

# TARANAKI AT A GLANCE

POPULATION: 109,609

2.4% of New Zealand's population



TARANAKI GDP

\$8.2

3.9% of New Zealand's GDP Year ended March 2013





Taranaki Businesses who expect the economy and trading to improve over the next 12 months:

**2014:** 2013:

**63.0%** 27.4%

\$74,341

Taranaki's GDP per capita





**ECONOMIC GROWTH 2007-2013** 

TARANAKI **47.5%** 

New Zealand

24.5%





NUMBER OF PRIVATE DWELLINGS:

43,281

TARANAKI GROWTH 2006-2013: 7.3%

New Zealand growth 2006-2013: 6.1%

Number of passengers through New Plymouth Airport, 2013



330,000

Net change in long-term international migration to Taranaki

2014: +56

2013: -341





All figures year to June unless stated otherwise. Source: Census 2013, Statistics NZ, Venture Taranaki Business Survey, New Plymouth Airport data, REINZ

### Venture Taranaki Annual Report 2014

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



Venture Taranaki is an initiative founded by:

In addition to the New Plymouth District Council, Venture Taranaki is supported by: 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.

Photo credits: Rob Tucker, Mark Harris, Anand Rose, Supplied.

# CHAIRMAN'S REPORT

uring the year, New Zealand was being positioned as the 'rock star' of the global economy.

Many credible commentators cited four drivers; the Canterbury reconstruction, the housing boom on the back of low interest rates, growing immigration, and continued strong demand for dairying and other export commodities, including Taranaki's oil, gas and methanol.

Taranaki is linked to New Zealand's performance in two of those drivers – primary production and population growth – and to a lesser extent through our businesses to the restoration efforts in Canterbury. Taranaki has continued to

leverage its natural wealth, through smart innovation and hard work, to deliver 3.9 percent of our nation's GDP – the highest per capita – from just 2.5 percent of our population.

Supporting every rock star is a dependable performer who makes consistent and constant improvements to the boom and bust cycles of stardom. Taranaki plays that role in the national economy, a fact aptly demonstrated by the region's weathering of the global financial storms of the last half decade.

The comparatively low level of central government reinvestment in the region, necessary to ensure both growth and

financial sustainability for the region and the country, would indicate that Taranaki's economic performance plays a pivotal yet often undervalued role in the New Zealand story.

As Taranaki's regional development agency, it is the mandate of Venture Taranaki, in partnership with our elected leaders, to champion the region and its potential on the national stage. Throughout the year we have actively sought to strengthen the conversations that could further help Taranaki to help the national economy.

We have provided a growing portfolio of robust and credible data to support investment into the region, and met with

### **VENTURE TARANAKI – AT A GLANCE**

Value of Research & Development Grants issues to Taranaki businesses in partnership with Callaghan Innovation

2012

2013

2014

\$1,093,380 \$1,643,565 \$1,963,383

694

**782** 

890

3 20

The number of Taranaki employers registered on the Taranaki Jobs website

26,455

Views of Venture Taranaki's regionally focused Happy Youtube video project

New Zealand Trade & Enterprise Capability Vouchers awarded to Taranaki Businesses

**225** vouchers issued

\$331,501.94 total value





Major events contracted through the New Plymouth District's Major Events Fund the nation's elected and departmental government, business and community leaders to translate vision into reality.

There has been some progress in this area. The Trust's partnerships with Callaghan Innovation and the Ministry of Business, Innovation and Employment have been rated as one of the nation's most productive. Similarly, our partnership with Business Mentors New Zealand continues to resonate on the national stage. Both of these have resulted in increased financial and executive support flowing directly into Taranaki businesses.

But one area where progress has not met Taranaki's needs is the infrastructural investment to support the medium and long-term growth aspirations of the country, the region and its businesses. Investment into Taranaki's infrastructure is fundamental to sustaining and growing the nation's royalties from oil and gas activities into the future. Of even greater importance is the need to maintain and develop the key infrastructural elements essential to meet the energy demands of the country and its main population bases.

Regional investment has been a constant theme in the Trust's work programme

this year. Notwithstanding that this is an election year, it is likely to continue to form a considerable part of our strategic growth framework for the Taranaki region.

Venture Taranaki does this not only to grow the value that this region can deliver, but to improve the lives of all the companies, families and individuals that choose to call Taranaki home. The population growth indicated in the 2013 census results would indicate that the management and executive of the Trust can again take great pride in the difference that their work is making.

I extend heartfelt thanks to Venture Taranaki's Board of Directors. During the year the Board welcomed the appointment of Kevin Murphy, Managing Director of TSB Bank, and Jamie Tuuta, the Maori Trustee, and bid farewell to Barbara Kuriger as she transferred her considerable governance experience and passion for the Taranaki region to the national stage. I again thank these and our incumbent Board members Gavin Faull and Roy Weaver for their considerable contribution in driving regional development over the year.

I must thank, on behalf of the Board, the Trust's focused and passionate Chief

Executive Stuart Trundle and the equally driven team he leads. When it comes to the economic stewardship of our region, its businesses and residents, it is comforting to know that Taranaki is in very capable and committed hands.

I also once again extend thanks to the creators, owners and core funders of Venture Taranaki Trust, New Plymouth District Council. I look to forward to their continued support of the region's economic growth and of the Trust as Taranaki looks towards a bright future.

And I must also acknowledge the other members of the Team Taranaki approach – our colleagues at South Taranaki District Council, Stratford District Council, TSB Community Trust and Taranaki Electricity Trust. We will succeed with their support, as we work towards a common purpose: making Taranaki the region like no other.



Robin Brockie Chair, Venture Taranaki Trust

Through our partnership with Massey University, 47 R+D Projects by 43 local businesses were referred to Massey's experts for analysis

Number who attended Venture Taranaki's free business start-up clinics



2013

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

f) 20% (**y**) 21%



**Growth in Trust's** social media channels followers, year-on-year

The annual Client Satisfaction Survey found that the Trust's business services scored 90.2% satisfaction, & Trust staff \$93.9% satisfaction





Venture Taranaki's agency ranking by Business Mentors **New Zealand** 

# CHIEF EXECUTIVE'S COMMENT

ne of the most substantial and durable legacies of Venture Taranaki Trust is the quality of the partnerships built over the past decade with our colleagues across the public and private sectors. Central to this partnership model is the strong relationship with our founders and owners at the New Plymouth District Council.

The Trust's total revenue for 2013-2014 was \$3,612,246, of which \$2,753,592 came from the New Plymouth District Council. During the year we were able to contribute to the Council's austerity drive by both actively reducing the level of funding we receive from them by more than \$200,000, and by increasing the revenue we have received from third parties by \$93,942. In doing so, we reduced their contribution from 78.0% to 76.2% of our total revenue, a result which challenged our team to diversify our funding streams and leverage additional funds from central government, the private and philanthropic sectors.

I reiterate our Chairman's thanks to the elected leadership and management teams of the regions territorial local authorities and our partners at the TSB Community Trust and the Taranaki Electricity Trust for their ongoing support of our work in the community.

Further to this, we secured a record level of additional funding of \$2.29 million directly to Taranaki businesses, through the Trust's partnerships with central government and other business development agencies.

Through our partnership with Callaghan Innovation the Trust awarded 28 research and development funding grants with a

total value of \$1,963,383 – \$319,818 more than we invested in the R&D projects of Taranaki businesses in 2013.

As the Regional Partner with New Zealand Trade and Enterprise – the nation's economic development agency – we issued 225 capability development vouchers worth a total \$331,501.94, up from \$287,638 in 2013. Reflecting our performance, we were able to successfully secure an additional \$60,000 in funding during the year, enabling us to meet growing demand for management and leadership development within Taranaki businesses.

Through the Business Mentors New Zealand programme we matched 43 business owners with business mentors, and under our joint venture with Massey University we connected 47 research and development projects by 43 local businesses with Massey's experts, to help them move towards commercial success.

Our Start-Up clinic met with 257 Taranaki people looking to progress their business ideas – up 30 on last year – proving that the entrepreneurial spirit remains alive and well in our region.

This year we amplified our efforts to provide business and community decision makers with the latest regional intelligence, though our cornerstone Taranaki Trends publication, Taranaki Business Survey, and Regional Accommodation Monitor, as well as the introduction of comprehensive retail statistics, detailed supply and demand forecasting around the oil and gas industry and its supply chains, and an analysis of the horticultural and primary production sectors.

We have continued our focus on attracting skilled workers and their families, buoyed by positive population trends indicated in the census results. Within the visitor industry portfolio we grew our portfolio of visitor information and delivered two successful tourism campaigns to grow visitor numbers to the region. Our acclaimed Swap Sides and [RE]discover campaigns, supported by our Lifestyle Toolkit and other online resources, sought to convert visitors to residents.

The strong strategic alignment between our visitor, talent and events strategies recognises the link between visitors and residents, and drove us to secure twelve major events during the year, including WOMAD, bringing world-class triathletes back to the region for the ITU World Cup Short Course Triathlon, and building on the legacy of the Rugby World Cup 2011 to secure six matches of the FIFA U-20 World Cup New Zealand 2015. The latter will broadcast Taranaki to an unprecedented global audience.

Supporting our endeavours was sustained growth in the reach of our digital channels – our regional social media presence grew over 20 percent, year on year, and visitors to the website also exhibited steady growth, with visitors up six percent and traffic up nine percent.

Maintaining the momentum of our regional economy requires strong strategic vision and equally powerful leadership, and I warmly thank the Trust's Board members and Chair Robin Brockie for their governance and guidance over the year. That Venture Taranaki can access such a wealth of experience across a range of

industries and backgrounds continues to deliver value for our region.

Delivering this vision is the challenge that the Trust's executive and staff rise to every day. The team are more than comparable to any similar agency around the globe, and I again thank them and take pride that the results achieved by Venture Taranaki's front line do not go unnoticed.

