

Statement of Intent 2024 – 2027

July 2024

He Mihi

Ka tangi te manu kōrero!
Ka rongō te tangi kōrihi!
Ka wāwā mai rā ki roto i te
Wao-nui-a-Tāne! Tūturu whiti!
Whakamaua kia tina!
Haumie hui tāiki e!
E ngā mana, e ngā reo, e ngā
karangatanga maha o te motu,
taku hei iti nei, mā te hau e ripo hei
hari i ngā kupu whakamaanawa e.
Kei ngā mate tuatinitini o te motu
tangihia rā koutou. Haere ki te wā kāinga,
haere ki te kāinga tūturu.
Haere, haere, haere.
Tāmaki Makaurau Tāmaki Herenga
Waka, kei te mihi. Ngā Mana Whenua
me ngā waka o ngā tai e whā,
e mihi ana.
E tuku mihi maioha tēnei ki ngā
Mataawaka o te motu ko koutou
te puhiariki o te waka nei
Ki a koutou katoa ngā kaihoe
o te waka nei mo ngā tangata katoa.
Tēnā koutou katoa.
Mā te mahi ngātahi e taea ai ngā taumata.
Nāku te rourou nāu te
rourou ka ora ai te iwi.
No reira noho ora mai,
Mauri ora.
– Nā te Poari o (Tātaki Auckland Unlimited)

The bird of speech sings its song. Hear the melancholy song resonate, sourced from the inner domain of Tāne. A permanent melancholy form. Fixed in alliance, yes fixed in alliance, gathered and woven together!

To all authorities, all voices, the many affiliations, greetings. Let the swirling wind carry esteemed salutations.

We lament the passing of loved ones throughout the land. Return to the home of all time. Farewell, farewell, farewell.

We acknowledge Mana Whenua and their tribal authority in Tāmaki Makaurau Auckland. We also mihi to Mataawaka who have made Auckland their home.

Sincere greetings to all those who decide which direction this waka takes. To you who strive to achieve the best results for all people. Greetings to you all.

We can achieve more by working together. With your basket and my basket, the people will thrive.

Table of contents

He Mihi.....	2
Introduction.....	4
Part 1: Strategic Overview.....	5
Roles and responsibilities.....	6
Response to council’s strategic objectives.....	9
Nature and scope of activities.....	12
Approach to governance.....	14
Part 2: Statement of Performance Expectation (2024/25).....	16
Introduction.....	17
How we will deliver : one-year work programme.....	18
Our facilities and functions.....	23
Performance outlook.....	28
Consolidated financial statements.....	30
Appendix 1: Detailed Financial Statements.....	33
Appendix 2: Forecast Financial Statements.....	35
Appendix 3: Significant accounting policies.....	41

Introduction

Tātaki Auckland Unlimited's purpose is to enrich the cultural and economic life of Tāmaki Makaurau Auckland.

Tātaki Auckland Unlimited (TAU) promotes arts, culture, events, and sport to bring people together, create vibrancy, build social cohesion, strengthen identity, and generate economic benefits. Promoting and reinforcing Auckland's identity as a global city with an enviable lifestyle and a thriving economy benefits Aucklanders directly, and also attracts visitors, investment, and talent – which is vital to the ongoing prosperity of our region and our country.

After a period of uncertainty, and with anticipated stability over the medium-term, TAU is now able to be more sharply focused on delivering enhanced value to, and outcomes for, our customers – including our shareholder, Auckland Council – and on making crucial contributions to Tāmaki Makaurau's cultural fabric and regional economy.

As always, our delivery will be based on operational efficiency, and a determination to add value through an innovative and collaborative approach. We will also continue to identify cost savings wherever possible and drive hard on initiatives that reduce our requirements for ratepayer funding.

We will concentrate on what we are best placed to do: partner with the arts and cultural sectors, and with businesses in the entertainment, creative, tech and visitor sectors to deliver events, initiatives and experiences that make Auckland an exciting and stimulating place to live, visit, invest and study all year round; and ensure Auckland has facilities and infrastructure to support world-class events, experiences and employment opportunities.

TAU recognises Te Tiriti o Waitangi and the vital role we play in partnership with Mana Whenua and Mataawaka – and alongside the wider council group and other agencies and partners – in advancing positive Māori outcomes in our region, guided by *Te Mahere Aronga* (our Māori Outcomes Plan). Our work programmes will also continue to incorporate the council's response to climate change, and be guided by *Te Tāruke-a-Tāwhiri: Auckland's Climate Plan*, including through our own recently completed *TAU Climate Change and Environmental Sustainability Plan*.

This Statement of Intent (SOI) and our future work programme will align with the strategic priorities in the council's Long Term Plan 2024-2034 and reflects the TAU Board's directives to management, which include a focus on the following major deliverables within our overall work programme:

- Promote, procure and deliver a programme of events, exhibitions and experiences so Auckland is 'always on'.
- Care for our taonga and places including continuing the work required to complete the Auckland Art Gallery Toi o Tāmaki restoration project and the Western Springs Stadium remediation work.
- Build Auckland's reputation through initiatives such as the digital Discover Auckland platform to leverage the region as a global destination.
- Enhance Auckland's prosperity through supporting innovation, refreshing the region's destination management plan, *Destination AKL* and working with the council and private sector partners to develop a clear and cohesive Aotea Arts Quarter project plan, and related city centre activation.

Over the next year, we will respond to priorities outlined in the Mayor's December 2023 Letter of Expectation and specific TAU expectations including:

- Working with local community representatives to implement decisions regarding the future of North Harbour Stadium.
- Collaborating with Eden Park on great event outcomes for Auckland and further progressing the Single Operator Stadiums Auckland work in alignment with the council led work on national stadium options.
- Continuing to work collaboratively with council on the integration of regional cultural organisations including the Museum of Transport and Technology and the Auckland War Memorial Museum.

We will continue to support and promote programming of performing arts, visual arts, and deliver Auckland's three main cultural festivals – Pasifika, Lantern and Diwali – plus Moana Auckland; we will continue to support and invest in emerging, creatively original events. We aim to continue growing visitation at Auckland Art Gallery Toi o Tāmaki, Auckland Zoo and the New Zealand Maritime Museum, and expanding the reach and diversity of our patronage.

Our economic development work will be tightly focussed on nurturing innovation that delivers benefits to Aucklanders, such as supporting the region's thriving creative industries, Auckland's competitiveness as an international screen production centre and our emerging technology sector.

We love Tāmaki Makaurau Auckland and this Statement of Intent for the period 2024-2027 sets out how we will work in partnership to make Tāmaki Makaurau Auckland a vibrant and energetic place where all can thrive.

Vicki Salmon
Chair



Nick Hill
Chief Executive



Part I:

Strategic Overview

Roles and responsibilities

Tātaki Auckland Unlimited's purpose is to **enrich the cultural and economic life of Tāmaki Makaurau Auckland**.

