

Venture Timaru Limited
Performance Report
For the year ended
30 June 2022

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Venture Timaru Limited

Entity Information

"Who are we?", "Why do we exist?"

For the year ended
30 June 2022

Legal Name of Entity:	Venture Timaru Limited
Other Name of Entity (if any):	Trading as Venture Timaru
Type of Entity and Legal Basis (if any):	New Zealand Registered Company
Registration Number:	2515190

Entity's Purpose or Mission:

To facilitate and support smart, sustainable economic development. The purpose of Local Economic Development (LED) is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non governmental sector partners work collectively to create better conditions for economic growth and employment generation. Involves short and long term strategies out 10-20 years. As from end of April 2020 the Visitor & Tourism Agency transitioned back to Venture Timaru Limited from Timaru District Council. The purpose to deliver tourism & business services for the district.

Entity Structure:

The Chief Executive is employed by the board and is responsible for the day to day operations and the staff employed. The board approves the strategic/ annual plan and budget which are aligned to the Statement of Intent, jointly agrees with and approved by Timaru District Council. Venture Timaru board meetings held monthly with a set agenda which includes CE's monthly report and monthly management accounts.

Venture Timaru Limited

Entity Information

"Who are we?", "Why do we exist?"

**For the year ended
30 June 2022**

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Contact details

Physical Address:	2 Sefton Street East, Timaru 7910
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	www.facebook.com/venturetimaru
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Venture Timaru Limited
Trading as
Venture Timaru
ANNUAL REPORT

Your directors present their report on the performance report for the year ended 30 June 2022

Principal Activities

Regional Development and Promotion

Results

	2022	2021
Operation Profit/(Loss) after income tax		\$ 49,851

Dividends

No payment of any dividend for this year is recommended by the directors.

Directors

The following persons held office as a director at the date of this report:

Remuneration

Remuneration and other benefits paid or due and payable to directors for services as a director during the year, are as follows:

	2022	2021
Directors Fees		
Mark Francis Rogers (<i>ceased 6/12/2021</i>)	\$ 6,250	\$ 15,000
Nicola Alice Orbell Hyslop (<i>ceased 7/12/2020</i>)	\$ -	\$ 5,000
Warren Michael Park (<i>ceased 1/3/2021</i>)	\$ -	\$ 7,500
Raeleen Elva de Joux	\$ 10,000	\$ 10,000
Erin Mary McNaught	\$ 10,000	\$ 10,000
Allan Peter Booth	\$ 10,000	\$ 10,000
Anthony Raymond Brien	\$ 10,000	\$ 2,500
Antony Charles Howey	\$ 12,916	\$ 2,500
Stacey Alice Scott	\$ 10,000	\$ 2,500
Karl Riki Te Raki	\$ 10,000	\$ 2,500
	\$ 79,166	\$ 67,500

Directors' Benefits

No director of the company has received during the year, or has become entitled to receive a benefit (other than a benefit included in the directors' remuneration shown in the financial statements).

Interests register

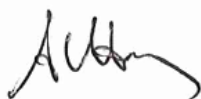
Directors' interests are duly noted in the interests register and are fully acceptable to the Company

Employee Remuneration

One employee received remuneration between \$160,001 and \$170,000 during the year

Director

Date



30/11/22

Venture Timaru Limited
Statement of Financial Performance
"How was it funded?" and "What did it cost?"
For the year ended
30 June 2022

	Note	Actual This Year \$		Actual Last Year \$
Revenue				
Funding from central & local government	1	2,840,152		3,167,739
Revenue from non governmental sources for providing goods or services	1	87,972		35,664
Interest, dividends and other investment revenue	1	13,247		4,288
Total Revenue		2,941,371	-	3,207,691
Expenses				
Employee related costs	2	499,097		455,696
Costs related to providing goods or services	2	649,481		617,492
Other expenses	2	22,559		23,655
Special Projects	2	1,680,776		2,028,539
Total Expenses		2,851,913	-	3,125,382
Net Profit before Tax		89,458		82,309
Less Provision for Tax		29,108		32,457
Surplus/(Deficit) for the Year		60,350	-	49,852

This statement should be read in conjunction with the accompanying accounting policies, notes to the performance report and independent auditor's report.



Venture Timaru Limited
Statement of Financial Position
 "What the entity owns?" and "What the entity owes?"
 As at
 30 June 2022

	Note	Actual This Year \$		Actual Last Year \$
Assets				
Current Assets				
Bank accounts and cash	3	1,178,591		945,252
Debtors and prepayments	3	74,916		56,009
	3	-		-
Other current assets	3	828,161		324,218
Total Current Assets		2,081,668		1,325,479
Non-Current Assets				
Property, plant and equipment	4	49,482		58,702
Other non-current assets	3	619		1,239
Total Non-Current Assets		50,101		59,941
Total Assets		2,131,769		1,385,420
Liabilities				
Current Liabilities				
Creditors and accrued expenses	3	92,776		207,168
Employee costs payable	3	67,987		53,913
Unused donations and grants with conditions*	3	1,528,497		742,180
Total Current Liabilities		1,689,260		1,003,261
Total Liabilities		1,689,260		1,003,261
Total Assets less Total Liabilities (Net Assets)		442,509		382,159
Accumulated Funds				
Capital contributed by owners	5	260,077		260,077
Accumulated surpluses or (deficits)	5	182,432		122,082
Reserves		-		-
Total Accumulated Funds*		442,509		382,159

This performance report has been approved by the Board, for and on behalf of Venture Timaru Ltd:

Date 30/11/22
 Signature *A Howey*
 Name A Howey
 Position Chair

30/11/22
R de Joux
R. de Joux
Director

This statement should be read in conjunction with the accompanying accounting policies, notes to the performance report and independent auditor's report.



