available for Sale ex Quikbooks	0	0	0
Investments			
Term deposits	915,681	0	872,889

All investments are fixed interest investments deposited with a maturity date of 12 month or less.

Account	2024	2024 Budget \$ (unaudited)	2023
4. Analysis of Liabilities			
Creditors and accrued expenses			
Accounts Payable	62,661	0	65,395
Accruals	87,258	0	100,340
Business Credit Card	2,339	0	8,922
GST	14,313	0	42,557
Revelopment Fund	538,600	0	0
Income in Advance	69,000	0	306,266
Total Creditors and accrued expenses	774,172	0	523,481
Employee costs payable			
Holiday Pay Accrual	29,786	0	37,852
Salary Accruals	0	0	31,710
Total Employee costs payable	29,786	0	69,562

Account	2024	2024 Budget \$ (unaudited)	2023
5. Accumulated Funds			
Accumulated Funds			
Opening Balance	12,553,380	0	14,900,428
Opening Balance Adjustment	14,455	0	2,146,626
Reserves	0	0	(2,146,626)
Accumulated surpluses or (deficits)	42,541	0	(2,347,048)
Total Accumulated Funds	12,610,375	0	12,553,380
Total Accumulated Funds	12,610,375	0	12,553,380

Account	2024	2024 Budget \$ (unaudited)	2023
6. Breakdown of Reserves			
Reserves			
Land Revaluation Reserve	3,630,080	0	3,630,080
Building Revaluation Reserve	1,581,372	0	1,581,372
Collection Revaluation Reserve	509,249	0	509,249
Total Reserves	5,720,681	0	5,720,681

Account	2024	2024 Budget \$ (unaudited)	2023
7. Operating Lease Commitments			
Non-cancellable operating lease rentals payable:			
Less than one year	20,000	0	125,045
Between one and five years	1,667	0	33,862
More than five years	0	0	0
Total Non-cancellable operating lease rentals pay:	21,667	0	158,907

8. Significant Grants and Donations with Conditions not Recorded as a Liability

No such revenue noted in 2024 Financial year (2023: Nil)

9. Related Parties

Related party disclosures have not been made for transactions with related parties that are within a normal, supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Trust would have adopted in dealing with the party at arm's length in the same circumstances.

There are no related party transactions to disclose in 2024 and no related party transactions disclosed in 2023.

10. Events After the Balance Date

A sale and purchase agreement was signed after balance date for the sale of Tauranga Art Gallery's land, on the corner of Wharf and Willow Street, to Tauranaga City Council. (Last year - nil).

11. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

12. Contingencies

There are no contingencies or guarantees as at balance date 30 June 2024 (2023 nil)

13. Audit Timing

Tauranga Art Gallery Trust was required under section 67(5)(b) - Amendments to the Local Government Act 2002 which requires the Trust Board to complete its audited financial statements and service performance information three months after the end of the financial year. This timeframe was met.

14. Variances

Account	Notes	2024 Actual \$	2024 Budget \$	Variance
Revenue				
Funding from Local and Central Government	1	1,548,478	1,504,102	44,376
Non-government grants, sponsorship and donations	2	61,788	95,000	(33,212)
Interest, dividends and other investment revenue	3	65,323	31,200	34,123
Other revenue	4	308,854	242,560	66,294
Total Revenue		1,984,443	1,872,862	111,581
Expenses				
Volunteer and employee related costs	5	936,938	1,021,829	84,891
Advertising and marketing		45,002	65,000	19,998
Lease expense		5,564	7,668	2,104
Depreciation and amortisation		150,827	151,740	913
Costs related to providing goods or services	6	760,854	887,688	126,834
Special projects	7	42,717	0	(42,717)
Total Expenses		1,941,902	2,133,925	192,023
Surplus/(Deficit) for the Year		42,541	(261,063)	303,604

Notes

- 1 Higher actuals to budget relates to higher funding for relocation than budgeted.
- 2 The decrease is due to lower exhibition sponsorship and admissions than budgeted.
- 3 The increase is due to higher interest income as a result of higher than budgeted deposits.
- 4 Due to higher exhibition and events funding and in line with prior year actuals whereas budget was set lower.
- 5 The saving is due to restructuring of roles with the temporary closure of the main TAG.
- 6 Lower actuals to budget due to lower exhibition costs than budgeted and TAG relocation costs incurred as Assets rather than budgeted in the Financial Performance.
- 7 Mainly relates to consulting costs associated with Maori Engagement and advisory.

Notes to the Performance Report continued

Tauranga Art Gallery

For the year ended 30 June 2024

	LAND	BUILDINGS AND IMPROVEMENTS	OFFICE EQUIPMENT	COMPUTER EQUIPMENT WEBSITE INTANGIBLE	EXHIBITION EQUIPMENT	TOOLS AND WORKSHOP	ARTWORKS	TOTAL
Carrying amount 1 July 2022								
Carry amount	4,018,000	7,597,700	58,593	22,802	62,109	6,500	1,962,800	13,728,504
Additions / (Disposals)	0	0	2,364	26,287	8,260	0	2,500	39,411
Capitalised Work in Progress	0	0	0	0	0	0	0	0
Revaluation	0	(2,146,626)	0	0	0	0	0	(2,146,626)
Depreciation expense	0	(129,074)	(5,328)	(7,802)	(9,279)	(650)	0	(152,133)
Carry amount at 30 June 2023	4,018,000	5,322,000	55,629	41,287	61,090	5,850	1,965,300	11,469,156

	LAND	BUILDINGS AND IMPROVEMENTS	OFFICE EQUIPMENT	COMPUTER EQUIPMENT WEBSITE INTANGIBLE	EXHIBITION EQUIPMENT	TOOLS AND WORKSHOP	ARTWORKS	TOTAL
Carrying amount 1 July 2023								
Carry amount	4,018,000	5,322,000	55,629	41,287	61,090	5,850	1,965,300	11,469,156
Additions / (Disposals)	0	72,617	4,761	1,299	5,777	0	0	84,454
Capitalised Work in Progress	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0
Depreciation expense	0	(128,806)	(4,570)	(6,481)	(10,384)	(586)	0	(150,827)
Carry amount at 30 June 2024	4,018,000	5,265,811	55,820	36,105	56,482	5,264	1,965,300	11,402,783

Staff

Tauranga Art Gallery Trust

Chair: Rosemary Protheroe

Deputy Chair: Wayne Werder

Trustee: Hannah Scott

Trustee: Zara Stanhope

Trustee: Ciska Vogelzang

Trustee: Sylvia Willison

Trustee: Alan Withrington

Tauranga Art Gallery

Director: Sonya Korohina

Business Development and Experience Manager: Ian Griffin

Marketing & Communications Manager: Ashlee Hastings

Office and Accounts Manager: Janeen Gleeson

Senior Curator & Exhibitions Manager: Serena Bentley

Curatorial Assistant & Public Programmes Lead: Monique Barnett

Education Manager: Sammy-Rose Scapens

Educator: Angie Ogilvy-Clark

School Liaison: Julie McGowan

Pou Arahi, Māori Advisor: Shirley-Marie Coffin (fixed term)

Redevelopment Project Manager: Duane Moyle (fixed term)







ANNUAL REPORT

TO 30 JUNE 2024

TĀPOI TE MOANANUI Ā TOI | TOURISM BAY OF PLENTY
(WESTERN BAY OF PLENTY TOURISM AND VISITORS TRUST)

TABLE OF CONTENTS

01

**Kia ora from Board Chair
and GM**

03

Progress against KPIs (summary)

04

Flavours of Plenty

06

Domestic & event marketing

08

International trade & marketing

10

**Elevation of cultural tourism
proposition**

11

Cruise sector

12

Business events

13

Valuing our environment

14

Looking forward

15

Accounts

28

Acknowledgements

29

Appendix: Progress against KPIs

KIA ORA

FROM THE BOARD CHAIR

The 2023-2024 year has been both exciting and challenging for the Bay of Plenty and New Zealand as the region continues its recovery towards pre-COVID-19 international visitor numbers, now reaching approximately 85%. This recovery is occurring within a challenging domestic market, with ongoing pressures from the rising cost of living and other factors impacting discretionary spending. Despite these challenges, domestic spending, as recorded through POS electronic card transactions, showed a slight decrease of 2% in Tauranga but an encouraging 9% increase in the Western Bay of Plenty for the year ending June 2024. Positively the return of international visitors has significantly contributed to local economic growth, with Tauranga and Western Bay of Plenty experiencing a 16% and 24% increase in spending, respectively. Overall, the sector is recovering but slower than expected.

Throughout this period, the Board has continued to guide and support the organisation in delivering valuable programmes and promotions that strengthen and expand the region's profile and visitor sector offerings. Some notable highlights from the year include:

Flavours of Plenty Festival: This festival remains a crucial part of the region's Horticultural Place DNA© identity and platform. Now in its third year, the Flavours of Plenty Festival has grown to 45 events over 10 days, extending its reach along the coastal Bay of Plenty, from Waihi Beach to Ōhope.

iSITE Services & Cruise Sector Facilitation: Tourism Bay of Plenty provided visitor services at iSITE locations in Tauranga, Mount Maunganui, and the Port of Tauranga. During the cruise season (October to April), nearly 200,000 passengers and 90,000 crew members were welcomed to Tauranga, with TBOP staff facilitating daily desk arrangements in collaboration with local day tour operators, national agencies, the Port of Tauranga, Council, Traffic Management, retailers, Iwi, and local residents.

Media, Travel Trade & Digital Marketing Programmes: Throughout the year, Tourism Bay of Plenty maintained a continuous programme in partnership with key organisations such as Air New Zealand, Tourism New Zealand, international media, travel trade, and social media influencers. These efforts have successfully leveraged tourism, hospitality, and event exposure for Tauranga and the wider destination, particularly during shoulder and low season.

On behalf of the Board, I would like to acknowledge the ongoing commitment and dedication of the Tourism Bay of Plenty team, led by our General Manager Oscar Nathan. The Board also recognizes the supportive relationship with Mayor James Denyer of Western Bay of Plenty District Council and the constructive relationship developed with the now-vacated Commission, formerly headed by Anne Tolley. Despite a significant reduction of \$610,000 in Tauranga City Council baseline funding early in the Commission's tenure, a respectful and cohesive working relationship was established, based on clearly understood expectations and deliverables. Together with my Board I look forward to fostering an even stronger governance relationship with Mayor Mahé Drysdale and his new council as we work together to enhance the prosperity of our people and place through tourism.



Russ Browne
Board of Trustees Chair
Tāpoi te Moananui ā Toi | Tourism Bay of Plenty

KIA ORA

FROM THE GENERAL MANAGER

This year has presented some tough economic challenges alongside some notable successes. Together with the direction of my board and delivery of the team, we have worked diligently to navigate these complexities, delivering on the expectations of our shareholder councils', whilst also supporting and working alongside our many stakeholders across the region to elevate our destination's appeal to both domestically and internationally as a desired visitor destination.

To this end, we have executed a comprehensive Domestic & Events Marketing program, collaborating with local media, councils, operators and event organisers to ensure that the Bay of Plenty remains top-of-mind for visitors, reinforcing our reputation as a vibrant year-round event destination.

In our efforts to bolster the International Travel Trade, we have worked closely with local tourism operators and key industry partners. Our initiatives have increased awareness of the Bay of Plenty in key offshore markets, including Australia, North America, and Europe. We have hosted international media and travel trade representatives, and continued to deliver on programmes that support the capability of our local operators and their offerings.