We do this through pursuing the following strategic outcomes:

Experiences and events	Inspirational experiences and events drive and enhance Tāmaki Makaurau Auckland's unique identity, vibrancy and prosperity.
Taonga and places	Tāmaki Makaurau Auckland's taonga and places are looked after, accessible and enriched for the benefit of current and future generations.
Auckland's reputation	Tāmaki Makaurau Auckland is known and loved for what makes it unique and special.
Auckland's prosperity	Tāmaki Makaurau Auckland's distinct economic advantages create prosperity for current and future generations.

Tātaki Auckland Unlimited Limited delivers programmes and activities to help make Auckland a desirable place to live, work, visit, invest and do business. Tātaki Auckland Unlimited Limited also acts as the corporate trustee for charitable trust Tātaki Auckland Unlimited Trust which manages venues, collections and experiences.

Tātaki Auckland Unlimited is a substantive council-controlled organisation (CCO) of Auckland Council, including both the amalgamated company and the charitable trust. The specific charitable purposes for which the regional facilities and other assets and funds of Tātaki Auckland Unlimited Trust are held are set out in its trust deed as follows:

Charitable Purposes of the Trust:

- a) **Engaging the communities of Auckland:** support the vision of Auckland as a vibrant city that attracts world-class events and enhances the social, economic, environmental, and cultural well-being of its communities, by providing regional facilities throughout Auckland for the engagement of those communities (and visitors to Auckland) daily in arts, culture, heritage, leisure, sport and entertainment activities; and
- b) **Providing world-class regional facilities:** develop and maintain, applying a regional perspective, a range of world class arts, culture, heritage, leisure, sport and entertainment venues that are attractive both to residents of and visitors to Auckland.

The Trust has been established, and is to be maintained, to promote the effective and efficient provision, development and operation of regional facilities throughout Auckland for the benefit of Auckland and its communities (including residents of and visitors to Auckland) and in particular the:

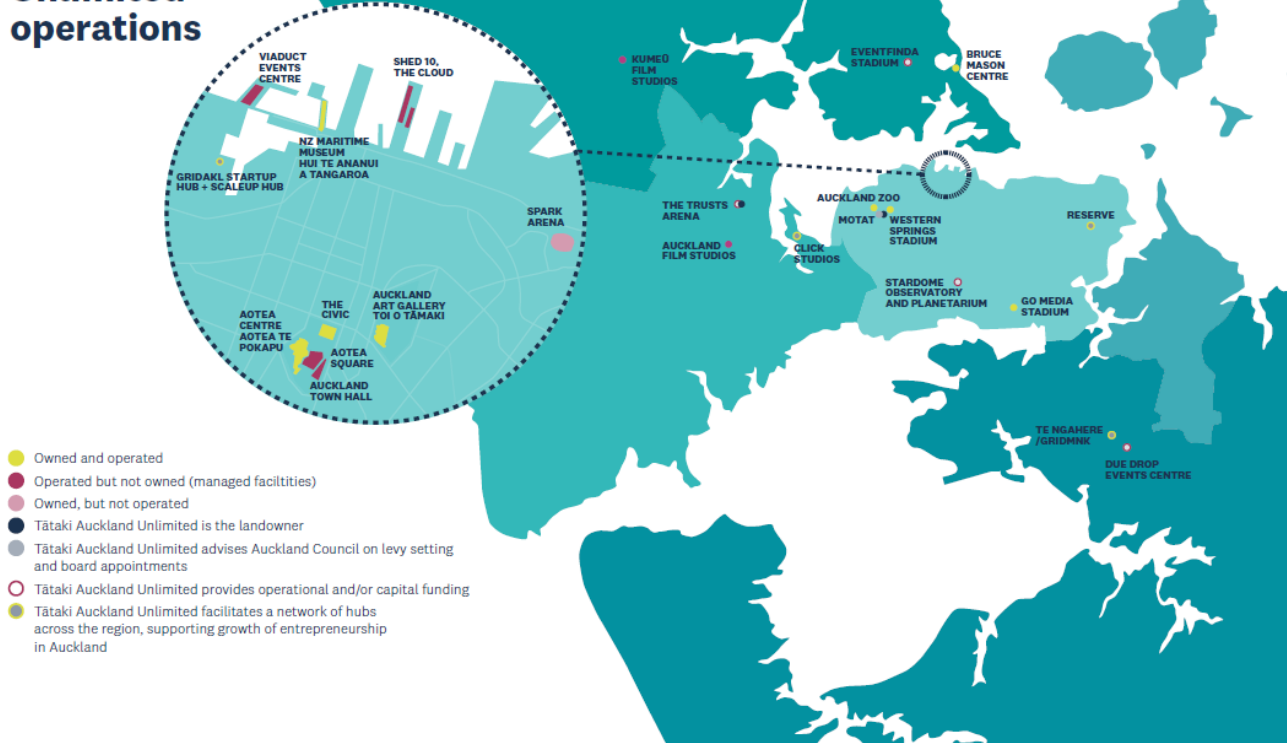
- c) **Development and operation of regional facilities:** to promote, operate, develop and maintain, and to hold and manage interests and rights in relation to, regional facilities throughout Auckland, and to promote and co-ordinate strategic planning in relation to the ongoing development and operation of such facilities;
- d) **Provision of high-quality amenities:** to provide, and to promote the provision of, high quality amenities at regional facilities throughout Auckland that will facilitate and promote arts, cultural, heritage, education, sports, recreation and leisure activities and events in Auckland which attract and engage residents and visitors; and
- e) **Prudent commercial administration:** to administer, and to promote the administration of, regional facilities throughout Auckland on a prudent commercial basis, so that such facilities are operated as successful, financially sustainable community assets.

The Trust's assets and funds must be managed and applied to advance these charitable purposes.

The facilities and related matters owned and/or managed by Tātaki Auckland Unlimited (TAU) are outlined and set out in the map below. A number of these facilities are also Auckland Council Strategic Assets¹ as identified in the 2022 Significance and Engagement Policy¹ and the CCO Accountability Policy.

¹ The Auckland Council 2022 Significance and Engagement Policy identifies the Auckland Zoo, the Auckland Art Gallery (including the associated art collection) and the Auckland Council network of stadiums and venues as Strategic Assets.