Venture Timaru Limited
Statement of Cash Flows
"How the entity has received and used cash"
For the year ended
30 June 2022

	Actual This Year \$		Actual Last Year \$
Cash Flows from Operating Activities			
Cash was received from:			
Funding from central & local government	3,628,670		3,820,760
Receipts from non governmental sources for providing goods or services	10,820		5,944
Interest, dividends and other investment receipts (net)	1,272		4,954
Tax refund - RWT			1,514
Net GST	-		48,396
Cash was applied to:			
Payments to suppliers and employees	2,828,081		2,971,091
Donations or grants paid			
Terminal tax paid	16,247		
Prov tax paid	11,372		
net GST	45,817		-
Net Cash Flows from Operating Activities	739,245	-	910,477
Cash flows from Investing and Financing Activities			
Cash was received from:			
Receipts from investments maturing	100,283		72,215
Cash was applied to:			
Payments to acquire property, plant and equipment	6,189		15,740
Payments to purchase investments	600,000		200,407
Net Cash Flows from Investing and Financing Activities	(505,906)	-	(143,932)
Net Increase / (Decrease) in Cash	233,339	-	766,545
Opening Cash	945,252		178,707
Closing Cash	1,178,591	-	945,252
This is represented by:			
Bank Accounts and Cash	1,178,591	-	945,252

This statement should be read in conjunction with the accompanying accounting policies, notes to the performance report and independent auditor's report.



Venture Timaru Limited
Statement of Accounting Policies
"How did we do our accounting?"
For the year ended
30 June 2022

Basis of Preparation

Venture Timaru Limited has elected to apply PBE SR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Service) on the basis that it does not have public accountability, and although this year it has total expenses of over \$2,000,000, the previous years have been less than \$2,000,000 and therefore Venture Timaru Limited still complies. 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)

All amounts are recorded exclusive of GST, except for Accounts Receivable and Accounts Payable which are stated inclusive of 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.

Trade Receivables

Trade Receivables are recognised at estimated realisable value.

Fixed Assets

Plant & Equipment are depreciated over their useful lives on either a straight line or diminishing value.

Revenue (Government Grants)

Revenue is measured at the fair value of the consideration received. Contributions received from the Timaru District Council were the company's primary source of funding for the year ended 30 June 2022. Contributions are recognised as revenue when they become receivable unless there is an obligation to return funds if conditions of the contribution are not met. No such obligation is attached to the Council contributions received.

Interest

Interest is recognised on the accruals basis.

Investment Policy

Term deposits with banks are recognised at cost. Term deposits with original maturities of three months or less are classified as cash and bank, term deposits with maturities greater than three months but less than one year are current assets. Investments with maturities in excess of one year are non current assets.

Employee Benefits

Defined contribution Schemes - Kiwi Saver. Contributions to defined pension schemes are charged to the consolidated statement of profit or loss and other comprehensive in the year to which they relate. Other employee benefits that are expected to be settled wholly within 12 months after the end of the reporting period are presented as current liabilities. Non vesting benefits such as sick leave are not recognised.

Accounts payable and other accruals

Accounts payable and other accruals represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. Accounts payable are recorded at the amount of cash required to settle those liabilities. The amount are unsecured and are usually paid within 30 days of recognition.

Intangible Assets

The company has a website with an indefinite useful life. It is an externally generated intangible. The asset is assessed for impairment of its operating potential annually, and any impairment is presented in the financial performance.

Leases

The company leases office premises, motor vehicles and equipment.

Income Tax Liability

Deferred tax is calculated in full on temporary differences under the liability method using a tax rate of 28% (2021:28%)
Deferred tax assets have been recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets where the directors believe it is probable that these assets will be recovered.
Unused tax losses have an indefinite useful life.

Imputation Credit Account

Imputation credits available to shareholders at 31 March 2022: \$44,083 (Last year: \$44,073)

Tier 2 PBE Accounting Standards Applied

The company has elected to apply Tier 2 PBE Accounting Standards for reporting income taxes.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year (last year - nil)



Venture Timaru Limited
Notes to the Performance Report
For the year ended
30 June 2022

Note 1 : Analysis of Revenue

Revenue Item	Analysis	This Year	Last Year
		\$	\$
Funding from central & local government	TDC Regional Development Grant	640,000	640,000
	TDC Tourism Grant	350,000	350,000
	TDC Stimulus Fund	-	149,990
	TDC Events Support Fund	153,801	-
	MSD CoDiVR Simulator Pilot Programme	85,000	-
	Ministry of Social Development - Education to Employment	108,750	155,000
	Ministry of Education - Educational events	7,800	14,908
	Local Government Mayoral Fund	-	3,000
	MBIE-Strategic Tourism Assets Protection Programme and Tourism Support, Recovery and Reset Programme	299,552	286,898
	MBIE - PGF - Road Transport Certificate	133,000	300,000
	MBIE - PGF - capability funding	14,581	39,588
	MBIE-PGF- Regional Apprenticeship Initiative	941,765	1,228,355
	MBIE - Regional Events Fund	103,983	-
	WINZ - wage subsidy	1,920	-
	Total		2,840,152

Revenue Item	Analysis	This Year	Last Year
		\$	\$
Revenue from non government sources for providing goods and services	Other Income	87,972	35,664
	Total		87,972