Our iSITE Services and Cruise Sector Facilitation has also seen some great success for locals and visitors alike. We welcomed nearly 200,000 cruise passengers and 90,000 crew members to Tauranga, facilitating arrival experiences through our dedicated cruise desk arrangements. This has not only benefited local tour operators but has also enriched the visitor experience. Additionally, in partnership with Priority One we have managed to undertake a first-ever, detailed Coastal BOP Cruise Study into the Value Proposition and Key Stakeholder Perceptions of Cruise to the Coastal Bay of Plenty.

Additionally, we have also made significant strides in delivering on our Destination Management Plan, Te Hā Tāpoi | The Love of Tourism. Projects such as Flavours of Plenty and Native Nations continue to grow, thanks to the collaborative efforts within our community, Iwi, and local businesses. These initiatives celebrate our unique Bay of Plenty identity, captured by our four Place DNA © being: Natural Environment, Māori Culture, Horticultural Provenance and Ocean & Beaches. Another focus we have had is working across various projects that support innovation and wayfinding in relation to Te Manawataki o Te Papa.

As we look ahead, we remain committed to applying prudent financial management and efficient use of resources across our programme of delivery. We will continue to be prudent in our delivery options to ensure value for money, as well as being a team player and supporting our fellow CCOs.

In closing, I am incredibly proud of the accomplishments of our team over the past year. We are small but dedicated team that has great support from our respective council executives and our board. We love what we do and enjoy working alongside our many stakeholders across the community to lead the prosperity of our people and place through tourism, and I am excited about the opportunities that lie ahead.



Oscar Nathan
Manahautū | General Manager
Tāpoi te Moananui ā Toi | Tourism Bay of Plenty

PROGRESS AGAINST KPIs

Target by June 2024

-  Achieved
-  On track
-  Work in progress
-  Not achieved

ECONOMIC WELLBEING

Visitor spend YE June 2024
Te Moananui ā Toi | the Coastal Bay of Plenty

↑ 1%

Compared to
YE June 2023

↑ 18%

Compared to
YE June 2019



SOCIAL WELLBEING

YE June 2024

Percentage of residents
who agree that tourism
has a positive impact on
the community.

60%

Tauranga
Target: 60%



73%

WBOP
Target: 72%



CULTURAL WELLBEING

Facilitation of programmes that elevate
the Māori cultural proposition in the
western bay region.



ENVIRONMENTAL WELLBEING

100

Target: 100

Number of businesses
Completed The Green Room |
Te Rūma Kākāriki
programme.



TBOP ORGANISATION WELLBEING

May 2024

93%

Target: 80%

Of the team are
happy/very happy to be
working at TBOP.



DESTINATION MANAGEMENT

ELEVATE THE REGION'S CYCLING OFFERING

10,000

Copies of the Western Bay of Plenty and
Tauranga cycle trails booklet were printed
and distributed.



DESTINATION MARKETING

ELEVATE THE REGION'S FOOD STORY

Flavours of Plenty Festival 4 April - 14 April

15%

Target: 20%

Of ticketholders
originating from outside
the region.



DESTINATION MANAGEMENT

OPERATOR CAPABILITY BUILDING

4

Target: 3

Supported four operators to
become Qualmark certified



DESTINATION MARKETING

PROMOTE DESTINATION TO TARGET MARKETS

Focus on social and other digital channels,
taking a partnership approach to marketing,
and critically assessing the value of media
familiarisations to ensure value for money.



DESTINATION MANAGEMENT

BUSINESS EVENTS

24

Target:
20 bids

Conference bid proposals
submitted with 8 confirmed
against a target of 5.



FLAVOURS OF PLENTY FESTIVAL

45

EVENTS

10

DAYS

60+

CONTRIBUTING
ORGANISATIONS

2,000+

ATTENDEES

\$164K

TICKET REVENUE FOR
LOCAL BUSINESSES

\$1.5M+

DIGITAL EAV

15%

TICKETHOLDERS FROM
OUT-OF-REGION

81%

TICKETS SOLD

81% OF ATTENDEES SURVEYED SAID THEY WOULD LIKELY ATTEND NEXT YEAR

92% OF EVENT PARTNERS WERE SATISFIED WITH THEIR PARTICIPATION EXPERIENCE



NZEA
NEW ZEALAND
EVENT
AWARDS

WINNER

Best Lifestyle Event 2023

WINNER

Best Local Government Event 2023

NZEA
NEW ZEALAND
EVENT
AWARDS

FINALIST

Best Food, Beverage or Lifestyle Event 2024

FINALIST

Best Marketing or Creative 2024

FESTIVAL FUNDERS AND SPONSORS

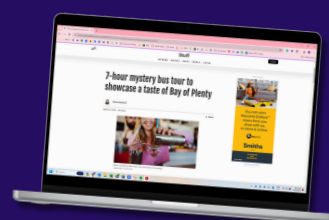


FLAVOURS OF PLENTY



PROFILING THE FOOD STORY

- Media coverage and content creation including a 32-page foodie guide to position the region as a food destination and regular newsletters to our subscriber database of 10,000+.



INDUSTRY COLLABORATION



- Hosted networking events, partnered with ANZ for their Producer Marketplace, ran the Flavours of Plenty Festival, and Plates of Plenty Challenge to encourage collaboration and use of local products.
- Flavours of Plenty Festival theme “Culinary Collisions” ensured that local businesses teamed up to deliver the events rather than work solo.

DOMESTIC & EVENT MARKETING



DOMESTIC CAMPAIGNS

- Ran a total of seven campaigns – our Flavours of Plenty Festival marketing campaign, two campaigns with Rody NZ, a Matariki winter campaign and three smaller activations to support cycle trails, cruise operators (targeted to the eastern seaboard of Australia) and visitors here for the FIFA Women's World Cup.
- These campaigns generated a combined 1.3m impressions, 185k website visits, 26k link clicks and resulted in more than 400 new image assets for Tourism Bay of Plenty's marketing efforts.

COLLATERAL



- 30,000 copies of a refreshed regional visitor guide were printed and distributed to accommodation, airports and ferries around New Zealand.
- 10,000 copies of the 2024 cycle trails guide were printed in September. The new version included 17 trails across Coastal BOP and has been distributed to information centres, airports, accommodation providers, bike shops, cycle groups and shopping centres.



DIGITAL KIOSK PROJECT

- TBOP commenced a wayfinding project for the city in the form of digital kiosks. The first of these kiosks in partnership with Bay Venues went live on the 6th of December at the Mount Hot Pools.

DOMESTIC & EVENT MARKETING

NEWS & MEDIA COVERAGE

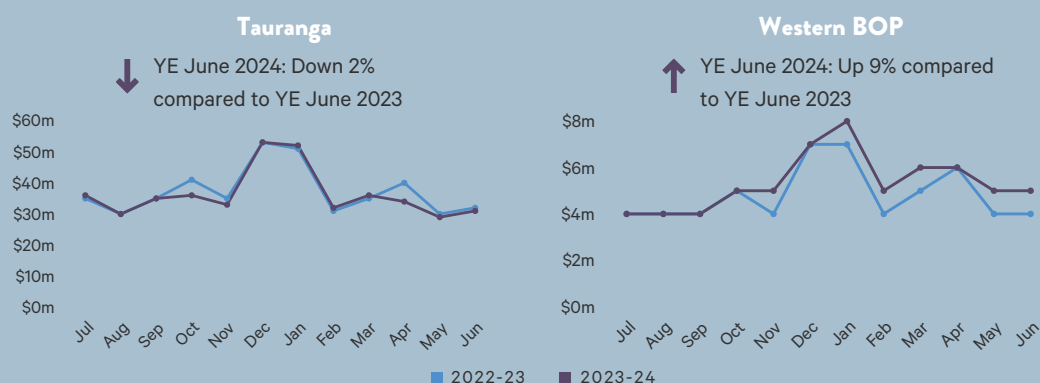


- Tourism Bay of Plenty media responses, press releases and media mentions generated a digital advertising value (EAV) of \$1,715,000 and reached a combined potential audience of nearly 186 million readers. (This data excludes all print and broadcast coverage.)
- Of the 99 online articles, some of the most far-reaching were about the NZ Festival of Squash, preparations for the busy summer season, a preview of Labour Weekend festivals and expected visitors, the anticipated “bumper” 23/24 cruise season, Flavours of Plenty Festival making the finals of the 2024 Western Bay Community Awards, and preparations for the 2023 Zespri AIMS Games.
- Hosted five travel journalists (two international, three domestic) to experience the region, resulting in eight in-depth digital travel stories and \$1.7m in digital EAV.

EVENT PROMOTION

- Supported over 120 events via social, digital, and print promotions, including Kia Ora magazine submissions and seasonal event guides.
- Supported major events like Black Clash, Zespri AIMS Games, National Jazz Festival, with content production, key messaging and collateral.

DOMESTIC VISITOR SPEND VIA ELECTRONIC CARD TRANSACTIONS ONLY*



*Excludes cash, online & pre-bookings. Source - Marketview

INTERNATIONAL TRADE & MARKETING



NORTH AMERICAN ROADSHOW

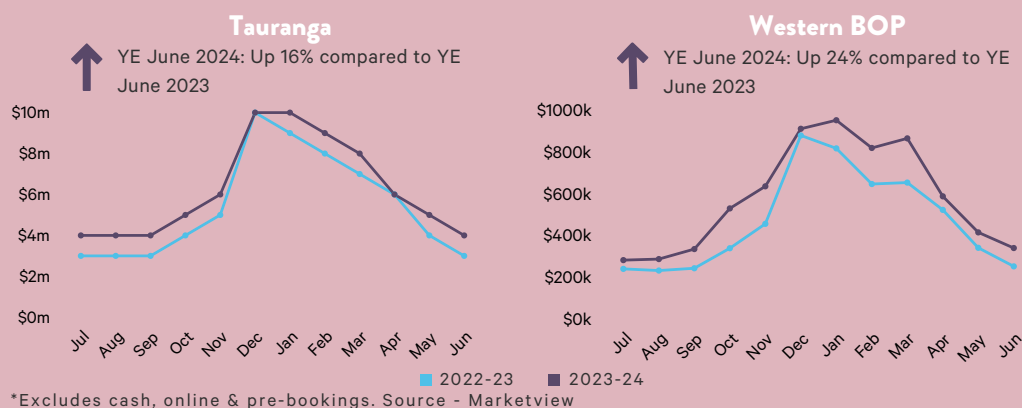
- TBOP in partnership with central North Island RTO's completed the ECNI North American roadshow that included product training and regional updates to over 150 key travel sellers and product managers across Houston, Chicago, Boston and Toronto.

AUSTRALIAN ROADSHOW



- Australia continues to be a key market, especially in regard to off peak with 70% of travel from Australia occurring during this time.
- Hosted by the Australian Tourism New Zealand team, TBOP attended a two day Australia showcase event in Sydney to gain a deeper understanding of the Australian market and build relationships with key agents.
- Following the above event, TBOP also met with key agents in Melbourne, the Gold Coast and Brisbane including ATT Kings, Abercrombie and Kent, Grand Circle, Hello World, ANZCRO, and Flight Centre.

INTERNATIONAL VISITOR SPEND VIA ELECTRONIC CARD TRANSACTIONS ONLY*



INTERNATIONAL TRADE & MARKETING



SALES ACTIVITY

- TBOP attended key trade shows including TRENZ, eXplore and an RTNZ inbound trade event with tourism operators to focus on key markets.
- TRENZ delivered 50 pre-scheduled appointments for attending Bay of Plenty operators over two days.
- eXplore delivered a record number of buyer registrations.
- RTNZ inbound event delivered 60 appointments over two days, focusing on Auckland inbound agents.
- Overall, the above activity has resulted in higher reach and profiling within international markets to generate more bookings.