During the year our General Manager, Visitor Industry Paul Stancliffe-White left the Trust after seven years to return to the industry, and we acknowledge the contribution he made to the region's growth. We also welcomed John Haylock to the executive in the role of General Manager, Innovation and Special Projects, recognising the need to progress the strategic opportunities that Taranaki faces.

Venture Taranaki is becoming an increasingly valued and valuable link between central government and the region, and a strong advocate for the region on key economic and infrastructural

projects. Out 2013 economic development analysis of State Highway 3 North of the province was cited by the New Zealand Transport Agency as a component in the decision to bring forward the works programme on that section of road. We've met with a growing number of business and government leaders, and had an active role in helping them shape regional development policies.

But we are also a critical partner in the growth of individual businesses around the maunga, and I encourage any and all business owners to reflect on how their business is tracking relative to the regional economy, and meet with us if they see an opportunity to grow.

Taranaki will continue to be a focal point of the national economy over the coming year as our industries continue to drive our nation's wealth and our companies continue to leverage our region's innate sense of innovation and push the boundaries of what is commercially possible.

The economic outlook will provide the region with some challenges as our export industries confront shifting global commodity prices, interest rate pressures and the volatility of the New Zealand dollar against our main trading partners.

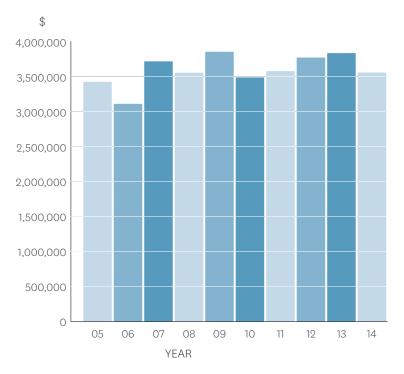
For our part you can be assured that Venture Taranaki will maintain its momentum not only in supporting business growth throughout the region, but also in driving home the value that Taranaki provides the rest of the country, and the need for the nation's leaders to better recognise this contribution. When we are successful in doing this, Taranaki – and all those who choose to live here – can be freed from barriers to growth and be capable of achieving its fullest potential.



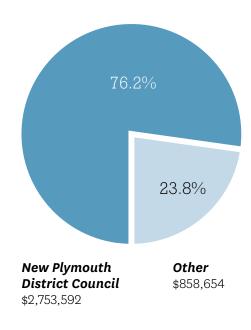
Chief Executive, Venture Taranaki Trust

#### **VENTURE TARANAKI BY THE NUMBERS 2013-2014**

#### Venture Taranaki Annual Revenue



#### 2013/2014 Funding Sources





# TARANAKI BUSINESSES STRONGLY PRESENTED ON GLOBAL STAGE

aranaki's oil and gas industry, and its supply chain, took a high-profile approach to promoting the region's skills on the world stage at the April 2014 APPEA conference and exhibition in Perth.

Hosted by the Australian Petroleum Production and Exploration Association, APPEA is the largest annual upstream oil and gas event in the southern hemisphere, and attracts delegates from across the country and the world.

The event attracted over 3500 delegates, showcased 220 exhibition booths and provided four days of high profile speakers from industry, government and industry experts.

Venture Taranaki worked with local and national businesses and government departments over several months to secure, design and deliver a pavilion space in the exhibition, with the aim of promoting our oil and gas industry expertise and exporters, and the inward investment opportunities for explorers.

The New Zealand pavilion was ideally placed in a strong location, attracting considerable interest, which was compounded at a New Zealand function attended by over 150 industry leaders. Taranaki supply chain companies were updated on project developments and upcoming work at a private briefing, which was extremely valuable.





### GROWTH THROUGH CONNECTING EXPERTISE AND ENTHUSIASM

mie Murphy opened Liquorland Fitzroy three and a half years ago, and is continually looking at ways to grow her business.

"The major challenge with growing a business from zero is that you've got to figure out how to build a loyal customer base," Amie says. "I needed help to gain the tools to be able to do that, and had heard the Mentors programme advertised."

"Joining up to the Business Mentors programme was perfect and I now look at all the growth and the new focus and I'm pretty excited about what plans I have for the future," says Amie.

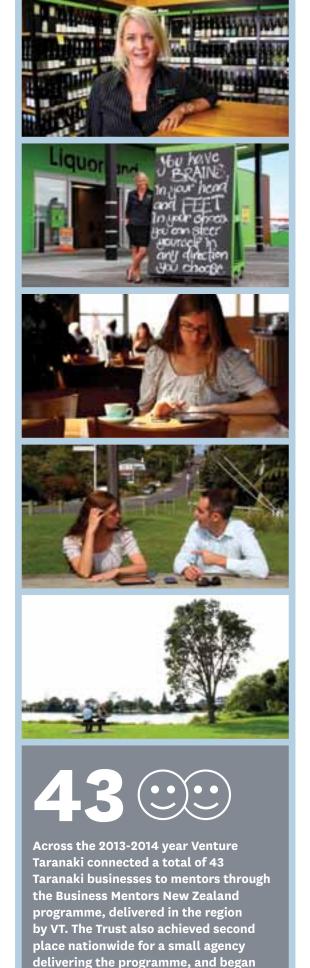
Tongaporutu-based Misty Gibbs, of digital application development company Liiken Ltd, signed up for a Business Mentor after visiting Venture Taranaki to get ideas on growth and further development for the business. As a result Liiken has gained a valuable sounding board and is going from strength to strength.

"We meet up once a fortnight and there's no way I'm going to turn up and say I haven't done anything." Misty says.

"Having a Mentor really pushes me to keep on track and to do more than I would if I was growing the company on my own."

These stories and more were part of a video campaign that Venture Taranaki launched during the year to help promote the Business Mentor scheme to Taranaki businesses. The campaign, developed locally, has been utilised nationally by Business Mentors New Zealand.

We are also on the lookout for more experienced Business Mentors – those willing to share their business, commercial, governance or other experience and expertise with a growing local company. Becoming a mentor is a great way to give something back to the regional economy and is an intensely rewarding experience.



work on a community organisation

the 2014-2015 year.

mentoring pilot that will be delivered in

Capability
Development Vouchers



# DEVELOPING CAPABILITIES FOR GROWTH

rofessional Excavation is an ethical family-owned business based in Hawera, South Taranaki. Owner Joshua Prestidge has been working on a number of projects throughout the region for businesses and councils, including a new walking track shared with a section of a bridle trail from Lake Mangamahoe to Hydro Road for New Plymouth District Council.

Being a preferred supplier to newlyestablished local business Evergreen Plumbing, Gasfitting and Drainlaying has been a great journey bringing ongoing work. As such Joshua has been able to grow the business considerably in the past 12 Months.

To help achieve that growth, Joshua was able to use New Zealand Trade and Enterprise Capability Development vouchers, through Venture Taranaki, to connect with THE Marketing Company to help him develop skills in marketing to support his vision for the business.

"The Essential Marketing Boot Camp was an amazing investment. This training has proven itself in the first 6 months of starting my business, I am year to date 225% above my net profit target set in my marketing plan. I doubt it would have been as achievable without the help."

Joshua feels he has been able to focus on working on the operational side of

the business as well as developing a strategy around business development, whilst having a clear plan and direction to implement.

Joshua has recently followed up his marketing training with an extended brainstorming session with THE Marketing Company, which has enabled him to refocus on the original plan as well as developing new ideas and strategies to ensure both time and resources are being used efficiently.

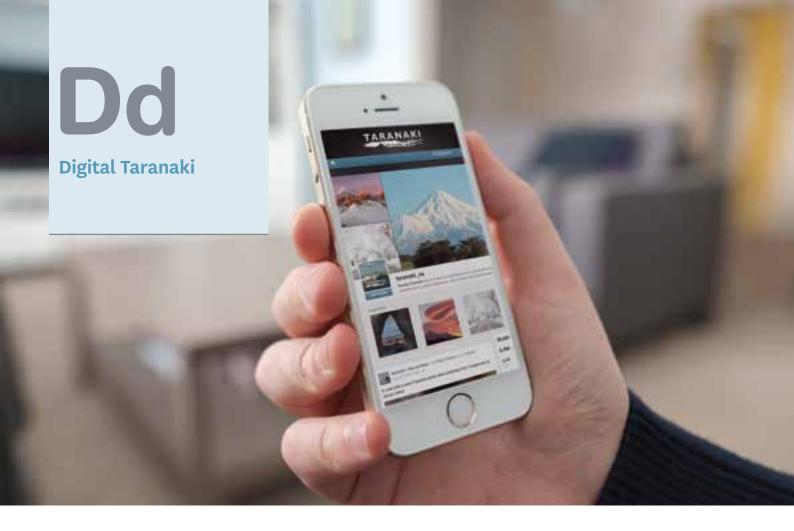
Venture Taranaki is continuing to work with Joshua and his team to support them in their vision to become a trusted adviser in the business of earthworks, raising the standards in how technical projects are handled professionally, with a sustainable environmental footprint and a vigilance about costs.

Joshua says that he really appreciates the support he has received from Venture Taranaki and is keen to invest further in up-skilling his team. "This funding is a great way of getting support for local, family businesses to get ahead of the game and in turn can provide support to others in the wider community". Often as business owners we are good technically, but we may lack the same proficiency in business areas like sales and marketing. I recommend every business contact Venture Taranaki today.

"The Essential Marketing Boot Camp was an amazing investment..."



As the Regional Partner for New Zealand Trade and Enterprise, Venture Taranaki issued 225 Capability
Development vouchers to Taranaki businesses worth a total value of \$331,501.94, an increase from the \$287,638 issued in the 2013 financial year. Venture Taranaki was able to secure \$60,000 in additional funding from NZTE during the year to enable growing regional demand to be met.



# CONNECTING TARANAKI TO THE WORLD

he team at Venture Taranaki were able to further expand Taranaki's digital presence over the year, utilising low-cost channels to strengthen the region's brand and profile, both domestically and globally.

Leading the charge was the regional Facebook page *facebook*. *com/TaranakiNZ* which grew by 6,353 or 23 percent to 32,154 at year end. The page continues to provide a compelling selection of images of our iconic mountain for a growing number of expats, and has reached a valuable critical mass in terms of community engagement and content submission.

