

An aerial photograph of a coastline, likely in New Zealand, showing a green, hilly landscape meeting a blue sea. A circular inset in the center of the image shows a close-up of a snow-capped mountain peak, possibly Mount Taranaki. The text 'VENTURE TARANAKI ANNUAL REPORT 2017' is overlaid in the bottom right corner of the image.

VENTURE TARANAKI ANNUAL REPORT 2017

TARANAKI

like no other

AT A GLANCE

POPULATION:
109,608

2.6% of
New Zealand's
population



TARANAKI GDP
\$8.3 BILLION

3.3% of New Zealand's GDP
Year ended March 2016



626,759

guest nights stayed in commercial
accommodation year ended June 2017



15,177

BUSINESSES

50,700

EMPLOYEES
2.2% of national total

\$71,297

Taranaki's GDP
per capita



LONG TERM NET
INTERNATIONAL
MIGRATION

June 2017: 503

June 2016: 426



ECONOMIC GROWTH
2011 – 2016

-4.3% change
in GDP



BUILDING CONSENTS ISSUED
YEAR ENDING JUNE 2017

\$335.9 million

UP 12.3% ON 2016

Passengers
through
New Plymouth
Airport 2016:

411,661

UP FROM 342,000



LIVESTOCK



5.1

cows per person

4.0

sheep per person

All figures year to December unless stated otherwise.

Sources: Census 2013, Statistics New Zealand, Infometrics, New Plymouth District Council.

VENTURE TARANAKI ANNUAL REPORT 2017

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An initiative of



Te Kaunihera-ā-Rohe o Ngāmotu
NEW PLYMOUTH DISTRICT COUNCIL
newplymouthnz.com

Venture Taranaki Trust is Taranaki's Regional Development Agency. We help Taranaki grow.

Venture Taranaki is an initiative founded, owned and principally funded by the New Plymouth District Council. In addition to their support, the Trust also receives funding from South Taranaki District Council, Stratford District Council, Taranaki Electricity Trust, TSB Community Trust, New Zealand Trade and Enterprise, Ministry of Business, Innovation and Employment, Callaghan Innovation, Business Mentors New Zealand and numerous other private sector organisations.

Photos: NASA/USGS, Mark Harris, Pip Guthrie, Graham Nelson, Triathlon NZ, NPDC, Port Taranaki, Supplied by businesses. Design: C7 Design, Taranaki

CHAIRMAN'S COMMENT



If Taranaki's economic performance over the 2016-2017 financial year was to be summed up in one word, it would have to be 'resilient.'

Despite depressed commodity prices impacting on Taranaki's economy more broadly than many assume, our

medium-term economic outlook remains encouraging. A number of shutdown projects in 2018 and beyond will add buoyancy to the energy sector and its supply chain, visitor numbers have risen on the back of the Lonely Planet accolade, and a high level of consents point to renewed confidence across both the residential and commercial construction sectors.

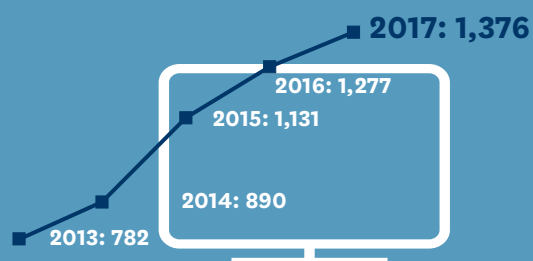
Venture Taranaki has continued to facilitate this resilience, strengthened by our partnerships with territorial local authorities and central government agencies. The many achievements of the Trust are detailed in the following pages, but they do not happen in isolation. From the business mentors who voluntarily give their time, to the businesses that deliver accredited training programmes, to those that ensure major events run smoothly, many volunteers must be thanked for the support they give to the Trust and its objectives.

In addition to delivering strongly against our performance indicators, the Trust's work programme this year was dominated by two very significant projects: the regional destination strategy, in partnership with TRC consultants, and the Taranaki Regional Economic Development Strategy – *Make Way for Taranaki Tapuae Roa* – alongside the lead group members and consultants HenleyHutchings and MartinJenkins. Venture Taranaki is linked closely to *Make Way* through the appointment of fellow Trustee Kevin Murphy and myself to the project's Lead Team.

The outcomes of the strategy will be a series of in-depth action points, investments and interventions to improve the region's economic performance, and as such there will be a significant role in future years for Venture Taranaki in delivering the strategy. Alongside the Trust's involvement, there will also be a challenge to our

VENTURE TARANAKI – AT A GLANCE

Employers registered on the Taranaki Jobs website



Value of Research & Development Grants issued to Taranaki businesses



Major events contracted

2013: 11
2014: 12
2015: 10
2016: 17



Number who attended Business Start-Up Clinics



region's business owners, the Trust's many valued partners, and our local and central government stakeholders to match the strategy's aspirations with the appropriate levels of commitment and investment.

This year the Trust again facilitated the New Plymouth District's Major Events Fund to deliver 12 events with significant national or international profile. From AmeriCARna to WOMAD, the ITU sprint distance triathlon to spectacular garden festivals and many more, events have continued to add social, economic and promotional value to the region, and it has been a privilege for the Trust to be able to ensure their sustainability in an landscape where commercial sector support and sponsorships have been impacted by global commodity prices.

The region's growth against a continually challenging global market is something we can celebrate. Our ability to remain innovative and to attract inward flows of people, capital and companies has seen New Plymouth recognised by the government as a high growth city alongside Queenstown and Tauranga. Similarly, Lonely Planet recognised the region's progress in

the tourism sector, which resulted in a swift and substantial increase in visitor nights.

Another positive achievement for the region was the progress made towards settlements of claims under the Treaty of Waitangi. While the past can never be forgotten, it is extremely heartening that we can move towards a stronger future, and the Trust remains ready to play a role in this, in partnership with our owner.

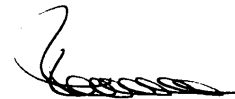
Once again I extend sincere gratitude to my fellow Trustees, Gavin Faull, Vanessa James, Kevin Murphy and Jamie Tuuta, who openly shared their immense collective knowledge, experience and foresight. During the year the Board farewelled and thanked Roy Weaver as he moved to our owners New Plymouth District Council, and welcomed Hinerangi Raumati-Tu'ua, Steve Maharey, and David Downs. Their experience has already been felt around the table, and the Trust remains in very good hands.

On behalf of the Board, I thank Chief Executive Stuart Trundle, who is charged with delivering the strategy set by the Board. The achievements of Stuart and his team, within both a challenging economic

environment and a limited resource base, deserve greater recognition.

We also thank the Trust's instigators, owners, and core funders New Plymouth District Council for their ongoing support and guidance, which has enabled the Venture Taranaki team to leverage Council investment towards economic growth.

Finally I also acknowledge our many partners, including the South Taranaki and Stratford District Councils, TSB Community Trust and the Taranaki Electricity Trust, who continued to support the work of Venture Taranaki this year, and our central government partners who helped further ensure Taranaki remains both nationally and globally relevant.



ROBIN BROCKIE
Chair, Venture Taranaki Trust

New Zealand Trade and Enterprise Capability Development Vouchers awarded to Taranaki Businesses



YEAR	VOUCHERS	TOTAL VALUE \$
2013	228	287,638
2014	225	334,501
2015	225	341,444
2016	235	326,364
2017	276	376,085

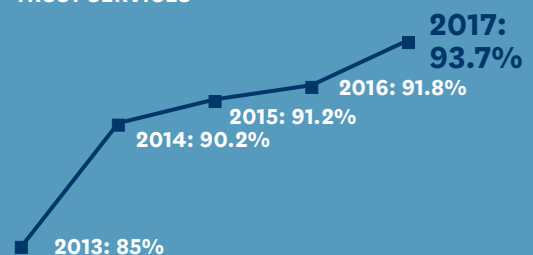
Taranaki businesses matched with mentors through the Business Mentors New Zealand programme

2013: 59
2014: 43
2015: 44
2016: 42

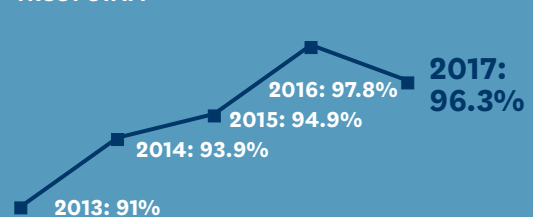
2017
50

Annual Client Satisfaction Survey results

TRUST SERVICES



TRUST STAFF



CHIEF EXECUTIVE'S COMMENT



The 2016-2017 financial year delivered a number of unexpected outcomes in the Taranaki economy. The first was the sustained depression of global commodity market prices for protein and energy. As two of our region's cornerstone products, the maintenance of our economic momentum in response to these tensions required regional industry and commerce to revise its collective responses based on this current pricing being the new baseline for their operations.

The second surprise occurred when Taranaki was awarded New Zealand's highest ever ranking in Lonely Planet's annual *Best in Travel* awards; even more – 626,757 – visited the world's #2 region, and were delighted to experience a region "like no other."

Both of these factors underscore the need to respond swiftly and strongly to changes in our operating environment, to foster diversity and resilience across all our industries and endeavours, and to leverage world-class innovation and technologies wherever possible.

These themes all linked into a major work programme for the Trust's team over the past year, the refresh of Taranaki's Regional Economic Development Strategy. The current strategy, developed by the Trust in 2010, has served the region and its economy well, but the landscape has changed significantly since then. The

process of updating the strategy began, in an operational sense, with a refresh of the regional destination strategy, and has since expanded into *Make Way for Taranaki Tapuae Roa*. The project is being led by New Plymouth District Council, with the support of the district and regional councils, central government, iwi and the private sector, and will shape the Trust's activity for many years to come.

Our own performance saw the Trust's total operational funding for 2016-2017 grow to \$4,232,285, a \$96,253 or 2.3 percent increase in turnover from \$4,136,032 the previous financial year. Within this, the funding component received from New Plymouth District Council for contracted services spanning economic development, tourism promotion and delivery of the Major Events Fund, increased from 66.2 percent to 67.3 percent of our total revenue.

Through our partnerships with central government, Venture Taranaki was able to leverage an additional \$1,515,399 directly into local businesses through research and development grants, which included the biggest single grant in the region's history. A further matched investment of \$376,085 into the region's business directors and managers was made through 276 Capability Development Vouchers, a significant increase over last year. Adding to this support, we helped 290 businesses through the start-up process through our free clinics, matched 50 businesses with Business Mentors, and contracted 12 major events. Importantly, our multi-year contracts with our central government partners were extended, as was our relationship with Massey University, offering confidence and stability amidst a dynamic landscape.