TRADE FAMILIARISATIONS

- This year TBOP hosted industry leaders, GetYourGuide, Intrepid/Haka Tours, APTC, AirBnB, Pacific Destinations, Contiki, TravelEssence, First Light Travel, Stray, ANZCRO, DUA, Travelmore, Dreamaroo, and New Zealand In Depth to showcase what the Bay of Plenty has to offer.



OPERATORS ACHIEVE QUALMARK

- TBOP continues to support operators to become Qualmark accredited, which in turn also enables them to be included within Tourism New Zealand international marketing and familiarisations.
- Newly accredited operators include:
 - Tio Ōhiwa Oyster Farm
 - Ōmataroa Eco Tours
 - Ōhope Golf Links
 - Avocado Tours



ELEVATION OF CULTURAL TOURISM PROPOSITION



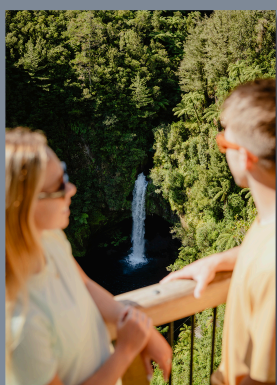
NATIVE NATIONS

- Partnered with Kohutapu Lodge and industry on the first Native Nations indigenous youth exchange between Australia and New Zealand, with the final celebration event held in Tauranga.
- Associated trade-ready itineraries are now complete and in market via targeted marketing campaigns and activations.
- The project won a TIA tourism award for collaboration and will continue to be delivered in the international market.
- TBOP also hosted a Post-TRENZ famil showcasing new and existing Māori experiences as part of this programme.



CULTURAL FAMILIARISATIONS

- Together with New Zealand Māori Tourism, TBOP hosted over 25 TNZ staff as part of a cultural competency famil to expand knowledge, highlight regional experience and strengthen capability within TNZ offices around the world.
- TBOP also hosted a number of other cultural famils throughout the year to showcase Māori experiences which has resulted in relationships formed and operators signing up with inbounders.



ŌMANAWA FALLS

- TBOP assisted the experience development of Te Rere Ōmanawa Falls with JV partner Kaitiaki Adventures and local Iwi Ngāti Hangarau, which launched in December, 2023.

CRUISE SECTOR



I-PORT OPERATIONS

- An additional 20ft container was set up on the port to support operator sales which included five operator desks and 13 operators.
- TBOP continues to work closely with Port of Tauranga, Tauranga City Council and Road Safe to ensure the delivery of a safe and successful visitor experience.



OPERATOR SUPPORT

- TBOP continues to support cruise day operations.
- TBOP developed a sales brochure for distribution on cruise days with a digital version available on the TBOP website.
- In November, TBOP launched an Australian targeted Google Ads campaign to support i-port operators and promote the digital version of the brochure. During November-December, the campaign generated over 1,500 landing page views, 582 clicks to operator listings and 159 brochure downloads.



CRUISE STUDY

- TBOP in partnership with Priority One commissioned KPMG to conduct a research study to better understand stakeholder perceptions and the value proposition of the cruise sector for coastal Bay of Plenty.
- Phase 1 of the study is now complete, with phase two to be completed in August 2024 once economic data is available.



108 total
ships



88 ship
days



193,000
passengers



90,000
crew

BUSINESS EVENTS

OPERATOR SUPPORT



- Tourism Bay of Plenty recently hosted its third business events-focused training day. The workshop was attended by the many new venues and bespoke experiences popping up in the region.
- More than 30 operators have now been brought up to speed in understanding the level of service and competency required across the various sectors within business events.
- They also now have a clear picture of the region's ambitious plans to develop its offerings and cement its position as a real key player in the conference, meetings and incentives sector.

BUSINESS EVENT FAMILIARISATIONS



- TBOP and key partners hosted business event famils during the Flavours of Plenty Festival and prior to the Meetings Expo.
- This included over 15 PCO's, event managers, PA's and corporate travel agents to showcase the region's new and existing venues, accommodation and suppliers.
- These famils have built awareness, generated interested, strengthened relationships, and attracted new business into the region.

SALES ACTIVITY



- TBOP attended the Meetings Expo, PA Expo and BE Expo alongside key partners Bay Venues, Tauranga City Council and Trinity Wharf.
- TBOP supported operators to attend the Meetings Expo by way of activations throughout the expos, showcasing what makes our region unique.

VALUING OUR ENVIRONMENT

THE GREEN ROOM | TE RŪMA KĀKĀRIKI

- In June 2024, our industry-leading sustainability programme reached a key milestone with 100 organisations graduating from the programme.
- The programme assists visitor sector organisations to become more environmentally, socially, culturally and financially sustainable via tailored action plans.
- Key actions of this programme include carbon and waste measurement and reduction, reviewing business plans to build resilience, along with donating to and participating in community and environmental initiatives.



TOURISM BAY OF PLENTY, ANNUAL REPORT 2023-2024 | 13

LOOKING FORWARD

ONGOING PROMOTION & LOW SEASON CAMPAIGN

- We will continue driving visitation by focussing on our four Place DNA © pillars (Māori Culture, Ocean & Beaches, Horticultural Provenance and Natural Environment) as we leverage tourism, hospitality, and event offerings in the region. In addition, we look forward to partnering with Tourism New Zealand as part of their new 'Off-Peak' 3-Year Strategy focus (May - Oct), which will see a specific focus on encouraging travel sellers to boost off-season visitation to New Zealand. This will involve working closely with local operators, businesses, and agencies as we promote travel during quieter months.

DEVELOPING A SMART CITY & REGION NETWORK

- TBOP will further integrate smart technologies across Tauranga and the wider Bay of Plenty to enhance visitor access to services, information, and experiences. Through our expanding network of interactive digital kiosks, visitors and locals can access real-time information on areas of interest, products, experiences, weather, and related warnings. The upcoming release of our Destination APP will complement the kiosk network, integrating with our social media channels and www.bayofplenty.nz.com.

CRUISE SECTOR ACTIONS & STRATEGY

- This will follow on from the completion of Coastal BOP Cruise Sector Study (Sep 2024), a KPMG conducted report sponsored by Tourism BOP and Priority One to better understand key stakeholder perceptions and the value proposition of the cruise sector to Tauranga and the Bay of Plenty. Supported also by the recently launched Cruise Aotearoa NZ 2040 Strategy, our region and key players are well poised to assess the current and future state of the sector. This alignment of studies and key considerations and actions from them, provide for us as a host community a steer on key economic, environmental and cultural considerations to now consult and shape a well-informed Cruise Strategy for the Bay of Plenty going forward.

REGIONAL VISITOR EXPERIENCE DEVELOPMENT

- We remain committed to working with our shareholder councils, businesses, iwi, and the community to identify, develop, and promote visitor products, accommodations, and experiences that showcase our region's diversity. From major city projects like Te Manawataki o Te Papa to cultural experiences like Te Rere o Ōmanawa (Ōmanawa Falls) and enhancing regional cycleways, we will leverage our resources to grow our region's appeal, encouraging visitors to stay longer, spend more, and share their experiences.

ACCOUNTS

WESTERN BAY OF PLENTY TOURISM AND VISITORS TRUST

TRUST DIRECTORY AS AT 30 JUNE 2024

PURPOSE OF BUSINESS

The principle objective of Tourism Bay of Plenty is to promote the economic welfare and development of the region and its community through marketing and management that positively supports the region as a visitor destination.

LEGAL BASIS

Charitable Trust

STRUCTURE

The Trust comprises a Board of six Trustees and one Board intern who oversee the governance of the Trust, a General Manager who is responsible for the day-to-day operations of the Trust and reporting to the Trustees, and 16 other full-time staff who support the General Manager in delivering the Trust's objectives. The Trustees are appointed by the Tauranga City Council and the Western Bay of Plenty District Council.

MAIN SOURCES OF CASH AND RESOURCES

Operating grants received from the Tauranga City Council, Western Bay of Plenty District Council and Whakatāne District Council are the primary sources of funding to the Trust. The Trust also earns revenue from sales of local and domestic products.

TRUSTEES

R. Browne - Chair
C. Swallow
J. Hill
P. Blakeway
J. Tulloch
A. Webster

BOARD INTERN

C. Russell

REGISTERED OFFICE

8 Wharf Street
Tauranga

SOLICITORS

Holland Beckett, Tauranga

BANKERS

ASB, Tauranga

AUDITORS

Silks Audit Chartered Accountants

ACCOUNTS

WESTERN BAY OF PLENTY TOURISM AND VISITORS TRUST

STATEMENT OF COMPREHENSIVE REVENUE & EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 Actual	2024 Budget	2023 Actual
REVENUE				
Funding - Tauranga City Council		2,158,851	2,157,976	2,460,663
Funding - Western Bay of Plenty District Council		248,960	238,960	252,000
Funding - Whakatāne District Council		84,000	84,000	84,705
Retail sales		9,167	12,000	21,048
Finance revenue		47,649	12,600	24,185
Other revenue	1	975,126	541,100	1,587,843
Total revenue		3,523,753	3,046,636	4,430,444
EXPENDITURE				
Cost of sales	2	5,722	7,200	12,733
Operating & Marketing	3	1,606,720	1,293,964	1,931,706
Administration & overhead	4	376,777	377,166	418,776
Finance costs		11	0	
Employee benefit expenses	5	1,529,150	1,606,346	1,514,566
Trustee fees		93,375	85,000	81,500
Depreciation and loss on sale of assets	11&12	85,605	51,960	54,276
Total expenditure		3,697,360	3,421,636	4,013,557
SURPLUS/(DEFICIT) before Tax	6	(173,607)	(375,000)	416,887
Taxation	7	0	0	0
SURPLUS/(DEFICIT) after tax		(173,607)	(375,000)	416,887
Other Comprehensive Revenue & Expense				
Other comprehensive revenue		0	0	0
Total Other Comprehensive Revenue & Expense		0	0	0
Total Comprehensive Revenue & Expense		(173,607)	(375,000)	416,887

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 30 JUNE 2024

	2024 Actual	2023 Actual
Net Assets/Equity at start of the year	1,031,090	614,203
Total comprehensive revenue and expenses	(173,607)	416,887
BALANCE AT 30 JUNE	857,483	1,031,090

The accompanying notes form part of these financial statements

ACCOUNTS

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Notes	2024	2023
ASSETS			
Current assets			
Cash and cash equivalents	8	648,019	947,899
Investments	9	700,000	500,000
Debtors & prepayments from exchange transactions	10	104,169	50,423
Debtors & prepayments from non-exchange transactions	10	47,032	36,805
Accrued Income	10	4,792	0
Inventories		7,038	8,516
Total current assets		1,511,050	1,543,643
Non-current assets			
Property, plant and equipment	11	177,158	176,267
Intangible assets	12	5,722	17,630
Total non-current assets		182,880	193,897
TOTAL ASSETS		1,693,930	1,737,540
LIABILITIES			
Current liabilities			
Creditors and accrued expenses	13	305,282	166,816
Revenue received in advance	14	356,269	361,797
Employee benefit liabilities	15	174,896	177,837
Finance leases		0	0
Total current liabilities		836,447	706,450
TOTAL LIABILITIES		836,447	706,450
TOTAL ASSETS LESS TOTAL LIABILITIES		857,483	1,031,090
EQUITY			
Retained Earnings		1,031,090	614,203
Current Year Earnings		(173,607)	416,887
TOTAL EQUITY		857,483	1,031,090