Tātaki Auckland Unlimited operations



Owned and operated:

- Aotea Centre (including Kiri te Kanawa Theatre and Herald Theatre)
- Auckland Art Gallery Toi o Tāmaki (including the art collection)
- Auckland Zoo
- Bruce Mason Centre and Killarney St car park
- Go Media Stadium
- New Zealand Maritime Museum Hui Te Ananui a Tangaroa (including heritage vessels and collection)
- North Harbour Stadium
- The Civic
- Western Springs Stadium
- Viaduct Events Centre

Operated, but not owned (managed facilities):

- Aotea Square
- Auckland Town Hall
- Shed 10
- The Cloud
- Auckland Film Studios
- Kumeu Film Studios
- GridAKL Startup Hub and Scaleup Hub

Owned, and leased to a third party:

- Spark Arena (long-term lease to QPAM)

TAU is the landowner for the Museum of Transport and Technology (MOTAT) and The Trusts Arena. TAU also advises Auckland Council on levy setting and board appointments for MOTAT.

TAU provides operational and/or capital funding on behalf of Auckland Council to:

- The Trusts Arena
- Due Drop Events Centre
- Eventfinda Stadium
- Stardome Observatory and Planetarium

While these above four entities do not have a direct operational connection to TAU, they collaborate with TAU for mutual benefit and are collectively referred to as 'TAU+'.

In addition, TAU provides operational funding on behalf of Auckland Council to the following members of the GridAKL innovation network:






- Te Ngahere/GridMNK
- Reserve
- Click Studios

Providing for the community

The core purpose of TAU's activities is enriching cultural and economic life in Tāmaki Makaurau – including creating unique, engaging and educative experiences for Aucklanders and visitors to Tāmaki Makaurau. Our programmes, exhibitions and events are aimed at engaging and being accessible to as wide a community as possible. We build social cohesion, provide lifelong learning opportunities, inspire our young people, tell our stories, connect Auckland's culture with the global community and pursue partnerships in support of our Te Tiriti o Waitangi statutory obligations and commitments. Access is a central principle. Where funding levels permit, free and subsidised entry and programmes are provided across a broad range of our facilities, events and venues. In addition, our core services are further supported by conservation, research, industry and talent development, community outreach, public engagement and educational activities across our organisation.

Response to council’s strategic objectives

The *Auckland Plan 2050* is Auckland Council’s roadmap to deliver on Auckland’s vision of a world class city where talent wants to live. It is a 30-year plan that is underpinned by a set of outcomes to achieve this vision. Tātaki Auckland Unlimited plays a critical part in delivering on plan outcomes, actions and targets as outlined below.

Auckland Plan Outcomes	How Tātaki Auckland Unlimited Contributes
 <p>Belonging & participation</p>	<ul style="list-style-type: none"> • Supporting the well-being of Aucklanders through the provision of experiences and events at our venues that contribute to enhancing the social, physical, mental and spiritual health and a shared sense of belonging for our diverse communities. • Offering venues and services that invite all Aucklanders to engage and enjoy arts, leisure, sports and entertainment events and activities. • Providing a range of subsidised events and exhibitions for the Auckland community both in and outside of our venues, as well as providing our venues for community use. • Recognising the importance of all aspects of accessibility across our venues, as reflected in affordability and physical accessibility.
 <p>Māori identity & well-being</p>	<ul style="list-style-type: none"> • Implementing our Māori outcomes plan for TAU, <i>Te Mahere Aronga 2024-26</i>, aligned to the council’s frameworks <i>Whiria te Muka Tangata</i> and <i>Kia Ora Tāmaki Makaurau</i>. • Developing programmes focussed on enhanced Māori economic outcomes. • Proudly showcasing Māori works, narratives and identity through our facilities and events, including an indigenous festival. • Increasing the prominence of te ao Māori and te reo Māori within TAU facilities. • Identifying and developing opportunities to support Mana Whenua and their kaitiakitanga responsibilities. • Developing a TAU Māori engagement framework. • Delivering He Kete Mātauranga, a unique part of <i>Climate Connect Aotearoa</i>, that highlights and showcases Mātauranga Māori in relation to climate and innovation.
 <p>Homes & places</p>	<ul style="list-style-type: none"> • Partnering across the council family to integrate economic outcomes into place-based and transport initiatives delivered across the council group. • Maintaining, with a regional perspective, a range of fit-for-purpose event venues that are attractive and accessible to the residents and businesses of the region and its visitors. • Framing proposals for investment in the cultural infrastructure of the future, in support of the <i>Auckland Plan 2050</i> aspirations. • Ensuring that venues – as public spaces – continue to be increasingly climate resilient, inclusive and accessible for all Aucklanders.
 <p>Transport and access</p>	<ul style="list-style-type: none"> • Advocating to and partnering with Auckland Transport and the council to enhance public access to our facilities and events. • Advocating to and partnering with Eke Panuku Development Auckland, Auckland Transport and the council to integrate economic outcomes into place-based and transport initiatives delivered across the council group.
 <p>Environment and cultural heritage</p>	<ul style="list-style-type: none"> • Supporting local and international wildlife conservation and learning programmes at Auckland Zoo and associated advocacy, training, research and well-being initiatives for our communities. • Sharing and conserving the stories of New Zealand’s seafaring people and their maritime history through the New Zealand Maritime Museum. • Developing, sharing and conserving the visual art of New Zealand, and the Auckland Art Gallery international collections for future generations. • Providing opportunities for the cultural sector at all levels through Auckland Live, and providing Aucklanders with engagement, connection, participation and inspiration through creative and cultural experiences. • Addressing climate change and environmental impacts throughout TAU’s internal operations, in line with the goals of <i>Te Tāruke-ā-Tāwhiri</i>, <i>Auckland’s Climate Plan</i> and TAU’s <i>Climate Change and Environment Strategic Plan</i>. The environment focus area includes climate resilience, net zero emissions, responsible water use, and zero waste.



Opportunity & prosperity

- Enhancing Auckland’s innovation ecosystem and delivering new responses to the region’s urban, environmental and economic challenges.
- Continuing to drive Climate Connect Aotearoa, a climate innovation hub, that supports a just transition across Auckland’s key economic sectors and delivers collaborative innovative climate action.
- Building a pipeline of opportunities and attracting investment that creates higher value employment across Auckland, including green jobs and skills initiatives through Climate Connect Aotearoa.
- Offering learning and training programmes for young people and current professionals across our facilities and venues.

Alignment with other Auckland Council strategies and plans

Other Auckland Council strategies and plans to which the work of TAU is most aligned are outlined below.

Future Development Strategy

Through partnership with the broader council family, TAU will align relevant activities with areas of focus identified through the Future Development Strategy, including working with the council to support region wide planning with local economic data and evidence, co-ordinate our spatial economic planning, and identifying key economic places to support future development. In particular our work will support the economic growth and creation of jobs in the Drury-Opāheke (Southern Corridor) area, the city centre and in the north-west. This will include economic activation by linking economic places to targeted attraction for benefit capture and better leverage of council and Crown investments.