This Year	Last Year
This Year	Last Year

Revenue Item	Analysis	This Year	Last Year
		\$	\$
Interest, dividends and other investment revenue	Interest and dividends	13,247	4,288
	Total		13,247



Venture Timaru Limited
Notes to the Performance Report
For the year ended
30 June 2022

Note 2: Analysis of Expenses

Expense Item	Analysis	This Year \$	Last Year \$
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Expense Item	Analysis	This Year \$	Last Year \$
Employee related costs	ACC levies	1,030	603
	Directors Fees	79,167	67,500
	Salaries and Wages	418,900	387,593
Total		499,097	455,696

Expense Item	Analysis	This Year \$	Last Year \$
Costs related to providing goods or services	Administration and overhead costs	208,509	214,584
	Tourism Administration	440,972	402,908
Total		649,481	617,492

Expense Item	Analysis	This Year \$	Last Year \$
Other Expenses	Transport & Logistics	90,702	250,507
	Education to Employment / Youth Initiative	127,089	168,191
	Regional Apprenticeship Initiative	941,765	1,228,355
	Strategic Tourism Asset Protection Programme and Tourism Support, Recovery and Reset programme	299,553	286,898
	REF	103,983	-
	Special Projects	117,684	94,588
Total		1,680,776	2,028,539

Expense Item	Analysis	This Year \$	Last Year \$
Other expenses	Audit fees	7,090	6,800
	Depreciation	14,230	15,171
	Impairment charges	1,239	1,238
	Loss on assets written off	-	446
Total		22,559	23,655



Venture Timaru Limited
Notes to the Performance Report
For the year ended
30 June 2022

Note 3 : Analysis of Assets and Liabilities

Asset Item	Analysis	This Year	Last Year	
		\$	\$	
Bank accounts and cash	Cheque account balance	72,842	29,942	
	Call account balance	363,938	174,453	
	ASB	49	54	
	Petty Cash	200	200	
	ASB Investment	741,562	340,274	
	BNZ Investment	-	400,329	
Total		1,178,591	945,252	

Asset Item	Analysis	This Year	Last Year
		\$	\$
Debtors and prepayments	Accounts receivable	39,142	30,096
	Prepayments	25,788	25,316
	Accrued Income	9,986	597
Total		74,916	56,009

Asset Item	Analysis	This Year	Last Year
		\$	\$
Inventory			
Total		-	-

Asset Item	Analysis	This Year	Last Year
		\$	\$
Other current assets	BNZ Investment	744,352	241,039
	ASB Investment	83,809	83,179
Total		828,161	324,218

Asset Item	Analysis	This Year	Last Year
		\$	\$
Other non-current assets	Website	619	1,239
Total		619	1,239



Venture Timaru Limited
Notes to the Performance Report
For the year ended
30 June 2022

Note 3 : Analysis of Assets and Liabilities

Liability Item	Analysis	This Year	Last Year
		\$	\$
Creditors and accrued expenses	Trade and other payables	69,677	142,824
	GST Payable	8,075	48,099
	Income Tax Payable	15,024	16,245
Total		92,776	207,168

Liability Item	Analysis	This Year	Last Year
		\$	\$
Employee costs payable	Accrued wages	18,751	16,621
	Accrued holiday pay	32,590	20,743
	PAYE payable	16,646	16,549
Total		67,987	53,913

Liability Item	Analysis	This Year	Last Year
		\$	\$
Unused donations and grants with conditions	PGF Capability Funding Rec'd in Advance	-	14,581
	MBIE - STAPP & TSRR Funding unallocated	513,549	113,102
	Regional Events Funding unallocated	16,277	120,260
	TDC Events Support Grant unallocated	76,199	-
	<u>MBIE PGF Transport Cert unused</u>	-	33,000
	NELP Funding received in advance	15,000	-
	Vocational Event Funding received in advance	9,592	9,592
	MBIE - RAI Funding received in advance	897,880	451,645
	Total		1,528,497



Venture Timaru Limited
Notes to the Performance Report
For the year ended
30 June 2022

Note 4 : Property, Plant and Equipment

This Year					
Asset Class	Opening Carrying Amount	Purchases	(Sales/Disposal)	(Current Year Depreciation and Impairment)	Closing Carrying Amount
Plant	8,318			1,664	\$ 6,654
Office Fitout	13,357			1,452	11,905
Furniture and fixtures	20,616	1,488		2,854	19,250
Office equipment	1,541			518	1,023
Computers/ Electronic equipment	14,870	4,142		8,362	10,650
Total	58,702	5,630	0	14,850	49,482

Last Year					
Asset Class	Opening Carrying Amount	Purchases	(Sales/Disposal)	(Current Year Depreciation and Impairment)	Closing Carrying Amount
Plant	10,397			2,079	8,318
Office Fitout	14,989			1,632	13,357
Furniture and fixtures	21,979	1,654		3,017	20,616
Office equipment	2,857	-	446	870	1,541
Computers (including software)	7,683	14,759		7,572	14,870
Total	57,905	16,413	446	15,170	58,702



Venture Timaru Limited
Notes to the Performance Report
For the year ended
30 June 2022

Note 5: Accumulated Funds

This Year				
Description*	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	260,077	122,082	-	382,159
				-
Surplus/(Deficit)		60,350		60,350
Closing Balance	260,077	182,432	-	442,509