Supporting this we also saw strong growth in our Twitter audience – up 742 to 3,842 – and followers of our business-focused Facebook page which is targeted at business growth events and initiatives and grew 31 percent to 666 followers over the year.

The Trust's comprehensive www.taranaki.info website continued to grow, spanning visitor, business and live and work content, as well as hosting a number of campaign sub-sites. Traffic grew by 19,383 visitors, or 9.0 percent over the year, and a number of projects to ensure the site remains relevant and user friendly were initiated.

Recognising that direct-to-inbox communication remains an effective communications channel, the Trust also continued to publish a range of electronic newsletters on a monthly or bimonthly basis – growing the total to ten.

At a more strategic level, in response to the potential benefits that greater connectedness could offer Taranaki's businesses and residents, the Trust also took an active role in working with the region's digital infrastructure providers, leading the regional connection with UFB. Discussions were held with Ultrafast Fibre which is rolling out UFB in New Plymouth, Chorus and Vodafone which are jointly rolling our rural broadband in Taranaki as well as local provider Primowireless. Several opportunities for extending and improving broadband services in Taranaki were identified.

Venture Taranaki also stepped up its involvement in the Taranaki Technology group partnership with PwC which founded the group in 2011. A regular programme of briefings and events were delivered to the members, which comprises regional technology businesses, ICT managers and other stakeholders. A highlight of the year was a very well attended session on 3D printing.



**Events** 



### **SPOILT FOR CHOICE** ON THE EVENT FRONT!

he Major Event Fund once again underpinned and supported a range of events during the year, making sure the region was kept buzzing and maintained its strong appeal not only to those that live here as a great place to live and play, but also to potential visitors and residents as a destination worth considering.

Events ranged from the sporting, including the Round the Mountain Cycle Challenge and Wells Half Ironman to those that showcased the gleam of freshly polished cars and the sound of pristine V8 engines in AmeriCARna.

New Plymouth was once again proud to host an international triathlon with the ITU World Cup returning but in a sprint distance format. The March event attracted a top international field with

151 athletes competing for line honours. An exciting race in both the men's and women's fields resulted in Mario Mola just edging out Javier Gomez and Kate Hursey pipping New Zealand's own Andrea Hewitt to take the top of the podium. The event was screened around the globe, including India, China, Canada, Malaysia and the UK via a half-hour highlights programme. Athletes were universally positive about the race and loved being in New Plymouth with many remaining here to train for the Auckland long distance triathlon event two weeks later.

The New Zealand Surf Festival took on a different format this year moving from an event in the women's pro circuit to a World Qualifying Series event. This meant that while the top surfers still competed, vying for the double points on offer, the event

also attracted a wider field of those trying to qualify for the circuit. A range of events were held around the main competition from 'microgroms' upwards with more than 480 competitors taking part and around 10,000 spectators coming to watch.

This year the show is being rotated on Sky Sports NZ, Fox Sport's Fuel TV in Australia, IMG's Edgesport network, and Multichannel Asia. The event has now reached 117 million homes around the world through these networks.

Of course one of the highlights of the event calendar during the year, supported by the Major Events Fund was the 'All the Hits, All Night Long' concert featuring stars Lionel Richie and John Farnham. Almost 10,000 people danced and sung to the songs we all know and love in the magical atmosphere of the TSB Bowl of Brooklands.





# WELCOMING THE WORLD, AGAIN.

aranaki again punched well above its weight by being selected as one of the host regions for the FIFA U-20 World Cup coming to New Zealand in 2015.

The Tournament is one of the world's major sporting events – FIFA itself has ranked it "just below the senior Men's World Cup" in priority. Stadium Taranaki will host six matches – five pool matches and a Round of 16 clash – including two double-headers during group match play.

A total of 24 teams from Asia, Africa, Europe, South America, Central and North America and Oceania will qualify for the FIFA U-20 World Cup with team pools being announced in February 2015. Designed to be family friendly, many of the games will be played during the day or early evening, allowing our passionate young football players to see the stars of the future in action.

Venture Taranaki has been working with the Local Organising Committee (LOC) based in Auckland to make sure the region puts its best foot forward for the tournament. We want both players and visitors alike to have a brilliant time while here and speak glowingly about Taranaki when they go back home.

Perhaps of greater importance is the estimated global television audience of 450 million viewers, across 200 countries, which has the potential to ensure our region's international profile is substantially boosted.

To this end, a range of activity has already taken place – a dedicated regional tournament website has been built and populated, extensive social media coverage was generated around the Trophy Tour, FIFA World Cup launch and local Futsal Tournament and utilising in-house expertise a 'One Year To Go' video was produced to highlight the region's hosting of the tournament to national and international audiences, gaining praise from the LOC and prompting the national campaign to develop a countdown clip.

"Wow, this is an awesome idea, and I thought you guys were only doing a video!! The website is really good!!"

Mike Hadnett, Digital Channel and Content Manager, FIFA U-20 World Cup New Zealand 2015



### **SUPPORTING REGIONAL GROWTH**

enture Taranaki's 2014 Client Satisfaction Survey found that 90.2 percent of respondents were either satisfied or very satisfied with Venture Taranaki's business services, 93.9 percent of respondents were either satisfied or very satisfied with the Venture Taranaki staff they encountered, and 93.5 percent were either likely or highly likely to use the Trust's services again.

Of Venture Taranaki's services, the jobs website, NZTE Capability Development Training, research and development funding and general business advice and support were considered the most valuable by the region's businesses.

When it came to direct feedback from clients, it was broadly positive, with valuable feedback on some areas that we could improve upon. One such piece of feedback has resulted in the development of the Business Toolkit, which gives current and potential clients a better understanding of how Venture Taranaki can assist them.

"I have had a 300% increase in net profit over budget
- I could not have done this without the support of Venture Taranaki. Thank you!"

"Everyone I speak with at Venture Taranaki is concerned about helping you to be successful which has got to be good for the province."





Lincoln University report, commissioned and released by Venture Taranaki, found that while the region's horticultural sector has contracted considerably over the last decade, there were a number of future opportunities for Taranaki's horticultural sector and land use.

"While it is widely acknowledged that you can grow almost anything in Taranaki, the reality is that competing land use demands and commercial viability have challenged the region's horticultural sector," says Chief Executive Stuart Trundle.

"One of the roles of a regional development agency is to identify and investigate new opportunities to rebuild this potentially innovative and valuable sector, and that is what our team has done in this report."

"In order to foster a robust regional economy, we must look to build a diversified portfolio of industries. A strong and sustainable horticultural sector builds on our region's physical advantages, ensuring we can maximise the value of some of our less-productive land."

Lincoln University researchers reviewed the historic development of horticulture in Taranaki and found that its growth has been constrained by factors ranging from the strength of existing key sectors; a balance of lifestyle and commercial drivers; limited coordinated access to infrastructure; and land prices that reflect the value of the land for dairying and small holdings.

The report identified potential projects for Venture Taranaki that include telling existing success stories; helping horticultural

companies to access funding and assistance sources; facilitating access to broader infrastructure, such as transport; helping foster industry clusters to maximise opportunities in emerging industries; and working with the dairying sector to diversify land use

Two emerging primary sector industries that appeared to offer opportunities for diversification were the growth of Manuka for the production of Manuka honey and industrial hemp production for housing and other end-uses.

"The report highlights the opportunity for the regional development strategy to concentrate on emerging primary sector enterprises in Taranaki," Lincoln University researchers concluded.

"Ensuring these sectors are supported in their efforts to secure necessary funding and information, and to develop networks, would encourage the development of horticulture and novel land-based industries in the region."

Copies of the 60-page report The Potential for Horticultural Development in Taranaki can be read and downloaded from www.business. taranaki.info or picked up from Venture Taranaki.



# HELPING TARANAKI MAKE BETTER DECISIONS

aving access to comprehensive and current regional intelligence is critical to business success, and providing this data remains a core element of the Trust's work. This year we continued to produce and release the regular Taranaki Business Survey, Taranaki Trends and Commercial Accommodation updates.

The 31st edition of **Taranaki Trends** was released, building on a legacy of comprehensive statistical information, facts and figures to help inform the region's decision makers, business leaders and students. The publication underwent a significant redesign this year, with the goal of making the data clearer to read and the publication easier to read on-screen.

Trends looked at a consistent range of economic measures, including employee numbers, GDP, population shifts, visitor arrivals, and activity in the construction and rural sectors, as well as one-off data sets around issues such as airport traffic and retail sales performance. The publication is distributed in hard-copy to a large list of Taranaki business and community leaders.

The **Taranaki Business Survey** built on 15 years of consistent polling, with a further two surveys of 1,500 of the region's businesses – across all districts, industries and sizes – during the year.

The results found that optimism at nationwide level reached a record high in December, though dropped slightly by June, while the outlook remained relatively strong at industry and sales levels. Businesses list their major concerns as fuel and electricity costs, with labour availability also getting a mention – some 31 percent of local businesses were having trouble finding and hiring suitable staff in December, falling to 24 percent in the June survey.

The Trust also continued to provide **Commercial Accommodation Statistics** at regional and district levels.
This data provides a long-running benchmark of visitor numbers staying in commercial accommodation, and are a critical component in business decisions around the visitor industry.







### UNDERGROUND AND A WORLD AWAY

an Butturini swapped a job as a project engineer on the London Underground for a position as a project coordinator in Taranaki's oil and gas sector, and in the process gained a lifestyle he and his family had dreamt of, for a price they could afford.

Looking for a better quality of life Ian, his wife Shabnam Sharifi and 20-month old son Arian looked to Ian's native New Zealand, arriving in Taranaki in February 2013. The move has been so successful that the family is set to grow, with a new baby on the way.

"The things that mean better quality of life to us – a bigger house, the ability to have outdoor hobbies, and being near family – were hard to access in London. Child care was too pricey and the commute meant there was little free time," says Ian.

"Now, our son loves to play outdoors and go to the beach. We couldn't do that in London as much. And it's only 15 minutes to work, rather than an hour."