Kia Ora Tāmaki Makaurau, Auckland Council’s Māori Outcomes Performance Measurement Framework

Our Achieving Māori Outcomes Plan, *Te Mahere Aronga 2024-26*, sets out our contributions to Kia Ora Tāmaki Makaurau, Auckland Council’s strategy and planning framework. Our individual and collective effort upholds the proverb of the region – Te pai me te whai rawa o Tāmaki – Tāmaki a place of abundance and wealth.

Te Tāruke-ā-Tāwhiri, Auckland’s Climate Plan

TAU plays a key role in driving the implementation of actions in the economy priority of Te Tāruke-ā-Tāwhiri, Auckland’s Climate Plan, alongside Auckland Council. Concurrently, through our Climate Change and Environment Strategic Plan, TAU has outlined actions to contribute to the council group’s emissions reduction target of 50 per cent by 2030, and net zero emissions by 2050 – and ensure it is prepared for the impacts of climate change. Climate Connect Aotearoa collaborates to accelerate actions across the Auckland Climate Plan, with a particular focus on the economy and Te Puāwaitanga o te Tātai priorities.

Toi Whītiki Arts and Culture Strategic Action Plan

TAU works with the council and the cultural sector to deliver arts and cultural experience for Aucklanders, build collaboration across the sector and increase audience reach and impact.

Thriving Communities Strategy Ngā Hapori Momoho

TAU’s work aligns with a range of the objectives of the Thriving Communities Strategy, in particular so more Aucklanders can access and participate in the things they care about, and growing community and intercultural connection so all Aucklanders feel as though they belong.

City Centre Masterplan/Action Plan

TAU will work with partners including Eke Panuku Development Auckland and the wider council group to reactivate the city centre, through initiatives designed to drive maximum value and leverage the council’s existing investment into central city infrastructure projects such as City Rail Link and the delivery of the City Centre Masterplan. This includes advancing work on the Aotea Arts Quarter, supporting Eke Panuku on the future of the Ports of Auckland land and leading on actions assigned within the City Centre Action Plan, including those related to development of the nighttime economy, increased and aligned investment, major events, destination marketing, place branding and cultural organisations.

Infrastructure Strategy

TAU's key 'Cultural and Economic' infrastructure assets are now incorporated into the Auckland Council Infrastructure Strategy which is part of the 2024-2034 Long Term Plan. The strategy sets out current asset condition and criticality, our current and future target asset management maturity and our most likely scenario for capital investment over the next 30 years.

The council is increasingly looking to translate these and other strategies into meaningful direction and actions for CCOs. TAU is committed to working across the council whānau to ensure there is clarity on the strategic direction set by council, and the associated expectations on us to deliver.

Nature and scope of activities

The framework below outlines the nature and scope of Tātaki Auckland Unlimited’s activities as they align to our purpose and the strategic outcomes we are seeking.

Our purpose

Enriching the cultural and economic life of Tāmaki Makaurau Auckland

The strategic outcomes we are seeking

<p>Experiences and events</p> <p>Inspirational experiences and events drive and enhance Tāmaki Makaurau Auckland’s unique identity, vibrancy and prosperity.</p>	<p>Taonga and places</p> <p>Tāmaki Makaurau Auckland’s taonga and places are looked after, accessible and enriched for the benefit of current and future generations.</p>	<p>Auckland’s reputation</p> <p>Tāmaki Makaurau Auckland is known and loved for what makes it unique and special.</p>	<p>Auckland’s prosperity</p> <p>Tāmaki Makaurau Auckland’s distinct economic advantages create prosperity for current and future generations.</p>
---	--	--	--

How our activities align to our outcomes

<ul style="list-style-type: none"> • Exhibitions • Concerts • Major and business events • Sporting events • Delivered festivals • Performing arts • Natural heritage • Cultural heritage 	<ul style="list-style-type: none"> • Capital programmes and operations for Auckland Live-operated venues and facilities, Auckland Zoo, Auckland Stadiums, Auckland Art Gallery and New Zealand Maritime Museum • Proposed single operator for Auckland stadiums • MOTAT and Auckland War Memorial Museum integration options • Aotea and Western Springs precinct developments • Film studios • GridAKL network • Wildlife/environmental/heritage and visual arts conservation 	<ul style="list-style-type: none"> • Auckland place brand • Destination marketing and promotion • Event marketing and promotion • Cultural organisation marketing and promotion • Discover Auckland • Proposed Auckland Pass 	<ul style="list-style-type: none"> • Destination sector and the visitor economy • Economic intelligence • Place-based economic initiatives • Business and investment attraction • Tech and innovation industry • Screen and creative industries • Climate innovation and sustainability
--	---	--	--

Our cross-cutting commitments

<p>Audience and customer centric</p> <p>We focus on achieving great outcomes for our customers including visitors to our facilities, Auckland residents and businesses and international visitors and investors. Every interaction counts.</p>	<p>Māori outcomes</p> <p>We understand and deliver our commitments under Te Tiriti o Waitangi through <i>Te Mahere Aronga</i>, our Achieving Māori Outcomes plan.</p>	<p>Climate change and environmental sustainability</p> <p>Our people are empowered to consider the climate and environment in decision-making. We prepare and respond to climate change, prevent and reduce greenhouse gas emissions and protect and preserve freshwater resources. We aim to achieve zero waste.</p>	<p>Social enterprise</p> <p>We seek a balance of commercial and social outcomes. Growing non-rates revenue, and operational efficiency underpin our investment in social good outcomes, such as equity and accessibility.</p>
---	--	--	--

Our enablers

<p>People, culture, health and safety</p>	<p>Digital and technology</p>	<p>Governance, data and information</p>	<p>Operational support</p>
--	--------------------------------------	--	-----------------------------------

Alignment with the Auckland Council Long Term Plan 2024-34

Tātaki Auckland Unlimited will report against the *Auckland Council Long Term Plan 2024-34* measures detailed below. These are a subset of our full suite of Key Performance Indicators which are contained in the Performance Outlook in Part 2 of this Statement of Intent.

Long Term Plan 2024-34 Measures	Targets		
	2024/25	2025/26	2026/27
Ticketed attendance at Auckland Live, Auckland Zoo, Auckland Art Gallery, New Zealand Maritime Museum and Auckland Stadiums venues and events ² .	2.12m	2.16m	2.21m
The net promoter score for TAU's audiences and participants ^{3,2} .	40	42	45
The percentage of operating expenses funded through non-rates revenues ² .	59%	60%	60%
The number of programmes, initiatives and events contributing to the visibility and presence of Māori in Tāmaki Makaurau Auckland ² .	45	45	50
The contribution to regional GDP from major events and business events attracted or supported.	\$50m	\$50m	\$55m

² Tātaki Auckland Unlimited Trust measures

³ Net promoter score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a product or service to others.

Approach to governance

Tātaki Auckland Unlimited Board

TAU has a strong governance structure in place that will oversee the delivery of this Statement of Intent and our strategy. The TAU Board has in place the following sub-committees:

- Risk and Finance Committee
- Remuneration Committee
- Capital Projects Committee
- Māori Engagement Committee.

