

# Annual Report

RotoruaNZ Limited  
For the year ended 30 June 2024

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# Who we are

## RotoruaNZ Limited

### For the year ended 30 June 2024

RotoruaNZ is a values-led organisation committed to developing and promoting Rotorua as a destination of choice to work, study, visit, invest and live in. We connect people, land, capital and ideas.

Our work directly supports the development of the Rotorua economy, unlocking opportunities for commercial investment and providing employment, wealth and wellbeing for all of our people. RotoruaNZ works in partnership with iwi, the private sector, local government, community organisations and central government to support their growth aspirations and enhance the identity and reputation of Rotorua.

We operate as a neutral entity and a trusted advisor, balancing the needs of each group of stakeholders for the benefit of the destination.

RotoruaNZ is a Council Controlled Organisation (CCO), 100% owned by Rotorua Lakes Council (RLC). RotoruaNZ is the Economic Development Agency (EDA) and Regional Tourism Organisation (RTO) for the Rotorua district. RotoruaNZ also operates as the Convention Bureau for Rotorua.

RotoruaNZ is led by Chief Executive Andrew Wilson and governed by an independent board of directors:

Tim Cossar (Chair) – appointed 9 June 2020

Chris Auld (Director) – appointed 27 July 2016

David Tapsell (Director) - appointed 01 May 2021

Keri-Anne Tane (Director) - appointed 01 May 2021

Paul Button (Director) - appointed 01 August 2023

Marisa Bidois (Director) - appointed 01 August 2023

Sarah Meikle (Director) - appointed 01 August 2023

# Mihi from the Board Chair and Chief Executive

**RotoruaNZ Limited**

**For the year ended 30 June 2024**

Tēnā koutou,

We're pleased to present a summary of our 2023-24 financial year. At RotoruaNZ, our purpose is to unlock Rotorua's economic potential, and we achieve this through strong partnerships with Rotorua Lakes Council and our valued stakeholders.

Over the past 12 months, we've made substantial progress on our ongoing journey to transform Rotorua into a premier destination of choice. This success spans across both destination development and investment sectors.

One notable achievement is the establishment of Mai Rotorua, a community-focused set of digital channels designed to share positive news stories and a local's card. We collaborated with external media and PR strategists to develop a cohesive strategy aimed at rebuilding Rotorua's reputation. A large portion of this work included extensive engagement with community stakeholder groups, resulting in a detailed report that includes an environmental scan and summary of engagement. Mai Rotorua was created as a platform to showcase the amazing aspects of our people and place, and we're proud of the efforts made across the entire organisation to achieve this.

To address reputational issues, we've begun developing a three-to-five-year brand platform and a domestic tourism campaign. These initiatives aim to counter negative perceptions of Rotorua and boost domestic tourism from Auckland, Bay of Plenty, and the Waikato regions.

We also signed a Memorandum of Understanding (MoU) with Auckland Airport and Tātaki Auckland Unlimited to collaborate on an Australian partnership. This partnership focuses on consumer activities that drive key experiences in Auckland and Rotorua, attracting Australian leisure travellers from the Eastern Seaboard.

Our three isites accounted for 42% of all NZ isite revenue, and our retail section sold over \$2.7 million in merchandise over the past 12 months. We opened the region's newest campervan park at Waipa, and hosted 894 groups (24,170 students and 5,014 adults) through our Education Network.

Our business events team exceeded their target by more than \$3 million and hosted a MEETINGS event that featured a stellar drone show, reaffirming Rotorua as a world-class destination.

We're focused on unlocking Rotorua's economic potential and look forward to more growth and success in our unique and culturally rich region, working together with our partners.



Tim Cossar

Board Chair



Andrew Wilson

Chief Executive

# Our Focus

## RotoruaNZ Limited

### For the year ended 30 June 2024

As the combined EDA and RTO for Rotorua, our work focuses on unlocking the economic potential of the district, destination development and tourism transformation, and the provision of visitor services and experience. Our work supports the development of the Rotorua economy, opening up opportunities for commercial investment and providing employment, wealth and wellbeing for all of our people. RotoruaNZ is committed to developing and promoting Rotorua as a destination of choice to work, study, visit, invest and live in. RotoruaNZ's key trading activities and brands are RotoruaNZ and Isite.

Our core activities:

#### **Marketing and communications – Strengthening the reputation of Rotorua and building brand equity**

We will focus on building our reputation as a vibrant world-class visitor destination in a way that is authentic and meaningful to both visitors and the local community. Our stories will reflect the destination brand and focus on both our people and place, ensuring our destination values are well understood and resonate with our target audiences. We will ensure Rotorua is recognised as an attractive place to live, work and play, and seen as a viable investment destination in areas of comparative advantage, including the tourism, forestry and wood processing sectors.

#### **Destination sales and visitor services – Delivering sales across international, business events, education and groups, and in-destination**

We will develop strategies that enhance the visitor experience and services, and provide revenue opportunities to tourism operators. We will ensure we deliver outstanding visitor services where they are most needed by being strategic about where our isite centres operate. We will provide innovative and relevant booking services and industry knowledge to cater for schools, sporting codes and other groups who choose to locate themselves in Rotorua for educational or extracurricular purposes. As the convention bureau for Rotorua, we will focus on successfully bidding for conferences, incentives and meetings. We'll be recognised as one of New Zealand's top five destinations for business events and conference delivery through the provision of outstanding local knowledge and high-quality service tailored to the needs of the business events markets, both domestic and international. We will coordinate and represent Rotorua operators in key international markets. Our focus is on growing the value of international visitation through the trade channel to the local community.

#### **Business Growth, Insights, and Innovation – Implementation of the Destination Management Plan and associated activities that support the delivery of a world-class visitor experience**

We will leverage our connections with regional and central government agencies, the private sector, and education providers to identify trends and market information that will support continued investment and reinvestment decision-making by local businesses and land owners. We will continue to support business growth and innovation through the provision of research and insights. We will continue to strengthen our relationships with Te Arawa iwi and mana whenua in support of their economic development aspirations. We will continue to facilitate the implementation of our Destination Management Plan in close collaboration with Te Arawa and our wider stakeholder groups.

#### **Investment attraction and transformational place-making projects**

We will continue to attract investment by promoting Rotorua as the great community it is, with a strong opportunity for investment and growth. We will also work with local partners, central government, local government, and Te Arawa to build persuasive business relocation programmes, where commercial and industrial land is available. We will take an active role in delivering transformational place-making projects on behalf of Council. Our role will involve administering and utilising Council's underperforming strategic landholdings to ensure they deliver maximum value.