Ian and Shabnam visited family in New Plymouth in 2008, and fell in love with the city's views, friendly locals and ease of living. They returned to the UK with the idea of returning on a more permanent basis.

Ian found work easily following a connection made with a local company shortly after he listed his skills on Venture Taranaki's Jobs website.

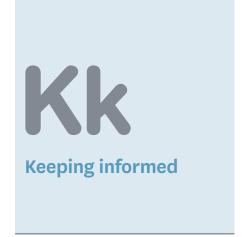
"It's a quieter lifestyle than London, but the flipside is that we spend more time as a family, seeing our friends and discovering the outdoors. Our son loves it here too, and he seems very happy and settled."

A growing number of local employers are also utilising the Taranaki Jobs website to promote their vacancies to a global audience in a far more cost-effective way.

The Taranaki Employer Survey, conducted by Venture Taranaki in late 2013, found that 51 percent of the region's employers used the Taranaki Jobs website to list their vacancies, with fourteen percent stating they have interviewed or employed someone through the site.

At the end of the 2013/2014 year a total of 890 of the region's employers were registered with the Taranaki Jobs website, up from 782 in 2013, and 694 in 2012. 462 active jobseekers were registered with the site as at the end of the year, with the number of vacancies listed on the site generally numbering 80 to 90.





# TARANAKI RETAILERS OUTSHINE NATION

ew regular research commissioned by Venture
Taranaki and launched in March put the region's
retail performance under the microscope, and found
that while New Zealand's average rate of retail spending
increased 1.7 percent for the six months to 31 December 2013,
Taranaki's retail sector saw spending increase 8.4 percent.

\$572 million was spent in Taranaki in the half-year to December, with the largest increases by sector in furniture and flooring, and homeware/hardware. While the most was spent in the New Plymouth District, Stratford led spending growth within the region, and South Taranaki saw transaction values and volumes increase well above the national average.

The research also looked at regional uptake of online retailing, often cited as a significant impact on Taranaki's bricks and mortar retailers.

While growth in online purchasing was faster than growth in physical buying, the shift to online trading was slower in Taranaki than on a nationwide level – around 5.4 percent of Taranaki cardholders' spending is online, vs 6.1 percent nationally.

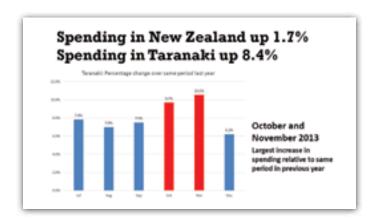
Of the region's online shopping, 34.5 percent was with international retailers, and this had dropped over the past year while online shopping with domestic providers has remained strong.

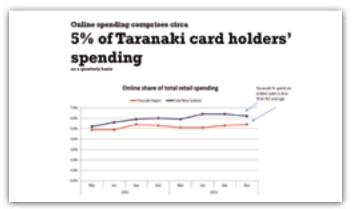
Taranaki's online spending is not making significant inroads into total local spending suggesting Taranaki's bricks and mortar merchants are performing well.

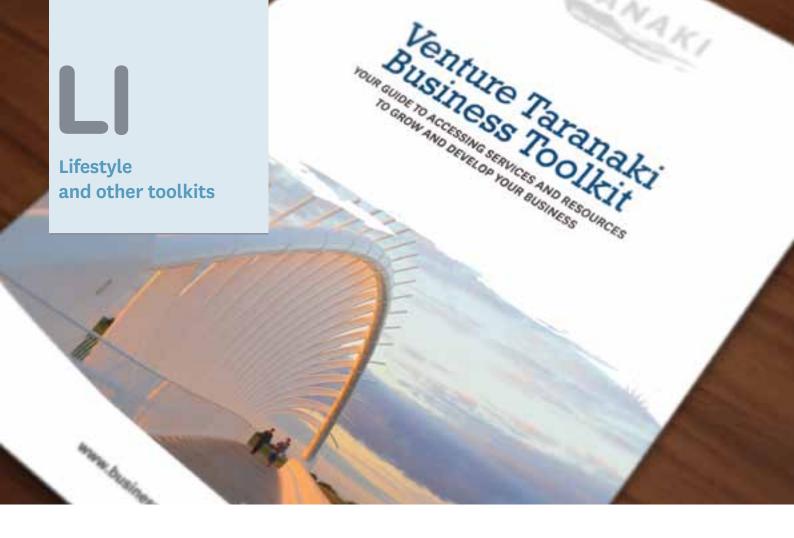
The Trust also undertook a forward-focused supply and demand analysis to provide greater certainty around engineering capacity and to help companies in the sector better manage skills and work flows.

The comprehensive analysis found that workload peaked in November, with almost 1800 FTEs engaged in the region above the 'business as usual' scenario, driven by a number of significant shutdown and turnaround projects in the oil and gas industry.

Both projects will become a regular addition to Venture Taranaki's research programme.







### TOOLKITS TO GROW TARANAKI

enture Taranaki's toolkit series was developed to support those that want to live, work or play in the region like no other.
Beginning as just a Visitor Industry Toolkit, with a Lifestyle Toolkit added in 2012, and Business and Event toolkits launched this year, the series presents a comprehensive array of information, connections and resources to a growing audience.

The 48-page **Taranaki Lifestyle Toolkit** was updated and reprinted this year, and includes a regional introduction, comprehensive guide to living in Taranaki – which spans finding a home to sports and arts opportunities to healthcare and more – guides to making the move to and working in Taranaki and an industry overview. The publication also includes a number of case studies of those who have already made the move to Taranaki and are loving their new home.

Several hundred copies of the publication were distributed to regional stakeholders who play a role in welcoming new residents to the region, and it has gained extremely positive feedback.

"Thanks for sending us the Taranaki Lifestyle Toolkit. What a great resource! We would be keen to receive some more and pass them on to any of our purchasers that have recently moved to Taranaki." – McDonald Real Estate Ltd

"We would love to have some more copies as this would be great to give to new people in our church who have move into our region."

Chris Hobby, City West
 Church

New this year was the **Taranaki Business Toolkit**, a 20-page guide to Venture Taranaki's services and other business resources available to help local businesses grow.

From business start-up to supporting growth, capability building to research and development, and export assistance to sector support, the Business Toolkit can direct businesses to the relevant Venture Taranaki service.

The publication also includes a number of case studies to demonstrate the difference that these services can make to businesses, and is a great place to start for any local business looking at growth.

Read more about the Taranaki Event Toolkit on page 28.





# **CONNECTING TARANAKI BUSINESSES WITH MASSEY'S EXPERTISE**

enture Taranaki's pioneering joint venture with Massey University not only saw the first cohort of local MBA Students, it also connected with 43 Taranaki businesses to explore research and development projects.

Taranaki tech company Efinity is one such company who leveraged another Venture Taranaki service - Capability Development Vouchers - to work with Massey University to further develop their new business - an innovative online system for managing offshore oil rig staff logistics.

Efinity's TrackITportal.com makes moving people on and off oil rigs easy, a process that traditionally presented a lot of logistical challenges. The system takes care of staff assignment and bookings for helicopter flights and accommodation, manages qualifications and training, and even checks cargo weight.

The Massey business development manager/Venture Taranaki business advisor approached Efinity and connected them to NZTE Capability Development funding, with which the company accessed strategic planning advice from Massey University's E-Centre experts.

As a result of working with Massey a new company has been established around TrackITportal.com, more staff have been employed, another client has signed on and there is strong interest from international customers for the product. TrackITportal.com are now working to commercialise their opportunities and meet this international demand.

Another example of how the partnership between Massey University and Taranaki's regional development agency is injecting some of the university's capability and creative thinking into the region to grow local industry through R&D and innovation, was seen when Todd Energy's new Bentec Model Euro Rig 450t drilling rig arrived in Taranaki in early 2014.

The rig arrived in a ground-breaking custom colour scheme that was designed by Massey University School of Design experts to soften its impact in the local environment.

The Massey team travelled to the site to record the surrounding landscape and local colour palette, before presenting Todd Energy with six colour options. The final colour solution enables the rig to blend more with its surrounding landscape, while still meeting the necessary safety requirements.

Recognising the need for Taranaki's business leaders to gain world-class qualifications, the first Taranaki MBA programme was launched on 22 March. Ten students are undertaking the programme, and are appreciating not having to travel out of the region.

"An MBA is a highly regarded degree and I'm fortunate to be able to complete this in my home town, without having to sacrifice time to travel outside the region. It is challenging, but also very rewarding."

Throughout the year the partnership between Massey **University and Venture** Taranaki has worked with 43 Taranaki businesses with the aim of potentially resourcing more than 47 research and development projects.







### STARTING THE RIGHT WAY

ew Plymouth Naturopath and Herbalist Lisa West started her business Virtuous Skincare, after she developed a skin treatment to help heal her son's burns.

Despite doctors saying that her son would have permanent scarring, Lisa's new skin treatment restored his skin to full health.

Lisa got in touch with the team at Venture Taranaki to see if this innovative new product could be built into a business and booked an appointment to attend a free, one-on-one start-up clinic with a Business Advisor.

"Venture Taranaki were the first port of call as soon as I decided to build a business around my new herbal skin cream," Lisa says.

At the Business Start-up Clinic, Lisa received advice on

budgeting, advertising, market research, sales and marketing and business planning.

"I attended at least half a dozen clinic appointments and each one was very helpful as I had numerous questions about the requirements for starting a small business."

"The advice and encouragement I received from Venture Taranaki gave me so much more knowledge and confidence to not only start a business, but to maintain the running of it."

"I would recommend anyone with a new business idea to contact Venture Taranaki for start-up advice, that's what I did and I haven't looked back!"

### WAVEINVADER

aveInvader is another new Taranaki product that has gone from strength to strength since coming through Venture Taranaki's Business Start-up Clinic.

When Tony Pope first developed a radically different body board – with sleek lines, a V-hull, concave deck and a sharp nose – he knew he had a good idea, but wasn't sure how to progress it.