In addition, the Auckland Art Gallery Advisory Committee reports to the TAU Board and provides support and insights in this specialised field. Further, a Destination Partnership Programme Advisory Group (which include TAU Board representation) was established in 2023/24 to support and advise the board on expenditure of the Destination Partnership Programme funding.

Working in partnership with the council group

Auckland Council works in partnership with its CCOs. The agreed approach to governance is outlined within the CCO Accountability Policy and the *Auckland Council: Statement of Expectations of substantive council-controlled organisations July 2021*, which sit alongside this Statement of Intent and forms part of the annual binding agreement between Auckland Council and TAU. TAU, including both Tātaki Auckland Unlimited Limited and Tātaki Auckland Unlimited Trust, will adhere to the common expectations for CCOs' contribution to the council's objectives and priorities outlined in the CCO Accountability Policy.

In addition, over 2024/25, TAU commits to working with the council to broaden the use of shared services, as robust solutions are available and business cases are proven across agreed functions to deliver more efficiencies within the council group.

Due to budget reductions in 2023/24, Tātaki Auckland Unlimited has reduced our scope of activity that had been previously specified in Local Board Engagement Plans. We continue some level of engagement with all elected members (including local boards on a case-by-case basis) and relevant communities of Auckland to maintain relationships.

Further, TAU will maintain relationships at governance and management level with Houkura (Independent Māori Statutory Board) and continue to be guided by the Schedule of Issues of Significance, prepared by Houkura, as we develop our work programmes.

Working in partnership with Mana Whenua and Mataawaka⁴ in Tāmaki Makaurau

TAU is committed to working in partnership with Mana Whenua and Mataawaka. We have established the TAU Māori Engagement Committee to build strong governance level relationships, identify mutual opportunities for collaboration and support participation in decision making.

We will continue to build Māori responsiveness capability and capacity within TAU and monitor, report and share insights.

Capital programme and asset management

The Capital Projects Committee assists the TAU Board in performing its responsibilities and oversight regarding planning and management of capital projects – including capital expenditure strategy and planning, reviewing major capital works projects, capital works policies and monitoring and compliance.

TAU has undertaken a comprehensive review of its asset portfolio (including the asset planning processes, maturity levels, and overall asset lifecycle management). We have implemented a programme to raise capability, which includes participation in the council's annual infrastructure strategic alignment process, with provision of Asset Management Plan information annually. TAU aligns investment decisions (across asset management and asset planning) to its strategic direction, to enable better decision-making across our asset portfolio.

⁴ See Local Government (Auckland Council) Act 2009

Climate-related disclosures

TAU contributes to the preparation of a compliant group climate statement to ensure the council meets its reporting and record-keeping obligations as a climate reporting entity under the Financial Markets Conduct Act 2013. This includes preparing and maintaining proper climate-related disclosure records as required by the council and engaging with the council's appointed auditor to prepare for assurance over group emissions disclosures from 2024/25 onwards. The Risk and Finance Committee has responsibility for overseeing this work.

Health, safety and well-being

We have shared ownership of health, safety and well-being that is integrated into everything we do. We put the health, safety and welfare of our people, our visitors and the people of Auckland first, making this a great place to work, visit and live.

Ka tiaki tātou kia āhuru, kia ora tonu tatou – ‘We look after our safety and well-being’.

TAU empowers its people with the right training, information, knowledge and experience to successfully achieve our health and safety requirements. We promote visible safety leadership and continuous improvement. We maintain a strong health and safety culture that aims to ensure our employees and visitors are able to go home without harm each day from our workplaces, venues and experiences.

Our commitment is: ‘Home without harm. Everyone. Every day’. This has been emphasised for our people and visitors as New Zealand adapts our ever-changing environment and establishes new protocols required to operate safely.

The Risk and Finance Committee assists the TAU Board in reviewing, monitoring and making recommendations, regarding TAU’s Safety Management Framework. Health and safety matters including policies are presented, reviewed and approved at board level, enabling the TAU Board to meet its overall accountability in these areas.

Acquisition of shares

TAU will consult Auckland Council before purchasing or otherwise acquiring shares in any company or other organisation.

Public meetings and open agendas

Auckland Council CCOs are required to hold two public meetings a year (Local Government (Auckland Council) Act 2009). The first of these meetings is to consider prior year performance against Statement of Intent targets, and the second is to consider shareholder comments on the draft Statement of Intent for the following year.

To ensure our activities on behalf of Aucklanders are transparent, all TAU Board meetings include an open agenda section which the public and media are welcome to observe. We are committed to holding as much business as is practical in these open sessions. In addition, members of the public are welcome to attend the two statutory meetings (as outlined in the table below) where they may, at the discretion of the TAU Board Chair, make submissions to the TAU Board on the primary agenda item at those meetings:

Purpose of Public Meeting	Date	Form of Public Notification
Consider prior year performance against SOI targets	October 2024	Public notice, <i>New Zealand Herald</i> and www.aucklandunlimited.com
Consider shareholder comments on draft SOI for Tātaki Auckland Unlimited Limited for 2025-2026	June 2025	Public notice, <i>New Zealand Herald</i> and www.aucklandunlimited.com

Part 2:

Statement of Performance Expectation (2024/25)

Introduction

This Statement of Performance Expectation section sets out Tātaki Auckland Unlimited's key deliverables over the 2024/25 financial year. This statement is directed by the strategy outlined in Part I (Nature and Scope of Activities) which positions TAU to meet the expectations of the council and Aucklanders.

Aligning to common expectations

In delivering the following work programme, TAU will align to the expectations as set out in the *Letter of Expectation for Statement of Intent 2024-27* and through shareholder comments. In summary, these were as follows:

Alignment to final 2024-2034 Long-term Plan (LTP)

- This SOI (including financial information and performance measures) aligns with the final LTP 2024-34 and the strategic priorities contained within it.

Financial strategy and budget levers

- TAU will provide robust advice to elected members, including:
 - the use of cost/benefit analysis or equivalent for spending decisions as applicable and working with the council to determine a consistent methodology/ approach for estimating benefits, which must outweigh costs.
 - providing contestable advice and thorough assessment of options against LTP strategic priorities.
- TAU will target finishing projects that are underway and undertake repairs and maintenance on existing assets before embarking on big new capital projects.
- Any new capital projects to support growth will be in accordance with the direction of the Future Development Strategy as applicable.
- TAU will work with the council on operational savings targets as required.

Better, faster, cheaper: cost savings and value for money

- TAU will:
 - avoid setting up separate technology functions and share generic technology functions where applicable
 - commit to group shared services and consolidation of service functions as business cases are proven
 - work with the council to optimise the performance of our property portfolio and implement the findings of the Group Property model review
 - support and actively engage in any S17A, value for money and other reviews the council may commission.