# Our Successes & Achievements

## RotoruaNZ Limited

For the year ended 30 June 2024

### **Marketing and communications – Strengthening the reputation of Rotorua and building brand equity**

- We launched Mai Rotorua, a community-focussed set of channels aimed at sharing positive news stories with our local community. We worked alongside external Media and PR strategists to develop a cohesive strategy to rebuild the reputation of Rotorua. We undertook extensive engagement with community stakeholder groups and produced a detailed report that includes an environmental scan and summary of engagement.
- We signed an MoU with Auckland Airport and Tātaki Auckland Unlimited to collaborate on an Australian partnership, focusing on consumer activity to drive key experiences in Auckland and Rotorua, and drive Australian leisure travellers from the Eastern Seaboard.
- We've begun the process of developing a three-to-five-year brand platform idea and a domestic tourism campaign to help address some of the negative perceptions of Rotorua and drive domestic tourism out of Auckland, BOP and the Waikato regions.
- We implemented destination marketing campaigns including Neat Places, Best Summer Ever industry partnership campaign, RoadyNZ Competition Partnership and supported and leveraged the following events to attract more visitors to Rotorua - ARONU, Kupu Māori Writers Festival, Whaka100, Crankworx, Tarawera Ultra, Blue Lake Rowing regatta, NZ Blues and BBQFestival.
- We partnered with the Rotorua Airport on a AirNZ Rotorua Awareness campaign to build destination awareness, promote Rotorua's brand and inspire people to travel to Rotorua, resulting in 68k entries into a competition.
- We leveraged coverage from the AM show by partnering with Go Media to run a pro-bono digital billboard campaign encouraging the show's host to experience Rotorua. Both hosts visited Rotorua on separate occasions. The campaign ran throughout the North Island.

### **Destination sales and visitor services – Delivering sales across international, business events, education and groups, and in-destination**

#### **isite**

- We are two of the top performing isites in the country. Our isites accounted for 42% of all the NZ isites' revenue. Our retail section sold over \$2.7M of merchandise in the last 12 months.
- Grand opening of new Waipa Store. We had a successful opening event at Waipa, around 40 guests attended with isite New Zealand Executive, Paul Yeo and Acting Mayor Sandra Kai-Fong attending.
- The Rotorua Visitor centre (Fenton Street) had the highest % increase in sales in the country in November with the Redwoods also in the top 5.
- The Fenton Street branch won a national isite competition for the highest % increase in sales across the NZ network. Redwoods Coffee sales are strong and operating consistency has resulted in a significant increase in the number of coffees - YTD increase 295%.
- We opened Waipa Forest Park (a campervan park) at Waipa Mountain Bike Park. In the first month over 50 campervans used the park. We expect it to be busy in the summer.

#### **Digital Brochure project:**

- We are working on a project to remove brochures in the isites and have them replaced with a digital image that can be downloaded onto a mobile device which can be booked in the isite or at a later time. Touchscreen display will allow visitors to download tourism products directly onto their phones. Targeting a reduction in paper brochures, the ability to track visitor interest and offer distressed inventory packages.

#### **Rotorua Education Network:**

- Rotorua Education Network hosted 894 groups (24,170 students and 5,014 adults).

#### **Trade International Team**

- Completed sales activity in North America with training 200 staff at Tauck, a large premium American travel seller who has recently returned to Rotorua with a luxury coach series tour. The nurturing of this new relationship has afforded our trade team the opportunity to deliver a “Best of NZ” webinar to Tauck’s vast consumer database in early 2024, alongside Destination Queenstown.
- Reconnected and re-engaged with on the ground events in Shanghai and Beijing at Tourism New Zealand Kiwi Link China. This was the first in-market trade activity since 2019.
- Co-hosted a three-day cultural famil with North American and European trade alongside Visit Ruapehu. This ‘off-the-beaten track’ famil featured new product in our regions to ultimately demonstrate the complimentary, yet diverse, offering of the two destinations.
- We organised and conducted visits to 10 key inbound tour operators (ITOs) in Auckland with Rotorua Airport to assess flight connectivity challenges. Insights gathered will inform strategies to support Air NZ in improving operations.
- We partnered with Tourism Bay of Plenty and Kohutapu Lodge to host a lunch with ITOs where ‘Aotearoa Cultural Trails and Packages’ was launched: Trade-ready itineraries and packages located in both regions.
- In partnership with three North Island regional tourism organisations (RTOs), we carried out sales calls and delivered frontline/reservation team training with key Australian travel sellers on the Eastern Seaboard. This included, but is not limited to AAT Kings, A&K, ANZCRO, Grand Pacific Tours. This boosts inbound Australian visitor bookings for Rotorua.
- We facilitated a WeChat workshop, led by WeChat representatives, for operators. This provided essential insights into leveraging WeChat's power, bridging gaps in market understanding, and unlocking growth opportunities within the Chinese market, with a view to operators adopting this platform.
- Alongside wholesale travel company ANZCRO (who offer the largest inventory of New Zealand and Australian travel product) and Tourism New Zealand (TNZ), we delivered a ‘mega’ Rotorua famil for 17 North American-based, Delta Vacations (vacation package arm of Delta Airlines). We organised a networking breakfast with agents for 20 tourism operators to further showcase Rotorua’s diverse offering for manuhiri.
- We delivered two famils in partnership with TNZ for German/EU and Canadian travel agents. This enhanced relationships and will boost bookings for Rotorua from Canada and Germany/EU.
- We conducted South Island sales calls in May, engaging with South Island based ITOs (Christchurch, Wānaka and Queenstown) alongside two operators: Wai Ariki Hot Springs and Spa and Secret Spot Hot Tubs Rotorua. We completed successful training of 80 ITO staff.
- We organized the annual Rotorua Roadshow to Australia in June with 18 Rotorua tourism operators. This comprised of sales calls in the Gold Coast, Sydney and Melbourne, as well as three evening events in Brisbane, Sydney and Melbourne. 270 Australian travel agents attended our events, supported by Air New Zealand BDMs in each state, as well as TNZ at two events.
- We attended a two-week roadshow in India alongside leading Indian IBO, General Travel. Rotorua had a strong presence on this roadshow with Polynesian Spa, Te Puia, Skyline and Ngāi Tahu also attending. In total, 300 travel agents received training about Rotorua and its offerings through hosted buyer events and sales calls over 10 days. Every travel agency indicated Rotorua features on their itineraries as the main destination in North Island, promoting three-night stays.
- We attended the two-day Kiwi Link event in Kuala Lumpur. 26 NZ travel sellers attended this event, including six from Rotorua, and 39 travel buyers from Southeast Asia: Singapore, Malaysia, Thailand and Indonesia attended.