The Trust continued its work with key industries to foster awareness and resilience. Outcomes included the development of comprehensive resources for the often overlooked food production sector and the manufacturing sector, while a comprehensive review of the strategy and markets of the Oil & Gas Specialist

Technologies cluster saw it repositioned and rebranded as the Energy and Industrial Group. The contribution of our international education sector also surged ahead, culminating in a successful trade mission to the Chinese market and further growth of International Education Taranaki. Both industry groups were initiated and are administered by Venture Taranaki.

Tourism was the other sector to gain profile this year, with growing visitor numbers a cause for both celebration and challenge as the implications on our region's infrastructure – be it surf breaks, freedom camping capability or the Pouakai Crossing – became better understood. There were some positive responses, such as the investment decisions to create a new regional airport terminal and improved road connections to the north. Announced central investment into the Pouakai Crossing is welcome, but to date lacks the scale required to deliver a game-changer for visitor flows.

Leveraging the Lonely Planet accolade was a further major project, and delivered significant results: our region welcomed 106,872 international visitors, up 20.1 percent year on year, as measured by the Commercial Accommodation Monitor, and our global media coverage, largely gained through our partnership with Tourism New Zealand, grew from a measured equivalent advertising value of \$308,028 in the 2015-2016 year to \$3,747,956 in this financial year. The support of New Plymouth District Council must be acknowledged, with an additional \$350,000 in funding given to the Trust to deliver a marketing campaign to further extend regional profile and responsive action, which will be delivered in the 2017-2018 financial year.

Major events are another area in which Venture Taranaki has again made a positive impact this year, helping to raise awareness of the region and shift perceptions about the region's isolation. Amongst the 12 events supported, the ITU short course triathlon encapsulates the value of the

New Plymouth district's Major Events Fund: through the fund the event brought the world's best triathletes to town and in turn sent images of the event and New Plymouth to a global audience of millions. From WOMAD to Americarna, to a successful bid for the All Blacks to return in September 2017, the important contribution of events to achieving our regional growth goals cannot be understated.

I must once again acknowledge the governance and guidance of the Trust's Board, particularly Trust Chair Robin Brockie who, as the primary face of the Board, has been integral to our successes this year. New Board members Hinerangi Raumati-Tu'ua, Steve Maharey, and David Downs have further extended the already considerable expertise and experience around Venture Taranaki's boardroom table. Similarly, the addition of the New Plymouth District Council's Chief Executive to the table as a Council advisor has helped strengthen our connection with our owners.

While the Board sets the direction, the engine of the organisation is undoubtedly

the Trust's executive and staff. That the Trust has been able to accomplish all that it has over many years is down to their passionate and unwavering commitment to the region, its brand, and its business community. The team can take immense pride in achieving an overall 96.3 percent satisfaction rating from our customers. This year we said farewell to our Marketing and Communications Executive Duchesne Markham as she moved offshore, and welcomed Gemma Leatham in her stead, Natacha Dunn to the role of Business Advisor and Josh Richardson as the Project Co-ordinator for the Curious Minds project.

I thank our partners, founders and owners New Plymouth District Council, and pay special tribute to former Chief Executive Barbara McKerrow, who relocated to Wellington during the year. Barbara was a great supporter of the Trust over her nine years in the role, and we look forward to a similar relationship with her successor. Our other stakeholders, Stratford and South Taranaki District Councils at a regional level and our many partners at national

and central government level, must also be acknowledged for their ongoing support, and for the value they will continue to bring to the performance of both the Trust and the region.

Over the coming years Taranaki's fortunes will continue to be hard won. While we have little capacity to manage the circumstances, we can control our reaction. Diversification, investing in innovation and ideas, attracting the best people and leveraging our region's natural advantages will be necessary elements in any successful response strategy. All areas are central to Venture Taranaki's mission, and alongside Taranaki's leaders, businesses, and residents, our team look forward to driving our region forward into the future.

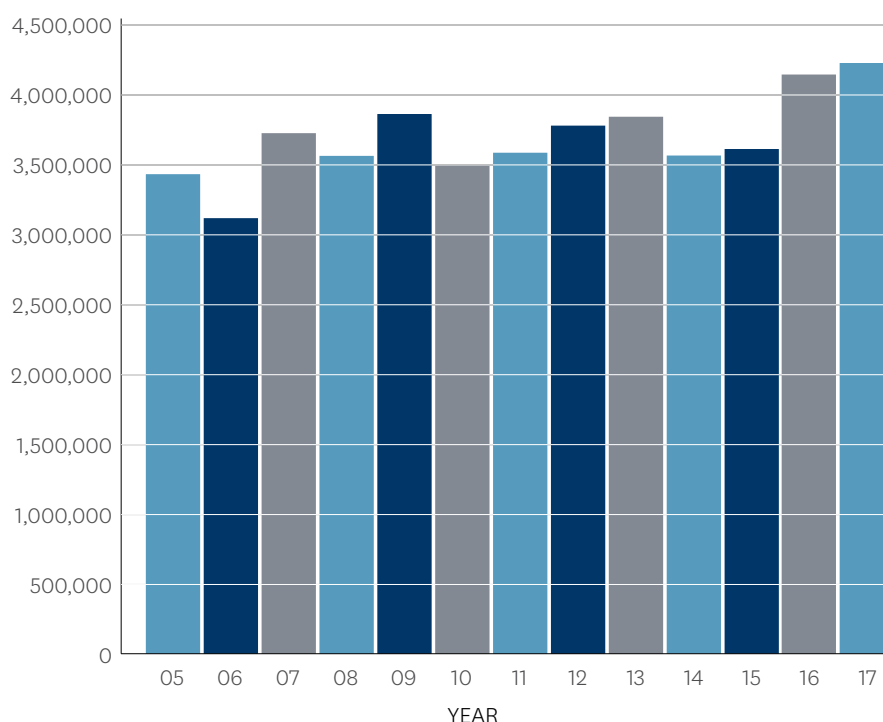


STUART TRUNDLE

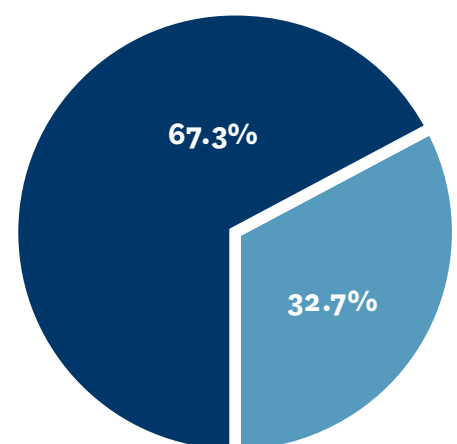
Chief Executive, Venture Taranaki Trust

VENTURE TARANAKI BY THE NUMBERS

Venture Taranaki Annual Revenue (\$)



2016/2017 Funding Sources



New Plymouth District Council
\$2,850,099

Other
\$1,382,186

ACHIEVEMENTS 2016-2017



6 MENTORING LOCAL BUSINESSES

Venture Taranaki delivers the Business Mentors New Zealand programme in Taranaki, which this year saw a total of 50 local businesspeople matched with an experienced mentor, including eight non-profit organisations and four start-up mentorships. Venture Taranaki retained its coveted A rating for the service, achieving a 100% satisfaction rating for both the programme and likelihood to recommend it to others.

One person who benefitted from having a Business Mentor this year was the Free Range Company creator Amanda-Jane Healy, who launched the company in 2015 to offer effective natural products, made in New Zealand that would have a minimal impact on the environment.

"The Free Range Company goes beyond the principle of do no harm, in both an environmental and ethical way, to using the business for good, and this is central to everything we do," Amanda-Jane says.

The company's product range began with a certified organic deodorant that actually works, and has since grown to a dozen varieties to meet market demand. But building a thriving online business and a loyal tribe of customers has come with its challenges. To help, Amanda-Jane followed a recommendation by her graphic designer and signed up with Venture Taranaki for the Business Mentors Programme.

"We weren't social media users and didn't have a clue where to start. When we were teamed up with our mentor, Rose Cawley from Taranaki-based IVHQ, we had 400 Facebook followers. Four months later we had broken the 2,000 mark and launched an Instagram page. We now have more than 3,000 followers!"

"Rose has helped us hit the high notes and gently guided us to develop our content and our brand voice. We're still learning, but are very thankful for the great start she has given us. When you're new to business, it's a dream come true to be able to access top quality business mentors for free. It has the potential to make a world of difference to your growth."

"As an emerging business you're generally doing everything yourself. You can read how to do something, but if it's not your core expertise it can feel very difficult and time consuming. Having a mentor that shares the 'how to', who inspires you and keeps you on track makes a huge difference. What seems insurmountable suddenly becomes possible. It's an amazing gift!"

"Venture Taranaki have been a fabulous support. As different challenges have arisen we've been teamed up with the right people to guide us through. It has made a big difference being able to tap in to such rich expertise," Amanda-Jane says.



HELPING BUSINESSES TO A GREAT START

7

Venture Taranaki offers regular Start-Up Clinics in New Plymouth, Stratford and Hawera, where anyone with a business idea can meet with our experienced business advisor for a free, confidential one-hour consultation to talk about their idea, review a business plan and be given some next steps in developing and testing their idea. The clinics again proved popular this year, with 290 individuals assisted to progress their start-ups, four up on the previous year.

Two people that came through the Start-Up Clinic during the year were Angela Kerehoma of Hawera, and New Plymouth's Riki Hoeata. Both have gone on to launch successful businesses.

Angela was looking to build a more secure future when she decided to act on a long-percolating business idea. The result was Sweet Aggie, a little vintage caravan that doubles as a portable café, pop-up bar and catering hub for all sorts of functions and events as well as a daily roadside coffee stop, built on Angela's 25 years' experience in the hospitality sector.

Turning the idea into a growing business had its challenges, including navigating the paperwork and marketing, though Venture Taranaki's free Start-Up Clinic helped get things moving in the right direction.