The accompanying notes form part of these financial statements

ACCOUNTS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	2024 Actual	2023 Actual
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash flow from exchange transactions:		
Receipts from retail sales	9,167	21,048
Receipts from other revenue	975,126	805,692
Interest receipts	46,649	23,185
Dividend receipts	1,000	1,000
Interest payments	(11)	0
Payments to suppliers and employees	(3,553,614)	(4,082,831)
Total cash flows from exchange transactions	(2,521,683)	(3,231,906)
Net cash flow from non-exchange transactions		
Receipts of Funding - Tauranga City Council	2,158,851	2,460,663
Receipts of Funding - Western Bay of Plenty District Council	248,960	252,000
Receipts of Funding - Whakatāne District Council	84,000	84,000
GST (net)	8,943	2,989
Total cash flows from non-exchange transactions	2,500,754	2,799,652
Net cash flow from operating activities	(20,929)	(432,254)
CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES		
Purchase of Investments	(200,000)	(300,000)
Funds held on behalf on third parties	(5,775)	10,360
Receipts from sale of fixed assets	0	0
Payments to acquire fixed assets	(74,799)	(30,921)
Net cash flow from investing & financing activities	(280,574)	(320,561)
ADD OPENING BANK ACCOUNTS AND CASH	946,999	1,699,814
CLOSING BANK ACCOUNTS AND CASH	645,496	946,999

The accompanying notes form part of these financial statements

ACCOUNTS

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2024

ENTITY STATEMENT

Western Bay of Plenty Tourism and Visitors Trust is a Council Controlled Organisation (CCO), by virtue of the Council's right to appoint the Board of Trustees. Governance is provided by the Trust Board as per the Trust Deed. The relevant legislation governing the Trust's operations includes the Local Government Act 2002. The financial statements of the Trust have been prepared in accordance with the provisions of section 68 and 69 of the Local Government Act 2002. The Trust is a public benefit entity for financial reporting purposes.

The principle objective of the Trust is to promote the economic welfare and development of the region and its community through marketing and management that impacts on the region as a visitor and tourist destination.

The financial statements of the Trust are for the year ended 30 June 2024. The unaudited financial statements were approved by the Board of Trustees on 16th August 2024. Audited financial statements approval date to be confirmed.

BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

The financial statements of the Trust have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZGAAP).

These financial statements have been prepared in accordance with Tier 2 PBE accounting standards on the basis that the Trust is not publicly accountable and expenses are between \$2 and \$30 million. These financial statements comply with Public Benefit Entity standards Reduced Disclosure Regime.

Measurement base

The financial statements have been prepared on a historical cost basis.

Changes in accounting policies

There have been no changes in accounting policies.

Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Trust is New Zealand dollars.

ACCOUNTS

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2024

Goods & Services Tax

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST. GST is shown as a net amount in the cashflow.

SIGNIFICANT ACCOUNTING POLICIES

Revenue

Grants

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ('use or return condition'). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue associated costs are expensed.

Sale of goods

Revenue from the sale of goods is recognised when the goods are sold to the customer.

Sale of services

Revenue from the sale of services is recognised when the service is provided.

Interest and dividend revenue

Interest revenue is recorded as it is earned during the year. Dividend revenue is recognised when the dividend is declared.

Employee related costs

Wages, salaries, and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries, and leave entitlements.

Performance payments are recorded when the employee is notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

Advertising, marketing, administration, and overhead costs

These are expensed when the related service has been received.

ACCOUNTS

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2024

Lease expense

Operating leases

Lease payments are recognised as an expense on a straight-line basis over the lease term.

Finance leases

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. The lease is fully depreciated over the lease term.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cheque or savings accounts, and deposits held on call with banks.

Investments

Investments are shares, term deposits, bonds, units in unit trusts, or similar instruments held by the entity.

Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

Inventory

Inventory held for sale on a commercial basis is valued at the lower of cost or net realisable value. The cost of the inventory is determined using the weighted average method.

ACCOUNTS

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2024

Property, plant, equipment

Property, plant, equipment is recorded at cost, less accumulated depreciation and impairment losses.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount.

For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation is provided on a diminishing value basis on all property, plant and equipment, at rates that will write off the cost of the assets to their estimated residual values over their estimated useful lives.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

- Furniture and fittings (10% - 40%)
- Computers and software (40% - 67%)
- Buildings and leasehold improvements (10% - 25%)
- Office equipment (8% - 67%)

Intangible Assets

Website Development

Website development costs are capitalised when it is probable that the expected economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. Furthermore, the website must be shown to be capable of generating revenues, including direct revenues from enabling orders to be placed.

Amortisation

Website costs are amortised on a diminishing value basis over the asset's useful life. Amortisation begins when the asset is available for use and ceases at the date when the asset is disposed of. The amortisation charge for each year is included with depreciation and recognised in the Statement of Comprehensive Income.

The useful life and associated amortisation rate has been estimated as follows:

- Website (50%)

ACCOUNTS

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2024

Creditors and accrued expenses

Creditors and accrued expenses are recorded at their face value.

Employee Entitlements

A liability for employee costs payable is recognised when an employee has earned the entitlement.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date, using current rates of pay.

Loans

Loans are recognised at the amount borrowed from the lender. Loan balances include any interest accrued at year end that has not yet been paid.

Income Taxation

The Trust holds a tax exemption from the Inland Revenue Department in terms of section CW40 of the Income Tax Act 2007, as a local or regional promotional body.

Budget figures

The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 2 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements. Note that the classification of the expenses is different from the Statement of Intent as the employee costs are shown separately in the accounts.

Cashflow

Operating activities have been presented in accordance with the direct method.

Equity

Equity is the councils' interest in the Trust and is measured as the difference between total assets and total liabilities.

ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023	
1 Other Revenue			
Industry Contributions	-	87,681	
Regional Events Funding	271,299	578,782	
STAPP Funding	94,647	680,149	
BOPRC Funding	60,000	60,000	
Other Income	549,180	181,231	
	<u>975,126</u>	<u>1,587,843</u>	
Regional Events and Stapp initiatives wound down this year.			
Other income this year includes Flavours of Plenty external funding; Kiosks on-sold; and brand funding.			
2 Cost of Sales			
The write-down of inventory during the year was Nil (2023: Nil). The reversal of write-downs for the year was Nil (2023: Nil).			
Opening Inventory	8,516	9,410	
Purchases	4,244	11,839	
Closing Inventory	<u>(7,038)</u>	<u>(8,516)</u>	
Total Cost of Sales	<u>5,722</u>	<u>12,733</u>	
3 Operating and Marketing			
Credit Card Charges	1,773	2,219	
Events Marketing	285,555	716,107	
Cruise Marketing and Operating	154,030	189,883	
Consumer Marketing	639,218	427,410	
Development & Research	192,732	413,622	
General and Other Marketing	333,412	182,465	
	<u>1,606,720</u>	<u>1,931,706</u>	
4 Administration and Overhead			
Audit Fees	30,000	27,072	
Cleaning & Security	8,936	16,068	
Rent	121,828	151,759	
Recruitment, Training & HR	16,401	7,115	
Repairs & Maintenance	8,279	5,743	
Vehicle	30,766	35,153	
Subscriptions	15,685	11,913	
IT expenses	48,584	33,271	
Telephone	9,930	8,421	
Electricity	7,064	8,425	
Other Administration & Overhead	79,304	113,836	
	<u>376,777</u>	<u>418,776</u>	
5 Employee Benefit Expenses			
Salaries and Wages	1,488,973	1,477,770	
Employer Superannuation Contributions	38,702	34,264	
Other Employee Related Costs	1,475	2,532	
	<u>1,529,150</u>	<u>1,514,566</u>	
6 Variance Budget to Actual			
	Actual	Budget	Variance
INCOME			
Other Revenue variances to budget: (Kiosks \$161k; FOP \$150k; STAPP funding \$94k; Brand funding \$17k; Road mgt income \$12k; Cruise desks \$10k;	975,126	541,100	434,026
EXPENDITURE			
Operating & Marketing - includes costs for STAPP, Flavours of Plenty, kiosks which have revenue offsets	1,606,720	1,293,964	312,756
Employee Benefit Expenses (Staff vacancies for part of year)	1,529,150	1,606,346	77,196
Depreciation and loss on sale of assets (Includes write off assets no longer existing)	85,605	51,960	(33,645)

ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

7 Taxation

The Trust holds confirmation of a tax exemption under section CW 40 of the Income Tax Act 2007

8 Cash and Cash Equivalents

	2024	2023
Cheque Accounts	59,266	84,620
Savings Accounts	587,953	862,379
Cash on Hand	800	900
	<u>648,019</u>	<u>947,899</u>

9 Investments

Term Deposits at ASB Bank		
Matures 20 Aug 2024; interest at 4.20%	100,000	
Matures 22 Aug 2024; interest at 4.40%	200,000	
Matures 03 Sep 2024; interest at 4.20%	100,000	
Matures 05 Sep 2024; interest at 4.20%	100,000	
Matures 20 Sep 2024; interest at 4.40%	200,000	
	<u>700,000</u>	<u>500,000</u>

10 Debtors and Prepayments

Debtors	87,573	40,142
GST	47,032	36,805
Prepayments	16,596	10,281
Accrued Income	4,792	-
	<u>155,993</u>	<u>87,228</u>
Debtors and prepayments from exchange transactions	108,961	50,423
Debtors and prepayments from non-exchange transactions	47,032	36,805
	<u>155,993</u>	<u>87,228</u>

11 Property, Plant and Equipment

	Cost	Accum Dep'n	01-Jul-23	Purchases	Depreciation	Disposals	30-Jun-24
Total Computers & Software	138,918	118,812	20,106	34,833	12,997	938	41,004
Total Furniture & Fittings	99,885	61,129	38,756	-	4,586	4,820	29,350
Total Leasehold Improvements	308,321	202,055	106,266	19,922	13,820	29,033	83,335
Total Office Equipment	133,829	122,691	11,138	20,044	6,761	952	23,469
Total	680,953	504,687	176,266	74,799	38,164	35,743	177,158

Name	Cost	Accum Dep	1-Jul-22	Purchases	Depreciation	Disposals	30-Jun-23
Total Computers & Software	104,085	93,287	10,799	18,412	7,103	0	20,107
Total Furniture & Fittings	99,885	60,082	39,803	4,703	5,750	0	38,757
Total Leasehold Improvements	288,399	173,873	114,527	7,509	15,770	0	106,266
Total Office Equipment	113,785	96,921	16,864	2,297	8,023	0	11,138
Total	606,154	424,162	181,992	30,921	36,646	0	176,267

12 Intangible Assets

	Cost	Accum Dep'n	01-Jul-23	Purchases	Depreciation	Disposals	30-Jun-24
CRM	26,997	20,810	6,187	-	1,805	4,382	-
Website	90,485	79,042	11,443	-	5,721	-	5,722
Total	117,482	99,852	17,630	-	7,526	4,382	5,722

Name	Cost	Accum Dep	1-Jul-22	Purchases	Depreciation	Disposals	30-Jun-23
Website & CRM	117,482	82,222	35,260	0	17,630	0	17,630
Total	117,482	82,222	35,260	0	17,630	0	17,630

ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

13 Creditors and Accruals

Creditors	178,741	85,483
Accrued Expenses	86,911	31,790
Funds Received on Behalf of Tourism Operators	39,630	49,543
	<u>305,282</u>	<u>166,816</u>

Creditors and Accruals from Exchange Transactions	304,000	166,816
Creditors and Accruals from Non-exchange Transactions	<u>1,282</u>	<u>-</u>
	<u>305,282</u>	<u>166,816</u>

The Trust holds credit cards with ASB Bank, with a credit limit of \$50,000.