"i've been self-employed for years, but was looking for good direction to make sure the WaveInvader could get off to a great start," Tony says.

"The Start-Up Clinic pointed me in the right direction, and opened up other doors within Venture Taranaki."

Tony is now working with Inglewood-based marketing company SpecialEyes to upskill and launch a major marketing campaign, just in time for the summer season.

All going to plan, you'll be seeing a lot of distinctive WaveInvader body boards at beaches around the region – and the world – from this summer.



257

Over the year the Trust helped a total of 257 people with their Business Start-up ideas, across 79 clinics held in New Plymouth, Stratford and Hawera.



# **MAKING THE MOST OF OUR NATURAL RESOURCES**

hroughout the year Venture Taranaki worked alongside our cornerstone industries to support their development and further attract inward investment into the region. Recognising the transformational potential of the oil and gas sector, we delivered the following in 2013/2014.

#### Energystream.co.nz

The open access energystream.co.nz website, developed and maintained by Venture Taranaki, continued to grow over the year, with subscribers to the comprehensive monthly industry update jumping to over 600.

A number of enhancements were made to the site to profile the industry and developments within it, such as new technologies, how to begin a career in the sector and regional successes.

A central aspect of the site is the Oil and Gas Company database - the most comprehensive capability listing of O&G expertise in New Zealand - with over 250 businesses registered.

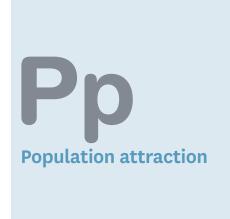
#### Oil and Gas Specialist **Technologies**

The Trust continued to facilitate the Oil and Gas Specialist Technologies group, which grew by four new members during the year. The members met on a monthly basis and continued with their founding sponsorship of the quarterly Petroleum Club, as well as exhibiting at APPEA and the Petroleum Summit in September. Venture Taranaki worked with the group to update their promotional video and brochure, and converted their website to be mobile responsive to help drive more profile and growth for these Taranaki businesses.

#### **Lunch and Learn series**

The Trust continued to present its ongoing Lunch and Learn series, which regularly presents research findings and industry experts to help with demystifying aspects of the oil and gas industry and its supply chain. Delivered through a partnership with AMEC, the events have had very good support from key decision makers and senior staff across the industry and are also seen as valuable networking and engagement opportunities, further underscoring that Taranaki is open for business.

The largest audience was achieved by Anadarko's Senior Vice President, International Exploration, Frank Patterson, who chose the forum to deliver the company's first major public briefing ahead of its offshore drilling programme in early 2014.



# CAMPAIGNS TO CONTINUE POPULATION GROWTH

aranaki's population target of 135,000 residents by 2035 received a welcome boost with the release of the 2013 Census figures in December. While the Census reported the regional population had grown to almost 110,000, the Taranaki Business Survey in the same month found that 31 percent of the region's businesses were having difficulty finding staff or a skills shortage. These are the driving factors behind Venture Taranaki's ongoing commitment to showcase the Taranaki lifestyle to potential residents around the world.

The **Swap Sides** campaign, launched in 2011, was refreshed and extended with targeted advertising in the Auckland and UK markets. Based around a series of contrasts that highlight the lifestyle benefits of living in Taranaki, the campaign was supported by a website and email updates. The high-profile video clip developed around (former) South Taranaki comedian Ben Hurley was also updated, and has continued to reach new audiences via Youtube and social media.

The campaign encouraging the **Fly In – Fly Out** workers to base themselves and their families here in Taranaki was also maintained, with a primary audience in Australia's mining hubs. Likely fuelled by a general downturn in the sector across the Tasman, the Trust fielded strong response rates to the campaign, with a number of workers and families returning home to the region.

Encouraging more of our Taranaki alumni to reconsider returning to Taranaki was the goal of the **[Re]discover** campaign, which was focused over the Christmas New Year period when many expats were home for the holidays. Great feedback was received from locals and stakeholders.

The Trust also utilised offshore channels such as the KEA – Kiwi Expats Abroad – network with particular success, and leveraged external interest in the region – such as key holiday periods and events – to strategically brand targeted websites such as MetService.





### **WE ARE HAPPY FROM TARANAKI**

n March, Venture Taranaki caught wind of a global viral video trend to mark World Happiness Day. Centred on the website www.wearehappyfrom.com the trend took the popular Pharrell Williams song 'Happy' and captured localised video imagery around a theme of happiness.

Over 100 countries were represented in the project, and the VT team utilised in-house skills, existing stock footage and friends and family to create New Zealand's first addition to the site.

The trend was a great chance to show off Taranaki as well as its happy locals, reinforcing the lifestyle benefits of living, working and playing in the region like no other. The video went viral and had more than 20,000 YouTube views in less than two weeks, and went on to achieve 26,455 views by year end.

From dancing farmers to café goers, Taranaki put on a fantastic show that included Ozone Beanstore, Daisy Day Surf School, the Te Rewa Rewa Bridge, Pukekura Park, Yarrow Stadium, Ahu Ahu Villas, the Knowles' farm, The Fat Cow Café and more.







# R&D FUNDING MAKES VIRTUAL TRAINING A REALITY

aranaki is the hub of New Zealand's oil and gas sector, which makes process health and safety one of the region's most important support services.

New Plymouth based industry consultants Safety Solutions has developed a new online training model that makes business-critical health and safety training both user-friendly and accessible, using custom-designed online technology.

Safety Solutions has been delivering training on Hazard and Operability (HAZOP) participation and facilitation for 15 years, servicing clients in oil and gas, petrochemical, refining, dairy, power generation, and pulp and paper sectors.

The company received a Callaghan Innovation R&D grant in 2013 to develop an online interactive training course in the area of process safety hazard identification (HAZOP). Through this project they developed a simulated HAZOP environment where trainees can interact with other virtual review attendees and the engineering drawings relevant to the review.

Not only are the online workshops convenient and easy to access, they provide greater interactive experiences that ensure more effective learning than just reading and discussion.

"We have found that letting our participants experience the review situation by setting it up as part of our training is much more effective than talking about it. The various aspects and challenges of the review become much clearer and are retained by students for longer," says company Director Paul Feltoe.

"The funding allowed us to develop a unique training product not available on the international market that is fun to do and provides full assessment capability to trainees," Paul says. The participants keep an online workbook in which they capture notes and answer questions. An on-screen simulated review with animated figures is used as the core element of the training – a so called meta-narrative. The general set up of the meeting is shown and explained through drawings projected on the wall, live meeting minutes or similar. Using this model, the various aspects of the HAZOP review can be shown in increasing complexity.

The new product has been on the market for less than six months, and has already gained a strong foothold in the New Zealand market. It is also driving the growth of Safety Solutions' broader range of services, and has improved their market recognition internationally.

Now that the R&D has finished and the company has launched the online training in New Zealand, they will be making changes to the product to make it applicable for different countries. An Australian version will be rolling soon, then a wider international version by the end of the year.

"Venture Taranaki has supported us along this journey and improved our focus and opportunities for international growth," says Paul.

"Being part of the Oil & Gas Specialist Technology cluster (OGST) has helped us develop relationships and joint opportunities with some key New Zealand businesses involved in the oil and gas industry. Venture Taranaki were able to facilitate communication between industry, government bodies and international players."

Through its partnership with Callaghan Innovation, Venture Taranaki awarded 28 R&D funding grants with a total value of \$1,963,383 to Taranaki businesses in the 2013-2014 year – \$319,818 more than in 2013.

28 R&D funding grants \$1,963,383 total value



# **SEASONAL VISITOR CAMPAIGNS**

everaging the investment in major events and summer holidays, Venture Taranaki developed comprehensive spring and summer visitor campaigns to help the region put its best foot forward.

#### **Spring Campaign**

The campaign developed over the spring months leveraged awareness and media attention around the region's events, promoting the region's visitor attractions and aiming to extend stays and build consideration for a summer getaway visit.

To capitalise on the 'noise' already being made in the media by the two garden festivals and other regional events and to increase visitor numbers to the regional website, Venture Taranaki delivered a multi-faceted campaign that saw advertising in a range of major publications including newspapers, magazines and online.

In addition the campaign encouraged visitors to support local businesses by publicising Taranaki 'hot deals'. The campaign was a success, with the Hot Deals section of the Taranaki.info website receiving almost 19,000 visits during the campaign period and the media selection and creative concept targeting the intended audience directly. The addition of social media expanded the audience further, for no additional cost.

#### **Summer Campaign**

Venture Taranaki's 2013/14 summer campaign targeted the many locals who host visiting friends and relatives over the summer period and encouraged them to get out and explore more of Taranaki with their visitors, in effect creating a region of 110,000 tour guides.

Based around a theme of '30 days of summer' Venture Taranaki put together a bright and friendly looking Summer Go-To Guide which highlighted a number of free and family-focused attractions, activities and adventures on offer in Taranaki. The A5 guide was distributed in Taranaki's free weekly newspapers, the Midweek and South Taranaki Star, as well as local Taranaki i-SITES. It was also advertised in a number of local publications.

The summer campaign had a strong social media element which encouraged visitors and residents to upload their summer pics to their social media pages using the hashtag #TaranakiSummer in the hopes of winning a weekly prize. This saw hundreds of people sharing their Taranaki summer to all of their friends on Facebook, Twitter and Instagram.



### SHOWCASING THE BEST OF TARANAKI

enture Taranaki continued to produce an extensive range of tourism collateral, to help showcase the region and enhance the visitor experience. During the year over 150,000 regional visitor publications were distributed.

We again partnered with AA Tourism to develop the official regional visitor guide, introducing a second DL-sized format to open further distribution opportunities. Through the partnership we gained extensive circulation benefits, while streamlining the process and lowering the overall cost to local tourism businesses.

Our A5 guidebook series was maintained, with content updated for the second edition of the Museums and Galleries Guide, and reprints of the fourth edition of the Walkers Guide, and two reprints of the Parks and Gardens Guide. Work also began on a Cyclist's Guide to the region, for release in the coming year.