#### **Business Events Team**

- The Business Events team Achieved KPM. Year ending June 2024 result was \$12.672m (vs target of >= \$9.0m).
- The team organised multiple familiarisation trips, allowing clients to directly experience Rotorua. These famils often lead to confirming conferences and shaping the conference agenda. They aid in decisions regarding venues, hotels, offsite dining options, and activities.
- MEETINGS 2024 (19/20 June 2024) was held in Rotorua and included the delivery of a pre-famil event tailored for 30 delegates, strategically designed to explore business opportunities within Rotorua. This initiative aims to foster connections and pave the way for future collaborations that benefit both delegates and the region. Rotorua hosted 205

Hosted Buyers, carefully selected to experience the best of what the region has to offer. This Host City Famil leaves a lasting impression, showcasing Rotorua's diverse offerings and hospitality. The Welcome Function took place at Sir Howard Morrison Centre with a formal pohiri by Ngati Whakauae, setting the tone for an unforgettable MEETINGS experience. A special Matariki Dinner was organised that featured a drone show, emphasising the cultural significance of Matariki and celebrating the spirit of unity and renewal.

### **Business Growth, Insights, and Innovation – Implementation of the Destination Management Plan and associated activities that support the delivery of a world-class visitor experience**

#### **Destination Management Plan**

- The Rotorua Talent Incubator concluded following the completion of phase two, comprising a series of business classes with Waikato University lecturers. The programme received very high satisfaction ratings from participants.
- A Destination Management Dashboard has been created and is live on the website to show progress against key DMP outcome areas. This is the first of its kind in New Zealand.

#### **Insights**

- A new international visitor survey dashboard has been created to show a Rotorua-specific view of the international departure surveys.
- We also created a short-term rental accommodation dashboard from AirDNA data.
- We have completed work to quantify the economic opportunity in Rotorua's Spa and Wellness sector. This will also serve as an input into the Regional Council geothermal plan change.
- We have conducted analysis on the backpacker and hotel market in Rotorua. We have created a hotel data and International Visitor Survey dashboard.
- We have partnered with research agency One Picture to understand how we can win Auckland again. Currently in the middle of the project, with kick-off session, interviews and co-design groups completed. Creative agency Jnr have been involved throughout, providing them with a strong evidence base for their domestic campaign. Quantitative research and final recommendations to follow.

### **Investment attraction and transformational place-making projects**

#### **Development**

- A boutique tiny house has been built in the forest, overlooking Te Putake o Tawa. RotoruaNZ has played a connecting role here between CNI, mana whenua, Timberlands, Council and the operator. Since opening, bookings for Kārearea Nest have been consistently busy. Qantas Magazine has specifically requested a familiarisation stay at the Nest for one of their writers. The story for their in-flight publication will be focused mainly on this accommodation, with mentions of nearby operators such as Mountain Bike Rotorua, Redwoods Treewalk and Secret Spot Hot Tubs.
- Film: Bollywood production company 24 Frames Factory filmed much of their production in Rotorua, contributing an estimated \$3m into the local economy.
- A new international film project selected Rotorua as one of its locations and injected an estimated \$4 million into the local economy. Rotorua and other Bay of Plenty locations have become the cinematic canvas for a film project by Tollywood\* actor-filmmaker Manchu. Manchu chose New Zealand as the location for filming "Kannappa" after exploring options in Ireland, Scotland, Australia, Switzerland, US and Canada. RotoruaNZ supports film companies alongside FilmBOP to facilitate production within the region as the screen industry plays a significant role in driving economic growth. Location-based films also foster sustained growth and recognition for Rotorua through 'film tourism', the result of audiences being inspired to visit the locations they've seen on screen. This international project also presented a unique opportunity for local filmmakers to expand their production experience, contributing to the growth, and many Māori locals played significant roles in the film, with the team at Te Pā Tū, led by Jamus Webster, contributing their talents to compose a song for the movie along with their team of Māori performers.



# Statement of Responsibility

**RotoruaNZ Limited**

**For the year ended 30 June 2024**

The Directors of Rotorua Economic Development Limited accept responsibility for:

- the preparation of the Company's financial statements, and statements of expenses and capital expenditure, and statement of service performance, and for the judgements expressed in them;
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting and statement of service performance; and
- The accuracy of any end-of-year performance information prepared by the Company, whether or not that information is included in the annual report.

In the Directors opinion:

- The financial statements fairly reflect the financial position of the Company as at 30 June 2024 and its operations for the year ended on that date.



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Chairperson

Date 30 September 2024

# Entity Information

## RotoruaNZ Limited

For the year ended 30 June 2024

### Date of Incorporation

11 April 2012

### Company Number

3776876

### IRD Number

108-936-868

### Nature of Business

RotoruaNZ is the Economic Development Agency and Regional Tourism Organisation for the Rotorua district. The organisation works as a key partner in the delivery of the economic development components of Rotorua Lakes Council's Vision 2030. RotoruaNZ's purpose is to improve the Rotorua economy and its ability to create employment, wealth and wellbeing for all Rotorua people.

### Business Location

1167 Fenton Street, Rotorua 3010

### Registered Office

1061 Haupapa Street, Rotorua, 3010

### Directors

Tim Cossar (Chair) - appointed 9 June 2020
Christopher Auld - appointed 27 July 2016
David Tapsell - appointed 01 May 2021
Keri-Anne Tane - appointed 01 May 2021
Marisa Bidois - appointed 01 August 2023
Paul Button - appointed 01 August 2023
Sarah Meikle - appointed 01 August 2023

### Shareholders

Rotorua Lakes Council	100% Shareholder	100 Ordinary Shares
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### **Main Sources of Entity's Cash and Resources**

Funding under Rotorua Lakes Council Long Term Plan  
Funding Applications  
I-Site Retail Trading

### **Main Methods Used by the Entity to Raise Funds**

Funding Applications  
I-Site Retail Trading

### **Entity's Reliance on Voluntary & Donated Goods & Services**

Reliance on volunteer hours and donated goods & services is not paramount to the Entity