Last Year				
Description	Capital Contributed by Owners or Members	Accumulated Surpluses or Deficits	Reserves	Total
Opening Balance	260,077	72,230	-	332,307
Capital contributed by owners or members				-
Capital returned to owners or members				-
Surplus/(Deficit)		49,852		49,852
Closing Balance	260,077	122,082	-	382,159



Venture Timaru Limited
Notes to the Performance Report
For the year ended
30 June 2022

Note 6 : Commitments and Contingencies

Commitment	Explanation and Timing	At balance date	At balance date
		This Year	Last Year
		\$	\$
Commitments to lease or rent assets	Less than one year	70,651	63,816
	Between one and five years	136,634	207,274
	over 5 years	-	-
	Total Commitment	207,285	271,090



Venture Timaru Limited
Notes to the Performance Report
For the year ended
30 June 2022

Notes 7-11

Note 7: Related Party Transactions

Description of Related Party Relationship	Description of the Transaction (whether in cash or amount in kind)	This Year	Last Year	This Year	Last Year
		\$	\$	\$	\$
		Value of Transactions	Value of Transactions	Amount Outstanding	Amount Outstanding
Timaru District Council - shareholder	Economic Grant	640,000	640,000	-	-
Timaru District Council - shareholder	Tourism Grant	350,000	350,000	-	-
Timaru District Council - shareholder	Events Support	230,000	-		
Timaru District Council - shareholder	Stimulus Fund Grant	-	150,000	-	-

Note 8: Events After the Balance Date

On 23 September 2022 a Funding Agreement Variation was signed with the Ministry of Business, Innovation and Employment. This agreement included Venture Timaru Ltd making payment of the excess income of the South Canterbury Transport and Logistics Project grant in this year and the previous year totalling \$85,000 to Gfactor Technologies Ltd. This will be recognised as an expense in the financial statements for the year ending 30 June 2023.

In August 2021 the Government imposed a nation-wide lockdown at Level 4. At the time of preparing this report the full impact of the lockdown is indeterminate, but it is not expected to have a material financial impact on the organisation.

Note 9: Ability to Continue Operating

The company has sufficient liquidity and solvency to continue as a going concern. As COVID-19 continues to be a developing situation, the Board of Directors considers that the company has sufficient working capital and appropriate funding from Timaru District Council for a period of at least 12 months from the date the financial statements are approved and as such, COVID-19 is not considered to have a material impact on the company's ability to continue as a going concern.

Note 10: Intangible Asset

	this year	last year
Website		
Cost	33,965	33,965
Less accumulated amortisation	33,346	32,727
Website balance 30/6/2021	619	1,238



Venture Timaru Statement of Performance 2021/22

Overview

Locally its widely accepted the Timaru District came through the first year of the COVID pandemic in 2020/21 better than most, largely due to our diverse industry sector base which saw over 2/3rds of our workforce continuing to work as essential workers. However the impacts of COVID were more keenly felt locally during 2021/22.

All aspects of our personal and working lives have been, and continue to be, impacted. From the August 2021 lockdown through to ongoing supply chain disruptions to the new Omicron COVID variant coupled with flu and gastro bug illnesses, inflationary & cost of living pressures, and a critically tight labour market – there remain challenges a-plenty.

The ability to attract and retain the workforce needed by our industry sectors remains of critical importance especially as we head into the peak spring and summer production period in our food processing and manufacturing sector. Unfortunately, this is a national and indeed global problem however we continue to proactively work with local industry to ensure our district “puts our best foot forward.” New business enquiries have significantly reduced over the past 2 years as business and industry focused internally to combat the challenges of the COVID environment.

The changing COVID environment – lockdown and traffic light movements, also presented significant disruption within the visitor event sector with many events deferred or just not run during 2021/22 due to uncertainty or the fact it was just too difficult. The impact of this cannot be underestimated locally as these events not only attracted visitors to our district but as importantly provided our own communities opportunities to social re-engage and connect. Having said this we have as a district had buoyant domestic tourist visitation and spending.

Objectives:

Maintain & attract a skilled workforce

Encourage new opportunities and facilitate business growth

Attract & assist new businesses to the District.

Make the case for investment in key infrastructure that support a thriving district economy

Facilitate destination management and event development

Adopt a collaborative partnership approach to delivery and impact

Some of our Key Achievements (Success Indicators)

- Complimenting the exceptional work of Primeport, we collaborated with the Council, to successfully secure the \$344m **Scott Base Redevelopment Rebuild (SBR)** project for the District. Due to start in 2023 this project will bring significant benefit and opportunity to our district on so many fronts. It is estimated the rebuild project will generate up to 700 jobs with 170 jobs involved at the peak of the work. We are working closely with both Antarctica NZ and Leighs Construction to maximise these benefits across opportunities associated with business, accommodation, hospitality, education, and visitor attraction sectors. We are also partnering with Christchurch NZ to explore and progress opportunities with Antarctica NZ and other countries beyond this initial project.

The successful attraction and establishment of new business was minimal through 2021/22 due to the challenging and ever changing COVID environment, however we did assist a variety of smaller retail, education, and tourism businesses to become established.