"Venture Taranaki was a great avenue to turn to when I was trying to make sense of starting my business. The advisor was fantastic

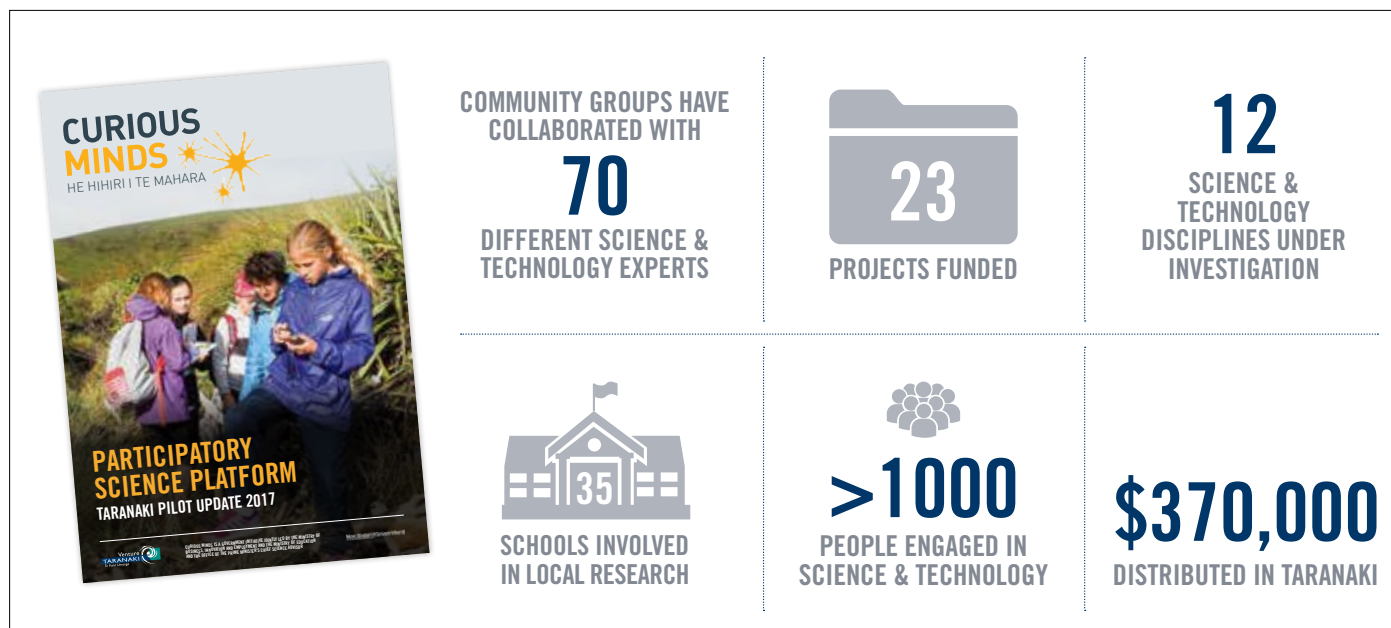
and gave me the links to the tools I needed and offered constant support." Angela says. "Now I recommend a call to Venture Taranaki to anyone who asks me a question on starting a business!"

Similarly, Riki Hoeata is equally positive about his interaction with Venture Taranaki's Business Start-Up Clinic. When concussion cut short his aspiring rugby career, Riki was forced to look for new opportunities, and the solution came from the difficulties he faced juggling a nutritious diet with a rugby career and a full-time job. Craft Smoothie was the result, offering home-delivered, pre-portioned smoothie packs with enough ingredients to craft ten nutrient-rich drinks.

"Nutrition is one of the first things to go when we get busy, and our smoothies offer a quick and healthy meal option using whole foods with everything you need: fresh fruit and vegetables, organic nuts, seeds and superfoods, and the recipes to make it all taste great," Riki says.

It's a recipe that's quickly taken off, with the company's growth surprising many and requiring Riki to focus on developing his processes and products so he can scale up the business.

"Venture Taranaki's Start-Up Clinic was really useful, and gave me a solid sounding board and more confidence to approach other businesses to bounce ideas off and learn from. There's nothing to lose from checking out the Start-Up Clinic at Venture Taranaki."



AWAKENING CURIOUS MINDS

8 This year the Participatory Science Platform (PSP) pilot – Curious Minds – continued in Taranaki, with an additional 11 projects supported, bringing the total to 23 projects spanning more than 1,000 people and 35 schools.

The programme encourages scientists and communities to engage in collaborative, community-based science research projects. Funded by the Ministry of Business Innovation and Employment and coordinated by the Office of the Prime Minister’s Chief Science Advisor, and delivered in Taranaki by Venture Taranaki, the pilot is now in its third year.

One of the projects – A Pesky Problem – Te Namu Hakirara – that illustrates the goals of Curious Minds came from New Plymouth’s Woodleigh School, where a class of Year 4 students sought a solution to being bitten by sandflies and mosquitos while using the school’s outdoor learning area Tane Te Wananga. Being unable to use Deet-based products on students, the class set about looking for an effective natural alternative. The search led them to South Taranaki’s Pihama Lavender, where a number of aquifers and aromatics were developed, to be tested when the bugs return in summer.

Other community science projects supported this year included:

- South Taranaki Project Earth: Ready, Rehearsed and Resilient – Hawera High School
- Ko Nga Kowhitiwhiti: Watercress Collection, In-stream Ecology and External Influences – BTW Company Ltd

- Pest Trapping in the Makahu Valley – Makahu School
- Project Wi-Finding: Towards Solving Taranaki’s Connectivity Problems, Massey University
- Toko School Distillation Investigation – Toko School
- Dotterel Defenders: Using Participatory Science to Inform and Implement Management of Endangered New Zealand Dotterel in Taranaki – Taranaki Conservationists and MAIN Trust
- Inanga Ora Ki Te Awa O Waitara – Otaraua Hapū and Waitara Alive
- Tracking Fur Babies in Taranaki: Getting to know domestic cats and their owners – Wild for Taranaki
- Schoolyard Blues: Taranaki School Cheesemaking Project – Massey University
- Bug ALERT! – East Taranaki Environment Trust

Venture Taranaki hosted a workshop in June which brought the local PSP projects together for shared learning and development.

Of special mention is the South Taranaki Reef Life project, a Curious Minds funding recipient in 2015 and 2016, which won a Ministry for the Environment Green Ribbon award in the “protecting our coasts and oceans” category. The project team, which includes Hawera High School and Patea Area School students, presented on their project to the Science and Education Select Committee in Parliament on 21 June, receiving a very positive response.



FOSTERING RESEARCH AND DEVELOPMENT

Taranaki's endemic spirit of innovation came to the fore again this year, with strong demand for research and development support from the region's businesses. Over the year Venture Taranaki developed 70 innovation engagement plans with local businesses, and facilitated Callaghan Innovation R&D Grants worth a total of \$1,515,399.

One local business that is demonstrating the value of a strong focus on R&D is Barton Holdings, whose brand NAKI New Zealand Mānuka Honey is taking honey from Eastern Taranaki hill country and, through the application of smart innovation, making inroads into the lucrative Chinese market.

By developing a unique honey tracking system that spans the harvesting and production of their honey, Barton director Brett Mascull has been able to combat the growing threat of counterfeit mānuka honey: New Zealand's honey industry is at risk of being undermined by counterfeit products falsely claiming to contain high levels of mānuka, sought after for its superior health and medicinal benefits.

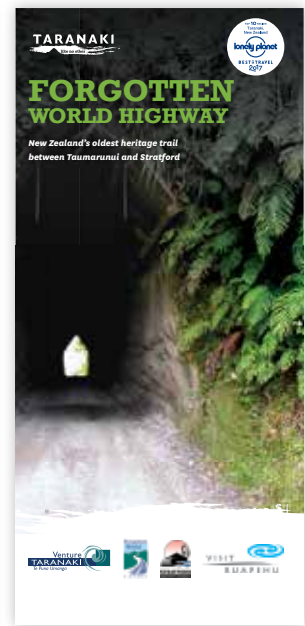
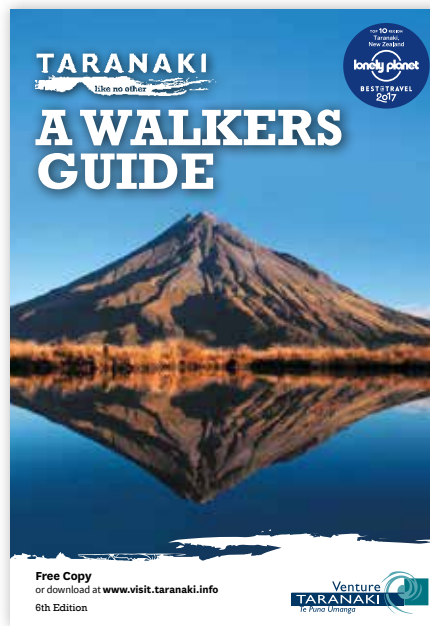
"With this system we're able to track and control the whole process, from land to every single bottle of honey. We're able to monitor the health of individual hives, control manufacturing, and compile detailed data," Brett says.

Barton Holdings teamed up with Venture Taranaki to access a Research and Development Project Grant to undertake their tracking project. The grant, funded by Callaghan Innovation, helped develop a radio frequency identification (RFID) system that enabled every bottle to be traced back to the exact hive it came from.

The RFID importantly provides proof of the authenticity. Customers can enter the tracing number from their jar of honey on the company's website and see the verified history of their product.

"Being able to access the R&D Project Grant enabled us to get this idea tested, proven and into the field faster than we would have been able to otherwise," Brett said.

"That's good news for our customers, for our business, for the landowners and ultimately for the reputation of New Zealand Mānuka Honey in the global marketplace."



INSPIRING, EDUCATING AND ACTIVATING VISITORS

10 While those that live here know Taranaki has a lot to offer those who visit the region, it's not always easy to convincingly get that information across to potential visitors. The decision-making cycle for a visitor to Taranaki is an average of 53 days, so provision of varying levels of regional promotion and information is required to reach all stages of the process. Accordingly, Venture Taranaki has maintained a multi-faceted strategy to ensure information is reaching people right across the deciding, planning, experiencing and sharing phases of their visit.

SOCIAL MEDIA

Taranaki's total social media audience continued to grow over the year, with our visitor-focused accounts across Facebook, Instagram, and Twitter collectively gaining 8,398 new followers to reach a total of 58,763, a year-on-year increase of 16.67 percent. All accounts achieved notable organic success over the year, peaking with content from the Taranaki Like No Other Facebook reaching a staggering 1,995,882 viewers over the week of 6-12 February.

CONTENT STRATEGIES

A central challenge in destination marketing is finding, licensing and disseminating effective written, photographic and video content. In response Venture Taranaki wrote and supplied more than 70 pieces of copy, including ghost-writing magazine articles, content for websites, and regional updates; supplied licensed images in response to over 40 media requests and provided our B-roll stock video footage to 22 film, television and corporate requests – it was seen on BBC's Coast, Grand Designs New Zealand, and TVNZ's Neighbourhood amongst others.

VISITOR PUBLICATIONS

Despite the growth of digital channels, demand for Venture Taranaki's visitor-focused print publications was again strong this year. The range spans three comprehensive A5 guidebooks spanning the region's walks, parks and gardens, and galleries and museums; fold-out touring route guides for the Surf Highway and Forgotten World Highway; the Taranaki Must Dos fold-out guide; and in partnership with the AA the official Taranaki Visitor Guide. The Trust received 331 specific requests from across the event, tourism trade and retail/public sectors, resulting in 105,662 items being distributed – up 5,719 on last year – worth a total value of \$159,445.70.



BUILDING THE REGION'S PROFILE

Following the Lonely Planet announcement, the world's media shifted their attention to Taranaki, resulting in a jump in the value (equivalent advertising value at straight advertising rates) of earned media exposure in international channels from \$308,028 in the 2015-16 year to \$3,747,956 this year. A similar boost in the number of articles written was also experienced; the number of stories published internationally as a result of Venture Taranaki's partnership with Tourism New Zealand rose from four to 243.