14 Revenue Received in Advance

Revenue Received in Advance	356,269	361,797
Revenue Received in Advance from exchange transactions	356,269	361,797
Revenue Received in Advance from non-exchange transactions	<u>-</u>	<u>-</u>
	<u>356,269</u>	<u>361,797</u>

15 Employee Benefit Liabilities

Accrued Salaries and Wages	102,175	87,451
Annual Leave	<u>72,721</u>	<u>90,386</u>
	<u>174,896</u>	<u>177,837</u>

16 Finance Lease

There are currently no finance leases.

17 Capital and Operational Commitments and Operating Leases

Non-cancellable operating leases as lessee:

The Trust leases property, equipment and vehicles in the normal course of its business; total expenditure for the year was \$159,441. The lease of 8 Wharf Street has two rights of renewal of four years, the lease of 8 Wharf Street, middle tenancy, is an on-going lease with two month notice of exit. The following amounts relate to 8 Wharf Street leases, Haval vehicle lease, Nissan vehicle lease and Eftpos machines and photocopier lease.

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

Payable no later than one year	115,982	28,860
Later than one year, not later than five years	10,452	22,658
Later than five years	<u>-</u>	<u>-</u>
	<u>126,433</u>	<u>51,518</u>

18 Contingent Liabilities

The Trust has no contingent liabilities

19 Related Party Transactions

The Trust received a significant amount of operating grants from the Councils' to deliver its objectives as specified in the Trust Deed.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship and/or on terms and condition no more or less favourable than those that it is reasonable to expect the council and group would have adopted in dealing with the party at arm's length in the same circumstances.

Key Management Personnel compensation

Trustees		
Number of Trustees	7	5
Remuneration	93,375	81,500

Senior Management Team including CEO

Full-time equivalent members	6	5
Remuneration	677,440	612,213

Total Full-time equivalent members	13	10
Total Remuneration	770,815	693,713

20 Donations

There were no donations paid.

ACCOUNTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

	2024	2023
21 Financial Instruments		
Financial Instrument Categories		
FINANCIAL ASSETS		
Cash & Cash Equivalents	1,348,019	1,447,899
Debtors & Other Receivables	<u>134,605</u>	<u>76,755</u>
Total Financial Assets	1,482,624	1,524,654
FINANCIAL LIABILITIES		
Creditors & Other Payables	305,282	166,816
Revenue Received in Advance	356,269	361,797
Finance Leases	<u>0</u>	<u>0</u>
Total Financial Liabilities at Cost	661,551	528,613
22 Events After Balance Date		
There are no significant events post balance date.		

ACKNOWLEDGEMENTS

Main funders



Other funding partners



Thank you for your continued support

CONTACT

TOURISM BAY OF PLENTY

8 Wharf Street
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Ph 07 577 6234
info@bayofplentynz.com
bayofplentynz.com

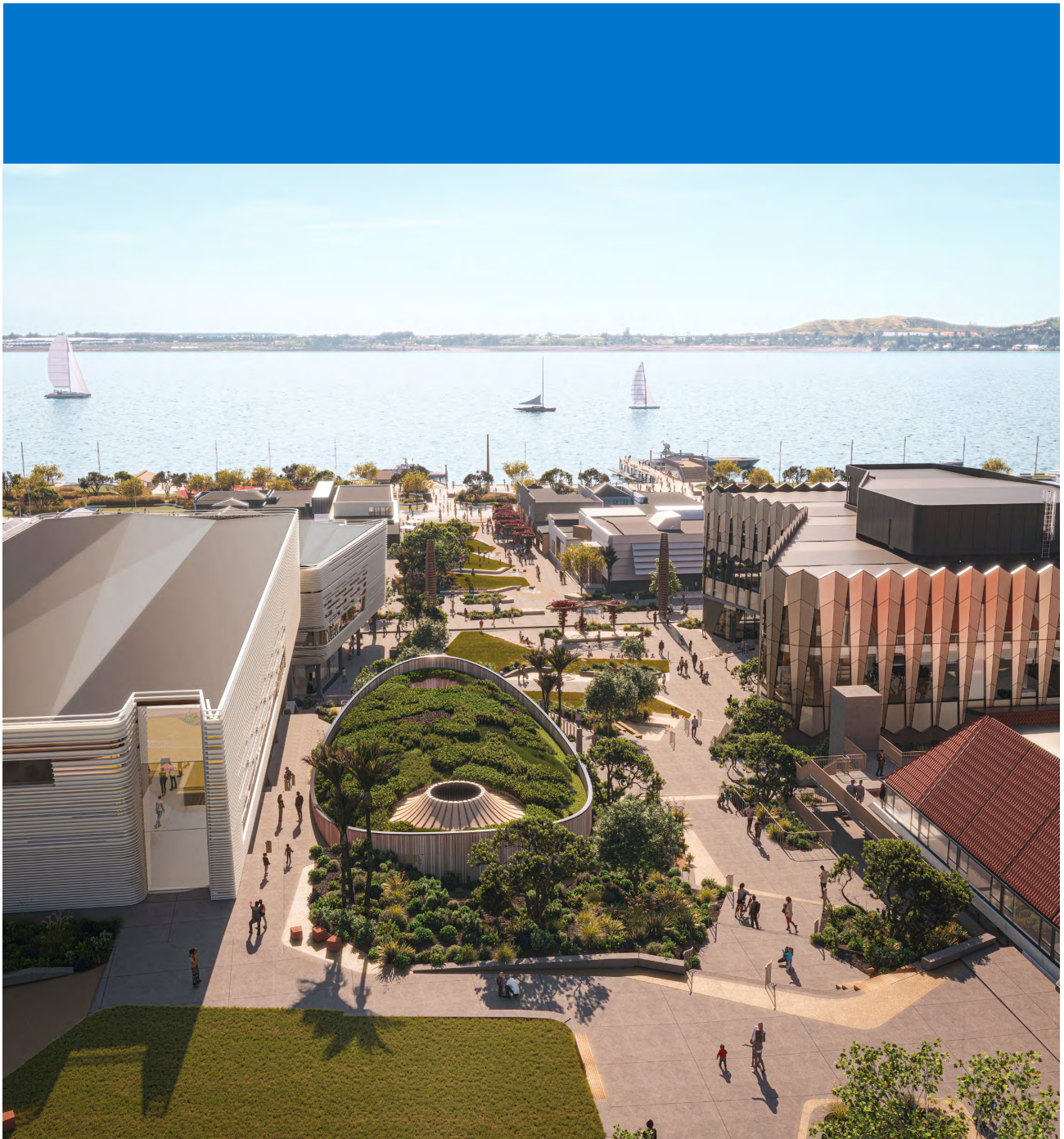


APPENDIX: PROGRESS AGAINST KPIS

FOCUS AREA	PROJECT DELIVERABLE	MEASURE	TBOP	SOURCE	TARGET BY JUNE 2024	UPDATE	STATUS
ECONOMIC Wellbeing	Grow the value of tourism to the western bay economy.	Trends in visitor spending via electronic card transactions.	Direct Partnered Indirect	Marketview	Increased visitor spend in the western bay compared to YE June 2023.	Visitor spend in the western bay increased by 1% compared to YE June 2023.	Achieved
SOCIAL Wellbeing	Enhance the value of tourism to our community (according to the community).	Residents' sentiment towards tourism. Measured by the percentage of residents who agree that tourism has a positive impact on their community. Residents provide a rating of 1 to 10, where 1 is strongly disagree and 10 is strongly agree.	Direct Partnered Indirect	Residents' satisfaction surveys, conducted by the respective councils.	Tauranga City community: 60% of residents agree. Western Bay of Plenty District community: 72% of residents agree.	Tauranga City community: 60% of residents agree. Western Bay of Plenty District community: 73% of residents agree.	Achieved
CULTURAL Wellbeing	Improving the cultural wellbeing of the community through tourism.	Facilitation of programmes that elevate the Māori cultural tourism proposition in the western bay region.	Direct Partnered	TBOP Six-Month and Annual Reports.	Incorporated Tauranga Moana cultural history and stories into digital storytelling and wayfinding platforms managed by TBOP.	Both cultural history and stories continue to be updated on various platforms, including the TBOP website, digital kiosks and Te Ara Whānui app.	Achieved
ENVIRONMENTAL Wellbeing	Improving the environmental wellbeing of the region via environmental sustainability and regeneration projects.	Industry-focused environmental sustainability and regeneration initiatives facilitated or enabled by TBOP.	Direct Partnered	Programme reports.	A total of 100 visitor sector organisations in the western bay have implemented sustainability initiatives and improved their sustainability literacy after completing The Green Room programme.	A total of 100 organisations have now completed the Green Room programme.	Achieved
TBOP ORGANISATION Wellbeing	Enhance TBOP's ability to achieve its goals through high staff engagement.	TBOP staff engagement.	Direct	Employee engagement survey.	Employee Engagement score of 280%.	93% Employee Engagement score.	Achieved

APPENDIX: PROGRESS AGAINST KPIS

FOCUS AREA	PROJECT DELIVERABLE	MEASURE	TBOP	SOURCE	TARGET BY JUNE 2024	UPDATE	STATUS
DESTINATION MANAGEMENT & MARKETING	Elevate the region's cycling proposition.	Develop, update, and promote informative material on cycle trail options in the western bay.	Direct Partnered	Council's feedback.	Cycle trails booklet updated with new trails, supported by an initial print run and digital deployment. Support the development of tourism ventures that make use of this experience.	10,000 copies of the Western Bay of Plenty and Tauranga cycle trails booklet were printed, distributed, and deployed online.	Achieved
	Build operator capability to enhance the quality of the region's tourism offering.	Provide opportunities for western bay operators to train or upskill in sales, marketing and trade capability areas while also gaining, retaining or achieving higher Qualmark rated certification.	Direct Partnered Indirect	Capability programme report.	Operators supported to engage in capability building programmes, with a minimum of three additional operators being endorsed with Qualmark certification.	Operators continue to be supported by TBOP to build capability, with four new operators successfully being accredited with Qualmark certification.	Achieved
	Coordinate activity that attracts key business events to the western bay region.	Facilitate leads and bids for business events in the region.	Direct Partnered	TBOP Six-Month and Annual Reports.	Facilitated 20 leads or bids for business events in the region and won 5.	Facilitated 24 leads or bids for business events in the region, of which 8 were confirmed.	Achieved
	Elevate the region's food story and proposition.	Promote and support the delivery of the Flavours of Plenty Festival to draw visitors to the Coastal Bay of Plenty region.	Direct Partnered	Festival delivery.	Promotion of the Flavours of Plenty Festival to key visitor markets results in ≥20% of ticketholders originating from outside the region.	Flavours of Plenty Festival to key visitor markets resulted in 15% of ticketholders originating from outside the region. However, 81% of all tickets were sold.	Not Achieved
	Promotion of the western bay region to key target markets (cultural explorers, surf & beach lovers, outdoor adventurers, and eco-travellers).	Annual development and delivery of marketing campaigns that incorporate our key DNA™ pillars that reach and convert the travel intentions of our target markets to visit, stay and spend in the region.	Direct Partnered	Campaign collateral.	Deliver an updated domestic marketing campaign which incorporates the destination's DNA™ elements and is focused on the target markets.	Updated campaigns focused on social and other digital channels, taking a partnership approach to marketing, and media familiarisations to ensure value for money.	Achieved



**Te Manawataki o Te Papa Limited
Annual Report 2024**



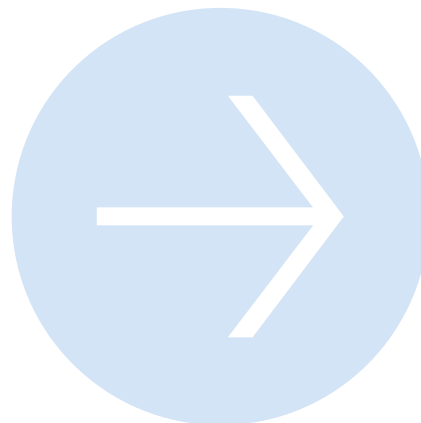
Te Manawataki o Te Papa Limited

Welcome

Te Manawataki o Te Papa Limited (TMOTPL) was established in December 2022 and is the Council Controlled Organisation (CCO) responsible for governing the effective delivery of a suite of projects across the Tauranga City Centre, benefitting the whole community.