### **Auditor**

Silks Audit Chartered Accountants, on behalf of the Auditor-General

### **Chartered Accountant**

BWTL Advisory Limited, Rotorua

### **Bankers**

BNZ Bank, Rotorua

# Statement of Service Performance

RotoruaNZ Limited

For the year ended 30 June 2024

Measures	YE Result June 2023	YE Target June 2024	YE Actual June 2024	Status	Comment
<b>Marketing and communications - Strengthening Rotorua's reputation and building brand equity</b>					
Domestic visitor card expenditure in Rotorua (based on Marketview Tourism Tool dataset)  * Marketview spend is subject to revision and therefore the value published herewith and in the Statement of Intent will not reconcile to the latest value published by Marketview for the June 2023 year.	\$323m	>= \$315m	\$323.5m	<b>Achieved</b>	Domestic visitor card spending is comparable to the previous year, which can be at least partly attributed to inflationary pressures and has resulted in the target being achieved even in a period where discretionary spending is likely declining as a result of the escalating cost of living in New Zealand.
International visitor card expenditure in Rotorua (based on Marketview Tourism Tool dataset)  * Marketview spend is subject to revision and therefore the value published herewith and in the Statement of Intent will not reconcile to the latest value published by Marketview for the June 2023 year.	\$109m	>= \$129m	\$128.4m	<b>Not Achieved</b>	The post-COVID return of the international travel market contributed to strong growth in visitor card expenditure over the summer period, however demand slowed going into the winter season and overall has resulted in narrowly falling short of the target.
% of commercial accommodation occupied (based on MBIE ADP dataset)	54%	>= 55%	55.9%	<b>Achieved</b>	Although there has been a strong increase in rooms occupied (up 19% over the previous year), occupancy has only marginally increased as a result of a 14% increase in capacity following rooms that were being used for COVID managed isolation and social housing being reinstated as visitor accommodation.
% of local visitor economy stakeholders satisfied with RotoruaNZ services (Survey of Rotorua attraction, hospitality, food & beverage businesses)	67%	>= 75%	80%	<b>Achieved</b>	Question in the RotoruaNZ stakeholder satisfaction survey, asking Rotorua businesses to rate their satisfaction that RotoruaNZ supports 'Rotorua as a whole', 'their industry' and 'their own business'. The figure is calculated as an average of these three selections

					using % satisfied plus % very satisfied (Tourism, Accommodation and Hospitality & Food Services businesses only).
% of domestic travellers that have visited Rotorua overnight within the past 12 months (based on Angus & Associates, VIP dataset)	12%	>= 15%	11%	<b>Not Achieved</b>	Rotorua's market share of overnight domestic visitors has declined in each of the survey periods and is now well below the 15% target. By contrast appeal, Net Promoter Score and intention to visit measures are increasing which possibly indicates an accommodation constraint resulting in some conversion to day visitation and/or visits lost to other destinations.
% of domestic travellers find Rotorua highly appealing as a destination for a short break or holiday (based on Angus & Associates, VIP dataset)	34%	>= 37%	36%	<b>Not Achieved</b>	Rotorua's domestic traveller appeal has lifted from a low of 34% in the previous year and can possibly be at least partly attributed to the return of international visitors enabling Rotorua tourism businesses to prosper and uplifting the wider Rotorua community in their role as hosts.
Net Promoter Score (NPS) of domestic visitors to Rotorua within the past 12 months who would recommend Rotorua as a travel destination (based on Angus & Associates, VIP dataset)	New measure	>= +11	+21	<b>Achieved</b>	Rotorua's domestic visitor Net Promoter Score of +21 has steadily increased since first being measured 18 months ago and is now on par with the +21 benchmark score of all destinations participating in the survey.
% of domestic travellers who definitely or probably will visit Rotorua within the next 12 months (based on Angus & Associates, VIP dataset)	33%	>= 33%	37%	<b>Achieved</b>	Domestic traveller intention to visit Rotorua has increased considerably over the previous year and is an opportunity for converting intention into visitation by ensuring ongoing marketing messages resonate with the domestic leisure market needs for short breaks and holidays.
<b>Destination sales and visitor services - Delivering sales across international, business events, education and groups, and in-destination</b>					
i-SITE to be financially self-sufficient	-\$189,880	>= \$0	\$177,654	<b>Achieved</b>	The post-COVID return of the international travel market and domestic school groups contributed to strong growth in revenue and exceeded the operating expenses for the year ending June 2024.
Business events - value of bids won in financial year	\$15.2m	>= \$9m	\$12.603m	<b>Achieved</b>	The value of business events won by RotoruaNZ remains elevated over

<p>(based on MBIE CDS dataset and RotoruaNZ lead sheet confirmed conferences)</p> <p>* Events are typically won more than 12 months in advance of the event date. As business events occur the tentative room nights held are adjusted to reflect actual room nights and therefore the value published herewith and in the Statement of Intent will not reconcile to the latest value in RotoruaNZ business records for the June 2023 year.</p>					<p>the pandemic years with event organisers confidently making plans now that all COVID restrictions have been discontinued. Additionally, Rotorua hosted a hugely successful MEETINGS convention in June, which raised the awareness and appeal of Rotorua as a conference destination and is expected to drive increased demand for Rotorua to host business events in the coming years.</p>
<p>International visitor card spend per day in Rotorua (based on Marketview and DataVentures VLPE datasets)</p> <p>* Marketview spend is subject to revision and therefore the value published herewith and in the Statement of Intent will not reconcile to the latest value published by Marketview for the June 2023 year.</p>	\$197	>= \$150	\$182*	<b>Not Available</b>	<p>* \$182 international visitor card spend per day for Jul-Dec 2023 Metric discontinued effective December 2023 following DataVentures discontinuing the Visitor and Local Population Estimates (VLPE) dataset. There is no suitable visitor volume replacement for DataVentures VLPE dataset of midday visitor count.</p>
<p>Education and Group Bookings - annual value of school bookings through the Rotorua Education Network</p>	\$1.8m	>= \$1.4m	\$2.073m	<b>Achieved</b>	<p>There has been strong growth in the value of school group bookings with schools confidently making plans now that all COVID restrictions have been discontinued.</p>
<p><b>Business Growth, Insights, and Innovation - Implementation of the Destination Management Plan and associated activities that support the delivery of a world class visitor experience</b></p>					
<p>The number of Te Arawa economic development projects directly supported by RotoruaNZ</p>	4	>= 2	2	<b>Achieved</b>	<ul style="list-style-type: none"> <li>• Tiny house has gone up into the forest above Te Putake o Tawa and is operational through Canopy Camping website. Concession document signed. Soft launched with CNI and Mana Whenua.</li> <li>• Supporting large iwi accommodation development opportunity through the provision of data and insight.</li> </ul>