- Having commenced work on a new **Destination Management Plan** and a refresh of the existing **Economic Development Strategy** early 2021, this work was completed during the latter stages of 2021. This involved extensive engagement and input from many stakeholders (local, sub-regional, regional, and national) and includes close alignment to our Districts Long Term Plan & Growth Management Strategy along with the Canterbury Mayoral Forum’s Plan for Canterbury. We are proud of this work which has identified opportunities and challenges which will form the basis of our workplans in the years ahead. This will be further complimented through 2022/23 with an aligned “Aspirational Timaru” piece of work looking forward as to what Timaru District could be....and how to get there.
- Within our ongoing development and enhancement of **central government relationships** we successfully procured funding to continue and expand our facilitation across the Regional Apprenticeship Initiative,

Transport and Logistics Course, MyNextMove Youth Initiative and our Tourism and Visitor sector. We believe a robust relationship and voice with Central Government ministries and officials is an essential part of our work to not only secure funding for the benefit of our community but also utilisation of key contacts to assist our business and wider community.

- Utilising the aforementioned Central Government funding alongside our Operational funding we are thrilled to have developed, enhanced & attracted the following **new visitor products and events**:

- o Timaru Trails app (new) – a readily accessible fit for purpose app detailing a variety of trails and activities right across our district
- o R.O.A.M (Road, Ocean, Atmosphere & Mountains) app and resource (new) developed in collaboration with our near neighbours Mackenzie, Waimate and Waitaki District Councils highlighting details of the driving loop around our central lakes area.
- o Brews on the Bay event (new) - whilst postponed due to COVID environment from Oct 2021 this will take place Oct 2022.
- o Seaside Festival event (new) – whilst taking place Feb 2022 it was substantially impacted due to COVID restrictions however the kites were very well received. Will be bigger and better in 2023.
- o South Canterbury Outstanding Food festival (SCOFF) was held for the second time in 2021 and was bigger than ever involving 60+ eating establishments alongside 18+ of our local food & beverage producers and manufacturers.

A number of other events were also impacted/cancelled o/a COVID such as Rock’N’Hop, South Island Secondary Schools Netball and the Caroline Bay Carnival to name a few. Noting the major events funding provided to us by Council has been a critical and valued enabler for enhancing existing and attracting new events.

We also continue our work with a variety of our local tourism operators and event organisers across the district to e.g. NZ Raptor Trust, SC Car Club, Peel Forest Outdoor Pursuits Centre, increase capability and resilience and look forward with excitement to the 2022/23 event season.

- We continue to facilitate and take a national lead role in the **Education to Employment Brokerage Service** endorsed by Ministry of Education and funded by Ministry of Education in partnership with local industry into all 10 secondary schools across South Canterbury. This service, based on our own My Next Move Youth Transition Initiative, has now expanded into more than 35 locations around New Zealand as we collectively focus on “Exposing Educating and Exciting” our students on life post-secondary school. An important focus in retaining our youth to mitigate the current tight labour market.

- As part of the local steering committee we have worked alongside Timaru District Council and Fulton Hogan to progressively install 13 x **Virtual Reality Driver Simulators** into all secondary schools across South and Mid Canterbury – with all 13 units to be rolled out by end November 2022. This is a driver education programme and resource, and our involvement is focused on encouraging our next generation of drivers to commence their drivers licence process as soon as they turn 16 years old as a priority requirement of employers being a drivers licence. This programme also has the support and endorsement of:

Ashburton District Council	Waimate District Council	Centre of Digital Excellence
Mid & Sth Canterbury Community Trust		Brake Aotearoa
Ministry of Social Development	APM	Ministry of Education
Mayoral Taskforce for Jobs	Waka Kotahi	NZ Institute of Driver Educators
District Road Safety Coordinators	YMCA	South Canterbury Transport & Logistics Group

- Just prior to years end we were excited to be selected by the central government funded Energy Efficiency & Conservation Authority (EECA), as only the second region nationally, for their **Regional Energy Transition Accelerator Pilot**. EECA state our selection was largely due to the Sustainable is Attainable initiative which has gained significant attention in central government o/a its extensive and unique foundation of wide collaboration involving 20+ of our local, and central South Island’s, largest energy users and waste producers working together.

The RETA programme purpose is to work collaboratively with industry, iwi, lines companies and key regional stakeholders to collaboratively decarbonise process heat in the region. The programme which we are partnering EECA to progress includes:

- Mapping progress and plans of individual process heat users to decarbonise their operations
- Current and future focused assessment of
 - o Regional process heat - demand and growth
 - o Energy sources – electricity/grid, biomass, wind, solar and other alternative energy sources - demand, supply, cost & price forecasts
- Regional decarbonization pathway modelling, solutions, and locations.
- Identification and introduction of potential co-investment partners private (nationally and internationally) and central government.
- **IMPLEMENTATION**

This programme is seen as a gamechanger for our district and central South Island sub-region and is fully aligned to Council's focus and workstreams in the areas of Climate Change, Carbon Emissions and Sustainability.

- In addition to the above examples we have also been active across:
 - o Canterbury Regional Skills Leadership Group in developing a Regional Workforce Plan.
 - o Coastal Shipping – facilitating engagement with local and national stakeholders to enhance connectivity for our local importers and exporters.
 - o National led Pathways Advisory Group helping inform on the national Careers System Strategy
 - o City Hub Project Group – steering committees
 - o Development in partnership with local industry locally delivered courses via Ara and fellow training providers – initially in the trades of Electrical and Painting and Decorating.
 - o Aged Friendly Strategy
 - o Strengthening Families
 - o Geraldine Nature & Sculpture Trail
 - o Implementing a variety of seasonal visitor attraction campaigns.
 - o Investigation into the viability and structure of a SC Food Heritage Centre to tell the expansive story of food in our area.
 - o Growing the Sustainable is Attainable initiative across New Zealand by adding Hawkes Bay to the local collective of 20+ Food Processors and Manufacturers to form a national collaboration on waste and by-product management.