Tauranga City Council (TCC) has appointed four independent directors to the TMOTPL Board - Kim Wallace (Chair), Barry Bragg, Peter Neven and Nathan Speir. The skillset of the individual board members collectively provides a diverse range of relevant sector, industry, and commercial expertise along with strong governance of significantly complex projects.

This report has been completed in accordance with the Tauranga City Council Statement of Intent and the Local Government Act 2002.



*Te Manawataki o Te Papa Limited
Annual Report 2024*

Te Manawataki o Te Papa Limited

Contents

Chair's Report	Page 4
Our Programmes	Page 7
Highlights and Challenges	Page 8
Performance Targets and Measures	Page 12
Financial Statements	Page 16



Picture caption for above render.

*Te Manawataki o Te Papa Limited
Annual Report 2024*

Chair's Report

The past year has been a monumental one for the Te Manawataki o Te Papa Limited Board (the Board) and all those who have committed to the revitalisation of the Tauranga city centre.

A notably proud moment and key highlight was the vesting of the Lot 45 parcel of land (within the civic precinct redevelopment) in Te Manawataki o Te Papa Charitable Trust. This was a historically significant event as it is the first time there has been an effective change in control of the land since 1886, and mana whenua have now been reconnected to the whenua for the first time since 1838. The civic precinct land is now effectively held in co-ownership between Tauranga City Council (TCC) and mana whenua.

The year started with commissioner approval on 24th July 2023 of the full Te Manawataki o Te Papa (TMoTP) programme to be delivered in a single stage. This vote of confidence reflected the high quality of the comprehensive business case, design and cost update and financial strategy that underpins delivery of this transformational set of projects. This major milestone facilitated a shift in focus for the board and project teams alike into delivery mode to progress the community outcomes as set by TCC.

After this decision the gathering of adequate project evidence to inform design, undertaking procurement in a constrained market, managing complex consents, and meeting ambitious construction programmes, presented both risk and opportunity for the teams.

As projects entered design and construction phases, the Board tasked the team with finding innovative ways to deliver on the planned project outcomes while staying within the approved budget. Working in collaboration with key stakeholders and partners this prudent approach has served the programme well. Most pleasingly, not only are project expectations and outcomes tracking as planned, cost-estimates also remain within the overall funding envelope.

The civic precinct land is now effectively held in co-ownership between Tauranga City Council (TCC) and mana whenua.

Chair's Report

Over the second half of the year the TMoTP Site A transformed into a fast-paced building site with ground works and foundations taking shape with the assistance of a large new tower crane.

It has also been an impressive sight to see the 90 Devonport Road administration building emerge out of the ground with the mass timber floors being stacked at an imposing pace.

The Board has fostered a close relationship with development partners Willis Bond to carefully coordinate the accelerated base build and council fit-out projects.

With a portion of the Tauranga City waterfront now under the charge of our contractors we very much look forward to unveiling a transformed community space for families to enjoy in time for Christmas 2024. The team, and in particular our communications staff, have worked tirelessly to keep the community informed of the change in this important city space.

We ran a hugely successful inaugural Children's Day event and saw the playground project team working with school children to influence the destination playground design – much to their delight.

With a portion of the Tauranga City waterfront now under the charge of our contractors we very much look forward to unveiling a transformed community space for families to enjoy in time for Christmas 2024.

The 2024-34 Long-term Plan further highlighted TCC's commitment to TMoTP with the notable addition of the Memorial Park Aquatic Facility to our programme. We have welcomed the addition of this exciting and challenging project alongside design and build contractor Apollo Projects has also led the development of the Cameron Road Indoor Court Centre, a project that will see a fantastic new community multi-sports facility up and running before the end of the year.

Masonic Park is nearing completion and in early June 2024 the commissioners and team were able to jointly partake in the ceremonial planting of the first tree on the park. This also being the last official act of the commissioners, it gave us all a chance to reflect and celebrate how far the wider project has come under their term.

Chair's Report

In turn this enabled truly solid progress to be made over the year including breaking ground on the majority of our major projects and celebrating the completion of projects.

The Board would like to thank the outgoing council commissioners for their unwavering support. In turn this enabled truly solid progress to be made over the year including breaking ground on the majority of our major projects and celebrating the completion of projects.

Along with the \$306.3 million being invested in TMoTP projects there are approved projects located along the Tauranga Moana waterfront and within Memorial Park which brings the total value of the programmes being overseen by the Board to circa \$570 million.

Once complete, this significant investment will provide well overdue upgrades to Tauranga City to present a reinvigorated place for the benefit of the local community and visitors alike.

The Board would like to thank everyone who contributed to what has been an eventful and successful year. We now look forward to a busy period of project delivery ahead and welcoming in a newly elected mayor and councillors.



Kim Wallace

Te Manawataki o Te Papa Limited

Our Programmes

Te Manawataki o Te Papa

\$306m

- Central Library and Community Hub
- Civic Plaza
- Masonic Park upgrade
- Museum
- Exhibition Centre and Gallery
- Civic Whare
- Baycourt upgrade
- Willow Street upgrade
- Hamilton, Durham, and Wharf Street upgrade
- Art Gallery door relocation and upgrade
- Strand Waterfront, road and footpath upgrade
- Waterfront Central Plaza
- Central Plaza Wharf
- Strand Waterfront Whare Waka



Strand Waterfront

\$66m

- Tunks Reserve upgrade
- Memorial Park to City Centre Pathway - Stage 1
- Strand Seawall North and South
- North and South Reserve
- Waterfront Playground
- Dive Crescent Carpark
- Beacon Wharf upgrade
- Fisherman's Wharf

Other Projects

\$197m

- Civic Administration Building
- Civic Heart Building demolition
- Seismic works – Spring Street carpark
- Memorial Park – Aquatics Facility
- Indoor Courts – 483 Cameron Road
- Art Gallery upgrades on behalf of Tauranga Art Gallery Trust

Te Manawataki o Te Papa Limited

Highlights and Challenges

Highlights

In January 2023 construction started on the 90 Devonport Road Civic Administration Building by contractor LT McGuinness. Construction of NZ's largest mass timber office building has progressed rapidly in the past year. Construction and fit-out works are on-track to be complete for council to move into the building in Q1 2025 with the organisation finally under one roof in the city centre. The building will achieve six-star Green Star and Gold WELL ratings to meet best practice sustainable design and build benchmarks. The project has been a shining example of excellence in partnership, innovation, and efficiency in construction.

Construction and fit-out works are on-track to be complete for council to move into the building in Q1 2025 with the organisation finally under one roof in the city centre.

Work to complete the Tauranga Waterfront Masterplan has kicked off in earnest this year with The Strand now humming with construction. The striking Tunks Reserve redevelopment was completed in December 2023 and the Beacon Wharf project completed in June 2024. An impressive amount of work is now being undertaken on the harbour margin between these two projects with the Strand North Park and Seawall, Masonic Park, Destination Playground, Strand South Boardwalk and Rail Underpass set to be completed by Christmas. The successful installation of 100 living seawall pods to create a new coastal ecosystem on the Strand North Seawall has been celebrated as a New Zealand first.

In July 2023 commissioners provided the final approval of the full TMoTP programme to be delivered in a single stage. A comprehensive business case, design and cost update and financial strategy were approved as the framework to delivering this transformational project. The project has been designed to instil a much-needed cultural heart within the city, reinvigorating the city centre and leading a transformation that will leave a legacy for the people of Tauranga.

Highlights and Challenges

The signing of the Master Development Management Agreement (DMA) in November 2023 formalised Willis Bond's role as development partner to TCC in delivering the TMoTP project. Site work is now well underway with the tower crane in place to bring the library and community hub building out of the ground.

In December 2023 the Commission approved the Memorial Park Aquatic Centre redevelopment alongside the purchase and retrofit of 'The Warehouse' building at 483 Cameron Rd for enhanced indoor court provision. The new centre caters for a wide range of aquatic users in an indoor and outdoor setting. The building purchase and retrofit of a new indoor court facility on Cameron Road will replace the QEYC building at Memorial Park. The larger, enhanced and fully accessible indoor courts facility will be complete in early 2025 providing an excellent outcome for recreational users.

In May 2024 the legal process to finalise the transfer of the Site A land to the Te Manawataki o Te Papa Charitable Trust

The larger, enhanced and fully accessible indoor courts facility will be complete in early 2025 providing an excellent outcome for recreational users.

was finalised. The land transfer further cemented our special partnership with the Otamataha Trust in delivering TMoTP on the site and followed the signing of the Deed of Transfer in 2022 witnessed by Jacinda Ardern. This historic moment was the first time there had been an effective change in control of the land since 1886.

Continued →

Highlights and Challenges

Challenges

Escalating construction costs and long lead times have created a number of challenges for the Board and project teams. With the significant and complex development program, the Board has challenged the civic development team to find efficiencies and innovation in delivering projects along with a stringent value engineering process.

Complex building consent processes have presented a challenging environment from a programme management perspective. The Board has worked closely with development partners Willis Bond to ensure issues are front footed where possible and a focus on working together to find solutions has worked well thus far.

The construction programme is entering a significant delivery period alongside an increasing private sector development in the city centre. Designing an efficient work programme that can be proficiently met by the market has required a strategic and innovative approach.

Looking ahead

The Tauranga waterfront projects are in full swing with the majority to be complete by Christmas this year. The final push to complete these projects and see them open to the public will signal a major milestone for the Board in delivering on their commitment to the public and breathing life into what has been a challenging construction environment.

Opening the doors to the 90 Devonport Road building will be a historic moment for TCC and see all of the organisation's administrative staff housed under one roof for the first time since 2014. The Board are looking forward to celebrating the completion of this highly functional, innovative and beautiful building with the whole organisation alongside development partners Willis Bond and construction partners LT McGuinness.

The final push to complete these projects and see them open to the public will signal a major milestone for the Board in delivering on their commitment...

Highlights and Challenges

With ground works now well underway on Site A of TMoTP, the next year will see the site transformed into a significant commercial construction site. Seeing the buildings take shape will be a huge boost for the city centre and all those that have supported the programme to date.