The number of actions supported or delivered by RotoruaNZ in the Forest Futures Action Plan	New measure	>= 2	2	<b>Achieved</b>	<ul style="list-style-type: none"> <li>• Action 13: Identify and drive opportunities for the uptake of wood-based bio-products (e.g., biofuels, biochemicals, bio plastics etc.) <ul style="list-style-type: none"> <li>- Supporting Peka Trust with Foresta development opportunity</li> <li>- Supporting discussions with Pellet investors and possible co-investors</li> </ul> </li> <li>• Action 18: Targeting forestry and bioeconomy events to be held in Rotorua <ul style="list-style-type: none"> <li>- Strategic partnership with local events provider who specialise in forest</li> </ul> </li> </ul>
The number of projects identified in the Rotorua Destination Management Plan directly delivered or supported by RotoruaNZ	New measure	>= 4	4	<b>Achieved</b>	<ul style="list-style-type: none"> <li>• Destination Management Dashboard created and launched on website. First one of its kind in NZ.</li> <li>• Market analysis conducted, forming a new set of tourism strategic objectives.</li> <li>• Launched Mai Rotorua website to celebrate the people and businesses that make Rotorua unique and enabled locals to register for My Card which unlocks locals' rates, discounts, and special offers.</li> <li>• Draft Wayfinding documentation completed.</li> </ul>
% of local businesses satisfied with the quality of RotoruaNZ's destination data and insights developed to support decision making by business (Survey of all Rotorua businesses)	74%	>= 75%	72%	<b>Not Achieved</b>	Question in the RotoruaNZ stakeholder satisfaction survey, asking Rotorua businesses to rate RotoruaNZ effectiveness at providing 'Data, research and insights'. The figure is calculated using the weighted average of responses on the five point effectiveness scale. Unfortunately the result falls short of the target, however filtering the responses to the visitor industry results in 75% satisfaction, which is possibly reflective of the increased resources invested into reporting tourism data and insights in the most recent year.

# Statement of Comprehensive Revenue and Expense

RotoruaNZ Limited

For the year ended 30 June 2024

	NOTES	2024	2023
<b>Revenue</b>			
Council Funding	2	4,270,000	4,507,000
Government Funding	2	80,000	550,437
Other Income	3	3,713,994	2,356,216
Interest Received	4	40,985	28,639
<b>Total Revenue</b>		<b>8,104,980</b>	<b>7,442,292</b>
<b>Expenses</b>			
Advertising, Marketing and Communications	5	1,083,391	1,050,930
Depreciation and Amortisation	12	68,478	96,203
Personnel Costs	6	3,597,429	3,292,636
Other Expenses	7	3,198,703	2,963,398
<b>Total Expenses</b>		<b>7,948,001</b>	<b>7,403,168</b>
<b>Surplus/(Deficit) before tax</b>		<b>156,979</b>	<b>39,124</b>
<b>Surplus/(Deficit) after tax</b>		<b>156,979</b>	<b>39,124</b>
<b>Total comprehensive income &amp; expense</b>		<b>156,979</b>	<b>39,124</b>

NOTE: The accompanying notes form an integral part of these financial statements.



# Statement of Financial Position

## RotoruaNZ Limited As at 30 June 2024

	NOTES	30 JUN 2024	30 JUN 2023
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	9	498,302	581,522
Trade and Other Receivables	10	258,141	312,258
Other Current Assets	11	517,949	283,656
<b>Total Current Assets</b>		<b>1,274,392</b>	<b>1,177,435</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	12	312,553	288,360
Intangible Assets	14	238,782	-
<b>Total Non-Current Assets</b>		<b>551,336</b>	<b>288,360</b>
<b>Total Assets</b>		<b>1,825,728</b>	<b>1,465,795</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	15	1,160,134	1,015,587
Employee Entitlements	16	282,015	223,608
<b>Total Current Liabilities</b>		<b>1,442,149</b>	<b>1,239,195</b>
<b>Total Liabilities</b>		<b>1,442,149</b>	<b>1,239,195</b>
<b>Net Assets</b>		<b>383,579</b>	<b>226,600</b>
<b>Equity</b>			
Share Capital	17	232,493	232,493
Retained Earnings	17	151,086	(5,893)
<b>Total Equity</b>		<b>383,579</b>	<b>226,600</b>

NOTE: The accompanying notes form an integral part of these financial statements.

# Statement of Changes in Equity

RotoruaNZ Limited

For the year ended 30 June 2024

	NOTES	2024	2023
<b>Equity</b>			
Balance 1 July		226,600	187,476
Surplus/(Deficit)	17	156,979	39,124
Balance at 30 June		383,579	226,600

*NOTE: The accompanying notes form an integral part of these financial statements.*

# Statement of Cash Flows

## RotoruaNZ Limited

For the year ended 30 June 2024

	NOTES	2024	2023
<b>Cash flows from Operating Activities</b>			
Interest Received		40,985	28,639
Receipts from Providing Goods and Services		7,980,306	6,858,136
Realised Currency Gains/(Losses)		-	764
Payments to Suppliers and Employees		(7,632,707)	(7,447,197)
Directors Remuneration Paid		(131,250)	(160,538)
Goods and Services Tax (net)		(52,003)	89,883
Resident Withholding Tax Paid to IRD		(9,771)	(8,019)
<b>Net Cash Flows from Operating Activities</b>		<b>195,560</b>	<b>(638,332)</b>
<b>Cash flows from Investing Activities</b>			
Purchase of Property, Plant & Equipment		(278,780)	(47,924)
Receipts from Sale of Property, Plant & Equipment		-	87
<b>Net Cash Flows from Investing Activities</b>		<b>(278,780)</b>	<b>(47,837)</b>
<b>Cash flows from Financing Activities</b>			
Loan Repayments		-	-
Proceeds from Shareholders		-	-
<b>Net Cash Flows from Financing Activities</b>		<b>-</b>	<b>-</b>
Net Increase/(Decrease) in Cash & Cash Equivalents		(83,220)	(686,169)
Cash and Cash Equivalents at the beginning of the Year		581,522	1,267,691
Cash and Cash Equivalents at the end of the Year	9	498,302	581,522

NOTE: The accompanying notes from an integral part of these financial statements.

# Notes to the Financial Statements

## RotoruaNZ Limited

### For the year ended 30 June 2024

#### 1. STATEMENT OF ACCOUNTING POLICIES

##### Reporting Entity

Rotorua Economic Development Limited ('the Company') is a limited liability company incorporated in New Zealand under the Companies Act 1993 and is domiciled in New Zealand. The Company is fully owned by the Rotorua Lakes Council and is a Council Controlled Organisation as defined under section 6 of the Local Government Act 2002.

The Company has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements of the Company are for the year ended 30 June 2024. The audited financial statements were authorised for issue by the directors on 30 September 2024.

##### Basis of Preparation

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

##### Statement of compliance

The Company is a reporting entity for the purposes of the Financial Reporting Act 2013. These financial statements comply with the Financial Reporting Act 2013, the Companies Act 1993, and Section 69 of the Local Government Act 2002, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements have been prepared in accordance with Tier 2 PBE Reduced Disclosure Regime (RDR) accounting standards.

The entity is eligible and has elected to report in accordance with Tier 2 PBE RDR Standards on the basis that the entity has no public accountability and has expenses >\$2m and <\$30m.

These financial statements comply with PBE standards.

##### Measurement base

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

##### Functional and presentation currency

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

#### SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies which materially affect the measurement of financial results and financial position have been adopted in the preparation of the financial statements.