Spanning all media platforms, with a noticeable increase of interest from social media influencers, the region saw visits ranging from New Zealand Herald to Air New Zealand social media influencers, with the resulting campaign reaching an audience of 2,485,641 people.

Coverage highlights included:

- Venture Taranaki leveraged social media influencers, seeing a return of *Carmen Huter* – *Fashion Blogger* and an extended stay from *Lonely Planet* blogger *Dan Flying Solo* (pictured above). Both have dedicated blogs and strong social channels.
- Rob MacFarland of the *Sydney Morning Herald* visited the region and got the coveted near picture perfect Pouakai Tarns shot. He did the Sunset Pouakai walk with TOP Guides and was treated to private tours of Tawhiti Museum, Te Kainga Marire and Govett-Brewster Art Gallery/Len Lye Centre. He also explored the Coastal Walkway and Surf Highway 45.

- Air NZ approached Venture Taranaki as part of a social media campaign to host a group of top travel social media influencers with high engagement rates and influential content across various social media channels (Facebook, Instagram, YouTube, and Twitter).
- Kia Ora magazine undertook a virtual famil, resulting in an expansive article on New Plymouth's attractions.
- Colin James of Australian print network Newscorp spent three days in the region, covering the Pouakai Crossing and other attractions.

Working in partnership with Tourism New Zealand, Venture Taranaki also hosted familiarisation visits from international media channels including:

- *Toronto Star* showcased the Forgotten World Highway.
- German fashion and lifestyle magazine *Grazia* wrote of Taranaki's fashion and arts sectors and walks on Mount Taranaki.
- Nigel Tisdale of the *UK Financial Times* travelled to the region to write about the Len Lye Centre and the positive effect it was having on the arts sector.
- A group of five Indian media covered OZONE Coffee Roasters, Puke Ariki's Historical Walk, the Govett-Brewster/Len Lye Centre, Mike's Organic Brewery and a specially organised stargazing experience from Mount Taranaki.



CONFERENCES AND CORPORATE EVENTS

12

Conferences and corporate events help us showcase Taranaki to a wider audience, attract inward spending across a range of sectors, and help spread visitor numbers across shoulder and quieter seasons. Through its internal conference bureau function, Venture Taranaki supports a range of conferences, smaller events, and exhibitions.

At the start of the process, local organisations are helped with bids to attract national events. This often results in comprehensive and professional printed documents, PowerPoint presentations and support material for decision-makers.

From there we connect event organisers with local tourism operators, hospitality and catering providers, logistics providers and venues and accommodation. Venture Taranaki also coordinates the region's presence at the annual corporate event trade show Convene, which enables local businesses to directly engage with corporates and professional conference organisers to promote and seek out new locations and venues to hold events.

For events that attract more than half of the attendees from outside the region, delegates can also be provided with a range of promotional collateral items to highlight points of interest, and help stimulate return visits.

During the year, Venture Taranaki supported over 25 conferences and events, spanning organisations and industries as diverse as motorcycle clubs to golfing competitions, national BMX race meets to occupational health nurses, photographic societies to surveyors, and independent radio stations to Holstein cattle breeders.

"We really appreciated the support from Venture Taranaki for our conference in New Plymouth. Having your support through both video and promotional collateral certainly helped attract attendance from the 44 of 55 clubs in NZ and it gave a Taranaki identity to the event. We are very grateful for your support."

– Martin Garcia, District Governor, Rotary

"The conference went extremely well and our delegates were most impressed with the bags and everything New Plymouth and Taranaki had to offer. I would like to thank Venture Taranaki for everything. It was a pleasure dealing with you."

– Lizelle Koen, Dental Hygienist's Association

"We had the double aim of showcasing New Plymouth to everyone that came, and offering something new to partners who weren't involved with the conference. The information you supplied enabled us to identify what was worth seeing in New Plymouth in the time that was available. Thanks for your input, the material you provided, and the advice you gave about showcasing the area."

– Peter Keegan, Association Tax Agents New Zealand



MAJOR EVENTS

Events are a key part of Taranaki's fabric: not only do they attract visitors and spending from outside the region, they also promote Taranaki as a vibrant and dynamic place to live, work and visit, where there's always 'something going on.'

As the secretariat of the New Plymouth District Council's Major Events Fund, Venture Taranaki assesses large-scale events against a number of criteria to ensure the district receives maximum benefit from the range of events on offer. The fund has enabled the region to build a calendar of regular events, while enabling new events to get off the ground and test the market.

These range from the iconic WOMAD where the music of the world can be experienced in one accessible and picturesque central venue to the increasingly popular New Zealand Tattoo and Art Festival, which has grown consistently since its inception to attract an extensive range of international artists and a growing array of entertainment and retail options for its 9,800 attendees.

Sport also featured heavily throughout the year, with support for events spanning cricket to football, cycling and walking events around the mountain to the PSP NZ Jetsprint Championship, which returned for the second year with two rounds in December and February. The ITU Sprint Distance Triathlon also returned, with the event won by South Africa's Richard Murray and Katie Zaferes (US), and a global broadcast audience in the millions.

AmeriCARna had its most successful year yet, with over 800 cars descending on the region, and attracting Australian TV show Classic Restos, which has broadcast event highlights across Australia, 6 New Zealand regional channels, Information TV in London and Tuff TV in the US.

Spring also brings the region's garden festivals: the Powerco Garden Spectacular and the Fringe Garden Festival, which attract thousands of people into the region. Last year 48% of Garden Spectacular attendees were first-time visitors, and 4,296 visitors were from outside the region, resulting in 16,130 visitor nights and a \$2.8m contribution to regional GDP.

“Congratulations on what the JetSprint Association executive consider to be one of the best sprint venues we have raced on in the past few years.”

Erik Hoeksema, NZJSA president



INTERNATIONAL EDUCATION

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Taranaki hosted around 780 international fee-paying and exchange students this year, injecting some \$20 million into the regional economy, with considerable potential to further grow this sector.

International Education Taranaki (IET), an industry collaboration set up by Venture Taranaki and now including ten Taranaki education providers, is focused on lifting the value of this sector, and this year received further funding of \$80,000 from central government agency Education New Zealand to develop the sector in Taranaki.

The group focused some of that investment on the Chinese market, with a successful trade mission made in partnership with Whanganui, Manawatu and Hawkes Bay regions. The trip built some great relationships and has seen growth in student enquiries from the Chinese market. Collaborative familiarisation visits with education agents are also being developed to further cement the relationships developed within China. During the year the Dongguan Middle School Short Stay Programme was grown from 20 to 30 students, and work in that area will likely see it grow to 40-60 students in 2018.

Ensuring international students in the region have a positive and unforgettable experience is also a focus of Venture Taranaki's involvement in the group. To help achieve this, a very successful bus trip was organised to give 42 students a taste of Taranaki, spanning mountain, beach and farm experiences.

Focus groups were undertaken to gauge student satisfaction and the decision-making processes that international students go through to choose a destination. That research will be factored into the development of a range of promotional and support material to better showcase more of the region to students. Similarly, the **www.study.taranaki.info** website was significantly bolstered with new content to promote Taranaki and answer any questions or doubts about the experience.

As a sector, work is also underway to strengthen the pathways from secondary to tertiary education and education to employment, both for international and domestic students. An example of this was realised through Venture Taranaki's business community connections: students from PIHMS became the faces of an advertising campaign by local business Van Dyck Fine Foods. Venture Taranaki is also working to connect the spouses of PIHMS post-graduate students with employment-ready support, settlement support and recruitment opportunities.

The work of IET is paying off: Sacred Heart and Francis Douglas have grown from three international students in 2012 to 23 students in the past year, plus short term study tours. NPGHS have grown numbers from 23 in 2014 to 30 equivalent full-time students in 2017.



STUDENT INTERNSHIPS

In partnership with Callaghan Innovation, Venture Taranaki is helping local businesses tap into the tertiary education talent pool with a number of R&D Experience Grants. In the 2016-17 year seven grants worth a total of \$58,023 were awarded to Taranaki companies, enabling them to take on students to work on research and development projects.

One company to benefit from the fresh-thinking enthusiasm through the programme was Howard Wright, who were able to progress an idea that would otherwise have been shelved. An R&D experience grant enabled Crystal Meehan, a Massey University Bachelor of Engineering student, to complete a three-month internship with the company. During that time Crystal was tasked with designing and prototyping a tidy mains cable device for the end of hospital beds. The outcome has been win-win: Crystal gained first-hand commercial experience that she can take into her final year of study, and Howard Wright were able to bring forward the development of a working prototype for an idea that may not have seen the light of day for another 12 months.

Powerco welcomed Victoria University mathematics student Clea Molano for a three-month internship, also supported by an R&D Experience Grant. Clea spent the period applying her mathematics skills to the analysis of patterns of home appliance energy use. The project gave Clea the opportunity to work with new processes and systems, in a commercial environment beyond the scope of a standard university curriculum. In return, Powerco benefited from additional and new insight into energy usage patterns which will be applied to the company's future decisions. Beyond her studies, Clea is hoping to return to live and work Taranaki, demonstrating the long-term value of the programme.

The grant also enabled University of Waikato engineering student Patrick Leslie to come home to South Taranaki and gain valuable experience at globally-renowned stainless-steel innovators Global Stainless. Patrick carried out research into existing and new manufacturing techniques which included building a test machine to show the value of an improved process.



FOCUS ON INDUSTRIES

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During the year Venture Taranaki produced reports on the region's food production and manufacturing sectors, looking to raise the profile of both industries and some of the innovative businesses working within them.

TARANAKI ON A PLATE

Taranaki on a Plate celebrates the contribution of the region's food producers, who collectively employ more than 4,300 people and contribute over \$340 million annually to Taranaki's GDP.

The region's greatest strength is in protein production: world-class dairy, cheese, red meat and poultry processing represent our cornerstone contributors comprising some 90 percent of the region's total food production. These sectors have a rich history of innovation, and are deeply linked to our regional identity.

But the report shows there is a lot happening beyond these areas. Passionate innovators are increasingly driving growth in new sectors and adding a new dimension to the makeup of Taranaki's food industry. The region is also transitioning from being an economy that prides itself on growing 'great food' to a more market-led, value-add culture that is exciting consumers with inventive, branded new food creations.

Taranaki on a Plate was officially launched at an event featuring only locally-produced ingredients early in the 2017/18 year.

TARANAKI – A MANUFACTURING PROFILE

Taranaki's strength in manufacturing is reflected in the number and breadth of businesses involved, their calibre, entrepreneurial spirit and export orientation. The region is home to more than 570 manufacturing businesses, which collectively employ 8,670 people – around 17 percent of Taranaki's employment base – and create 11 percent of the region's GDP.

