

The Chief Executive
Timaru District Council
nigel.trainor@timdc.govt.nz

19 February 2024

Dear Nigel

Report for the period 1 July 2023 to 31 December 2023

TDHL is pleased to present this report for the period 1 July 2023 to 31 December 2023.

The financial statements and activity updates below show that the positive start to the year has continued, with ongoing engagement with stakeholders and net operating profit tracking above budget.

This report is prepared in accordance with the 2023/2024 Statement of Intent which can be found [here](#).

Financial Performance

The financial statements for the six months ending 31 December 2023 are below.

Profit and Loss

- The year-to-date net operating profit is \$1.0m, \$0.12m favourable to year-to-date budget. While revenue is slightly higher, the positive variance is primarily due to lower expenses.

Balance Sheet / Statement of Cashflows

- The balance sheet and statement of cashflows reflect the increased equity position from the close of the 2023 year.
- The strong cash position from 2022/23 has been allocated to investments and capital projects such as the Martin Street and Lyndon Street acquisitions, and the 3 Fraser Street site sealing project.

tdhl.co.nz 

admin@tdhl.co.nz 

PO Box 178 Timaru 7910 

Governance

Timaru District Council

- TDHL held its Annual General Meeting (AGM) on 6 December and acknowledges Council's ongoing support.
- Following the AGM, a productive workshop was held on the development of TDHL's Investment Strategy.

PrimePort Timaru Limited

- TDHL continues to receive regular quarterly reports from PrimePort on financial performance, activity updates and health and safety.
- An annual dividend of \$757,500 was paid by PrimePort to TDHL on 31 October 2023. As reported in the previous quarterly report the 2023 financial year was challenging and the dividend reflects this.
- The PrimePort Chair attended the 9 February 2024 TDHL Board meeting to provide an update on financial performance, sector outlook and health and safety.

Alpine Energy Limited

- The Alpine Energy Chair and Chief Executive provided a performance and activity update to the TDHL Board on 6 December 2023.
- Further shareholder engagement and strategic planning is scheduled for early February 2024.

Property

- Work is complete on the 3 Fraser Street site sealing. This major capital project adds significant value to a key port tenant, coupled with positive environmental and health and safety improvements.
- Asbestos assessments are underway for the 101 to 107 Stafford Street buildings (vacant former Majestic Theatre and adjoining former stores) with asbestos removal anticipated in early 2024.
- The resource consent for the extension of Lyndon Street and the development of the TDHL industrial sites in Washdyke was lodged last in 2023. Pending issuance, construction is expected to commence in late 2024.

Sincerely



Mark Rogers
TDHL Chairman

tdhl.co.nz 

admin@tdhl.co.nz 

PO Box 178 Timaru 7910 

Profit and Loss - For the 6 months ended 31 December 2023

PROFIT & LOSS	2022/2023 (YTD)	2023/2024 (YTD)	Budget 2023/2024 (YTD)	Budget 2023/2024 (Full Year)
Revenue	\$1,461,989	\$1,607,816	\$1,570,340	\$3,180,519
Cost of Sales	\$355,473	\$421,738	\$442,183	\$847,952
Gross Profit	\$1,106,516	\$1,186,078	\$1,128,157	\$2,332,567
Expenses	\$469,168	\$502,180	\$938,398	\$1,536,481
Operating Profit	\$637,349	\$683,899	\$189,759	\$796,086
Other Income	\$1,571,279	\$1,228,639	\$1,761,243	\$2,232,383
Earnings Before Interest & Tax	\$2,208,627	\$1,912,538	\$1,951,002	\$3,028,469
Interest Income	\$66,492	\$94,810	\$0	\$0
Interest Expenses	\$657,188	\$988,225	\$1,073,988	\$2,183,534
Earnings Before Tax	\$1,617,931	\$1,019,123	\$877,014	\$844,935
Net Income	\$1,617,931	\$1,019,123	\$877,014	\$844,935

Balance Sheet - As at 31 December 2023

BALANCE SHEET	2022/2023 (YTD)	2023/2024 (YTD)
ASSETS		
Cash & Equivalents	\$5,167,141	\$552,080
Accounts Receivable	\$59,231	\$160,616
Other Current Assets	\$360,770	\$147,643
Total Current Assets	\$5,587,142	\$860,339
Investments or Other Non-Current Assets	\$170,460,539	\$207,836,347
Total Non-Current Assets	\$170,460,539	\$207,836,347
Total Assets	\$176,047,681	\$208,696,686
LIABILITIES		
Accounts Payable	\$172,504	\$330,106
Tax Liability	\$1,056,531	\$873,089
Other Current Liabilities	\$43,565	\$46,656
Total Current Liabilities	\$1,272,600	\$1,249,851
Long Term Debt	\$24,180,613	\$27,080,613
Total Non-Current Liabilities	\$24,180,613	\$27,080,613
Total Liabilities	\$25,453,213	\$28,330,465
EQUITY		
Retained Earnings	\$112,286,001	\$130,180,912
Current Earnings	\$1,617,931	\$1,019,123
Other Equity	\$36,690,536	\$49,166,186
Total Equity	\$150,594,468	\$180,366,221
Total Liabilities & Equity	\$176,047,681	\$208,696,686

tdhl.co.nz 

admin@tdhl.co.nz 

PO Box 178 Timaru 7910 

Statement of Cash Flows - For the 6 months ended 31 December 2023

CASH FLOW STATEMENT	2022/2023 (YTD)	2023/2024 (YTD)
OPERATING ACTIVITIES		
Net Income	\$1,617,931	\$1,019,123
Change in Accounts Payable	\$63,220	-\$618,320
Change in Other Current Liabilities	-\$84,346	\$18,826
Change in Tax Liability	-\$18,618	-\$26,547
Change in Accounts Receivable	\$503,590	\$386,512
Cash Flow from Operating Activities	\$2,081,778	\$779,595
INVESTING ACTIVITIES		
Change in Investments or Other Non-Current Assets	\$300,591	-\$1,889,968
Cash Flow from Investing Activities	\$300,591	-\$1,889,968
FINANCING ACTIVITIES		
Change in Other Equity	-\$500,000	-\$500,000
Change in Long Term Debt	\$0	-\$1,000,000
Cash Flow from Financing Activities	-\$500,000	-\$1,500,000
Change in Cash & Equivalents	\$1,882,369	-\$2,610,373
Cash & Equivalents, Opening Balance	\$3,284,772	\$3,162,454
Cash & Equivalents, Closing Balance	\$5,167,141	\$552,080

Movements in Equity - For the 6 months ended 31 December 2023

Movements in Equity	2023/2024 (YTD)
Equity - Opening Balance	\$179,847,098
Current Year Earnings	\$1,019,123
Equity Dividends Paid	-\$500,000
Total Equity	\$180,366,221

tdhl.co.nz 

admin@tdhl.co.nz 

PO Box 178 Timaru 7910 