Year Ahead

People and workforce attraction remains a critically top priority for us. We have been vocally active in positioning an urgent need to address the diversity of our housing stock which is a very real barrier to attracting and retaining the workforce needed by business and industry. Our offering in this space needs to include inner city living, apartments, near CBD townhouses, infill, and large scale residential development. The pending review/refresh of the Growth Management Strategy provides an opportunity to communicate and provide a platform for business led solutions, enabled by Council, to address this issue head on.

It is important we collectively have the total package to attract new business to the area which in addition to an available skilled and capable workforce includes ready access to power, water, and shovel-ready land all wrapped up in a district-wide “let’s make this happen” approach.

Other focus areas across 2022/23 also include:

- o Implementation of our Destination Marketing Plan
- o Maximising the benefits of existing key assets - port, airport,
- o Decarbonisation of local industry via EECA RETA project progress to implementation
- o Enhanced workforce skills development via local delivery that meets the needs of our local industry

- Rural land use – exploration of diversification into more or new horticulture crops – opportunities across apples, hemp, energy crops etc...
- Aspirational Timaru District – what can we aspire to be...and how we can get there.

**Monitoring Indicators
(non-financial)**

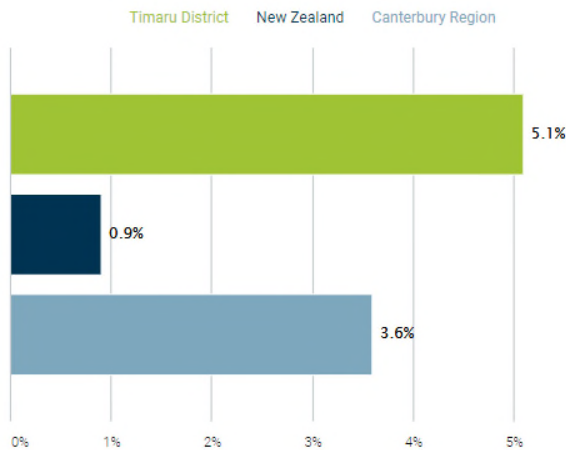
COMMENTARY

(data sources Infometrics, interest.co.nz & Marketview)

**GDP Contribution
Timaru District v NZ**

- GDP in Timaru District was provisionally up **5.1%** for the year to June 2022, compared to a year earlier. Growth was higher than in New Zealand (**0.9%**) and Canterbury Region (**3.6%**).
- Provisional GDP was \$3,415 million in Timaru District for the year to June 2022 (2021 prices).
- Annual GDP growth in Timaru District peaked at 7.9% in the year to December 2021.
- We still have challenges over what we believe is true GDP generated within the district being recognised as such – e.g., Fonterra Cladeboye recognised at Head Office.

Gross domestic product growth (provisional)
Annual average % change June 2021 - June 2022



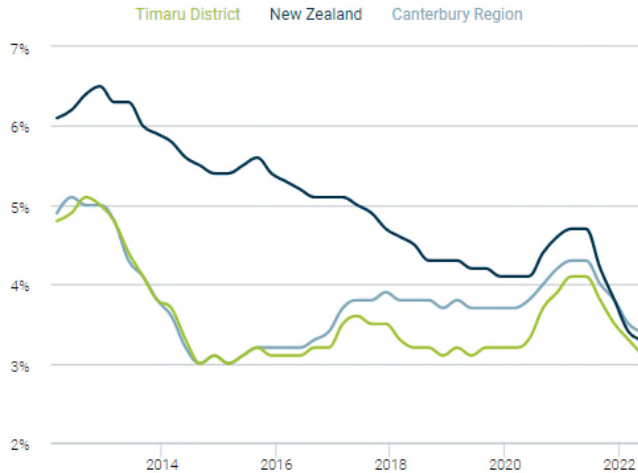
**Unemployment
Rate**

Timaru District v NZ

- The annual average unemployment rate in Timaru District was **3.1%** in the year to June 2022, down from 4.1% in the previous 12 months and the lowest it has been since pre-COVID times.
- In the year to June 2022, the annual average unemployment rate in Timaru District was lower than in New Zealand (**3.3%**) and Canterbury Region (**3.4%**).
- Over the last ten years the annual average unemployment rate in Timaru District reached a peak of 4.8% in March 2013 but since then (excluding late 2020 and 2021) has remained at or below what is traditionally recognised as full employment levels of 3.5%.