Taranaki – a Manufacturing Profile takes a closer look at this often underestimated sector, capturing the scale of the sector, profiling a number of the businesses working within it and showcasing some of the world-leading innovations being developed in Taranaki. The publication covers 18 of the region's manufacturers working in industries spanning cheese to chest protection, microcircuits to methanol, and stainless steel sculptures to surfboards.

**Download a copy of either publication from
www.business.taranaki.info**



CAPABILITY DEVELOPMENT VOUCHERS

The Capability Development Voucher scheme supports local businesses by matching funding for a range of approved courses to help directors and managers build the skills to sustainably grow their businesses. The scheme is delivered by Venture Taranaki in partnership with funders New Zealand Trade and Enterprise, and this year 276 vouchers were delivered, worth a total of \$376,085.

Gemma and Terry Adams run a successful dairy farm business in South Taranaki. The couple worked with Jane Moffitt at Venture Taranaki on their plans for the farm, as well as Gemma's goals to develop a graphic design business. Via Jane, they accessed the NZTE Capability Development Voucher scheme to engage Coach Approach Rural to support strategic planning for their farm.

"With help from the Capability Development Scheme we were able to receive funding to support us with strategy and planning. We have learnt a lot and now have a strong plan in place which we regularly review and are on track to achieving our goals" says Gemma.

Gemma then decided to link her passion for Graphic Design with her farming experience to start a new business, and last year launched Vizlink, a set of whiteboard planning tools to support farmers with job planning. "It has been fantastic to have Jane and the Venture Taranaki team to talk to about our business, and plans

for the future" says Gemma. "The NZTE Capability Development Voucher Scheme enabled us to receive fantastic support for our business and is helping us join the dots. We now have the knowledge to become an even stronger Taranaki business."

Venture Taranaki worked with International Volunteer Head Quarters (IVHQ), an innovative social enterprise that provides travel experiences for volunteer workers around the world. The team wanted to realise their growth potential and expand into new global markets with innovative product offerings, while maintaining a high quality customer experience. To achieve this, they needed to build leadership capacity and capability within their rapidly growing team.

Venture Taranaki connected business owner Dan Radcliffe and Head of Marketing Ellen Varoy with a range of leadership, HR and conflict management training opportunities through the NZTE Capability Development Voucher programme, and they were able to develop a series of workshops customised for IVHQ's non-corporate working environment.

"Exceptional people are at the heart of IVHQ and we're always looking for ways that we can take our employee engagement to the next level. The ongoing development of our leadership capability is critical to this," Ellen says.



LEVERAGING LONELY PLANET

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The region was put in the global spotlight during the year as the world's largest independent travel guide book publisher officially announced Taranaki as the 2nd best region in the world to visit in its 2017 The Best in Travel publication, launched on 25 October 2016.

The Best in Travel guide stated, "From dairy farms to legendary surf breaks, the region's natural assets have long been envied. But in recent years a powerful arts and cultural set has elbowed its way to the fore, sustaining New Plymouth's notable Puke Ariki Museum and Govett-Brewster Art Gallery, and one of the world's finest music festivals – WOMAD – held in pretty Pukekura Park. Now that New Plymouth has its own answer to the Guggenheim – the hard-won and community funded Len Lye Centre – the stage is set for Taranaki's star to shine."

Venture Taranaki met with Lonely Planet well ahead of the official announcement, and were ready and waiting to leverage the award, both immediately and through sustained campaigns across the year. The Trust undertook:

- An immediate media campaign that saw the award showcased across all of New Zealand's network media, daily print media, and across international news media. In the first three days after the announcement, Taranaki receiving the Lonely Planet award had been included in 113 articles around the world, and seen by a combined audience of 30 million people.

- In partnership with Lonely Planet and Tourism New Zealand, we hosted three social media influencers for a global takeover of social platform Snapchat, resulting in our content reaching an audience of 15 million people.
- An internally produced summer campaign was unrolled to encourage Taranaki residents to be #1 hosts and passionate advocates of the award. The campaign included developing a localised badge to celebrate the award, producing bumper stickers and t-shirts, themed articles in local media, and video clips of local identities sharing their top tips to experience the best of the region.
- A national campaign was undertaken to promote the award alongside featured attractions.
- Lonely Planet blogger 'Dan Flying Solo' extended his stay in the region, penning a number of strongly positive articles about Taranaki and its people for the global Lonely Planet content network.

What difference has the Lonely Planet award made? Statistics New Zealand's Commercial Accommodation Monitor has found that international guest nights spent in the region in June 2017 were up 83 percent on June 2016, while the value of our global media exposure for the financial year was up more than 1200 percent on the previous year.



REGIONAL INTELLIGENCE

DID YOU KNOW:

- There are 15,177 businesses in Taranaki?
- 626,757 guest nights were spent in commercial accommodation last year?
- Food production contributes \$340 million to our regional economy annually?
- 5.1 million tonnes of freight passed through Port Taranaki last financial year?
- 15.1 percent more people are expected to live in Taranaki by 2043?

(source: Statistics New Zealand)

Provision of economic data is one of Venture Taranaki's core services, and the Trust produces a range of regular and occasional reports that help the region's businesses, leaders, stakeholders and potential investors to utilise the latest regional intelligence in their decision making. Some of our regular regional updates include:

Taranaki Trends is a detailed collection of regional facts and figures spanning a range of government and industry sources released every six months. Printed copies are placed with decision-makers, stakeholders and advisors locally and nationally, including politicians, real estate agents, major employers and business commentators.

The **Taranaki Business Survey** goes to almost 10 percent of Taranaki's businesses twice a year and polls both a standard range of economic indicators and special topics that delve deeper into the issues facing our businesses. Venture Taranaki has undertaken the survey consistently since 1999, and as such it provides a valuable and comprehensive view of regional trends.

Taranaki Retail Statistics are provided every 6 months, and analyse expenditure details at regional, district and CBD level, and aspects such as leakage and online spending.

The Trust regularly reports **Taranaki Visitor Statistics** which utilise a number of sources to present a quarterly snapshot of visitor numbers, district trends and expenditure.

In addition, central government politicians and government departments receive regular information briefings, ensuring they are aware of current developments in the region, and that Taranaki continues to resonate in national decision making in areas such as infrastructure and trade.



LAUNCHING IDEAS

Innovation is a core component of Taranaki's economic success, and remains central to the region's brand and Venture Taranaki's approach to growth. The refresh of Taranaki's economic development strategy, *Tapuae Roa – Make Way For Taranaki*, released in the 2017-2018 financial year, was a considerable work programme during the year, beginning with an update of the *Regional Destination Strategy*. Beyond *Tapuae Roa*, Venture Taranaki was involved in a number of innovation-focused events, as follows.

LAUNCH TARANAKI

Venture Taranaki is the Foundation Patron of membership-based business investment network Launch Taranaki which began operations in October 2016. Launch Taranaki has now provided financial and advisory support for several local startup businesses with high growth potential including FirstCheck, an app which helps with early detection of skin cancer.

Launch Taranaki is also now an approved seed co-investment partner with the New Zealand Venture Investment Fund. This partnership provides opportunity for local capital to be leveraged.

Launch Taranaki has developed good relationships with several of the other 14 angel investment groups around New Zealand also providing co-investment opportunities.

STARTUP WEEKEND

The second Startup Weekend Taranaki was held in October 2016 with five business ideas being developed over the course of the weekend.

Startup Weekends follow a well proven format. On the Friday evening participants pitch ideas. Feedback is received and the top ideas are determined by popular vote. Teams then form around the ideas. These ideas are developed over the weekend through a process of business model creation, coding, designing and market validation. The weekend culminates on Sunday evening with presentations by each team in front of a judging panel who provide feedback and pick a winning startup.

After more than 18 months' development, Shout.beer, the winner of the inaugural 2015 Startup Weekend Taranaki has recently launched its online business to deliver craft beer as a gift to a mate.



GROWING OUR TOURISM INDUSTRY

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An ongoing focus of the Trust is the growth of a strong and sustainable tourism industry, delivering not only economic benefit, but regional profile and a pipeline to inward migration, employment and investment. The Lonely Planet accolade certainly assisted our effectiveness in this space, supporting a number of industry growth initiatives to see steady and strong visitor growth.

TALKING TARANAKI TO THE INTERNATIONAL INDUSTRY

TRENZ is New Zealand's biggest annual business-to-business travel and trade event, bringing together tourism businesses, travel wholesalers and media from around the globe. Venture Taranaki again partnered with local operators to establish a strong regional presence at the event this year, building on last year's return. On the back of the Lonely Planet award, interest in the region was strong, and TRENZ offered an effective platform to strongly leverage the award to build connections with international tourism promoters. The four-day event remains a core opportunity to forge relationships and is an extremely important part of our trade marketing mix on an annual basis.

The Trust was also represented at Tourism New Zealand's Australian workshop, individually briefing more than 30 key Australian wholesalers, retailers and tour operators on the region, and had a stand at the COVI Motorhome Show in Auckland, the biggest national event for the fast-growing campervan market.

POUAKAI CROSSING

Over the past couple of years Venture Taranaki has worked with several other organisations to encourage development of the Pouakai Crossing – the one day walk from North Egmont to Mangorei Road which crosses the Ahukawakawa Wetland and passes the

now world-famous Pouakai Tarns. During 2016 a Business Case was prepared and in May 2017 the government announced \$3.4m in funding to develop the Pouakai Crossing. This will enable the route to be positioned as one of the country's leading one day walks.

WELCOMING THE CRUISE INDUSTRY

A high-profile component of the tourism industry is the cruise market, and 2017 saw three cruise ships visit the region; the 114-passenger *Caledonian Sky* on 6 January; the 435 passenger and 305-crew *Silver Whisper*, which berthed on 1 February, and the *MV Artania*, which was in port on 26 February. The *Artania* was the largest of the three vessels with 1260 passengers and 540 crew.

Venture Taranaki worked alongside Port Taranaki and the region's on-shore suppliers to provide assistance for the cruise visits, ranging from promotional brochures about the region and things to see and do while on shore, translation where necessary, and coordination of shore excursions. Local tourism operators were also supported to ensure they were ready and in a position to benefit from the visits. In partnership with Port Taranaki, work is continuing to grow the number of cruise visits to the region.

TOURISM INDUSTRY FAMILIS

In addition to media familiarisation visits, Venture Taranaki also hosted a number of inbound operators, who are given a taste of what Taranaki can offer so they can then build the region into itineraries and sell it to their customers. Time Unlimited, one of the fastest growing inbound luxury operators visited in September, and have since included local product in their private tour portfolio. Green Spot also brought its international wholesalers through the region, with a view to incorporating Taranaki into its tours this summer.