An accelerated program of work to redevelop 'The Warehouse' building at 483 Cameron Road is about to get

underway. Apollo Projects are leading the construction of this project alongside the design phases of the Memorial Park Aquatic Centre. Since 'The Warehouse' building was put up for sale, the process to undertake due diligence, purchase, and design a program of works to deliver a fit-for-purpose facility later this year has been extraordinary and will be a great outcome for our recreational users.



90 Devonport Rd, Tauranga.

Te Manawataki o Te Papa Limited

Performance Targets and Measures

Performance targets	Performance measures	Status: Achieved, Not Achieved, Not Measured	Comments
Establish a health, safety, and wellbeing system to ensure all involved with the projects are kept safe and well.	Comply with health, safety, and wellbeing system.	Achieved	The Board receives monthly reports and dashboards which provide relevant data relating to health and safety issues. Bi-monthly due diligence inspections on two work sites are conducted by directors. Training is provided to all relevant stakeholders on TCC's contractor management procedures.
Manage critical hazards effectively, with baseline lead and lag indicators monitored.	Critical risk inspections are carried out on schedule and reported on, with no harm incidents reported in any phase.	Achieved	There were no serious injuries.
Develop and maintain with TCC, contractors and consultants a comprehensive risk register.	Total Recordable Incident Frequency Rate (TRIFR) less than 10.0 per 1,000,000 hours worked on the projects.	Not measured	Comprehensive risk registers are maintained at both a programme and project level (including TRIFR as project appropriate) and are reviewed monthly with key stakeholders.
Delegations.	Comply with delegations hierarchy.	Achieved	All delegation hierarchies complied with.

Continued →

Performance Targets and Measures

Performance targets	Performance measures	Status: Achieved, Not Achieved, Not Measured	Comments
Recommend project delivery to Council.	Recommend developed and detailed design for each project, along with relevant contracts.	Achieved	All detailed designs signed off through formal steering groups and the Board, and progress on each project reported to TCC.
Contract management and legal compliance.	Provide oversight of all contracts, expenditure, and progress during all phases in 100% compliance with all standards.	Achieved	Monthly project reports are presented to the Board to provide oversight of project status.
Risk management and lessons learnt.	Proactively manage risk through timely risk workshops and the Civic Development Assurance Group.	Achieved	Project completion reports are reported to the Board. A database of lessons learned is maintained and forms part of ongoing improvement of project management plans. Risk and assurance specialist participates in monthly risk workshops and reports findings to the Board.
Delivery on time and at expected quality.	Ensure the programme is delivered within specification and agreed timelines. Any future deviations to be communicated to TCC in a timely manner.	Achieved	Delivery of programmes are ongoing and are regularly reviewed to ensure timelines are met and budgets not exceeded. Components of the programme are evaluated as part of the project completion reporting for each project.

Continued →

Performance Targets and Measures

Performance targets	Performance measures	Status: Achieved, Not Achieved, Not Measured	Comments
Deliver the Programme on or below budget.	Capital and whole of life costs optimised. Operational implications considered.	Not Achieved	Robust management of project capital costs is undertaken at both project and programme level, with an emphasis on value engineering to remain within budget where possible. This approach has been broadly successful. However, costs caused by unavoidable scope change resulted in two projects being completed over their initial budgets. This was reported to Commissioners in a timely manner and additional budget was allocated to cover the shortfall. Whole of life operating costs have been reviewed and benchmarked in the year.
Reporting and consultation.	Report and discuss with TCC any risk of budget being exceeded prior to any approval for increased budget.	Achieved	Where, following value engineering, evaluation of projects identifies additional funding requirements to meet design standards and/or regulatory compliance, TCC is reported to and appropriate authorisation obtained.
Advocate efforts by TCC or other opportunities for third party funding.	Third party funding opportunities advocated.	Achieved	A number of sources of external funding have been secured to date. The Board has participated in and supported fund raising activities.
Prepare and agree regular reporting programme which ensures TCC is fully informed in a timely manner of all major issues, project progress against PMP and opportunities for further enhancement.	100% compliance with reporting requirements outlined in SIO and major issues are raised on a no surprise basis.	Achieved	The Board has reported to TCC on a monthly basis and as requested.

Performance Targets and Measures

Performance targets	Performance measures	Status: Achieved, Not Achieved, Not Measured	Comments
Nurture respectful, collaborative, and open relationships in the best interests of the city.	Ensure all stakeholders receive regular updates on progress of the programme	Achieved	The Board engages regularly with mana whenua, the community and other key stakeholders.
Cultural connection	Engage with mana whenua to ensure cultural narrative incorporated into design.	Achieved	Cultural design and interpretation form a key part of the design process.
Clear sustainability standards developed for the programme during the PCS and D&C phases.	Monitor programme sustainability outcomes on project delivery.	Achieved.	Current designs include sustainable design solutions to achieve Green Star accreditation.

Financial Statements For The Year Ended 30 June 2024

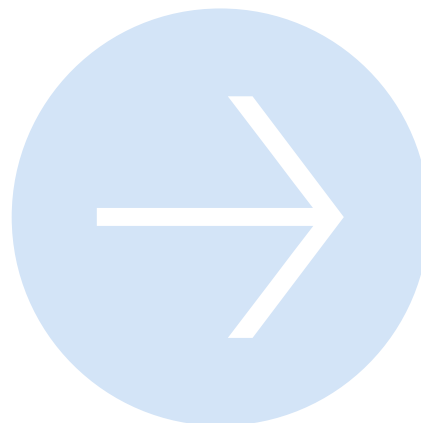
Contents

Non-Financial Information:

Entity Information	17
--------------------	----

Financial Information:

Statement of Financial Performance	18
Statement of Financial Position	19
Statement of Cash Flows	20
Statement of Accounting Policies	21
Notes to the Performance Report	22



Te Manawataki o Te Papa Limited

Financial Statements For The Year Ended 30 June 2024

Entity Information

"Who are we?", "Why do we exist?"

Legal Name of Entity:	Te Manawataki o Te Papa Limited
Other Name of Entity (if any):	TMOTP Ltd
Type of Entity and Legal Basis (if any):	NZ Limited Company
Company Number:	8595250
Entity's Purpose or Mission: <p>"The purpose of the Entity is to: Deliver on behalf of Tauranga City Council the development of the Tauranga civic precinct and Strand waterfront. Projects to be delivered include (but are not limited to) a library, civic whare, museum and exhibition centre, aquatics facility and indoor courts, the Strand waterfront, and beautification of the surrounding areas."</p>	
Entity Structure: <p>Te Manawataki o Te Papa Limited. The Tauranga City Council owns 100% of shares</p>	
Main Sources of the Entity's Cash and Resources: <p>Tauranga City Council grant funding</p>	
General Description of the Entity's Outputs: <p>TMOTP Limited was incorporated on the 16th of February 2023 in preparation for the operation in the 2024 financial year.</p>	
Directors: <p>Kim Wallace, Nathan Speir, Peter Neven, Barry Bragg</p>	
Contact details:	
Postal Address:	"Te Manawataki o Te Papa Ltd, Private Bag 12022, Tauranga Mail Centre, Tauranga 3143"
Email/Website:	TMOTPL@Tauranga.govt.nz

Te Manawataki o Te Papa Limited
Annual Report 2024

Te Manawataki o Te Papa Limited

Financial Statements For The Year Ended 30 June 2024 Statement of Financial Performance "How was it funded?" and "What did it cost?"

	Note.	Actual. Year Ended 30 June 2024. \$	Budget. Year Ended 30 June 2024. \$	Actual. Year Ended 30 June 2023. \$
Revenue				
Grant revenue	1	778,625	–	–
Interest, dividends and other investment revenue	1	560	–	–
Total Revenue		779,185	–	–
Expenses				
Costs related to providing goods or services	2	779,185	–	–
Total Expenses		779,185	–	–
Surplus/(Deficit) for the Year		–	–	–

Continued →

Te Manawataki o Te Papa Limited

Financial Statements For The Year Ended 30 June 2024

Statement of Financial Position: As at 30 June 2024

"What the entity owns?" and "What the entity owes?"

	Note.	Actual. Year Ended 30 June 2024. \$	Budget. Year Ended 30 June 2024. \$	Actual. Year Ended 30 June 2023. \$
Assets				
Current Assets				
Bank accounts and cash	3	90,092	–	–
Other current assets	3	27,860	–	–
Total Current Assets		117,952	–	–
Total Assets		117,952	–	–
Liabilities				
Current Liabilities				
Creditors and accrued expenses	3	25,905	–	–
Other current liabilities	3	92,047	–	–
Total Current Liabilities		117,952	–	–
Total Liabilities		117,952	–	–
Total Assets less Total Liabilities (Net Assets)		–	–	–
Accumulated Funds				
Total Accumulated Funds		–	–	–

The financial statements were approved by the Board of Directors on 27th September 2024.

Continued →

Te Manawataki o Te Papa Limited

Financial Statements For The Year Ended 30 June 2024

Statement of Cash Flows

"How the entity has received and used cash"

	Actual. Year Ended 30 June 2024. \$	Budget. Year Ended 30 June 2024. \$	Actual. Year Ended 30 June 2023. \$
Cash Flows from Operating Activities			
Cash was received from:			
Donations, fundraising and other similar receipts	910,711	-	-
Interest, dividends and other investment receipts	560	-	-
Net GST	2,180	-	-
Cash was applied to:			
Payments to suppliers and employees	823,359	-	-
Net Cash Flows from Operating Activities	90,092	-	-
Net Increase / (Decrease) in Cash	90,092	-	-
Opening Cash	-	-	-
Closing Cash	90,092	-	-
This is represented by:			
Bank Accounts and Cash	90,092	-	-

Continued →

Te Manawataki o Te Papa Limited

Financial Statements For The Year Ended 30 June 2024

Statement of Accounting Policies

"How did we do our accounting?"

Basis of Preparation

Te Manawataki O Te Papa Limited has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

Te Manawataki O Te Papa Limited is registered for GST.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year (last year - nil)

Subsequent Events

There were no significant events subsequent to 30 June 2024.

Continued →

Te Manawataki o Te Papa Limited

Notes to the Financial Statements For The Year Ended 30 June 2024

Note 1: Analysis of Revenue

		Actual. Year Ended 30 June 2024.	Actual. Year Ended 30 June 2023.
Revenue Item	Analysis	\$	\$
Grant revenue	Grant - Tauranga City Council	778,625	–
	Total	778,625	–

Revenue Item	Analysis	\$	\$
Interest, dividends and other investment revenue	Interest	560	–
	Total	560	–

Continued →

Te Manawataki o Te Papa Limited

Notes to the Financial Statements For The Year Ended 30 June 2024

Note 2 : Analysis of Expenses

		Actual. Year Ended 30 June 2024.	Actual. Year Ended 30 June 2023.
Expense Item	Analysis	\$	\$
Costs related to providing goods or services	Board Remuneration	271,558	–
	Governance and Board Support	466,078	–
	Subscriptions	707	–
	Travel	30,659	–
	Consultancy	5,233	–
	Protective Clothing & Equipment	1,953	–
	Meeting Expenses	2,997	–
	Total	779,185	–

Continued →

Te Manawataki o Te Papa Limited

Notes to the Financial Statements For The Year Ended 30 June 2024

Note 3 : Analysis of Assets and Liabilities

		Actual. Year Ended 30 June 2024.	Actual. Year Ended 30 June 2023.
Asset Item	Analysis	\$	\$
Bank accounts and cash	Current account	90,092	–
	Total	90,092	–
Asset Item	Analysis	\$	\$
Other current assets	Accrued revenue - Grant Tauranga City Council	27,860	–
	Total	27,860	–
Liability Item	Analysis	\$	\$
Creditors and accrued expenses	Accounts payable	25,905	–
	Total	25,905	–
Liability Item	Analysis		
Other current liabilities	Grant received in advance	86,250	–
	GST and WHT payable	5,797	–
	Total	92,047	–

Te Manawataki o Te Papa Limited



Picture caption for above render.