Compliance with Statement of Expectations of substantive CCOs

- TAU will adhere to the Statement of Expectations of substantive CCOs including providing board leadership to elected members on major activities and programmes.

Engagement with government

- TAU will work with central government, where interests are aligned and are consistent with those of Auckland Council and will inform the council of any conversation with the Government on any new proposal.

Climate change mitigation and resilience

- TAU will:
 - continue to be guided by *Te Tārūke-ā-Tāwhiri: Auckland's Climate Plan*
 - continue reducing climate emissions and improving climate resilience, through incorporating climate change considerations into work programmes and decisions, based on realistic assessments
 - focus on cost-effective delivery of climate projects and target savings in operational and capital expenditure in areas where both cost and (whole of life) greenhouse gas emissions can be reduced
 - demonstrate leadership and accountability through measurement and reporting on climate performance
 - work towards reducing exposure and vulnerability to climate-related risks and the impacts of these risks
 - highlight risks to the achievement of carbon emission targets through regular quarterly reporting to the relevant committee, and as appropriate, to the council's Audit and Risk Committee.

Local boards

- TAU will provide timely, delivery focused, quality, concise advice to local boards as required.

Māori Outcomes

- TAU will:
 - continue to be guided by *Kia Ora Tāmaki Makaurau* and deliver, monitor and report on *Te Mahere Aronga 2024-26*, our Achieving Māori Outcomes plan
 - work as a partner with Māori, along with central government and external partners
 - seek to maximise opportunities for Māori businesses to participate in procurement processes.

How we will deliver : one-year work programme

Experiences and events
<p>Inspirational experiences and events drive and enhance Tāmaki Makaurau Auckland’s unique identity, vibrancy and prosperity.</p>
<p>Ongoing Operation (also refer to Our facilities and functions section)</p> <ul style="list-style-type: none"> • Deliver engaging, innovative and relevant exhibitions and events for Aucklanders and visitors through TAU venues and facilities with a focus on growing winter programming to increase visitation. • Provide natural and cultural heritage experiences for visitors to Auckland Zoo, Auckland Art Gallery Toi o Tāmaki and New Zealand Maritime Museum. • Support the attraction, creation, delivery and leverage a range of major and business events for Auckland – relative to available funding. • Provide Māori artists and entertainers with a platform to showcase their talent through Auckland Live and Auckland Conventions, Venues and Events. • Provide learning opportunities for school students in Auckland, both onsite and online. • Provide great experiences for our customers and expand the reach of our core programme to under-served audiences. <p>Specific deliverables for 2024/25</p> <ul style="list-style-type: none"> • Deliver Olafur Eliasson exhibition at Auckland Art Gallery Toi o Tāmaki and <i>Sentinel</i> exhibition at New Zealand Maritime Museum. • Deliver Moana Auckland, New Zealand’s Ocean Festival 2025. • Deliver Lantern, Pasifika and Diwali festivals including a consolidated approach to landfill waste diversion. • Support a portfolio of major events within the region which over 2024/25 will include: <ul style="list-style-type: none"> ○ World Choir Games (July 2024) ○ All Blacks vs England, and All Blacks vs Argentina (July, August 2024) ○ Auckland Marathon (November 2024) ○ Coldplay and Pearl Jam (November 2024) ○ <i>Lord of the Rings – a Musical Tale</i> (November, December 2024) ○ ASB Classic (January 2025) ○ Sail GP 2025 (January 2025) ○ Synthony in the Domain (March 2025) ○ Aotea Art Fair and NZ International Comedy Festival (April 2025) ○ Auckland Writers Festival (May 2025).
Taonga and places
<p>Tāmaki Makaurau Auckland’s taonga and places are looked after, accessible and enriched for the benefit of current and future generations.</p>
<p>Ongoing operation (also refer to Our facilities and functions section)</p> <ul style="list-style-type: none"> • Continue maintenance and base renewal of our portfolio of assets across Auckland Zoo, Auckland Art Gallery Toi o Tāmaki, New Zealand Maritime Museum and stadiums with a focus on energy efficiency, decarbonisation and climate resilience initiatives. • Support ongoing wildlife, visual arts and heritage conservation and asset development activities at Auckland Zoo, Auckland Art Gallery Toi o Tāmaki, and New Zealand Maritime Museum. • Support our TAU+ partners MOTAT, The Trusts Arena, Due Drop Events Centre, Eventfinda Stadium and Stardome Observatory and Planetarium. <p>Specific deliverables for 2024/25</p> <ul style="list-style-type: none"> • Undertake a portfolio wide assessment of TAU performance and event venues to enhance utilisation and drive commercial outcomes from assets, including possible divestiture if appropriate. Council will be kept updated on the progress of this work. • Continue delivery of the Auckland Art Gallery Toi o Tāmaki Heritage Restoration project and Auckland Town Hall restoration.

- Continue delivery of the Auckland Zoo physical site renewals programme including commencing stage 3 of the Zoo Masterplan – Rangitupu Concept – planning for projects 1-3.
- Undertake a review of future options for the Western Springs precinct and complete the Western Springs remediation project.
- Develop a refined masterplan for Go Media Stadium.
- Engage with Eke Panuku Development Auckland, the lead agency for the implementation of the City Centre Masterplan/Action Plan to advance work on the Aotea Arts Quarter precinct development – including maintenance of the Aotea Precinct as the cultural centre of Auckland.
- Continue to work with MOTAT and key stakeholders on a shared vision for the Western Springs precinct.
- Review ongoing involvement in film studio operations, including working with Auckland Council to complete the sale of Auckland Film Studios, as directed by elected members.
- Work with local community representatives to implement decisions regarding the future of North Harbour Stadium.
- Develop a climate adaptation plan for TAU’s stadiums and start implementing completed climate adaptation plans for Auckland Zoo, Aotea Precinct and New Zealand Maritime Museum.

Auckland’s reputation

Tāmaki Makaurau Auckland’s is known and loved for what makes it unique and special

Ongoing Operation (also refer to Our facilities and functions section)

- Lead the development of Auckland stories in alignment with *Tāmaki Makaurau He Aratohu Auckland Playbook* and provide open source Auckland brand assets (photography, videography) via aucklandnz.com allowing partners, residents, and businesses to tell a compelling and aligned Auckland story.
- Develop domestic and offshore tourism campaigns in partnership with Tourism New Zealand, Destination Partnership Programme and other corporate partners and neighbouring regions to drive travel to Auckland.
- Lead the coordination of regional and sub-regional destination marketing across the council group to ensure consistency of message to our target audiences, and aligned marketing spend.
- Deliver ongoing marketing and promotion of TAU-hosted and/or delivered experiences, events, exhibitions and performances.