##### Revenue

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

### **Council and Government Funding**

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

### **Sale of goods**

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

### **Sale of services**

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

### **Interest**

Interest income is recognised as it is earned during the year.

## **Income Tax**

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by balance date. Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses.

Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences.

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

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly in equity.

## **Cash and cash equivalents**

Cash and cash equivalents include cash on hand and call deposits.

## **Trade debtors and other receivables**

Trade debtors and other receivables are recognised at their face value less any provision for doubtful debts. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

## **Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

## Property, Plant & Equipment

Property plant and equipment consists of:

### Operational assets

These assets include building fit-out and various plant and equipment.

### Additions

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

### Disposal

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are recognised in the statement of comprehensive revenue and expense.

When revalued assets are sold, the amount included in revaluation reserve in respect to those assets is transferred to retained earnings.

### Depreciation

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

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

### Capital work in progress

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

### Operational assets

Building Fit-Out 8 - 20% DV

Plant and equipment 8 - 75% DV

### Intangible assets

#### *Software acquisition and development*

Computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly attributable to the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs associated with development and maintenance of the website are recognised as an expense when incurred.

### Goodwill

Goodwill on acquisition of businesses is included in intangible assets at cost.

### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. Intangible assets that have an indefinite useful life are not subject to amortisation.

The amortisation charge for each financial year is recognised in the surplus or deficit.

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

**Intangible assets**

Computer software 40% SL

**Trade creditors and other payables**

Trade creditors and other payables are stated at their face value. Creditors and accrued expenses are measured at the amount owed.

**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, the sacrifice of economic benefits is probable and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at balance date, taking into account the risks and uncertainties surrounding the obligation.

**Employee entitlements**

Liabilities for accumulating short-term entitlements are measured at nominal value based on unused entitlement accumulated at current rate of pay at balance date.

**Leases**

The Company leases buildings in the normal course of its business. The majority of these leases have terms between 12 and 60 months which are cancellable on certain conditions.

Leases can be renewed at the Company's option, with rents set by reference to current market rates for items of equivalent age and conditions. There are no restrictions placed on the company by any of the leasing arrangements.

**Goods and Services Tax**

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from the Inland Revenue Department, including GST relating to the investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

**Critical accounting estimates and assumptions**

In preparing these financial statements the company has made estimates and assumptions concerning the future. These estimates and assumptions may differ from subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

Any estimates and assumptions that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities will be specified in the note disclosures.

## Other changes in accounting policies

There have been no changes in accounting policies.

2024                      2023

### 2. Council and government funding

Rotorua Lakes Council Funding	4,270,000	4,507,000
MBIE - Funding	80,000	550,437
<b>Total Council and government funding</b>	<b>4,350,000</b>	<b>5,057,437</b>

2024                      2023

### 3. Other income

Commission received	755,410	626,124
Events & Roadshows	214,156	146,658
Promotion Income	80,522	11,890
Sundry Income	161,259	150,487
Trading Revenue	2,502,647	1,419,265
Vax Vegas Funding	-	1,792
<b>Total Other income</b>	<b>3,713,994</b>	<b>2,356,216</b>

2024                      2023

### 4. Interest received

Interest Received	40,985	28,639
<b>Total Interest received</b>	<b>40,985</b>	<b>28,639</b>

2024                      2023

### 5. Advertising, marketing and communications

Advertising, Marketing and Communications	1,083,391	1,050,930
<b>Total Advertising, marketing and communications</b>	<b>1,083,391</b>	<b>1,050,930</b>

2024                      2023

### 6. Personnel Costs

Salaries & Wages	3,486,094	3,180,459
Defined contribution plan employer contributions	111,335	112,177
<b>Total Personnel Costs</b>	<b>3,597,429</b>	<b>3,292,636</b>

2024                      2023

### Employees remuneration exceeding \$100,000:

\$100,000 - \$109,999	2	2
\$110,000 - \$119,999	2	3
\$120,000 - \$129,999	3	2
\$130,000 - \$139,999	-	2
\$140,000 - \$149,999	3	-



	2024	2023
\$150,000 - \$159,999	-	2
\$160,000 - \$169,999	-	-
\$230,000 - \$239,999	-	-
\$240,000 - \$249,000	-	-
\$250,000 - \$259,999	1	1
<b>Total Employees</b>	<b>11</b>	<b>12</b>

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

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

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

### **Severance payments**

For the year ended 30 June 2024, the Company made severance payments totalling \$Nil (2023:\$Nil).

	2024	2023
<b>7. Other Expenses</b>		
Accident Compensation Levies	6,021	6,358
Contractors and Consultants	430,819	879,066
Cost of Goods Sold	1,113,920	690,682
Directors Fees	116,250	113,750
Fees to Silks Audit for financial statements audit	34,827	29,202
Fees to Silks Audit for audit disbursements	450	450
Lease	262,770	240,320
Other Expenses	1,015,561	809,203
Travel and Accommodation	148,909	132,139
Utilities	69,175	62,228
<b>Total Other Expenses</b>	<b>3,198,703</b>	<b>2,963,398</b>
	2024	2023

### **8. Income Tax**

#### **Components of tax expense**

Current tax	-	-
Deferred tax expense	-	-
<b>Tax Expense</b>	<b>-</b>	<b>-</b>

#### **Relationship between income tax expense and accounting surplus**

Surplus/(Deficit) for the year	156,979	39,124
Tax at 28%	43,954	10,955
<b>Plus/(Less) tax effects of:</b>		
Tax losses utilised	(43,954)	(10,955)
<b>Total tax expense</b>	<b>-</b>	<b>-</b>

A deferred tax asset has not been recognised in relation to temporary differences of \$3,816 (2023:\$12,551).

	2024	2023
<b>9. Cash &amp; cash equivalents</b>		
BNZ business bank account	70,719	254,515
BNZ Tourism bank account	415,383	314,807
Cash on hand	12,200	12,200
<b>Total cash and cash equivalents</b>	<b>498,302</b>	<b>581,522</b>

The Company has a Visa Card with a credit facility up to \$100,000.

	2024	2023
<b>10. Receivables</b>		
<b>Receivables from Exchange Transactions</b>		
<b>Trade Receivables</b>		
Trade Receivables (gross)	258,141	312,258
<b>Total Trade Receivables</b>	<b>258,141</b>	<b>312,258</b>
<b>Total Receivables from Exchange Transactions</b>	<b>258,141</b>	<b>312,258</b>
<b>Receivables from Non-Exchange Transactions</b>		
GST Receivable	-	-
<b>Total Receivables from Non-Exchange Transactions</b>	<b>-</b>	<b>-</b>
<b>Total Receivables</b>	<b>258,141</b>	<b>312,258</b>

	2024	2023
<b>11. Other current assets</b>		
Inventory	367,836	201,802
Prepayments	130,519	72,030
Resident Withholding Tax	19,495	9,724
Shareholder Current Account - RLC	100	100
<b>Total Other current assets</b>	<b>517,949</b>	<b>283,656</b>

There is no write down of inventory during the year. (2023: Nil). No inventory has been pledged as security. (2023:Nil)

There is a PPSR in place between RotoruaNZ Limited and Coca-Cola Amatil (NZ) Limited, financing statement registration number F36JB2136XB730M3/1 and F36JB2136XB730M3/2, and will expire 20 December 2027 11:45:17. The Collateral details are listed as Goods - Other.