*Te Manawataki o Te Papa Limited
Annual Report 2024*





Te Manawataki o Te Papa Charitable Trust

ANNUAL REPORT 2023-24



INTRODUCTION

Te Manawataki o Te Papa Charitable Trust is incorporated under the Charitable Trusts Act (1957) as a not-for-profit entity. Te Manawataki o Te Papa Charitable Trust has charitable status with Inland Revenue.

This report has been completed in accordance with the Te Manawataki o Te Papa Charitable Trust's Statement of Intent with Tauranga City Council and the Local Government Act (2002), which requires that the Trust reports to Council on a six-monthly and annual basis.

PURPOSE

Joint land ownership – the right thing to do

To achieve the objectives of restoring mana of the whenua to hapū and iwi and provide certainty for how the land will be used in the future for the community, a new council-controlled organisation (CCO) was established as a charitable trust in 2023, called Te Manawataki o Te Papa Charitable Trust.

The Council and Otamataha Trust each appointed 50 percent of the trustees to the CCO Charitable Trust.

The purpose of the CCO Charitable Trust is to:

- **Own the land referred to as Site A** of the civic precinct – the land bounded by Willow Street, Wharf Street, Durham Street, and Hamilton Street.
- **Support and encourage the development of Site A** of the civic precinct, including (but not limited to) a library, civic whare, museum and exhibition centre and the beautification of surrounding areas.

In addition, the Trust was established to:

- **Formally recognise long-standing grievances** associated with this land and provide certainty for how the land will be owned and used in the future, so that everyone in the community can benefit.
- **Ensure that Te Manawataki o Te Papa development respects and reflects** the significant history and importance of the area to mana whenua.
- **Restore the original trust relationship** to which our ancestors (both Māori and the Church Missionary Society) agreed. The relationship with mana whenua will be pivotal to the success of many of the outcomes to be achieved on the civic precinct site.

NON-FINANCIAL PERFORMANCE MEASURES

Key Deliverables	Status	2023-2024 Results
Complete title amalgamation, transfer to the CCO Charitable Trust, and subsequent lease back to TCC		The biggest highlight of the year has been the completion of the title amalgamation, transfer and ground lease for 'Site A' of the civic precinct development – or the land between Hamilton Street, Willow Street, Wharf Street and Durham Street – to Te Manawataki o Te Papa Charitable Trust. This has

			formally recognised long-standing grievances associated with the site and provides certainty for how the land will be owned and used in the future, so that everyone in the community can benefit.
Divest Lot 45 reserve with DOC consent			Lot 45 has now been vested in Te Manawataki o Te Papa Charitable Trust.
			Subsequent ground lease of Lot 45 from Te Manawataki o Te Papa Charitable Trust back to TCC is still ongoing.
Develop close and collaborative relationships with Tauranga City Council, Te Manawataki o Te Papa Charitable Trust and Te Manawataki o Te Papa Limited Board			
Ensure that the Te Manawataki o Te Papa civic development project respects and reflects the significant history and importance of the area to mana whenua			On track – ongoing work through regular meetings and relationship building.
Annual reporting			Complete.
Annual audit			On track – awaiting Audit NZ.
Objective	Performance Measures	Status	2023-2024 Results
Support and encourage the development of a vibrant civic precinct.	Quarterly meetings with Te Manawataki o Te Papa Limited Board		
Ensure that the project respects and reflects the significant history and importance of the area to mana whenua.	Representative of Otamataha Trust, Puhirake Ihaka, to act as Cultural Advisor to the Te Manawataki o Te Papa Limited Board.		
Stakeholder relationships	Nurture respectful and open relationships in the best interest of the community and the city. Develop close and collaborative relationships.		
Approach to governance	Otamataha Trust and Tauranga City Council both have the power, exercisable by deed, to appoint up to two persons as Trustees. Te Manawataki o Te Papa Charitable Trust will have Half-Yearly board meetings.		TCC's Commission Chair and Chief Executive were appointed to the CCO Board, along with two trustees from Otamataha Trust.
Accounting policies	The CCO Charitable Trust will adopt accounting practices that comply with NZIFRS, the requirements of the Local Government Act (2002), and the Financial Reporting Act (1993).		

Objective	Performance Measures	Status	2023-2024 Results
Financial reporting	Within three months after the end of each financial year, the CCO Charitable Trust will deliver audited financial statements in respect of that financial year.		



Te Manawataki o Te Papa Charitable Trust – Signing of the Deed of Transfer 2022 and witnessed by former PM Jacinda Ardern

ATTACHMENTS TO THE REPORT

Attachment A – Financial Statement 30 June 2024

Attachment A - Financial Statement 30 June 2024

Te Manawataki O Te Papa Charitable Trust
Performance Report
For the year ended
30 June 2024

Contents

	Page
Non-Financial Information:	
Entity Information	1
Financial Information:	
Statement of Financial Performance	2
Statement of Financial Position	3
Statement of Cash Flows	4
Statement of Accounting Policies	5

Te Manawataki O Te Papa Charitable Trust	
Entity Information	
"Who are we?", "Why do we exist?"	
For the year ended 30 June 2024	
Legal Name of Entity:	Te Manawataki o Te Papa Charitable Trust
Other Name of Entity (if any):	TMOTP Charitable trust
Type of Entity and Legal Basis (if any):	Registered Charity
Registration Number:	CC60888
Entity's Purpose or Mission:	
The purpose of the CCO Charitable Trust is to:	
<ul style="list-style-type: none"> • Own the land referred to as Site A of the civic precinct – the land bounded by Willow Street, Wharf Street, Durham Street, and Hamilton Street. • Support and encourage the development of Site A of the civic precinct, including (but not limited to) a library, civic whare, museum and exhibition centre and the beautification of surrounding areas. 	
Entity Structure:	
Te Manawataki o Te Papa Charitable Trust (CCO Charitable Trust). The Tauranga City Council and OtamatahaTrust each appointed 50 percent of the trustees to the CCO CharitableTrust.	
Main Sources of the Entity's Cash and Resources:	
Local Government and Iwi	
Main Methods Used by the Entity to Raise Funds:	
Title amalgamation, transfer to the CCO and subsequently leased back to Tauranga City Council	
Entity's Reliance on Volunteers and Donated Goods or Services:	
Te Manawataki o Te Papa Charitable Trust (CCO Charitable Trust) is reliant on the return of Crown land	
Contact details	
Postal Address:	Te Manawataki o Te Papa Charitable Trust Private Bag 12022, Tauranga Mail Centre, Tauranga 3143
Email/Website:	https://www.tauranga.govt.nz/council/working-with-organisations/council-controlled-organisations/te-manawataki-o-te-

Te Manawataki O Te Papa Charitable Trust

Statement of Financial Performance

"How was it funded?" and "What did it cost?"

For the year ended
30 June 2024

	Note	Actual 2024 \$	Budget 2024 \$	Actual 2023 \$
Revenue				
Donations, fundraising and other similar revenue		-	-	
Fees, subscriptions and other revenue from members		-	-	
Revenue from providing goods or services		-	-	
Interest, dividends and other investment revenue		-	-	
Other revenue		-	-	
Total Revenue		0.00	0.00	0.00
Expenses				
Expenses related to public fundraising		-	-	
Volunteer and employee related costs		-	-	
Costs related to providing goods or services		-	-	
Grants and donations made		-	-	
Other expenses		-	-	
Total Expenses		0.00	0.00	0.00
Surplus/(Deficit) for the Year		0.00	0.00	0.00

Te Manawataki O Te Papa Charitable Trust

Statement of Financial Position

"What the entity owns?" and "What the entity owes?"

As at
30 June 2024

	Note	Actual 2024 \$	Budget 2024 \$	Actual 2023 \$
Assets				
Current Assets				
Bank accounts and cash		-	-	
Debtors and prepayments		-	-	
Inventory		-	-	
Other current assets		-	-	
Total Current Assets		0.00	0.00	0.00
Non-Current Assets				
Property, plant and equipment	1	-	-	
Investments		-	-	
Other non-current assets		-	-	
Total Non-Current Assets		1.00	0.00	0.00
Total Assets		1.00	0.00	0.00
Liabilities				
Current Liabilities				
Bank overdraft		-	-	
Creditors and accrued expenses	1	-	-	
Employee costs payable		-	-	
Unused donations and grants with conditions		-	-	
Other current liabilities		-	-	
Total Current Liabilities		1.00	0.00	0.00
Non-Current Liabilities				
Loans		-	-	
Other non-current liabilities		-	-	
Total Non-Current Liabilities		0.00	0.00	0.00
Total Liabilities		1.00	0.00	0.00
Total Assets less Total Liabilities (Net Assets)		0.00	0.00	0.00
Accumulated Funds				
Capital contributed by owners or members		-		-
Accumulated surpluses or (deficits)		-		-
Reserves		-		-
Total Accumulated Funds		0.00	0.00	0.00

This performance report has been approved by the Trustees for and on behalf of Te Manawataki O Te Papa Charitable Trust

Date _____ Date _____

Signature _____ Signature _____

Name _____ Name _____

Position _____ Position _____

Te Manawataki O Te Papa Charitable Trust

Statement of Cash Flows

"How the entity has received and used cash"

For the year ended

30 June 2024

	Actual 2024 \$	Budget 2024 \$	Actual 2023 \$
Cash Flows from Operating Activities			
Cash was received from:			
Donations, fundraising and other similar receipts	-	-	
Fees, subscriptions and other receipts from members	-	-	
Receipts from providing goods or services	-	-	
Interest, dividends and other investment receipts	-	-	
Net GST	-	-	
Cash was applied to:			
Payments to suppliers and employees	-	-	
Donations or grants paid	-	-	
Net Cash Flows from Operating Activities	0.00	0.00	0.00
Cash flows from Investing and Financing Activities			
Cash was received from:			
Receipts from the sale of property, plant and equipment	-	-	
Receipts from the sale of investments	-	-	
Proceeds from loans borrowed from other parties	-	-	
Capital contributed from owners or members	-	-	
Cash was applied to:			
Payments to acquire property, plant and equipment	-	-	
Payments to purchase investments	-	-	
Repayments of loans borrowed from other parties	-	-	
Capital repaid to owners or members	-	-	
Net Cash Flows from Investing and Financing Activities	0.00	0.00	0.00
Net Increase / (Decrease) in Cash	0.00	0.00	0.00
Opening Cash	0.00	0.00	0.00
Closing Cash	0.00	0.00	0.00
This is represented by:			
Bank Accounts and Cash	0.00	0.00	0.00

Te Manawataki O Te Papa Charitable Trust**Statement of Accounting Policies****"How did we do our accounting?"****For the year ended
30 June 2024****Basis of Preparation**

Te Manawataki O Te Papa Charitable Trust has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

Te Manawataki O Te Papa Charitable Trust is registered for GST. Therefore amounts recorded in the Performance Report are exclusive of GST (if any).

Income Tax

Te Manawataki O Te Papa Charitable Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year (last year - nil)

Related Party Transactions

Te Manawataki o Te Papa has purchased land from the Tauranga City Council for \$1.

Subsequent Events