Unemployment rate
Annual average rate



Housing Affordability
Timaru v like areas

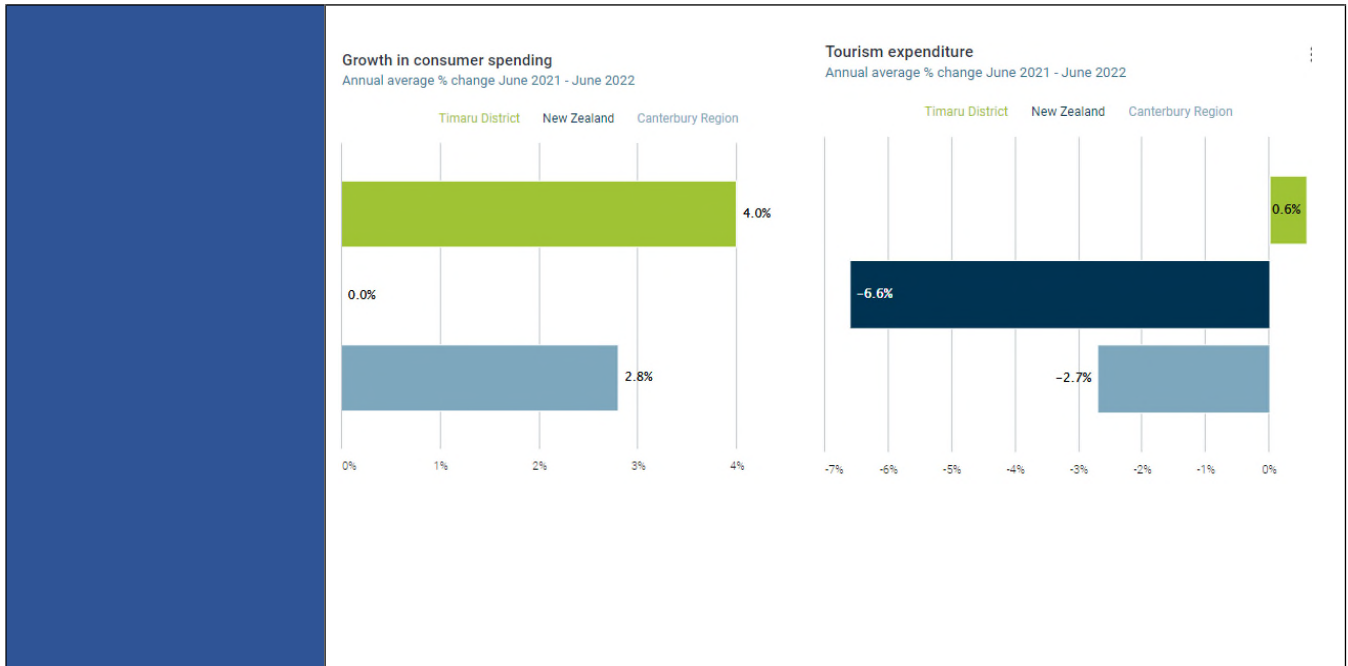
- We have traditionally used the Housing Affordability medians multipliers which divides our median household income into our median house price.
- As of July 2022, this multiplier was **5.95x** our median income \$89,500 to purchase our median house at \$506,000.
- This compares favourably with almost all other areas of NZ – Auckland **10.78x**, CHCH **6.89x**, Dunedin **7.03x**, Nelson **8.84x** and Palmerston North **7.23x**
- However, what this index does not show is the lack of diversity in our housing stock with little/no beyond the tradition house and land package being available.

	Population	House price	Income	Median multiple				
				Jul-22	Jun-22	May-22	Jul-21	Jul-20
New Zealand	5,160,000	810,000	\$97,666	8.29	8.72	8.64	8.65	7.01
Timaru	48,400	506,000	\$89,500	5.65	5.60	5.69	5.26	4.29

Consumer & Visitor Spend
trends v same period last year

- Electronic card **consumer spending** in Timaru District as measured by Marketview, increased by **4%** over the year to June 2022 to **\$679m**, compared to a year earlier **\$653m**. This compares with an increase of **2.8%** in Canterbury Region and no change in New Zealand.
- Total **tourism expenditure** in Timaru District increased by **0.6%** in the year to June 2022 to \$162m, compared to a year earlier \$161m. This compares with **-2.7%** in Canterbury Region and **-6.6%** in New Zealand.
- Interestingly on average 78% of total visitor spend is in Timaru City, 12% in Geraldine and 10% Rest of District
- Also, important to note our Tourism Spend at \$161m and \$162m respectively for 2021 & 2022 years compares very favourably to \$141m in 2020 and \$150m in a pre- COVID 2019 year.





Performance Indicators	COMMENTARY
<p>Value of Venture Timaru interactions with local businesses</p> <p>Net promotor score evidencing year on year improvement</p>	<p>The 2021/22 Venture Timaru stakeholder survey was again undertaken by an independent third party that ensured confidentiality and openness in the responses, was received. This year we received 113 responses v 136 last year. The results evidenced:</p> <ul style="list-style-type: none"> Reviewing rating breakdowns, this year has seen an increase in the number of stakeholders whose business was negatively affected by COVID-19 (+18%). In addition, this year shows significantly less stakeholders rating that their business was positively affected by COVID-19. In 2021, 31% of stakeholders in total rated that their business was positively affected, while in 2022, only 9% reported positive effects. This will be an interesting statistic to follow. 79% of respondents Strongly Agreed or Agreed that the work Venture Timaru does is valuable to the District – v 76% in 2021 <ul style="list-style-type: none"> Business Services and Tourism Sectors rated this question lowest with a weighted average of 3.6/5.0. While the lowest industry, this remains a positive result. The Education Sector had the strongest positive perception of how valuable Venture Timaru’s work is to the Timaru District (4.7/5.0). This was closely followed by industries in the ‘Other’ category. There were no stakeholders from Primary Services, Manufacturing, Construction and Trades, Retail, Education, or Transport and Logistics that rated did not see the value of Venture Timaru’s work in the community. All stakeholders in the Primary Industry saw value, with no ratings lower than ‘Agree.’ <p>In answer to “what more could Venture Timaru do to assist economic development in the Timaru District”? topics included with VT involvement/focus in brackets):</p> <ul style="list-style-type: none"> Improve and enhance vibrancy in Timaru and tons main streets – <i>(City Hub Strategy Steering Group member)</i> Keeping and attracting youth – <i>(My Next Move Youth Initiative)</i> Lobbying – <i>(enhancing central government relationships/contacts)</i> Housing & Rental Space – <i>(advocacy for a collective approach to accelerating diversity of housing product)</i> <p>All quarterly reports provided as scheduled with Chair and CE attending Council meetings to present report and discuss.</p>