## 12. Property, Plant and Equipment

	Equipment	Building Fit-out	Total
Opening cost 1 July 2022	243,923	245,300	489,223
Accumulated depreciation opening	178,502	11,759	190,261
Opening carrying amount	65,421	233,541	298,962
Additions	33,058	11,450	44,508
Disposals (net of accumulated depreciation)	228	-	228
Depreciation expense	27,801	27,082	54,883
Closing cost	276,203	256,750	532,953
Accumulated depreciation closing	205,752	38,841	244,593
<b>Carrying amount at 30 June 2023</b>	<b>70,451</b>	<b>217,909</b>	<b>288,360</b>

	Equipment	Building Fit-out	Total
Opening cost 1 July 2023	276,203	256,750	532,953
Accumulated depreciation opening	205,752	38,841	244,593
Opening carrying amount	70,451	217,909	288,360
Additions	88,616	-	88,616
Disposals (net of accumulated depreciation)	-	-	-
Depreciation expense	39,914	24,509	64,423
Closing cost	364,819	256,750	621,569
Accumulated depreciation closing	245,666	63,350	309,016
<b>Carrying amount at 30 June 2024</b>	<b>119,153</b>	<b>193,400</b>	<b>312,553</b>

No property, plant or equipment has restricted title or has been pledged as security.

## 13. Capital Work in Progress

Capital work in progress represents capital expenditure contracted for at balance date but not yet incurred. There was capital expenditure commitment of \$19,336 as at balance date (2023: \$Nil) for capital work in progress.

## 14. Intangible Assets

	Computer Software	Website Development	Goodwill	Total
Opening cost 1 July 2022	10,836	137,735	-	148,571
Accumulated depreciation opening	10,836	96,415	-	107,251
Opening carrying amount	-	41,320	-	41,320
Additions	-	-	-	-
Disposals (net of accumulated amortisation)	-	-	-	-
Amortisation expense	-	41,320	-	41,320
Closing cost	10,836	137,735	-	148,571
Accumulated amortisation closing	10,836	137,735	-	148,571
<b>Carrying amount at 30 June 2023</b>	-	-	-	-

	Computer Software	Website Development	Goodwill	Total
Opening cost 1 July 2023	10,836	137,735	-	148,571
Accumulated depreciation opening	10,836	137,735	-	148,571
Opening carrying amount	-	-	-	-
Additions	78,637	104,200	60,000	242,837
Disposals (net of accumulated depreciation)	-	-	-	-
Depreciation expense	-	4,055	-	4,055
Closing cost	89,473	241,935	60,000	391,408
Accumulated depreciation closing	10,836	141,790	-	152,626
<b>Carrying amount at 30 June 2024</b>	<b>78,637</b>	<b>100,145</b>	<b>60,000</b>	<b>238,782</b>

2024

2023

## 15. Payables and Accrued Expenses

### Payables from Exchange Transactions

Creditors	980,940	643,928
Revenue in Advance	112,173	249,978
<b>Total Payables from Exchange Transactions</b>	<b>1,093,112</b>	<b>893,906</b>

### Payables from Non-Exchange Transactions

PAYE Payable	39,937	34,376
GST Payable	27,085	87,305
<b>Total Payables from Non-Exchange Transactions</b>	<b>67,022</b>	<b>121,681</b>

<b>Total Payables and Accrued Expenses</b>	<b>1,160,134</b>	<b>1,015,587</b>
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	2024	2023
<b>16. Employee Entitlements</b>		
Annual Leave	251,184	221,955
Wages Accrual	29,178	-
Holidays Act Recalculation Liability	1,653	1,653
<b>Total Employee Entitlements</b>	<b>282,015</b>	<b>223,608</b>
	2024	2023

**17. Equity**

<b>Share Capital</b>		
Balance 1 July	232,493	232,493
<b>Total Share Capital</b>	<b>232,493</b>	<b>232,493</b>
<b>Retained Earnings</b>		
Balance 1 July	(5,893)	(45,018)
Surplus/(deficit)	156,979	39,124
<b>Total Retained Earnings</b>	<b>151,086</b>	<b>(5,893)</b>
<b>Total Equity</b>	<b>383,579</b>	<b>226,600</b>

Equity is the shareholder's investment in the Company and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified as share capital and retained earnings.

Fully paid ordinary shares carry one vote per share and carry the right to dividends. No ready market for these shares therefore recognised at cost.

100 ordinary shares at \$1 per share are fully paid out and carry the right to dividends per share.

The Company is not forecasting to generate any dividend for the shareholder over the next 3 years. Should a situation arise where distributions to the shareholder could be considered the Board will take into account the following elements in any distribution it may consider:

- The company's working capital requirements
- The retention of an appropriate level of earning for reinvestment in the business

**18. Related Party Transactions**

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

Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions of such transactions

	2024	2023
<b>19. Transactions with Parent</b>		
The Company entered into transaction with:	-	-
Received a grant from Rotorua Lakes Council (excl. GST)	4,270,000	4,507,000
Rent paid to Rotorua Lakes Council (excl. GST)	232,320	232,320
<b>Total Transactions with Parent</b>	<b>4,502,320</b>	<b>4,739,320</b>

	2024	2023
<b>Balance Receivable/Payable - Rotorua Lakes Council</b>		
Balance receivable from Rotorua Lakes Council	4,648	115,623
Balance payable to Rotorua Lakes Council	58,560	45,502
	2024	2023

## 20. Key Management Remuneration

<b>Senior Management Team including Chief Executive</b>		
Full Time Equivalent Members	4	6
Remuneration	699,265	976,264
<b>Directors</b>		
Full Time Equivalent Members	7	7
Remuneration	116,250	113,750
Total Full Time Equivalent Personnel	11	13
Total Key Management Personnel Remuneration	815,515	1,090,014
	2024	2023

## 21. Directors Remuneration

Tim Cossar	30,000	17,500
Christopher Auld	15,000	15,000
David Tapsell	15,000	15,000
Keri-Anne Tane	15,000	15,000
Marisa Bidois	13,750	-
Paul Button	13,750	-
Sarah Meikle	13,750	-
John McRae (Retired 14 April 2023)	-	25,000
Aaron Donnelly (Retired 12 April 2023)	-	15,000
Desterney Newton (Retired 14 April 2023)	-	11,250
<b>Total Directors Remuneration</b>	<b>116,250</b>	<b>113,750</b>

In addition to remuneration an amount of \$6,082 (2023 \$5,683 ) relating to insurance was paid for Director liability. No other benefits have been provided by the Company to a Director or in any other capacity. No loans have been made by the Company to a Director nor has the Company guaranteed any debts incurred by a Director.