The series of DL-format touring route guides was continued, with numerous reprints of the Forgotten World Highway and Surf Highway 45 publications, as well as the Taranaki Must Do's Guide, which remained the most popular of Venture Taranaki's publications.

Like No Other – our composite guide targeted at the meeting, conference and business event market – also proved popular with the target audience.

In addition the Trust began work on developing digital editions of the publications, which have the potential to extend the reach to wider audiences at a significantly lower production cost.

"This gardens guide you produce generates more customers than anything else I've done. It's brilliant!" – Valda Poletti, Te Kainga Marire – one of only four 6-star rated gardens.







# RESONATING ON THE NATIONAL STAGE

espite the region boasting the largest GDP per capita in New Zealand, Taranaki faces an ongoing challenge when it comes to securing the central investment required to maintain growth. Ensuring the region resonated around the halls of Wellington, the boardrooms of Auckland and the conversations in between was again a key focus for Venture Taranaki.

The Trust met directly with a number of central government leaders – from across the political spectrum – and departmental decision makers, from the Ministerial to the likes of The Treasury, Ministry of Business, Innovation and Employment, and Tourism New Zealand, with the purpose of maintaining regional profile and promoting greater investment in regional infrastructure, businesses and people.

We worked with New Zealand Trade and Enterprise to drive Foreign Direct Investment into the region, the New Zealand Transport Agency on increased funding for Taranaki, and New Zealand Petroleum and Minerals to promote stronger investment in our oil and gas sector.

Venture Taranaki assisted Dairy New Zealand to hold a briefing with regional business and primary sector leaders here in the region, and the Trust was invited by Southland and the Hawkes' Bay to deliver briefings on the regional impacts and benefits of the oil and gas industry on the Taranaki economy.

Venture Taranaki provided feedback to the Department of Conservation on their Draft Destination Management Plan for Egmont National Park, and gave regional economic updates to local territorial local authorities though the Annual Plan process.

We worked extensively with Air New Zealand Chief Executive Christopher Luxon to coordinate an official visit to Taranaki, providing a detailed regional briefing, hosting a strategic discussion and leading a meeting of the Taranaki CEO Forum, at which Mr Luxon was the keynote speaker.

Ensuring the Trust was able to assist Taranaki iwi, we remained a cornerstone advertiser in Whenua – the magazine of Parininihi Ki Waitotara, supported the Parihaka community in developing a funding application and invested in the extension of Te Ara Puawai – a pivotal bilingual signage project.









# PUTTING TARANAKI ON THE TOURISM MAP

hile Taranaki offers a spectacular landscape and epic events calendar, we need a concerted effort to ensure the region gains a stronger profile when it comes to national and international visitors.

An inbound operator event in Auckland saw the Venture Taranaki team spend three days effectively speed-dating Tourism New Zealand's trade representatives and 48 New Zealandbased international travel sellers. Substantial interest was received around the Len Lye Centre, the Novotel Hobson, and the Whangamomona experience, while a number of product opportunities were identified which are being progressed.

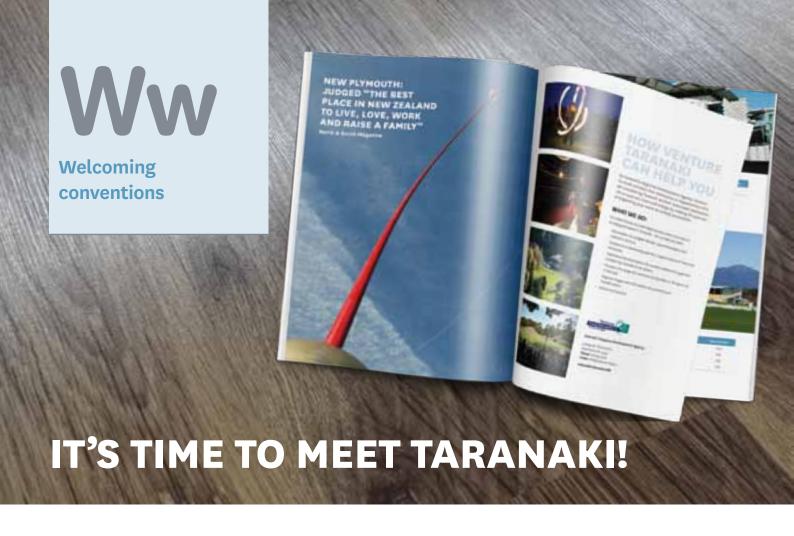
In August, 80 members of the local tourism industry heard from Even Freshwater from the Tourism Industry Association and Mike Gibbons from Jason's Travel Media and Venture Taranaki at an operator event organised by the Trust. Combining networking with a regional economic overview, visitor trends, and marketing and regional event updates, the event was rated 'highly valuable' by most attendees. It was repeated again in December, and was a precursor to an increased calendar of industry networking and education events later in the year.

In October we again teamed up with a number of regional tourism operators and events to create a Taranaki stand at the Waikato Home and Garden Show, a large-scale event recognised by Forgotten World Adventures as the most valuable single marketing activity they undertake.

The Trust was represented at Market Insights, a Tourism New Zealand-run event in Sydney in March which gave us direct access to 25 of Australia's most influential travel and tourism wholesalers and outbound operators.

Venture Taranaki also heavily supported Withers Coachlines, the only Taranaki tourism operator to attend the influential Tourism Rendezvous event – TRENZ – in Auckland in May. The event is the largest inbound tourism event, and features appointment streams from international buyers. VT support included a range of regional collateral, booth display material and digital presentations, and regional signwriting on the coach which had pride of place on the Auckland Waterfront for a week.

Local tourism operators continued to be supported throughout the year with a high number of one-to-one briefings around marketing, social media, trade development, commissioning and strategic direction.



hroughout the year Venture Taranaki's regional Convention Bureau has continued to help conferences and meetings to come to Taranaki and leave with positive impressions.

The objective of the bureau is to increase visitor numbers particularly during traditionally low visitation periods, ensure visitors are aware of all the fantastic things there are to see and do in the region, encourage visitors to stay longer and ultimately to make sure they return to Taranaki and even consider living here.

The Trust has helped a wide range of conferences this year, from the New Zealand Embroidery Guild and Inner Wheel conferences to the Lions Clubs of New Zealand, the National Brass Band Convention and the National Corvette Convention. Our assistance can vary to meet the needs of the organisation, whether that's developing a bid document and presentation to help them secure hosting rights, or signposting conference organisers to local venue and service providers to providing regional signage and collateral to remind visitors they're in the region 'like no other.'

For the first time ever, Taranaki was invited to participate in New Zealand's largest function, meeting and facilities event -Convene - held in Auckland in April.

Venture Taranaki spearheaded a regional presence that included the New Plymouth District Council, TSB Showplace and South Taranaki District Council, and used the event to successfully

showcase Taranaki and its conference venues to buyers from throughout New Zealand and Australia.

To present the region's corporate and conference event venues in a coordinated and professional manner, a new Taranaki Event Toolkit was developed ahead of the event. The 24-page publication promotes all major venues, accommodation options with large conference facilities, transport providers and unique itinerary options. The toolkit was very well received at Convene, and has been in demand since.



# Xx Yy Zz

### **HERE TO HELP TARANAKI**

rom helping local authors find a market for the region's stories to helping local business owners hide their birthday on their Facebook page, the team at Venture Taranaki are here to help Taranaki grow.

Over the year we've fielded calls asking us how to Monday-ise Christmas, where to hire a bouncy castle, why the Taranaki logo is black, and for social media advice – the latter from a professional social media business.

We've worked with Chinese companies wanting to film the region, facilitated the donation of surplus furniture from international oil companies to a local non-profit organisation and even helped move that furniture.

Venture Taranaki has helped staff of high-profile businesses find jobs when that business has closed, helped many ideas become

innovations, and helped signpost even more idea creators to the means to make them happen.

While the value of Venture Taranaki can, in part, be measured by numbers – the pages before this are filled with dollar figures – the true value lies in the organisation's ability to act as the strategic glue of our region, to facilitate long-term planning and to connect the dots between central government, local government and the private sector.

The team at Venture Taranaki Trust acknowledge the continued support of our Team Taranaki colleagues, and look forward to continuing to partner with them in the pursuit of a region 'like no other.'



# FINANCIAL PERFORMANCE 2013-2014

#### **Independent Auditor's Report**

To the readers of Venture Taranaki Trust's financial statements and statement of service performance for the year ended 30 June 2014.

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 statement of service performance of the Trust on her behalf.

We have audited:

- the financial statements of the Trust on pages 33 to 45, that comprise the statement of financial position as at 30 June 2014, the statement of comprehensive income, 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 46 to 47.

#### **Opinion**

In our opinion:

- the financial statements of the Trust on pages 33 to 45:
  - comply with generally accepted accounting practice in New Zealand; and
  - fairly reflect the Trust's:
  - financial position as at 30 June 2014; and

- financial performance and cash flows for the year ended on that date; and
- the statement of service performance of the Trust on pages 46 to 47:
  - complies with generally accepted accounting practice in New Zealand;
  - fairly reflects the Trust's service performance achievements measured against the performance targets adopted for the year ended 30 June 2014.

Our audit was completed on 2 September 2014. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities, and we explain our independence.

#### **Basis of opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and statement of service performance are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and statement of service performance. If we had found

material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and statement of service performance. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and statement of service performance. whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Trust's financial statements and statement of service performance that fairly reflect the matters to which they relate. We consider internal control 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.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board;
- the adequacy of all disclosures in the financial statements and statement of service performance; and
- the overall presentation of the financial statements and statement of service performance.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of service performance. Also we did not evaluate the security and controls over the electronic publication of the financial statements and statement of service performance.

We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

#### Responsibilities of the Board

The Board is responsible for preparing financial statements and a statement of service performance that:

- comply with generally accepted accounting practice in New Zealand;
- fairly reflect the Trust's financial position, financial performance and cash flows; and
- fairly reflect its service performance achievements.