<p>Value of Venture Timaru work to shareholder</p> <p>Net promotor score evidencing year on year improvement</p>	<p>An internet survey tool (survey monkey) was used to capture responses. Questions in the survey were developed in collaboration with the Venture Timaru Board of Trustees, with an eye to allow for comparative reporting in the future. This survey was sent to 28 stakeholders, with 10 responses. While this is a relatively small participant pool with a small number of responses, these themes will paint a picture as to the impression stakeholders hold of Venture Timaru.</p> <ul style="list-style-type: none"> • 90% of stakeholders have recorded a positive relationship with Venture Timaru – a very pleasing result. <ul style="list-style-type: none"> • <i>“The CEO and Operations Manager are consistent, reliable and always offer constructive contributions. Wider staff are very good to deal with and give information how it is and not necessarily how you want it to be.”</i> • Stakeholders would like to see greater collaboration between team members in both organisations through regular meetings and engagement. They feel they would benefit from more regular collaboration to share knowledge and expertise. • 90% of stakeholders have recorded that they believe the work undertaken by Venture Timaru is valuable to the role they work in, and all agreed the work being done is beneficial to the wider Timaru District. <ul style="list-style-type: none"> • <i>“There is great advocacy for key business and tourism interests - tangible social benefits for everyone!”</i> • <i>“They have the local economy at heart and are endeavouring to grow businesses and visitor numbers.”</i> • <i>“It would be great if Venture Timaru had a resourcing allocation to obtain/collate the sort of evidence that might inform Council decision making from an economic angle rather than relying on anecdotal or individual examples.”</i>
<p>Value of Venture Timaru work to wider stakeholders e.g., central government contract providers.</p> <p>Net promotor score evidencing year on year improvement</p>	<p>This survey was sent to 16 stakeholders, with 5 responses. While this is a relatively small participant pool with a small number of responses, these themes will paint a picture as to the impression stakeholders hold of Venture Timaru.</p> <ul style="list-style-type: none"> • 100% of stakeholders rated their relationship with Venture Timaru as Excellent. This represents an engaged and positive stakeholder group. <ul style="list-style-type: none"> • <i>“The CEO knows his regional community and has been fantastic to work alongside.”</i> • All stakeholders agree that the work undertaken by Venture Timaru is valuable to support their agency’s focus areas. <ul style="list-style-type: none"> • <i>Venture Timaru is very supportive and is a strong voice that represents what is missing and what gaps can be filled to support local businesses and community.</i> • <i>They bring regional knowledge, experience, and insights to mahi.</i>
<p>Ease of doing business in the Timaru District.</p> <p>Year on year improvement</p>	<ul style="list-style-type: none"> • Weighted averages show no change to stakeholder perception of the ease of doing business between 2021 and 2022. Considering the challenging covid environment since 2020, the increase in ratings between 2020 to 2021 has maintained this increase for 2022. This is a pleasing result. • Reviewing rating breakdowns since 2019, this year has received the highest proportion of ‘Excellent’ ratings since surveying began, with increases every year since 2020. <ul style="list-style-type: none"> • 84% of stakeholders rated positively in relation to the ease of doing business in the district. • Of the distinct industry areas, Business Services rated the ease of business the lowest(2.7/4.0), closely followed by Professional Services and Tourism Industries (2.8/4.0).• The ease of doing business was rated most favourably by the Education Sector (3.4/4.0), and Transport and Logistics (3.4/4.0). Within the Transport and Logistics Industries, all stakeholders rated this area positively. • Stakeholders identified the greatest barrier to doing business in the Timaru District as attracting people with the skills they need. 81% of stakeholders agreed that this was a barrier, while only 6% did not see this as a barrier. • Restrictive Compliance and Availability of Rental Properties were also seen as significant barriers to doing business in the district, with 61% and 74% respectively identifying these as barriers.



- Stakeholders also saw lack of variety in affordable housing as a barrier to doing business, although this was seen as less of a barrier than other areas. 57% of stakeholders saw this as a barrier, while 22% did not.
- Attracting Skilled Workers was seen as the biggest barrier for many industries, including Manufacturing (3.6/4.0), Construction and Trades (3.4/4.0), Retail (3.3/4.0), Business Services (3.2/4.0), Education (3.2/4.0), Hospitality (3.6/4.0).
- Compliance was the biggest barrier for Tourism (3.8/4.0) and Transport and Logistics (3.8/4.0), while Affordable Housing was the biggest barrier for the Primary Sector (3.5/4.0).
- Of all sectors, stakeholders from Transport and Logistics indicated that overall, they are most negatively impacted by barriers to doing business.
-

INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF VENTURE TIMARU LIMITED'S PERFORMANCE REPORT AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2022**

The Auditor-General is the auditor of Venture Timaru Limited (the company). The Auditor-General has appointed me, Jane Jackman, using the staff and resources of Nexia Audit Christchurch, 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 5 to 16, that comprise the statement of financial position as at 30 June 2022 the statement of financial performance, 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 17 to 24.

In our opinion:

- the financial statements of the company on pages 5 to 16:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2022; 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 PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting – Accrual (Public Sector); and
- the performance information of the company on pages 17 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 2022.

Our audit was completed on 30 November 2022. 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.

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.

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.

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 2 to 4 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.

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 the audit, we have no relationship with, or interests in, the company.



Jane Jackman

Nexia Audit Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand