



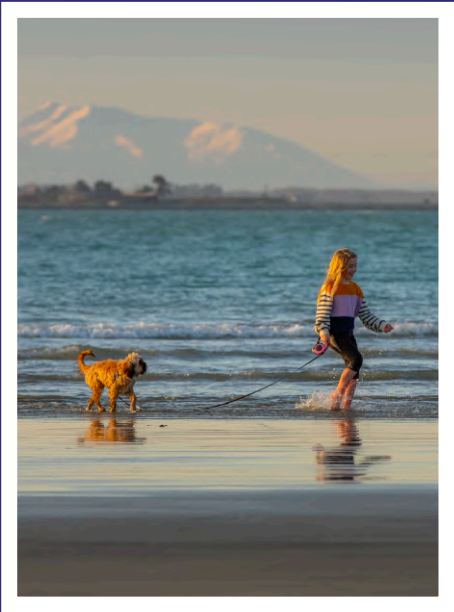
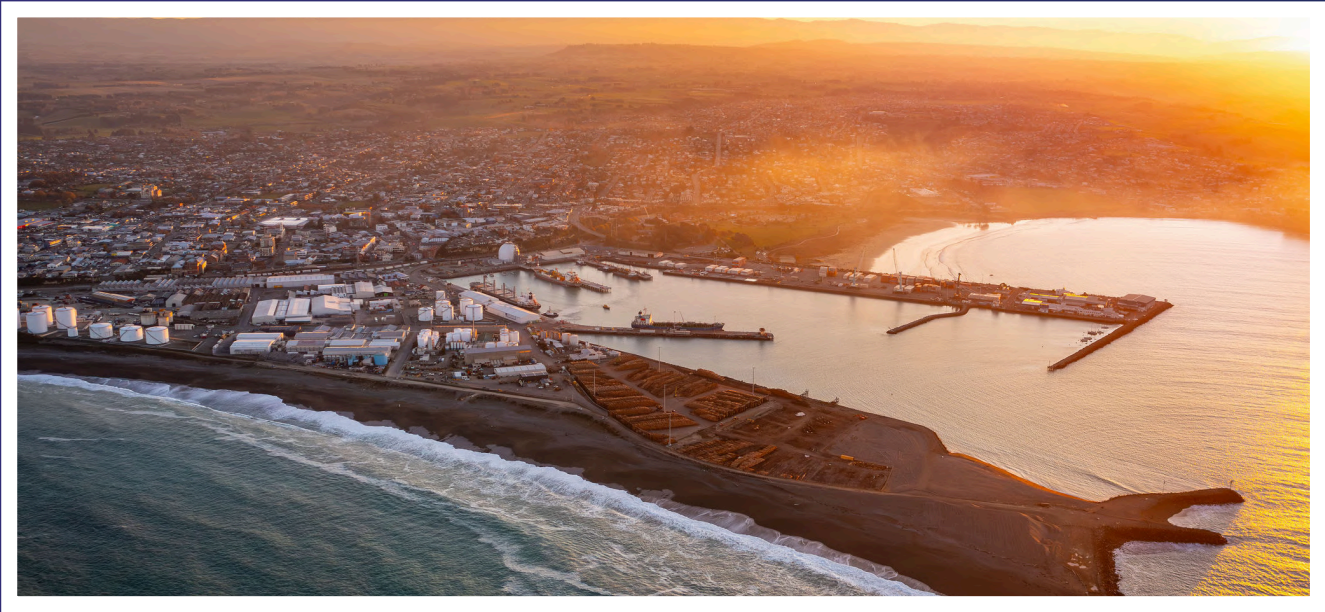
Venture Timaru
DISTRICT - ECONOMIC & TOURISM AGENCY

Annual Report 2024

www.vtdevelopment.co.nz

Report Contents

Highlights	5
Entity Information	6
Approval Financial Report	7
Chairman's Report	8
Chief Executive's Report	10
<hr/>	
Financial Statements	
Statement of Financial Performance	15
Statement of Financial Position	16
Statement of Cash Flows	17
Accounting Policies	18
Notes to the Performance Report	20
<hr/>	
Statutory Information	23
Auditor's Report	25



Highlights



Major Events Fund
13 events (3 new) supported
\$7.79m economic benefit



Attracted new ITF World Tennis
Tour event for February 2025
3,750 est attendees 7 days
International livestreaming
ATP/WTA rankings
Major Events Fund supported



Kaylee Bell Concert
6,000 people
Largest crowd at Soundshell
in years
Major Events Fund supported



MyNextMove saw:
28 events supported with
2,000+ students engaged with
134 local businesses



13 cruise ship visits
19,445 international visitors
\$3.60m economic benefit



Facilitated CBD Group Retailers
Business Connection Group
successful BID
application to enhance CBD
vitality & promotion



South Canterbury
Outstanding Food Festival
56 participating eateries



Hosted Traitors NZ reality show
500,000+ viewed nationwide
6 countries sold to and counting



Entity Information

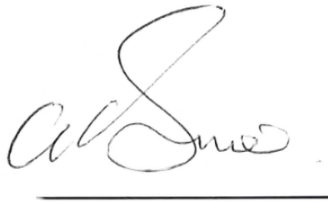
Venture Timaru Limited
For the year ended 30 June 2024

Legal Name of Entity	Venture Timaru Limited (Venture Timaru)
Entity Type & Legal Basis	The Company is incorporated in New Zealand under the Companies Act 1993. The Company is wholly owned by Timaru District Council.
Registration Number	2515190
NZBN	9429031496094
Entity's Purpose or Mission	The primary objective of the Company is to facilitate and support smart, sustainable economic development and to deliver tourism and business services for the district.
Entity Structure and Governance	The Company has six Directors who oversee the governance of the Company, a Chief Executive who is responsible for the day-to-day operations and reporting to the Directors, and seven staff who support the Chief Executive in delivering the Company's objectives. The Directors are appointed by Timaru District Council.
Main Sources of Entity's Cash and Resources	Operating grants received from Timaru District Council and government agencies are the primary sources of funding.
Directors	Anthony R Brien(Chairperson) Erin M McNaught (Deputy Chairperson) Allan P Booth Antony C Howey Stacey A Scott Logan S Hanifin
Shareholders	Timaru District Council 1,000 ordinary shares
Auditor	Nexia Audit Christchurch On behalf of the Auditor-General
Physical Address	2 Sefton Street East, Timaru, 7910
Postal Address	PO Box 560, Timaru, 7940

Approval of Financial Report

Venture Timaru Limited
For the year ended 30 June 2024

The Directors are pleased to present the approved financial report including the historical financial statements of Venture Timaru Limited for the year ended 30 June 2024.



Anthony Brien (Chairperson)
Date: 25 September 2024



Erin McNaught (Deputy Chair)
Date: 25 September 2024

Chairman's Report

It is my pleasure to present the 2023-2024 Annual Report of Venture Timaru.

There is no shying away from the fact that economically, the past twelve months have been challenging for everyone in the Timaru District: businesses and residents alike. Still, as a District, and as best we can, we hold onto the view that better times are ahead, and we must use this time to prepare for them.

Looking back on how we progressed economically, things have changed. From an annual growth of 2.6% till March 2023, to ending June 2024 with a -1.3%. Our GDP champion sectors of agriculture, forestry, fishing, and manufacturing are areas where we need to improve innovation and productivity, and in continuing to support these sectors, we must continue to diversify our overall economy to enhance resilience. While these are challenging times, the Timaru District continues to add value to New Zealand as a nation and national exports.

Venture Timaru is also the district's regional promotional body, and despite the headwinds the tourism industry is experiencing, it is very pleasing to see that we continue to receive positive increases in tourism expenditure and economic impact. Residents and tourists have enjoyed the many events that have been brought to and showcased around the district in the past twelve months; it not only adds social vibrancy but also supports our local businesses and highlights why our district is such a great place to live, stay and play.

In our last annual report, we advised that as a district, we must grow economically and socially to compete with other regions of New Zealand to enjoy a sustainable standard of living. Achieving such a position requires a long-term strategic plan with ambitious goals, which involves significantly increasing our population. There are good reasons for such an ambitious goal of economic and population growth: the district has an ageing population (22.9% of our population is over 65 years of age), the ongoing need (and associated costs) to maintain the district's infrastructure, and ensuring the Timaru District has an economic and social environment that future generations want to make their home. Change is always challenging, and the goal is ambitious, but we must positively and proactively progress. Doing what we do now will not give us the gains needed for those who presently live here or those who want to in the future. As the world around us changes, our district must change.

While Venture Timaru has set an ambitious goal for a better future, everyone in the district has a part to play in shaping what it will look like and helping create it, and we will be reaching out to hear your thoughts and ideas to help bring it to life. It's a long-term plan that will continue to unfold as you add to it, but the goal is clear – to grow and diversify our district. While Venture Timaru will constantly drive this forward, please get involved; we can't do this alone.

I wish to thank the CE, Nigel Davenport, and the staff at Venture Timaru for another successful year carrying out the activities as detailed in the CE report.

Finally, I'd like to thank our board, which provides the governance and strategic oversight for Venture Timaru: Erin McNaught, Tony Howey, Allan Booth, Stacey Scott, and Logan Hanifin. Also, thank you to the Timaru District Council Mayor, Councillors, and staff for their continued support. We look forward to another exciting and positive year promoting economic development and tourism for our district.

Dr Anthony Brien
Chair
Venture Timaru



Chief Executive's Report

Venture Timaru operates as a Council Controlled organisation as the Economic Development and Visitor Agency for the Timaru District.

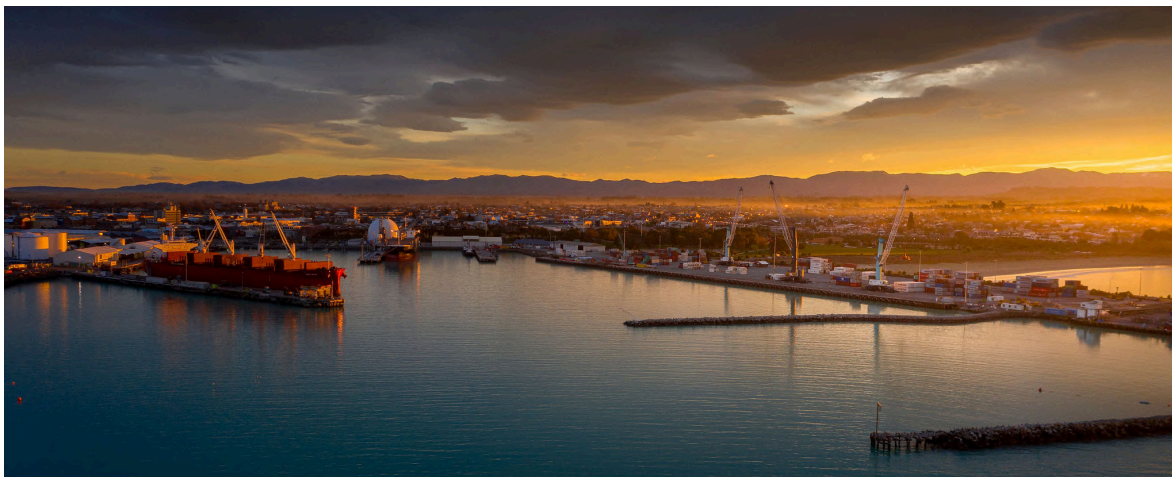
We submit our Statement of Intent annually to Timaru District Council outlining agreed work priorities which encompass our strategic priorities, objectives and associated key performance indicators.

Values

“Enable a vibrant and thriving community by cultivating the economic potential of our district”.

Vision

- Collaborative - Mahi Tahi. We work in partnership with businesses and our community to develop creative solutions and initiatives that benefit all.
- Inclusive - Whakauru. We create an inclusive and welcoming environment for all, promoting diversity and equal access to opportunities in our district.
- Sustainable - Tauwhiro. We are committed to promoting sustainable practices, ensuring the long-term preservation of our natural resources, cultural heritage, and community well-being.
- Bold - Maia. We are passionate ambassadors that promote and celebrate all that’s great about our district.
- Excellence – Kairangi. We are a dedicated and supportive team that delivers excellence in all aspects of our work by maintaining high standards of professionalism and integrity.



OVERVIEW OF LOCAL ECONOMY

Our economic performance continued to soften into the middle of the year off the back of inflationary pressures and a higher interest rate environment. Traditionally recording a steady GDP performance, this past year has seen a sustained period of decline. At -1.3% the decline in GDP in Timaru District was provisionally greater than the -0.2% decline recorded for both the Canterbury Region and New Zealand. The softening of Timaru's economy has been driven by a fall in transport, construction and manufacturing activity.

Further to this, our unemployment rate, which has long been one of the lowest in NZ, has risen to levels (3.7%) not seen since the immediate post COVID period 2020/21 and before that way back in 2017. Whilst our unemployment rate is below NZ's 4.2% and Canterbury's 4.1%, the fact remains our national economy is under a lot of pressure and the weakened labour market and tightening of immigration settings in recent times have flowed directly into our own local labour market.

Of note (source Infometrics) :

- job adverts nationally are 40% lower than they were a year ago (the biggest fall since 2009) and are at a level not seen since 2013.
- Employment confidence, surveyed per household, at its weakest since the survey started in 2004 (excluding COVID period)

Local businesses, who are looking to hire, are reporting a surge in the volume of job applicants, which pleasingly in some cases is actually matched by an increase in applicant quality which is somewhat of a positive. That said it is anticipated the weakened labour market nationally and locally will continue for a few quarters yet.

As tends to be the case locally, the colder winter months see a downturn in economic activity as there is an element of "hibernation" , with this somewhat amplified by households concerns around employment security. Despite this, the districts consumer spending grew 6.4% over the year to June 2024, well ahead of national consumer spending growth of 1.9% and consumers price inflation of 3.3%. Further, tourism expenditure throughout 2023/24 increased 7.1% also well ahead of national tourism expenditure growth of 1.8%.

New house construction in Timaru eased 25% over the year to June 2024, as high interest rates have discouraged new mortgages around the country. However, dwelling consents were relatively strong in the June 2024 quarter with 46 issued, perhaps signalling “green shoots” just as interest rates are starting to be cut. House sale volumes continue to pick up from a trough, with 18% more houses sold in the year to June 2024 than the prior year, with values still rising, up 6.4%pa in the June 2024 quarter.

STRATEGIC PRIORITIES 2023/24

- Timaru District - Towards 2050 - Develop the 2050 plan.
 - Not progressed due to delays encountered with pre-positioning of this priority initiative with key local stakeholders. Pre-launch foundation work significantly progressed Q4 2023.24 in readiness for ignition early in the 2024.25 year.
- Diversity of Housing Stock - *Actively promote & facilitate investment in type-diverse housing developments*
 - Ongoing engagement underway with local residential developers on infill and new large scale residential opportunities being planned and progressed - totaling in excess of 800 new residential properties across our district.
 - Engaged by Council to champion a project to “Inspire and Excite” more inner and near city residential development within the Timaru City Centre bringing with it increased vibrancy and business opportunities. An initial draft of “Making it Happen – a guide to inner & near city residential development” developed by local professionals, has been reviewed by Council staff and the final editing is underway. The resource encompassing Council’s commitment to establishing a more enabling environment is to be launched Q1 2024.25 and will be supported by a database encapsulating new and proposed developments and benefits
 - Realisation plan to measure and celebrate the successful enhancement to the Timaru Central City environment.



- Venture Timaru has led the development and distribution of a “Future Housing Preference Survey” to obtain empirical data associated with where and how our existing and new to district residents wish to live. This data will help inform and direct future investment into residential options into the future.
- People Attraction - *Further amplify efforts to attract the people we need to grow and provide vibrancy to our district*
 - Variety of people attraction resources updated, distributed across business and industry and freely available on Venture Timaru Website – Attraction Toolkit
 - Showcasing Timaru document
 - Welcome to Timaru document – in multiple languages
 - New series of business & industry imagery
 - New “Why Timaru?” workforce attraction videography completed and now freely available.
 - New Business Development Manager role committed to and will be employed from Q1 2024.25 providing enhanced prioritised focus on business (and people) attraction.
 - A vibrant events calendar is key to attracting not only visitors but also new residents and businesses to the Timaru District. Venture Timaru again received, managed and distributed major event funding support, on behalf of the Timaru District Council, totaling \$230,000 into this sector. The average estimated ROI was \$30.00 for each \$1 invested – or an estimated Economic Benefit of \$6.90m. This past event season was highlighted by the return home by Kaylee Bell which saw 5,500-6,000 attendees at that concert.
 - 2023/24 Cruise Ship season completed with 13 ships bringing 19,000 international visitors to Timaru with an estimated Economic Benefit \$3.60m.
 - Successfully facilitated application to the Regional Events Promotion Fund for 4 local events which will generate an assessed Economic Benefit of \$2.16m

SUMMARY

As the Economic Development and Tourism agency for the Timaru District, Venture Timaru’s mandate is to support and grow our district “as one”, with an operational focus on delivering consistent district promotional and attraction activities, along with facilitated business support and project work to enhance economic performance.

We acknowledge the valued relationships and collaboration we have formed and continue to foster across our local community. We also thank the Timaru District Council Mayor, Councillors and staff for their ongoing support and engagement.

Nigel Davenport
Chief Executive

Monitoring Indicators (non-financial)

- ① **Gross Domestic Product – Growth – source Infometrics**
-1.3% **-0.2%** Timaru's economy shrunk by a solid 1.3% to June 2024, just above national
Timaru **New** decline of 0.2% according to Infometrics provisional GDP estimates.
District **Zealand**

- ② **Unemployment Rate – Timaru District v NZ– source Infometrics**
3.7% **4.29%** Whilst below NZ levels, the local unemployment rate has increased as the
Timaru **New** labour market softens to levels not seen for many years.
District **Zealand**

Increased levels of job applicants are being seen through the middle of 2024 as a result of the tightening of migration settings and job movements.

- ③ **Housing Affordability – source Infometrics/Corelogic**
4.75x **6.58x** For Timaru 4.75x the average household income buys you the average
Timaru **New** house value.
District **Zealand** - average current house values (Timaru \$532K) and - average household incomes (Timaru \$106K)

For Timaru 4.75 times the average household income \$105.4 buys you the average house valued at \$501K. Household affordability reflects the true ability of a household to afford housing. A higher ratio, therefore, suggests that average houses cost a greater multiple of typical incomes, which indicates lower housing affordability.

- ④ **Visitor & Consumer Spend - source Infometrics.**

Visitor Spend

\$272m **\$254m** Continuing to perform well with year on year increase in visitor spend since
2024 **2023** 2020. Noting the 2024 year saw an increase of 7.1% v NZ 1.85%.

Consumer Spend

\$791m **\$751m** Indicator evidence local spend remains well ahead on national levels
2024 **2023** Timaru with an increase of 6.4% v New Zealand 1.9%. Although a
noticeable softening as expected heading into the final June winter months quarter
which evidences a challenging period for local retailers and hospitality in particular.

Statement of Financial Performance

Venture Timaru

For the year ended 30 June 2024

	Notes	2024 \$	2023 \$
Revenue			
Funding from local government		1,588,296	1,400,709
Funding from central government		146,500	802,261
Service delivery contracts from central government		476,200	868,794
Interest and dividends		49,830	41,752
Other Revenue		82,241	85,031
Total Revenue		2,343,067	3,198,547
Expenses			
Employee related costs		652,440	576,200
Economic development - Administration & overhead costs		535,040	391,640
Tourism administration and overheads		337,259	298,623
Other Programmes		705,392	1,907,980
Provision for Tax		32,233	7,428
Total Expenses		2,262,364	3,181,871
Surplus /(deficit) for the year		\$80,703	\$16,676

Statement of Financial Position

Venture Timaru
As at 30 June 2024

	Notes	2024 \$	2023 \$
Assets			
Current Assets			
Bank accounts and cash		311,819	545,448
Debtors and prepayments		153,441	101,039
Short term investments		825,275	494,796
Other Current Assets		-	31,261
Total Current Assets		1,290,535	1,172,544
Non-current Assets			
Plant & Equipment	8	38,048	39,961
Total Assets		1,328,583	1,212,505
Liabilities			
Current Liabilities			
Creditors and accrued expenses		228,725	71,914
Employee costs payable		54,248	54,983
Funding unallocated		505,721	626,423
Total Current Liabilities		788,694	753,320
Net Assets		539,889	459,185
Accumulated Funds			
Issued Capital	2	1,000	1,000
Accumulated Funds	2	538,889	458,185
Total Equity		\$539,889	\$459,185

Statement of Cash Flows

Venture Timaru

For the year ended 30 June 2024

	2024 \$	2023 \$
Cash Flows from Operating Activities		
Interest, dividends and other investment receipts	49,468	30,959
Cash receipts from other operating activities	2,444,528	2,535,313
GST	(42,668)	(38,303)
Payments to suppliers and employees	(1,477,459)	(2,688,924)
Cash flows from other operating activities	(873,532)	(772,067)
Income Tax	4,127	(38,790)
Total Cash Flows from Operating Activities	104,464	(971,813)
Cash flows from Investing and Financing Activities		
Receipts from sale of property, plant and equipment	1,151	469
Receipts from sale of investments	435,920	746,293
Payments to acquire property, plant and equipment	(8,765)	(1,074)
Payments to purchase investments	(766,399)	(405,455)
Total Cash Flows from Invest Activities Financing	(338,093)	340,233
Net Increase / (Decrease) in Cash	(233,629)	(631,580)
Opening Cash and Cash Equivalents 1 July 2023	545,448	1,177,028
Closing Cash and Cash Equivalents 30 June 2024	\$311,819	\$545,448

Statement of Accounting Policies

Venture Timaru Limited

For the year ended 30 June 2024

'How did we do our accounting?'

Basis of Preparation

Venture Timaru Ltd is permitted by law to apply the Public Benefit Entity Simple Format Reporting- Accrual (Public Sector) standard and has elected to do so. A PBE may apply the standard if it does not have public accountability and has total annual expenses less than or equal to \$5,000,000. 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.

Income Tax

Income Tax is accounted for using the taxes payable method.

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 & other receivables

Recorded at their estimated realisable value.

Property Plant & Equipment

Plant & Equipment are recorded at cost less accumulated depreciation. Depreciation is recognised using a diminishing value method over the estimated useful lives. Depreciation rates are between 10% and 50%.

Revenue (Grants)

Grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Interest

Interest is recognised on the accrual basis.

Trade & other payables

Recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Defined contribution Scheme - Kiwi Saver. Contributions to defined pension schemes are charged to the income statement in the year to which they relate. A provision is recognised for the amount expected to be paid for outstanding annual leave balances if the company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably. Non vesting benefits such as sick leave are not recognised.

Ability to Continue Operating

The company has sufficient liquidity and solvency to continue as going concern. 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.

Imputation Credit Account

Imputation credits available to shareholders at 31 March 2024 \$108,107 (Last year: 115,509).

Changes in Accounting Policies

As PBE Tier sizes have been amended, the Company has elected to revert to Tier 3 Public Benefit Entities from Tier 2. All other policies have been applied on a consistent basis with those of the previous reporting period.

Notes to the Performance Report

For the year ended 30 June 2024

① Expenses to disclose	2024	2023
Audit fees	11,500	10,452
Board fees	67,500	75,000
Depreciation	9,461	11,214
Total Expenses to Disclose	\$88,461	\$96,666

② Accumulated Funds	2024	2023
Opening balance	459,185	442,509
Accumulated surpluses or (deficits)	80,703	16,676
Total Accumulated Funds	\$539,889	\$459,185

③ **Leases**
The company leases office premises, motor vehicles and equipment

Commitments to lease or rent assets	2024	2023
Less than one year	\$64,810	\$72,156
Between one and five years	\$27,843	\$97,056
Over five years	-	-

④ **Directors Remuneration**

The directors received received the following remuneration during the year:

	2024	2023
T Howey (Resigned as Chair)	\$14,584	T Howey (Chair) \$15,000
R deJoux (Resigned 6/12/23)	\$5,000	R deJoux \$10,000
A Brien (Chair)	\$10,416	A Brien \$10,000
S Scott	\$10,000	S Scott \$10,000
E McNaught	\$10,000	E McNaught \$10,000
K Te Raki (Resigned 1/11/23)	\$2,500	K Te Raki \$10,000
A Booth	\$10,000	A Booth \$10,000
L Hanifin (Appointed 6/12/23)	\$5,000	
	\$67,500	\$75,000

⑤ Related Party Transactions

Description of Related Party Transaction	Description of Transaction	2024 Value of transaction	2023 Value of transaction
Timaru District Council - Shareholder	Economic Grant	\$720,000	\$640,000
Timaru District Council - Shareholder	Tourism Grant	\$395,000	\$350,000
Timaru District Council - Shareholder	Events Support	\$230,000	\$230,000
Bayhill Development Ltd- Director	Carparking	\$5,712	\$6,767
Aoraki Multicultural Council - Director	Major Events Support Fund	\$10,000	\$11,422
Matariki - Director	Major Events Support Fund	\$15,000	\$15,000
Timaru District Council	Timaru City Town Programme	\$195,000	\$0
Timaru District Council	Cruise Ship Support	\$19,744	\$0
Timaru District Council	Accounts Receivable	\$62,675	\$0

⑥ Contingencies

No contingent assets or liabilities exist at balance date for Venture Timaru Limited (Last year: Nil).

⑦

Subsequent Events

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year: \$195,000).

⑧

Property Plant and Equipment

	2024	2023
Office Fit-out		
Opening balance	10,614	11,905
Depreciation	(1,149)	(1,291)
Total Office fit-out	\$9,465	\$10,614
Furniture and Fittings		
Opening balance	16,468	18,099
Purchases	1,151	1,074
Depreciation	(2,353)	(2,705)
Total Furniture and Fittings	\$15,266	\$16,468

	2024	2023
Plant and Equipment		
Opening balance	5,324	6,654
Depreciation	(1,065)	(1,330)
Total Plant and Equipment	\$4,529	\$(5,324)
Computers		
Opening balance	7,556	13,443
Purchases	5,146	-
Depreciation	(3,643)	(5,887)
Total Computers	\$9,059	\$7,556

Statutory Information

Directors

Venture Timaru Limited

Anthony R Brien appointed 1 April 2021 (Appointed Chairperson June 2024)

Erin M McNaught appointed 1 July 2019 (Appointed Deputy Chairperson June 2024)

Logan S Hanifin appointed 6 December 2023

Antony C Howey appointed 1 April 2021

Allan P Booth appointed 1 November 2019

Stacey A Scott appointed 1 April 2021

Entries made in the interests register

The following entries were recorded in the interests register of the Company:

Anthony R Brien (Chairman)

Mackenzie Tourism Industry Association - Board Member

AR and SM Brien Partnership - Director

Institute of Directors - Chartered Member

Lincoln University - Employee

Royal Federation of NZ Justices' Association - Director

Erin M McNaught (Deputy Chairman)

Aoraki Foundation Womens Fund - Advisory Board & Committee Member

ICCH Holdings Limited - Shareholder & Director

Industrial Controls Christchurch Limited - Shareholder, Director & Officer

Industrial Controls South Canterbury Limited - Shareholder, Director & Officer

Logan Hanifin

Fraser Park Enterprises Ltd - Director

Hanifin Holdings - Personal property investment

New Zealand Pet Foods - CEO

South Canterbury Rugby Board - Chairman

Statutory Information

Tony Howey

Alpine Fresh Ltd - Managing Director

Aoraki Multicultural Council - Committee Member

Farmers Mill Ltd - Director

Grainstor Ltd - Director

Meadowlinks Residents Association - Developer and Secretary

Opuha Water Ltd - Director

Seedlands Ltd - Director

Seedlands Property Ltd - Director

Timaru Bahá'i Community - LSA Chair

ViBERi New Zealand Ltd - Managing Director

Allan P Booth

Allan Booth Family Trust - Trustee

Bay Hill Developments - Shareholder & Director

STARWOOD - Shareholder & Director

TDC Councillor - Councillor

Timaru CBD Group - Executive member

Timaru District Council - Member of TDC Development and Investment Group - City Hub

Timaru Nationalist Trust - Board Member

Stacey A Scott

Scott & Associates (2007) Ltd - Director

Scott Farm Partnerships - Other

St Patricks Junior Netball - Treasurer

Timaru District Council - Councillor

Timaru District Council - Appointed Hearing Commissioner for Proposed District Plan

Timaru District Council - Chair of Community Services

YMCA Butler St Property Trust - Trustee

YMCA South & Mid Canterbury - Chair

INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF VENTURE TIMARU LIMITED'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2024**

The Auditor-General is the auditor of Venture Timaru Limited (the company). The Auditor-General has appointed me, Sam Naylor, 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 12, 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; and
- the performance information of the company on pages 13 to 15.

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 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 25 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.

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.

Other matter - Comparison of forecast financial statements with historical financial statements

Without modifying our opinion, we draw attention to the fact that the company included forecast financial information in its 2024 statement of intent which did not comply in full with the requirements of the Local Government Act 2002. As a result, the forecast financial information presented with the historical financial statements was limited to the statement of financial performance.

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.

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 Board approved budget.

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 3 to 4, but does not include the financial statements and 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 during 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.

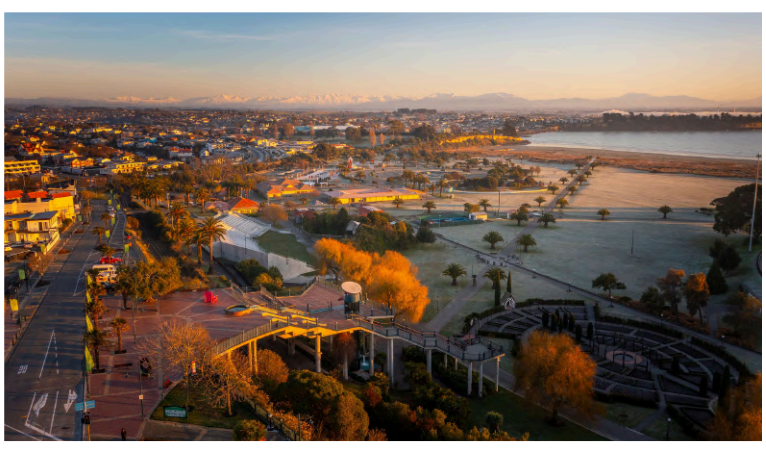
Independence

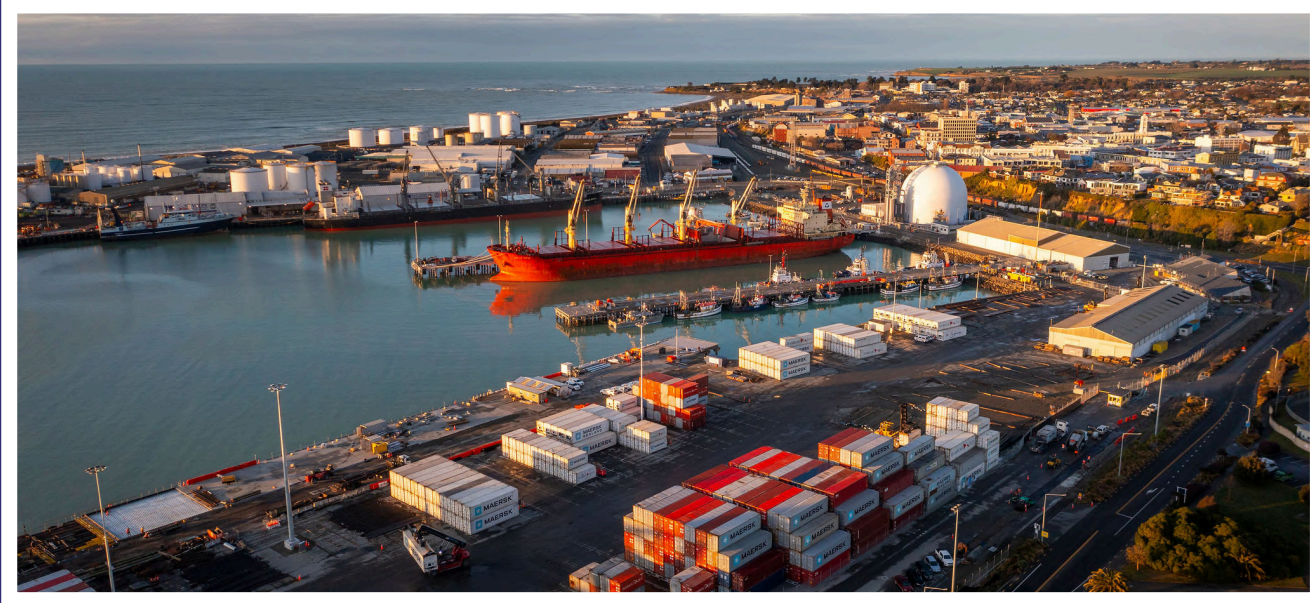
We are independent of the company in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence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

**Sam Naylor**

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







Venture Timaru
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