Specific deliverables for 2024/25

- Further develop our digital content, engagement and transactional platform, Discover Auckland, which supports great online experiences for Aucklanders and visitors across the region.
- Further develop the city-wide calendar, a single region-wide exhibitions, events and attraction calendar.
- Deliver a TAU customer and audience strategy including for Māori, Pacific peoples, and Asian audiences.
- In collaboration with the private sector, the council whānau and Auckland’s cultural institutions, investigate the development of an 'Auckland Pass'.

Auckland’s prosperity

Tāmaki Makaurau Auckland’s distinct economic advantages create prosperity for current and future generations.

Ongoing Operation (also refer to Our facilities and functions section)

- Deliver start up and innovation support through GridAKL, John Lysaght Building, 12 Madden St, Te Ngahere/Grid MNK, Reserve and Click Studios.
- Work across the council family to support key economic place-based developments, policy development and major infrastructural projects that support the regional economy including a spatial plan for Enable North-West.
- Provide economic intelligence to support economic outcomes, jobs and investment for future Auckland.
- Attract and retain business, talent and foreign direct investment (FDI) into key Auckland sectors (tourism, technology, screen and creative).
- Provide necessary support for the screen industry through Screen Auckland (the regional film office which sits within TAU) and convening the Screen Taskforce to improve Auckland’s film friendliness.
- Provide advice on regional future projects which benefit mana whenua and mataawaka including business attraction and investment opportunities for Māori.
- Continue to drive Climate Connect Aotearoa – Auckland’s climate innovation hub with a focus on decarbonising, adaptation, and building resiliency for Auckland.

Specific deliverables for 2024/25

- Further develop the Destination Partnership Programme – a funding model with industry – to underpin the visitor economy and drive attraction of visitors.
- Refresh *Destination AKL 2025*, Auckland’s destination management plan.
- Work with Auckland Council, Eke Panuku Development Auckland and central government to implement the City Centre Masterplan/Action Plan and delivery of the Investment and Attraction workstream.
- Continue to deliver Year 3 of *Tech Tāmaki Makaurau*, Auckland’s industry-led technology strategy, to focus on workforce and growth of deeptech industries with strong ties to universities and investment (e.g. aerospace, medtech).
- Deliver commitments as part of the government-funded and contracted *Alo Vaka Pacific Skills Shift Initiative*, delivering micro-credential training to Pacific people in the workplace, until at least December 2024.
- Deliver year 1 of the Māori Innovation Hubs programme through the GridAKL network
- In collaboration with Te Kawerau ā Maki, open stage 1 of Te Puna Creative Innovation Quarter, a central hub for screen, video gaming, creative tech, music, arts and performing arts; and progress further Te Puna developments.
- Progress options for a visitor levy to fund major events and destination marketing.
- Support and actively engage with the council’s review of economic development activity and events delivery across the council group.

Cross-cutting commitments**Audience and customer-centric**

- Continue to implement the TAU Customer Strategy.
- Continue organisational roll out the TAU Customer Relationship Management (CRM) system.
- Implement ongoing enhancements to customer facing systems that enhance the customer experience.
- Undertake ongoing development of the TAU Customer Experience Insight Programme.
- Enhanced use of customer data to drive decision making.

Māori outcomes

- Implement the actions in our Māori Outcomes Plan *Te Mahere Aronga 2024-26* including providing for the use of te reo and tikanga across the organisation.
- Strengthen relationships with mana whenua groups to support their aspirations including governance level relationships.
- Develop a TAU Māori engagement framework.
- Develop and implement TAU social procurement plan to identify and use quality assured Māori vendors across the business.
- Continue working with mana whenua leaders to deliver an indigenous film protocol for Tāmaki Makaurau that addresses the proposed Unitary Plan Sites and Places of Significance to Mana Whenua plan change.

Climate change and sustainability

- Implement the TAU *Climate Change and Environment Strategic Plan* through delivery of actions across the plan’s five focus areas:
 - Climate resilience: Using an evidence-based approach to understand and manage TAU’s short and long-term physical and transition climate-related risks and opportunities.
 - Net zero emissions: Measuring and reducing TAU’s operational greenhouse gas emissions, including switching from fossil fuels to clean energy, reducing energy use and supporting low-carbon transport options.
 - Zero waste: Ensuring best practice waste management and providing education and networks to foster behaviour change and collaboration. Embedding a circular economy approach across our operations.
 - Responsible water use: Building a more accurate picture of water use across TAU sites and venues to improve water efficiency.
 - Empowered organisation: Building accountability and capability around climate change and sustainability across TAU and embedding it in decision-making and procurement processes.

Social enterprise

- Seek a balance of commercial and community outcomes.
- Grow non-rates revenue, and deliver operational efficiency to enhance investment in social good outcomes.
- Maximise current revenue opportunities.
- Develop new products and services using data and digital capability.

- Work in partnership with the private sector to build corporate sponsorship, community grant, and philanthropic support, develop industry funding mechanisms and explore public private partnerships.
- Continue to partner with central government on programmes to support cultural and economic outcomes for Tāmaki Makaurau Auckland.

Specific TAU Expectations as set out in Letter of Expectation
<p>North Harbour Stadium</p> <p>The Upper Harbour and Hibiscus and Bays local boards are leading a process during 2024/25 to consider the future vision and role of the North Harbour Stadium and Domain Precinct. TAU will work with the council to implement any final decisions made regarding North Harbour Stadium.</p>
<p>Visitor Levy</p> <p>TAU is currently working with key industry partners including the regional tourism organisations in Queenstown and Rotorua to develop a long-term sustainable funding model. It is proposed that a regional visitor levy will help to fund a pipeline of major and business events for Auckland as well as promotional activity to attract visitors from our target markets. Funding will also assist in delivering the outcomes of <i>Destination AKL 2035</i> – the region’s destination management plan. TAU will continue to lead this work over 2024/25.</p>
<p>Funding for economic development, major events and destination activity</p> <p>TAU is working on a number of avenues to contribute to funding of economic development, major events and destination activity. These include:</p> <ul style="list-style-type: none"> • The pursuit of a regional visitor levy (as above). • The ongoing development of the Destination Partnership Programme. • The development of more commercial opportunities around TAU-developed and delivered events. • Commercial opportunities associated with economic development activity e.g. precinct development.
<p>Remove duplication in economic development and events activity</p> <p>The potential duplication of economic development and events activity is currently scheduled to be the subject of a S17A Review process led by Auckland Council. TAU will work constructively with the council on the scoping and implementation of this review as appropriate.</p>
<p>Integrating Auckland’s cultural institutions</p> <p>TAU will continue to work with the Auckland Council Arts, Social, Sports & Community Institutions Political Working Group to develop recommendations for the closer integration of Auckland War Memorial Museum, and MOTAT with TAU. In addition, TAU will continue to work in close collaboration with Auckland’s cultural institutions to enhance cultural experiences for Aucklanders and visitors.</p>
<p>Single Operator Stadiums Auckland (SOSA)</p> <p>In late 2023, TAU delivered a SOSA plan update to the council as per our 2023/24 Letter of Expectation. However, negotiations with Eden Park Trust (EPT) were impacted by the council political working group on stadiums issuing an EOI on the “main stadium” for Auckland and short-listing Eden Park as part of that process. Progress on SOSA will now depend increasingly on how this process develops. However, in the meantime, TAU is committed to working in partnership with Eden Park Trust to deliver great event experiences for Aucklanders and visitors.</p>
<p>Investigation of an Auckland Pass</p> <p>TAU will investigate the feasibility of an Auckland Pass working across the council group, and with other cultural organisations and private sector visitor attractions, as part of the ongoing development of the Discover Auckland digital platform.</p>