REGIONAL PARTNERSHIPS

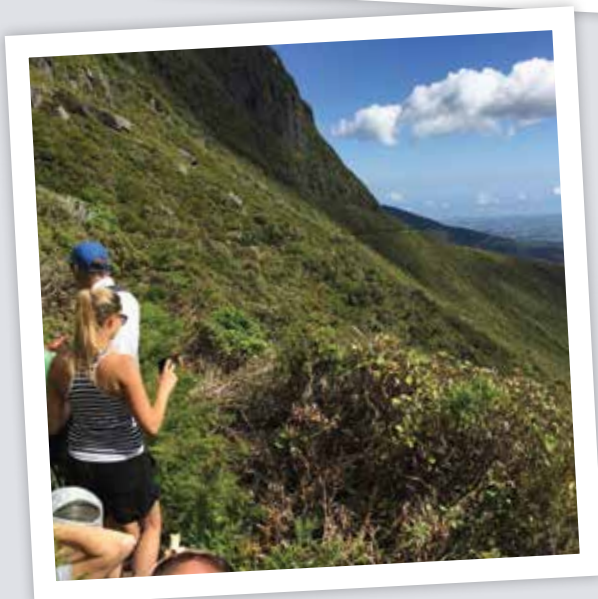
Venture Taranaki is built on partnerships and the leveraging of those partnerships alongside its core funding from the New Plymouth District Council. As the regional partner for a number of central government agencies and as such provides a unique one-stop solution to a wide range of business growth tools.

In addition to the New Plymouth District Council, the Trust's partnerships extend to South Taranaki District Council, Stratford District, Taranaki Electricity Trust, Education New Zealand, the Ministry of Business, Innovation and Employment, Massey University, and private sector collaborations.

Our partnerships with both Callaghan Innovation and New Zealand Trade & Enterprise were extended for a further three years, along with a right of renewal beyond that. This move, a positive reflection on the work being done by the Trust, will serve to reassure local businesses that they have equivalent, if not better, access to partnership funds than their competitors in other parts of the country.

Trust staff also value the relationships developed with Taranaki's businesses and business people, and this year's Client Satisfaction Survey results would suggest the feeling is mutual, finding that;

- 93.7% of respondents were very satisfied or satisfied overall with Venture Taranaki's business services
- 96.3% of respondents were very satisfied or satisfied overall with Venture Taranaki's staff
- 95.2% of respondents would use Venture Taranaki's services again





MASSEY UNIVERSITY PARTNERSHIP

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Venture Taranaki's ongoing partnership with Massey University opens the door for the region's businesses to connect with the university's expertise, knowledge, and research and innovation capabilities. In some instances, local emergent interests are also being connected with aligned interests nationally (work with industrial hemp, harakeke and native botanicals being three examples). Massey input and assistance was also given to Regional Research Institute applications, although these have not won RRI funding in the 2016 round.

During the year, Massey's Business Development Manager, based at Venture Taranaki, worked with at least 51 local businesses, 27 of which progressed to receive some form of research and development or resource assistance from Massey with projects and developments. Promoting Taranaki project opportunities to Massey students and graduates who have skills and knowledge relevant for Taranaki enterprise continued to produce positive outcomes for companies in Taranaki this year and complement the work done by Venture Taranaki Business Advisors to secure R&D funding for local enterprise.

The role and value that science-based R&D can make, and is making, to companies and organisations in region is being noted by those who are seeing outcomes from this, and referrals are increasing.

A major focus area for the partnership remained the food sector, with the Business Development Manager working with a growing number of companies engaged in a wide range of sector activity.

In addition to working with individual companies, two food events were delivered during the year, bringing leading thinkers, researchers and success stories to the region to inspire and assist Taranaki companies and to boost the sector, with a number of synergistic relationships forming as a result. Linking local companies to each other, and to science partners, has led to novel product development and significant support for new ventures in the region, including BeGin Distilling and Giles Chocolatier.

Having an active Massey University profile in the region has also supported a number of other aspects of regional development. Three successful Curious Minds projects were supported (two being Massey-driven), as was the Taranaki Science Fair and Putaiao, the Māori Science Expo, both in August 2016, and Start-Up Weekend in October 2016. The partnership also supported the Young Leaders' Symposium and continues to contribute to the Taranaki schools-based Young Enterprise Scheme.



INDUSTRY SUPPORT

During the year Venture Taranaki continued to work closely with a number of Taranaki's industry sectors to foster growth, collaboration and diversification, as well as building profile. Two examples are the Taranaki Honey Collective, and the Energy and Industrial Group.

TARANAKI HONEY COLLECTIVE

An outcome of Venture Taranaki's Mānuka 2016 conference, the Taranaki Honey Collective has continued to meet every two months, sharing industry knowledge and fostering a collaborative approach to industry growth. The collective now includes nine commercial apiculture companies producing honey, bee products and associated high value derivatives.

The value of having a supportive network has been reinforced this year as factors including growing competition and uncooperative weather patterns, have created a challenging landscape for the sector.

A further function of the group is to ensure Taranaki's voice is heard in national discussions: a collective response was made to the draft industry plan concerning control and mitigation of American FoulBrood, a serious disease impacting the honey bee, with many of the group's recommendations being taken on board. The proposed new Mānuka definition currently under consultation by the Ministry of Primary Industries is also a key issue for the collective.

The group has continued to promote local product and the advantages to farmers of using local bee-keepers and honey companies to place and manage hives on their farms.

ENERGY AND INDUSTRIAL GROUP

The Oil and Gas Specialist Technologies Group initiated by Venture Taranaki in 2003 made a decision to rebrand as the Energy and Industrial Group (EIG) this year, to better reflect the changing nature of business of many of its 25 members. The rebrand was an outcome of a diversification strategy which also saw the group attend the Water NZ Conference and Exhibition, and the New Zealand Geothermal Conference – both areas where oil and gas technologies can be effectively transferred.

The group was also active at both the New Zealand Petroleum Conference in New Plymouth, and the Australian Oil and Gas Conference (APPEA) in Perth, the latter in partnership with the New Zealand Government.

During the year the group also took a high-profile sponsorship role at the prestigious Energy Project of the Year award at the New Zealand Energy Awards, helping to build awareness of the group and the region's capabilities.

FINANCIAL PERFORMANCE 2016-2017

INDEPENDENT AUDITOR'S REPORT

To the readers of Venture Taranaki Trust's financial statements and performance information for the year ended 30 June 2017

The Auditor-General is the auditor of Venture Taranaki Trust (the Trust). The Auditor-General has appointed me, Clint Ramoo, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the Trust on his behalf.

Opinion

We have audited:

- the financial statements of the Trust on pages 29 to 41 that comprise the statement of financial position as at 30 June 2017, the statement of comprehensive revenues and expenses, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the Trust on pages 42 to 44

In our opinion:

- the financial statements of the Trust on pages 29 to 41:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2017; 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 the Public Benefit Entity Standards Reduced Disclosure Regime.

- the performance information of the Trust on pages 42 to 44 presents fairly, in all material respects, the Trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Trust's objectives for the year ended 30 June 2017

Our audit was completed on 5 September 2017. 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 and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

BASIS FOR OPINION

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF THE BOARD FOR THE FINANCIAL STATEMENTS AND THE PERFORMANCE INFORMATION

The Board is responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board is also responsible for preparing the performance information for the Trust.

The Board is responsible for such internal control as they determine is necessary to enable them 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 is responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board intends to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

The Board's responsibilities arise from the Local Government Act 2002.

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

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the reported performance information within the Trust's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether

a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust'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 Trust 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 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 is responsible for the other information. The other information comprises the information included on pages 1 to 25, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do

not express any form of audit opinion or assurance conclusion thereon.

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

INDEPENDENCE

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

Other than the audit, we have no relationship with, or interests in, the Trust.



Clint Ramoo

Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

VENTURE TARANAKI TRUST TRUSTEES' REVIEW

For the year ended 30 June 2017

The Board of Trustees present their Annual Report including Financial Statements and Statement of Service Performance of the Trust for the year ended 30 June 2017.

The business of the Trust is facilitating economic development in Taranaki. The nature of the Trust's business has not changed during the year under review.

For and on behalf of the Trustees

A handwritten signature in black ink, appearing to read 'Robin Brockie', with a stylized flourish at the end.

ROBIN BROCKIE

Chairman

VENTURE TARANAKI TRUST

STATEMENT OF FINANCIAL POSITION

As at 30 June 2017

	Notes	2017 \$	2016 \$
Assets			
Current assets			
Cash and cash equivalents		395,618	419,034
Trade and other receivables from non-exchange transactions		142,832	92,296
Other current assets		52,097	37,838
GST receivable		147,010	101,083
<i>Total current assets</i>		<i>737,557</i>	<i>650,251</i>
Non-current assets			
Intangible assets	3	38,301	35,566
Property, plant and equipment	4	204,307	204,031
<i>Total non-current assets</i>		<i>242,608</i>	<i>239,597</i>
Total Assets		980,165	889,848
Liabilities			
Current Liabilities			
Trade and other payables under exchange transactions		450,274	416,270
Funds held on behalf of EIG		7,580	22,989
Employee entitlements	8	107,043	101,194
Revenue received in advance		80,143	14,972
<i>Total current liabilities</i>		<i>645,040</i>	<i>555,425</i>
Total Liabilities		645,040	555,425
Net Assets		335,125	334,423
Total Equity			
Trust equity		335,125	334,423
		335,125	334,423

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These financial statements were authorised for issue by the Trustees on 5 September 2017.




-----Chairman -----Trustee

The accompanying notes form part of these financial statements.

VENTURE TARANAKI TRUST

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

For the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Revenue			
Grant revenue	Non-exchange 2	4,160,881	4,039,441
Other revenue	Exchange	71,405	96,591
Interest revenue	Exchange	26,301	29,752
Gain on disposal of assets	Exchange	18,779	11,271
<i>Total Revenue</i>		4,277,366	4,177,055
Expenses			
Audit fee		25,173	27,110
Amortisation expense	3	27,865	32,600
Depreciation expense	4	75,079	77,757
Marketing expenses		571,840	415,824
Professional fees		225,304	208,389
Grants		1,262,811	1,403,236
Rental and operating lease expenses		142,814	145,188
Personnel costs		1,471,820	1,430,346
Trustees fees		79,753	63,250
Loss on foreign exchange		5	-
Other operating expenses		394,200	364,613
<i>Total Expenses</i>		4,276,664	4,168,313
Surplus before Taxation		702	8,742
Income tax expense		-	-
Surplus after Taxation		702	8,742
Other Comprehensive Revenue and Expenses		-	-
Total Comprehensive Revenue and Expenses		702	8,742

The accompanying notes form part of these financial statements.

VENTURE TARANAKI TRUST

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2017

	Trust Equity \$	Total Equity \$
Balance as at 1 July 2015	325,681	325,681
Total comprehensive revenue and expenses for the year	8,742	8,742
Balance at 30 June 2016	334,423	334,423
Balance as at 1 July 2016	334,423	334,423
Total comprehensive revenue and expenses for the year	702	702
Balance at 30 June 2017	335,125	335,125

The accompanying notes form part of these financial statements.