The Board is responsible for such internal control as it determines is necessary to enable the preparation of financial statements and a statement of service performance that are free from material misstatement, whether due to fraud or error. The Board is also responsible for the publication of the financial statements and statement of service performance, whether in printed or electronic form.

The Board's responsibilities arise from the Local Government Act 2002 and other relevant Act or document (such as a Trust Deed).

#### **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001, other relevant Act or document (such as a Trust Deed) and section 69 of the Local Government Act 2002.

#### Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting 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
Palmerston North, New Zealand



#### Venture Taranaki Trust Trustees' Review For the year ended 30 June 2014

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 2014.

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

**Robin Brockie** 

Chairman

#### Venture Taranaki Trust Statement of Financial Position As at 30 June 2014

	Notes	2014 \$	2013 \$
Assets			
Current Assets			
Cash & cash equivalents		303,668	282,110
Trade and other receivables		32,231	77,799
Other current assets		39,493	42,062
GST receivable		80,138	168,604
Total Current Assets		455,530	570,575
Non Current Assets			
Intangibles	3	19,607	49,612
Property, plant & equipment	4	248,302	295,453
Total Non Current Assets		267,909	345,065
Total Assets		723,439	915,640
Liabilities			
Current Liabilities			
Trade and other payables		275,726	478,724
Funds held on behalf		20,585	15,099
Employee benefit liabilities	8	101,461	103,465
Total Current Liabilities		397,772	597,288
Equity			
Trust equity		325,667	318,352
Total Liabilities & Equity		723,439	915,640

These financial statements were authorised for issue by the Trustees on 2 September 2014.

\_\_\_\_\_Chairman

The accompanying notes form part of these financial statements.

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#### Venture Taranaki Trust Statement of Comprehensive Income For the year ended 30 June 2014

enture Taranaki Trust Statement of Comprehensive Income For the year ended 30 June 2014			
	Notes	2014 \$	2013 \$
Income			
Grant revenue	2	3,553,933	3,660,399
Other revenue		26,652	63,257
Interest income		31,661	42,006
Gain on disposal of assets		-	21,383
		3,612,246	3,787,045
Expenses			
Audit fee		26,125	25,475
Amortisation	3	32,515	47,373
Depreciation	4	75,530	73,717
Marketing		546,990	553,586
Professional fees and grants		1,162,631	1,254,982
Rental and operating lease expenses		140,331	141,599
Personnel costs		1,208,269	1,191,908
Trustees fees		73,334	66,000
Loss on disposal of assets		3,632	-
Loss on foreign exchange		17	41
Bad debts written off		-	500
Other operating expenses		335,557	429,871
		3,604,931	3,785,052
Net profit before tax		7,315	1,993
Taxation	5	-	-
Net profit after taxation		7,315	1,993

Total comprehensive income	7,315	1,993

The accompanying notes form part of these financial statements.

Other comprehensive income

# Venture Taranaki Trust Statement of Changes in Equity For the year ended 30 June 2014

	Trust Equity \$	Total Equity \$
Delawas as at a July sers	210, 250	210, 250
Balance as at 1 July 2012	316,359	316,359
Net profit for the year	1,993	1,993
Other comprehensive income	-	-
Balance at 30 June 2013	318,352	318,352
Balance as at 1 July 2013	318,352	318,352
Net profit for the year	7,315	7,315
Other comprehensive income	-	-
Balance at 30 June 2014	325,667	325,667

The accompanying notes form part of these financial statements.

# Venture Taranaki Trust Statement of Cash Flows For the year ended 30 June 2014

	Notes	2014 \$	2013 \$
Cash Flows from Operating Activities			
Cash was provided from:			
Interest		36,168	38,396
Grants and other income		3,616,291	3,651,905
		3,652,459	3,690,301
Cash was applied to:			
Operating expenses		(3,614,218)	(3,571,473)
Net GST movement	11	70,016	(114,850)
		(3,544,202)	(3,686,323)
Net cash from operating activities	12	108,257	3,978
Cash Flows from Investing Activities			
Cash was provided from:			
Proceeds from sale of property, plant and equipment		88	28,088
		88	28,088
Cash was applied to:			
Purchase of intangibles		(2,510)	(32,401)
Purchase of property, plant and equipment		(84,277)	(139,010)
		(86,787)	(171,411)
Net cash from investing activities		(86,699)	(143,323)
Cash Flows from Financing Activities			
Net cash from financing activities		-	
Net (decrease) increase in cash held		21,558	(139,345)
Cash and cash equivalents at the beginning of the year		282,110	421,455
Cash and cash equivalents at the end of the year		303,668	282,110

The accompanying notes form part of these financial statements.

# 1. Statement of Accounting Policies

## **Reporting Entity**

Venture Taranaki 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, and 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 financial statements of the Trust are for the year ended 30 June 2014. The financial statements were authorised by the Board for issue on the date they were signed.

## **Basis of Preparation**

The financial statements are a general purpose report which have been prepared in accordance with generally accepted accounting practice in New Zealand as required by clause 7.1 (4) of the Trust Deed. The financial statements comply with New Zealand equivalents to the International Financial Reporting Standards (IFRS) and other applicable financial reporting standards as appropriate to public benefit entities that qualify and apply differential reporting exemptions. The primary objective of the Trust is facilitating economic development in Taranaki, rather than making a financial return. Accordingly, the Trust has designated itself a public benefit entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS).

The Trust is a qualifying entity within the Framework of Differential Reporting. The Trust qualifies on the basis that it is not publicly accountable, it has total income of less than \$20 million and it has total assets of less than \$10 million. The Trust has taken advantage of all differential reporting concessions available to it except for NZ IAS 7; Statement of Cash Flows, with which it has fully complied.

The Minister of Commerce has approved a new Accounting Standards Framework (incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, Venture Taranaki Trust (the Trust) will elect to be classified as a Tier 2 reporting entity. Under this requirement, the Trust will apply Reduced Disclosure Regime. These standards were developed by the XRB based on current International Public Sector Accounting Standards. The effective date for the new standards for public sector entities is expected to be for reporting periods beginning on or after 1 July 2014. This means the Trust expects to transition to the new standards in preparing its 30 June 2015 financial statements.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Trust is New Zealand dollars.

### **Measurement Base**

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Trust.

## **Specific Accounting Policies**

months or less.

review of specific debtors.

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied.

- Cash
  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
- Receivables
  Trade and other receivables are initially measured at fair value and subsequently at fair value less any provision for impairment. The provision for impairment has been calculated based on expected losses for the Trust's pool of debtors. Expected losses have been determined on an analysis of the Trust's losses in previous periods and
- 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.
- 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.

## 1. Statement of Accounting Policies continued

## 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
 Fixtures and fittings
 Office equipment
 Motor vehicles
 Other fixed assets
 8-10 years
 3-10 years
 4-10 years
 4-10 years

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

## · Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Trust invests as part of its day-to-day cash management.

Operating activities include cash received from all income and records the cash payment made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets. Financing activities comprise the change in equity and debt capital structure of the Trust.

## · 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.

#### Leases

Operating lease payments, where the lessors effectively retain substantially all the risks and rewards incidental to ownership of the leased items, are recognised as an expense. They are included in the determination of the operating surplus in equal instalments over the lease term.

## 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.

## · 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 straightline 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.

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.

Value in use is depreciated replacement cost for an asset where the service potential of the asset is not primarily dependent on the asset's ability to generate net cash inflows and where the Trust would, if deprived of the asset, replace its remaining service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The impairment loss is recognised in the surplus or deficit.

· 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.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that it will be used by staff to cover those future absences.

## Long-term entitlements

Employee benefits that are due to be settled beyond 12 months after the end of period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

Expected future payments are discounted using market yields on government bonds at balance date with terms to maturity that match, as closely as possible, the estimated future cash outflows for entitlements. The inflation factor is based on the expected long-term increase in remuneration for employees.

Presentation of employee entitlements
Sick leave, annual leave, and vested long service leave are classified as a current liability. Non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

### 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 expenditure 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".

### Taxation

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax. Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

Changes in Accounting Policies
 There have been no changes in accounting policies.
 All policies are consistent with the prior period.

# 2. Grant Revenue

	2014 \$	2013 \$
New Plymouth District Council	2,753,592	2,954,000
Callaghan Innovation	121,992	106,743
New Zealand Trade and Enterprise	97,600	98,300
Other	580,749	501,356
	3,553,933	3,660,399

# 3. Intangibles

	2014 \$	2013 \$
Software Cost		
Balance at 1 July	168,828	142,507
Additions	2,510	32,401
Disposals	-	(6,080)
Balance at 30 June	171,338	168,828
Accumulated amortisation and impairment losses		
Balance at 1 July	119,216	77,923
Amortisation	32,515	47,373
Disposals	-	(6,080)
Balance at 30 June	151,731	119,216
Carrying amounts		
As at 1 July	49,612	64,584
As at 30 June	19,607	49,612

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

Cost	Leasehold alterations \$	Fixtures & fittings \$	Office equipment \$	Other Fixed assets \$	Motor vehicles \$	Total \$
2013						
Balance at 1 July 2012	130,760	68,722	176,001	25,242	151,878	552,603
Additions	-	-	80,851	9,472	48,687	139,010
Disposals	-	-	(48,670)	-	(67,134)	(115,804)
Balance at 30 June 2013	130,760	68,722	208,182	34,714	133,431	575,809
2014						
Balance at 1 July 2013	130,760	68,722	208,182	34,714	133,431	575,809
Additions	-	-	10,802	-	-	10,802
Capital work in progress	-	-	21,297	-	-	21,297
Disposals	-	-	(40,550)	-	-	(40,550)
Balance at 30 June 2014	130,760	68,722	199,731	34,714	133,431	567,358
Accumulated depreciation						
2013						
Balance at 1 July 2012	47,776	60,872	124,866	8,944	73,281	315,739
Depreciation expense	11,010	1,636	32,284	3,196	25,591	73,717
Disposals	-	-	(43,990)	-	(65,110)	(109,100)
Balance at 30 June 2013	58,786	62,508	113,160	12,140	33,762	280,356
2014						
Balance at 1 July 2013	58,786	62,508	113,160	12,140	33,762	280,356
Depreciation expense	10,702	1,177	33,187	3,778	26,686	75,530
Disposals	-	-	(36,830)	-	-	(36,830)
Balance at 30 June 2014	69,488	63,685	109,517	15,918	60,448	319,056
Carrying amounts						
At 1 July 2012	82,984	7,850	51,135	16,298	78,597	236,864
At 30 June & 1 July 2013	71,974	6,214	95,022	22,574	99,669	295,453
At 30 June 2014	61,272	5,037	90,214	18,796	72,983	248,302

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

# 5. Taxation

	2014 \$	2013 \$
Net profit/(loss) before tax	7,315	1,993
Tax at 33%	2,414	658
Plus (less) tax effect of:		
Non taxable income	(37,681)	(1,834)
Non deductible expenditure	-	-
Unrecognised tax losses	35,267	1,176
Taxable expense	-	-
Current tax payable	-	-

Unused tax losses of \$181,744 (2013: \$76,283) are available to carry forward and offset against future taxable income.