## 22. Interest Register

The Company is required to maintain an interest register in which the particulars of certain transactions and matters involving the Directors must be recorded. The interest register is available for inspection at the registered office.

### INFORMATION USED BY DIRECTORS

During the financial year, there were no notices received from directors of RotoruaNZ Limited as, or any subsidiary, requesting to use information received in their capacity as a director which would not otherwise have been available to them.

### INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

Other than the insurance disclaimed in note 21 the Company has not arranged policies of the Directors' and Officers' Liability Insurance and separate Director's and Officers' defence costs insurance.

	2024	2023
<b>23. Reconciliation of Net Surplus/(Deficit) to Net Cash Flow from Operating Expenses</b>		
Net surplus/(deficit)	156,979	39,124
<b>Add/(less) non-cash items</b>		
Depreciation and amortisation	68,478	96,203
<b>Total non-cash items</b>	<b>68,478</b>	<b>96,203</b>
<b>Add/(less) items classified as investing activities</b>		
(Gain)/loss on sale of property, plant, and equipment	-	141
<b>Total items classified as investing activities</b>	<b>-</b>	<b>141</b>
<b>Add/(less) movements in statement of financial position items</b>		
(Increase)/decrease in receivables	54,117	(28,095)
(Increase)/decrease in other current assets	(234,293)	(133,798)
Increase/(decrease) in payables and accrued expenses	150,279	(611,907)
<b>Total net movement in working capital items</b>	<b>(29,897)</b>	<b>(773,800)</b>
Net cash flow from operating activities	195,560	(638,332)
	2024	2023

**24. Financial Instruments****Financial assets at amortised cost**

Cash and cash equivalents	498,302	581,522
Receivables (excluding tax receivable)	258,141	312,258
<b>Total Financial assets at amortised cost</b>	<b>756,443</b>	<b>893,780</b>

**Financial liabilities at amortised cost**

Payables (excluding taxes payable)	1,093,115	836,103
<b>Total Financial liabilities at amortised cost</b>	<b>1,093,115</b>	<b>836,103</b>

RotoruaNZ Ltd complies with Rotorua Lakes Council policies to manage the risk associated with financial instruments and is risk averse and seeks to minimise exposure from its financial instruments. The Council has established liability management and investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

## 25. Reporting against Statement of Intent

	Actual 2024	SOI 2024	Variance 2024
<b>Revenue</b>			
Council funding	4,270,000	4,220,000	50,000
Government funding	80,000	-	80,000
I-site commission received	755,410	700,000	55,410
Trading revenue	2,502,647	800,000	1,702,647
Other revenue	455,938	300,000	155,938
Interest received	40,985	-	40,985
<b>Total Revenue</b>	<b>8,104,980</b>	<b>6,020,000</b>	<b>2,084,980</b>
<b>Expenses</b>			
Personnel costs	3,597,429	2,900,000	697,429
Admin & office expenses	635,121	66,000	569,121
Finance costs and charges	182,575	90,000	92,575
Repairs & maintenance	118,656	65,000	53,656
Operating expenses	3,345,045	2,837,000	508,045
Utilities	69,175	62,000	7,175
<b>Total Expenses</b>	<b>7,948,001</b>	<b>6,020,000</b>	<b>1,928,001</b>
<b>Net Surplus/(Deficit)</b>	<b>156,979</b>	<b>-</b>	<b>156,979</b>

### Commentary:

Total revenue was significantly ahead of the SOI forecast by \$2.08million due to three main factors. The first was a small carry forward, \$80k, of Government funding associated with the Tourism Communities: Support, Recovery and Re-Set Plan for work that was completed during the 2024 Financial Year. Secondly, trading revenue was significantly ahead of forecast, \$1.70 million, reflecting the outcome of work to implement a revised i-site retail sales strategy. The value of the revised strategy is evidenced by actual i-site commission revenue tracking closely to forecast, indicating visitor volumes were broadly in line with expectations. Finally, other revenue was \$155k ahead of forecast due to increased advertising revenue and on-charges to businesses for specific activities.

Overall expenditure rose in line with increased revenue and was ahead of the SOI forecast by \$1.93million. Key contributors were increased personnel costs of \$697k which were associated with increased trading revenue. Administration and office expenditure was misaligned during preparation of the SOI, and the variance represents a realignment of expenses from operating to administration and office. Increased operating expenses were driven by a range of factors including activity associated with increased trading revenue, completion of the work associated with the Tourism Communities: Support, Recovery and Re-Set Plan, development and launch of Mai Rotorua, delivery of MEETINGS24 in Rotorua, and initial work associated with new campaign activity in Australia and domestically. The overall position was a net surplus of \$157k. This was broadly in line with expectations and reflects increased stock levels associated with increased trading activity.



**26. Auditors**

The Auditor General is appointed under Section 15 of the Public Audit Act 2001. Silks Audit has been appointed to provide these services on his behalf. Provision for audit fee including disbursements for the year was \$34,860 excl. GST (2023 \$32,702 excl. GST).

**27. Donations**

No donations were made by the company during the year (2023:Nil).

**28. Contingent Liabilities**

The company has no contingent liabilities at balance date (2023:Nil).

2024                      2023

**29. Operating Leases**

Commitment Type	2024	2023
Not later than one year	259,104	232,320
Later than one year and not later than five years	2,303,851	929,280
Later than five years	522,720	755,040
<b>Total Operating Leases</b>	<b>3,085,675</b>	<b>1,916,640</b>

Operating leases relate to leasing of 1167 Fenton Street, Rotorua, Unit 1 Red Stag Mountain Biking Complex Rotorua, and The Canopy at Scion, Rotorua.

**30. Events after Balance Date**

There have been no significant events after the balance date.

**31. Capital Management**

The Company's capital is its equity, which comprise shareholders' funds. Equity is represented by net assets.

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

The Company is reliant for a large part of its revenue from its 100% parent Rotorua Lakes Council.

The Council has accepted the Company's Statement of Intent, which includes funding up to 30 June 2024.

The funding agreement indicates that support will be provided until 30 June 2024. The support provided to RotoruaNZ Limited shall include: \$4.22m excl. GST to support the necessary budgeted operating activities in a timely manner (and all obligations and liabilities incidental to such activities)