VENTURE TARANAKI TRUST STATEMENT OF CASH FLOWS

For the year ended 30 June 2017

	Notes	2017 \$	2016 \$
Cash flows from operating activities			
Receipts from grants and other income		4,254,178	3,955,316
Interest revenue received		26,301	29,752
Payments to suppliers and employees		(4,168,636)	(3,851,443)
Goods and services tax (net)	12	(48,083)	(30,112)
Net cash flows from operating activities	13	63,760	103,513
Cash flows from investing activities			
Receipts from sale of property, plant and equipment		31,524	19,407
Purchase of property, plant and equipment		(88,100)	(87,625)
Purchase of intangible assets		(30,600)	(7,560)
Net cash flows (used in) investing activities		(87,176)	(75,778)
Cash flows from financing activities			
Net cash flows from/(used in) financing activities		-	-
Net (decrease)/increase in cash and cash equivalents		(23,416)	27,735
Cash and cash equivalents at the beginning of the year		419,034	391,299
Cash and cash equivalents at the end of the year		395,618	419,034

The accompanying notes form part of these financial statements.

VENTURE TARANAKI TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2017

1. STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

Venture Taranaki Trust is a Charitable Trust incorporated in New Zealand under a Trust Deed dated 27 May 1998 and is domiciled in New Zealand. The Trust commenced operations on 1 July 1998.

The Trust is a wholly owned subsidiary of New Plymouth District Council and is a Council Controlled Organisation as defined in Part 1 Section 6 of the Local Government Act 2002.

The Trust is a Public Sector Public Benefit Entity (PBE) for financial reporting purposes.

The financial statements of the Trust are for the year ended 30 June 2017. The financial statements were authorised by the Board for issue on 5 September 2017.

BASIS OF PREPARATION

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

Statement of compliance

The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013 which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The financial statements have been prepared in accordance with Tier 2 Public Sector PBE Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). The financial statements comply with International Public Sector Accounting Standards Reduced Disclosure Regime (IPSAS RDR) and other applicable Financial Reporting Standards as appropriate to Public Sector PBE's.

The Trust is eligible to report in accordance with Tier 2 Public Sector PBE Accounting Standards on the basis that it does not have public accountability and annual expenditure exceeds \$2 million but does not exceed \$30 million.

The Trust is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community and the Trust has been established with a view to supporting that primary objective rather than a financial return.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue

Revenue is measured at fair value.

The specific accounting policies for significant revenue items are explained below:

Government grants

Grants received from the New Plymouth District Council are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the Trust's trust deed. The Trust also receives other government assistance for specific purposes, and these grants usually contain restrictions on their use.

Council, government, and non-government grants are recognised as revenue when they become receivable unless there is an obligation 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 income

Interest income is recognised using the effective interest method.

Foreign currency transactions

Foreign currency transactions are translated into NZ\$ (the functional currency) using the spot exchange rate

at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

b) Grant Expenditure

Non-discretionary grants are those grants awarded if the grant meets the specified criteria. They are expensed when an application that meets the specified criteria for the grant has been received. The Trust's non-discretionary grants have no conditions that need to be fulfilled to receive the grant.

Discretionary grants are those grants where the Trust has no obligation to award the grant on receipt of the grant application. For discretionary grants without conditions, the total committed funding is expensed when the grant is approved and the approval has been communicated to the applicant. Discretionary grants with conditions for the delivery of an event are expensed when the grant is approved and the approval has been communicated to the applicant. This is based on the fact that the event is likely to occur and the payment is probable.

c) Leases – Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

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

d) Cash and cash equivalents

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

VENTURE TARANAKI TRUST

NOTES TO THE FINANCIAL STATEMENTS *CONTINUED*

For the year ended 30 June 2017

1. STATEMENT OF ACCOUNTING POLICIES *CONTINUED*

e) Receivables

Trade and other receivables are initially measured at fair value and subsequently at fair value less any provision for impairment. The amount of impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected which is determined on an analysis of the Trust's losses in previous periods and review of specific debtors.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Loans to community organisations made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant expense. The loans are subsequently measured at amortised cost using the effective interest method.

f) Impairment of financial assets

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

g) Intangibles

Software acquisition

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

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

Costs associated with development and improvements of the Venture Taranaki and Energy Stream websites are recognised as an asset when incurred as the websites generate future economic benefits.

Amortisation

Computer software licenses are amortised on a straight-line basis over their estimated useful life of two and a half years. Amortisation begins when the asset is available for use and ceases at the date when the asset is disposed of. The amortisation charge for each year is recognised in surplus or deficit.

h) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably. In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at its fair value when control over the asset is obtained.

Disposals

Gains and losses on disposals are determined by comparing the disposal

proceeds with the carrying amount of the asset. Gains and losses on disposals are presented net in the surplus or deficit.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant, and equipment are recognised as an expense as they are incurred.

Depreciation

Depreciation is provided on a straight line basis at rates calculated to allocate the assets cost less estimated residual value, over the estimated useful life of the asset.

Major depreciation periods are:

Leasehold alterations	10 years
Fixtures and fittings	10 years
Office equipment	3-10 years
Motor vehicles	3 years
Other fixed assets	4-10 years

The residual value and useful life of an asset are reviewed, and adjusted if applicable, at each financial year end.

i) Impairment of property, plant, and equipment and intangible assets

Property, plant, and equipment and intangible assets are reviewed for indicators of impairment as at each balance date. When there is an indicator of impairment, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

j) Trade and other payables

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

k) Employee entitlements

Short-term employee entitlements

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date, and sick leave.

l) Provisions

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in "finance costs".

m) Goods and Services Tax (GST)

All items in the financial statements are presented exclusive of goods and service tax (GST), except for receivables and payables, which are presented 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 IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to

investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

n) 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 at 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 statement of financial position 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.

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

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.

o) Critical accounting estimates and assumptions

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

VENTURE TARANAKI TRUST

NOTES TO THE FINANCIAL STATEMENTS *CONTINUED*

For the year ended 30 June 2017

2. GRANT REVENUE

	2017 \$	2016 \$
New Plymouth District Council	2,850,099	2,763,266
Callaghan Innovation	-	60,996
New Zealand Trade and Enterprise	302,865	214,523
Ministry Business, Innovation & Employment	339,972	439,329
Other	667,945	561,327
	4,160,881	4,039,441

3. INTANGIBLES

	2017 \$	2016 \$
Software		
36 Opening net book value	35,566	60,606
Additions	-	7,560
Disposals	-	-
Work in progress	30,600	-
Amortisation	(27,865)	(32,600)
Closing net book value	38,301	35,566
Cost or valuation	272,441	241,841
Accumulated amortisation	(234,140)	(206,275)
Closing net book value	38,301	35,566

There are no restrictions over the title of the Trust's intangible assets; nor are any intangible assets pledged as security for liabilities.

4. PROPERTY PLANT AND EQUIPMENT

	Leasehold Alterations	Fixtures and fittings	Office equipment	Other Fixed Assets	Motor Vehicles	Total
2017						
Opening net book value	44,027	33,674	47,631	8,353	70,346	204,031
Additions	-	-	8,384	1,120	78,596	88,100
Disposals	-	-	(78)	(90)	(12,577)	(12,745)
Depreciation	(10,384)	(4,363)	(29,012)	(3,654)	(27,666)	(75,079)
Closing net book value	33,643	29,311	26,925	5,729	108,699	204,307
Cost or valuation	134,658	86,189	188,924	37,117	138,033	584,921
Accumulated depreciation	(101,015)	(56,878)	(161,999)	(31,388)	(29,334)	(380,614)
Closing net book value	33,643	29,311	26,925	5,729	108,699	204,307
2016						
Opening net book value	52,040	22,723	68,435	12,804	46,297	202,299
Additions	2,585	15,479	9,103	1,020	59,438	87,625
Disposals	-	(357)	(476)	-	(7,303)	(8,136)
Depreciation	(10,598)	(4,171)	(29,431)	(5,471)	(28,086)	(77,757)
Closing net book value	44,027	33,674	47,631	8,353	70,346	204,031
Cost or valuation	134,658	86,607	185,001	36,345	138,541	581,152
Accumulated depreciation	(90,631)	(52,933)	(137,370)	(27,992)	(68,195)	(377,121)
Closing net book value	44,027	33,674	47,631	8,353	70,346	204,031

There are no restrictions over the title of the Trust's property, plant, and equipment; nor is any pledged as security for liabilities.

VENTURE TARANAKI TRUST

NOTES TO THE FINANCIAL STATEMENTS *CONTINUED*

For the year ended 30 June 2017

5. TAXATION

	2017 \$	2016 \$
Net profit/(loss) before tax	702	8,742
Tax at 33%	232	2,885
Plus (less) tax effect of:		
Temporary differences	(35,891)	46,020
Non deductible expenditure	932	1,083
Unrecognised (utilisation) of tax losses	34,727	(49,988)
Income Tax Expense	-	-
<i>The taxation charge is represented by:</i>		
Current tax payable	-	-
Deferred tax	-	-
	-	-

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Unused tax losses of \$191,946 (2016: \$86,712) are available to carry forward and offset against future taxable income. A deferred tax asset has not been recognised due to the uncertainty regarding the availability of future taxable profits.

6. COMMITMENTS

a) Capital Commitments

There were no capital commitments as at 30 June 2017 (2016: \$Nil).

b) Operating Leases as Lessees

Lease commitments under non-cancellable operating leases are:

	2017 \$	2016 \$
Not later than one year	126,919	20,259
Later than one year and not later than five years	143,180	-
	270,099	20,259

The non-cancellable operating lease relates to the lease of part of an office building. The lease expires 31 August 2022, with options to vacate the premises 31 August 2019.

c) Operating Leases as Lessors

	2017 \$	2016 \$
Not later than one year	43,359	9,284
Later than one year and not later than five years	50,586	-
	93,945	9,284

7. RELATED PARTY TRANSACTIONS

No provision has been required, nor any expense recognised, for impairment of receivables from related parties (30 June 2016: \$Nil).

All transactions with related parties were carried out on normal commercial terms.

(a) Related Party Disclosures

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 are reasonable to expect that the Trust would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with 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 and undertaken on the normal terms and conditions for such transactions.

b) Key Management Personnel

Key management personnel includes 0.51 FTE Trustees, 1 FTE Chief Executive and 5.5 FTE Senior Management. (2016: Key management personnel includes 0.41 FTE Trustees, 1 FTE Chief Executive and 5 FTE Senior Management).