# 6. Operating Lease Commitments

Lease commitments under non-cancellable operating leases excluding GST are:

	2014 \$	2013 \$
Operating Leases as Lessees		
Not later than one year	119,172	119,172
Later than one year and not later than five years	139,034	258,207
	258,206	377,379
Operating Leases as Lessors		
Not later than one year	55,161	55,161
Later than one year and not later than five years	64,356	119,517
	119,517	174,678

The total non-cancellable operating lease relates to the lease of part of an office building. The lease expires 31 August 2019, with options to vacate the premises 31 August 2016.

# 7. Related Party Transactions

During the normal course of business the Trust purchased and supplied goods and services from and to the following related parties:

	2014 \$	2013 \$
Aotea Services Limited. Stuart Trundle, Director.		
Services provided to	4,273	812
Amounts receivable from	-	-
Auckland University of Technology. Stuart Trundle is Institute of Public Policy Advisory Board	Member.	
Services provided by	2,517	5,293
Devon Hotel & Conference Centre. Peter Tennent, Director and holds a beneficial interest.		
Services provided by	2,750	11,862
Economic Development Association of New Zealand. Stuart Trundle, Deputy Chairman.		
Services provided to	-	330
Services provided by	15,652	15,000
Amounts owing to	17,250	-
Gama Associates Limited. Gavin Faull has a beneficial interest.		
Services provided by	11,000	11,000
Amounts owing to	1,054	1,054
New Plymouth City Band Incorporated – Devon Hotel & Conference Centre has a loyalty agree Peter Tennent has beneficial interest in Devon Hotel & Conference Centre.	ement.	
Services provided by	-	4,500
New Plymouth District Council. The Trust is a Council Controlled Organisation.		
Services provided to	2,751,630	2,954,306
Services provided by	201,097	405,547
Amounts owing to	-	18,690
New Zealand Institute of Directors. Kevin Murphy is a member.		
Services provided to	200	-
Painter Pete. Michelle Jordan holds a beneficial interest.		
Services provided to	-	43
Services provided by	600	-
Amounts owing to	690	-
Port Taranaki Limited. Roy Weaver, Chief Executive.		
Services provided to	3,224	6,255
Services provided by	11,000	11,000
Amounts receivable from	-	265

# 7. Related Party Transactions continued

	2014 \$	2013 \$
Regional Tourism Organisations of New Zealand. Paul Stancliffe, Trustee.		
Services provided by	4,815	7,091
Staples Rodway Taranaki Limited. Robin Brockie, Director and holds a beneficial interest.		
Services provided by	17,022	26,123
Amounts owing to	2,030	6,210
Taranaki Cricket Association Inc. Devon Hotel & Conference Centre has a loyalty agreement. Peter Tennent has beneficial interest in Devon Hotel & Conference Centre.		
Services provided by	-	370
TSB Bank Limited. Kevin Murphy is Chief Executive & Managing Director.		
Services provided by	8,250	-

All transactions were carried out on normal commercial terms. No provision has been required, nor any expense recognised, for impairment of receivables from related parties (2013: \$ Nil).

# 8. Employee Entitlements

	2014 \$	2013 \$
Balance at beginning of period	103,465	85,715
Additional provision made	89,600	74,540
Amount utilised	(91,604)	(56,790)
Balance at end of period	101,461	103,465
Current		
Annual leave	101,461	103,465
Non-current	-	-
	101,461	103,465

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.

## 9. Contingencies

**Contingent Liabilities:** The Trust has no contingent liabilities at balance date (2013: Nil).

Contingent Assets: The Trust has no contingent assets at balance date (2013: Nil).

## 10. Post Balance Sheet Date Events

There have been no significant events post balance date.

## 11. 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.

# 12. Reconciliation of Net Profit with Net Cash Flow from Operating Activities

	2014 \$	2013 \$
Net profit after tax	7,315	1,993
Add (less) non-cash items:		
Add depreciation	75,530	73,717
Add amortisation	32,512	47,373
Net (profit) loss on disposal	3,632	(21,383)
	118,989	101,700
Movements in working capital:		
(Increase) decrease in accounts receivable	48,137	(46,962)
Increase (decrease) in payables	(197,512)	54,574
Increase (decrease) – transfers to investing activities	52,181	
(Increase) decrease GST receivable	88,466	(123,084)
Increase (decrease) employee benefits	(2,004)	17,750
	108,257	3,978

# 13. Key Management Personnel

Key management personnel includes the Trustees, the chief executive and senior management. The compensation includes salaries and other benefits of \$632,355 (2013: \$591,885).

# 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 in each of the NZ IAS 39 categories are as follows:

	2014 \$	2013 \$
Loans and receivables		
Cash and cash equivalents	303,668	282,110
Trade and other receivables	32,231	77,799
	335,899	359,909
Financial liabilities at amortised cost		
Trade and other payables	275,726	478,724
	275,726	478,724

# STATEMENT OF SERVICE PERFORMANCE

For the year ended 30 June 2014

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		Performance Measurements	2013/2014 Outcomes	2012/2013 Outcomes
1.	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.	Team: Maintain a regional economic intelligence unit and undertake one Team Taranaki submission on key regional issue. (Source: Publish Taranaki Trends and business surveys biannually. Annual submission)	Achieved:  Researched and published two 'Taranaki Trends'  Surveyed and published two 'Business Surveys'  Regional Investment – Taranaki submission	Achieved:  Researched and published two 'Taranaki Trends'  Surveyed and published two 'Business Surveys'  Submission on Local Government Act 2002 Amendment Bill
		Team: Maintain connections across www.taranaki.info and social media channels. (All themes & priority areas) (Source: Google analytics and Facebook statistics)	Achieved:  www.taranaki.info visits up 19,383 or 9%  Biz 2 Biz Facebook followers up 161 or 31%  'Taranaki Like No Other' Facebook followers up 6,353 or 23%  Twitter followers up 742 or 23%	Achieved:
2.	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.	Gateway: Support one gateway project per year	Achieved: Contributed to Governments roading infrastructure plans of economic importance to the region. Worked with businesses and stakeholders in ultra-fast broadband to ensure the region, its businesses and residents have access to 21st century communications infrastructure.	Achieved: State Highway 3 study

Re	egional Strategy	Performance	2013/2014	
	ontext	Measurements	Outcomes	2012/2013 Outcomes
3.	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.	<b>Foundation:</b> Facilitate \$500,000 investment into regional businesses subject to central government policy (Source: Govt and other Agencies)	<b>Achieved:</b> \$1,963,383	<b>Achieved:</b> \$1,643,565
		Foundation: Achieve >80% Client satisfaction in regard to business support services (Source Annual client satisfaction survey)	Achieved: 90.2% Satisfied or very satisfied	Achieved: 85.1% Satisfied or very satisfied
		<b>Foundation:</b> Support two key wealth creating industry groups	Achieved:     Oil & Gas Specialist     Technologies Group.     Oil, Gas & Energy Sector	Achieved:     Oil & Gas Specialist     Technologies Group     Engineering Taranaki     Consortium
4.	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.	Frontier: Support one project with high impact potential aligned with the regional growth agenda. (Source: Business Plan)	Achieved: Researched and published 'The Potential for Horticultural Development in Taranaki'	Achieved:      "Swap Sides" skills     attraction campaign.      Oil & Gas economic impact     report of hydraulic fracking.      Published Energy Stream     website
5.	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.	<b>Talented:</b> Invest \$140k in management capability building for Taranaki SME's (Source Regional Partner Network funding)	<b>Achieved:</b> \$331,502	<b>Achieved:</b> \$287,638
6.	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.	<b>Desirable:</b> Attract or retain three major events meeting NPDC criteria (>100 points) based on \$700k event fund	Achieved:  ITU World Cup Sprint Distance Race  Powerco Taranaki Garden Spectacular  2014 NZ Home Loans Surf Festival  NZ Art & Tattoo Festival  Lionel Richie/John Farnham concert	Achieved:  WOMAD 2013  Around Mountain Cycle Challenge  Powerco Taranaki Garden Spectacular 2013  NZ Surf Festival  FIFA U-20 2015 World Cup
		Desirable: Provide 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.	Achieved:  Official Visitor Guide for Taranaki  Forgotten World Highway  Surf Highway 45  Taranaki Parks and Gardens  Taranaki Museums and Galleries  Taranaki – A Walkers Guide	New performance measure

# TRUST DIRECTORY

## For the year ended 30 June 2014

### **Nature of Business**

Facilitating economic development in Taranaki

## **Business Office**

9 Robe Street New Plymouth

### **Trustees**

Robin Brockie (Chairman)

Gavin Faull

Barbara Kuriger (Appointed 7th October 2013. Resigned 30th April 2014)

Kevin Murphy (Appointed 1st October 2013)

Peter Tennent (Resigned 1st October 2013)

Jamie Tuuta (Appointed 1st October 2013)

Roy Weaver

Paul Winter (Resigned 1st October 2013)

## **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