	2017 \$	2016 \$
Trustees	79,750	63,250
Chief Executive and Senior Management	723,387	685,326
	803,137	748,576

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8. EMPLOYEE ENTITLEMENTS

	2017 \$	2016 \$
Balance at beginning of period	101,194	93,220
Additional provision made	124,570	110,165
Amount utilised	(118,721)	(102,191)
Balance at end of period	107,043	101,194
Current		
Annual leave	107,043	101,194
	107,043	101,194

Employee entitlements relate to employee benefits such as accrued annual leave. The provision is affected by a number of estimates, including the timing of benefits taken. All employee entitlement is expected to be consumed during the following financial year.

VENTURE TARANAKI TRUST

NOTES TO THE FINANCIAL STATEMENTS *CONTINUED*

For the year ended 30 June 2017

9. CONTINGENCIES

Contingent Liabilities: The Trust has no contingent liabilities at balance date (2016: \$Nil).

Contingent Assets: The Trust has no contingent assets at balance date (2016: \$Nil).

10. TRADE AND OTHER PAYABLES UNDER EXCHANGE CONTRACTS

The Trust has recognised a liability of \$40,000 for unpaid grants at balance date (2016: \$139,200). Our expectation is that all of these grants will be paid out over the next 12 months.

11. EVENTS AFTER THE BALANCE DATE

There have been no significant events post balance date (2016: \$Nil).

12. CASH FLOW

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

13. RECONCILIATION OF NET PROFIT WITH NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 \$	2016 \$
Net surplus before taxation	702	8,742
Add/(less) non-cash items:		
Add depreciation	75,079	77,757
Add amortisation	27,865	32,600
Net (profit)/loss on disposal	(18,779)	(11,271)
	84,867	107,828
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(49,871)	(6,744)
(Increase)/decrease in other current assets	(14,924)	5,340
(Increase)/decrease GST receivable	(45,928)	(55,183)
Increase/(decrease) in trade and other payables	34,004	198,166
Increase/(decrease) in funds held on behalf of EIG	(15,409)	20,881
Increase/(decrease) in revenue received in advance	65,171	(174,750)
Increase/(decrease) employee benefits	5,850	7,975
	63,760	103,513

14. CAPITAL MANAGEMENT

The Trust's capital is its equity, which comprises Trust capital and retained surpluses. Equity is represented by net assets.

The Trust Deed requires the Board of Trustees to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently. The Trust's equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing the Trust's equity is to ensure that the Trust effectively achieves its objectives and purpose, whilst remaining a going concern.

15. CATEGORIES OF FINANCIAL INSTRUMENTS

The carrying amounts of financial instruments are as follows:

	2017 \$	2016 \$
Loans and receivables		
Cash and cash equivalents	395,618	419,034
Trade and other receivables	142,832	92,296
	538,450	511,330
Financial liabilities at amortised cost		
Trade and other payables	450,274	416,270
	450,274	416,270

STATEMENT OF SERVICE PERFORMANCE

For the year ended 30 June 2017

Regional Strategy Context	New Plymouth District Economic Strategy Strategic Priorities	Performance Measurements	2016-2017 Year	2015-2016 Year
Team Taranaki where the goal is to build partnerships and harness the collective energies and spirit of the Taranaki people and its leaders to benefit Taranaki's growth.	Improve connections within NZ and with the world.	Team: Maintain a regional economic intelligence unit and publish bi-annually Taranaki Trends and Business survey (source: Publish Taranaki Trends and business surveys bi-annually).	Achieved Two editions of Taranaki Trends and two Business Surveys undertaken with results released.	Achieved Researched and published two Taranaki Trends. Surveyed and published two Business Surveys.
		Team: Undertake one Team Taranaki submission on regional issue (source: annual submission).	Achieved Submission on funding for Pouakai Crossing to Regional Development Minister resulting in \$3m fund.	Achieved Submission briefing by Team Taranaki to Prime Minister and Minister of Conservation on Pouakai Crossing
Gateway Taranaki where the goal is to connect Taranaki locally, nationally and internationally, removing the geographic issue of isolation and building on the region's proximity and access to Australia.		Team: Maintain connections across www.taranaki.info and social media channels (source: Google analytics and Facebook statistics).	Achieved <ul style="list-style-type: none"> • Connections to www.taranaki.info made • Biz 2 Biz Facebook followers up 276 or 20%. • 'Taranaki Like No Other' Facebook followers up 6,028 or 15%. • Twitter followers up 390 or 7%. • Instagram followers up 1,980 or 49%. 	Achieved <ul style="list-style-type: none"> • Visit section of www.taranaki.info redeveloped over year. • Biz 2 Biz Facebook followers up 382 or 39%. • 'Taranaki Like No Other' Facebook followers up 4,189 or 11.6%. • Twitter followers up 1370 or 35.7%. • Instagram followers up 3,166 or 337%.
Foundation Taranaki where the goal is to maximise the potential of Taranaki's core industries by adding value to the regions' traditional business sectors and enhancing business capability, innovation, productivity and export development.	Encourage enterprise and innovation in all areas of the economy.	Foundation: Facilitate \$500,000 investment into regional businesses subject to central government policy (source: Central Government and other Agencies).	Achieved \$1,515,399 (GST inclusive) of research and development and innovation funding facilitated into Taranaki business (across 36 transactions).	Achieved \$1,086,765 (GST inclusive) of research and development, and innovation funding facilitated into Taranaki business (across 24 transactions).
		Foundation: Achieve >80% Client satisfaction in regard to business support services (source: Annual client satisfaction survey).	Achieved 93.7 percent client satisfaction with Venture Taranaki business services.	Achieved 91.8 percent client satisfaction with Venture Taranaki business services.

VISION: BY 2035, TARANAKI WILL BE A PROGRESSIVE, GROWING, WESTWARD-LOOKING PROVINCE OF NATIONAL SIGNIFICANCE, RENOWNED FOR ITS PEOPLE, CULTURE, TALENT, RICH NATURAL RESOURCES AND DESIRABLE LOCATION

Regional Strategy Context	New Plymouth District Economic Strategy Strategic Priorities	Performance Measurements	2016-2017 Year	2015-2016 Year
Frontier Taranaki where the goal is the pursuit of new horizons, industries and projects that foster diversification, growth, and/or perception shifts to enhance Taranaki's regional development.	Capitalise on key clusters and economic advantages.	Frontier: Support three key projects with high impact potential aligned with the regional growth agenda (source: Business Plan).	Achieved Provide facilitation for Energy and Industrial group. Provide facilitation for International Education Taranaki collective. Partnership with Massey University to connect Taranaki businesses and organisations to Massey University expertise.	Achieved Oil and Gas Specialist Technologies and International Education Taranaki. Provided an Investment Workshop in October 2015. Following this event, facilitated meetings with interested parties on the formation of a local Angel Group. These discussions lead to the Taranaki Investment Group Incorporated being established in March 2016. It has since set up its operating systems and began considering investment opportunities in June 2016.
Talented Taranaki where the goal is to create a regional culture where innovation, talent and lifelong learning are valued and to ensure Taranaki businesses have the skills to support current and future needs.	Build and retain a highly skilled workforce.	Talented: Invest \$200,000 in management capability building for Taranaki SME's subject to central government policy (source: Regional Partner Network funding).	Achieved \$376,085 of capability development voucher funding invested across 276 vouchers.	Achieved \$326,364 of capability development voucher funding invested across 235 vouchers.
Desirable Taranaki where the goal is to make Taranaki the preferred place to live, work and visit, in order to achieve the population target of 135,000 by 2035.	Promote our District as a desirable and unique place to visit, live and invest in.	Desirable: Attract or retain four major events meeting NPDC criteria (>100 points) based on \$700k event fund.	Achieved <ul style="list-style-type: none"> • All Blacks vs Argentina 2017, • BDO Around the Mountain Cycle Challenge 2018, • Cat Stevens/Yusuf – 'A Cats Attic-Peace Train Tour' 2017, • ITU New Plymouth Sprint Triathlon World Cup 2017, • McDonald's SuperSmash T20 cricket 2016, • New Zealand Tattoo and Arts festival 2017, • Phoenix vs Sydney Wanderers 2017, 	Achieved <ul style="list-style-type: none"> • Wellington Phoenix vs. NZA Football Game 2015, • Taranaki Steelformers Around the Mountain Relay 2015, • NZ Tattoo and Art Festival 2015, • BDO Around the Mountain Cycle Challenge 2016, • Tropfest 2016, • ITU New Plymouth Sprint Triathlon World Cup 2016, • AmeriCARna 2016, • Georgie Pie Super Smash T20 Cricket, • PSP NZ Jetsprint Championship 2016,

STATEMENT OF SERVICE PERFORMANCE *CONTINUED*

For the year ended 30 June 2017

Regional Strategy Context	New Plymouth District Economic Strategy Strategic Priorities	Performance Measurements	2016-2017 Year	2015-2016 Year
Desirable Taranaki continued			Achieved <ul style="list-style-type: none"> Powerco Taranaki Garden Spectacular 2017, PSP NZ Jetsprint Championship – Rounds 1 and 3, Taranaki International Arts Festival 2017, Taranaki Steelformers Around the Mountain Relay 2017, WOMAD 2017. 	Achieved <ul style="list-style-type: none"> Warriors vs Canberra Raiders – NRL Telstra Premiership Fixture, WOMAD 2016, Powerco Taranaki Garden Spectacular 2016, Steelformers Around the Mountain Relay 2016, NZ Tattoo and Art Festival 2016, BDO Around the Mountain Cycle Challenge 2017, Tropfest 2017, AmeriCARna 2017.
	Provide and distribute a minimum of six pieces of regional collateral to inspire the communities of Taranaki, visiting conferences, events and leisure travellers to explore and enjoy the many aspects of the region.	Desirable:	Achieved	Achieved
	Develop a Regional Taranaki Destination Strategy including agreed actions and targets for implementation in 2017/18 (source: Destination Strategy).	Desirable:	Achieved	Not applicable – Not a 2015-2016 Year measure.
	Support/attract a minimum of five conferences/events through either: assisting with bids; undertaking initiatives to maximise attendance or encouraging attendees to explore Taranaki.	Desirable:	Achieved	Not applicable – Not a 2015-2016 Year measure.

TRUST DIRECTORY

For the year ended 30 June 2017

Nature of Business

Facilitating economic development in Taranaki

Business Office

9 Robe Street
New Plymouth

Trustees

Robin Brockie (Chairman)
Gavin Faull
Vanessa James
Kevin Murphy
Jamie Tuuta
Steve Maharey
Hinerangi Raumati-Tu'ua

Auditors

Audit New Zealand
Wellington
On behalf of the Auditor General

Accountants

Staples Rodway Taranaki Limited
New Plymouth

Bankers

TSB Bank
New Plymouth

Solicitors

Govett Quilliam
New Plymouth



Taranaki's Regional Development Agency

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An initiative of



Te Kaunihera-ā-Rohe o Ngāmotu
NEW PLYMOUTH DISTRICT COUNCIL
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