Key capital projects and milestones

The table below sets out the key proposed and current TAU Board-approved capital projects and programmes we will undertake over 2024/25 (as at 1 July 2024) including 2024/25 budget and the number of key milestones we expect to achieve over the year. Key projects are those with an actual or estimated total budget in excess of \$1 million. Milestones are defined as moving between key stages in the project management framework (e.g. from planning to delivery). Some projects/programmes will remain in the same phase all year (e.g. planning). These have been displayed as no change in milestone during the year. The list of projects below is subject to change during the year as new projects are approved and existing projects are potentially reprioritised.

Project/Programme	2024/25 capex budget (\$000)	Number of milestones in 2024/25
Aotea Centre and precinct renewals, repairs and upgrades	3.6	7
Auckland Art Gallery heritage restoration, repairs and upgrades	15.2	3
Security transformation	1.2	-
Western Springs remediation and development	7.1	5
Zoo Masterplan Progression Stage 3: Phase 1	5.1	-
Bruce Mason Centre Masterplan	0.2	1
Go Media Stadium renewal, repairs and upgrades	4.9	9
NZ Maritime Museum masterplanning, renewals, repairs and upgrades	0.5	5
Te Puna Creative Innovation Quarter	2.0	2
Civic renewals	0.9	-
Town Hall restoration	0.9	-
Digital	3.3	-
TAU+	3.4	-
Other	3.2	4
Other non-key capital projects (predominantly smaller scale renewals)	33.3	-
Total	84.8	36

Our facilities and functions

Tātaki Auckland Unlimited manages four cultural organisations – Auckland Art Gallery Toi O Tāmaki, Auckland Zoo, New Zealand Maritime Museum and Auckland Stadiums – plus Auckland Live. Venues and facilities operated by these organisations are much loved by Aucklanders, and we continue to maintain them to ensure they work efficiently and effectively together, for the benefit of Tāmaki Makaurau Auckland. In addition, we support the delivery of events across Tāmaki Makaurau in a range of ways, and support economic development activity.

Outlined below are the outcomes we are seeking for Auckland through our venues, facilities and functions, the budgeted costs of providing each, and operational metrics to assist in tracking performance. The metrics below are not considered organisational key performance indicators and will not be reported formally as part of our annual reports. We will continue to develop operational metrics for our venues, facilities and functions and report on these through our regular Quarterly Performance Reporting to Auckland Council.

AUCKLAND ART GALLERY TOI OTĀMAKI

Auckland Art Gallery Toi o Tāmaki holds New Zealand’s largest and most extensive collection of national and international art. Through the presentation of exhibitions, public programmes and thought leadership, the Gallery is a catalyst for creative practises and ideas. Auckland Art Gallery:

- Drives a sustainable exhibition programme.
- Manages the building and its art collections including curating, research, conservation, external loans and an exhibition programme.
- Delivers public access, education and outreach programmes to engage broad and diverse audiences with art and ideas.
- Supplements its funding by attracting revenue through retail, advancement, admissions to paid exhibitions, cafe, events and other commercial services that complement the visitor experience.
- Partners with others across the arts sector including organisations, communities and benefactors to maximise the impact of the art collection and our programmes.
- Builds organisational capability and resilience to extend the impact of our work in the community and in people’s lives, including strengthening our relationship with te ao Māori.

Budget (\$m)

Operating revenue	6.392
Operating expenditure	26.334
Net cost of service	19.942
Capital budget	17.710
% opex funded through non-rates revenue	24%
Net cost of service per patron	\$39.90

Operational metrics

Total attendance	500,000
Ticketed attendance	52,500
No. school children	10,000
Total annual membership	7,250
Net Promoter Score (NPS)	45
No. of programmes contributing to presence/visibility of Māori	15



Auckland Zoo is a leading wildlife conservation science organisation, and an internationally accredited zoo with a growing global reputation for innovation and leadership. The Zoo’s mission statement is to “Bring people together to build a future for wildlife”. The 2022-27 Auckland Zoo Strategic Roadmap sets out the organisation’s commitments and goals that will enable the delivery of this mission and to move towards Auckland Zoo’s vision: “A future where people value wildlife and species are safe from extinction.”

Seven commitments reflect the Zoo’s strategic priorities as a community focused cultural organisation in Tāmaki Makaurau Auckland, and as a modern wildlife conservation science organisation in Aotearoa New Zealand. The seven commitments are:

- Excellence in animal care and welfare
- Enhancing the well-being of our communities
- Nurturing a lifelong connection with nature
- Conserving wildlife in the wild
- Science, learning and training
- Strengthening our relationship with te ao Māori
- Evolving our organisation sustainably

Conservation is at the heart of Auckland Zoo, and its suite of specialist intensive wildlife management skills are deployed in partnership with the Department of Conservation and other key partners in the conservation of threatened New Zealand wildlife.

Budget (\$m)

Operating revenue	16.215
Operating expenditure	32.007
Net cost of service	15.792
Capital budget	15.375
% opex funded through non-rates revenue	51%
Net cost of service per patron	\$18.70

Operational metrics

Total attendance	846,230
Ticketed attendance	846,230
No. school children	47,500
Active annual passes	16,000
Total active members	45,000
Net Promoter Score (NPS)	45
No. of programmes contributing to presence/visibility of Māori	10



New Zealand Maritime Museum is a heritage institution established as Auckland Maritime Museum on Hobson Wharf in 1993. It received its national title in 1996. It holds and exhibits the largest maritime collection in New Zealand, demonstrating our nation’s strong links to the sea, and aspires to explore and unite people with the sea.

New Zealand Maritime Museum:

- Aims to provide rewarding, enjoyable and unique discovery experiences to Aucklanders of all ages in the area of national, regional and local maritime heritage.
- Preserves, presents, interprets and celebrates its collection of vessels, artefacts, documents and displays in a way that stimulates interest.
- Is a place of learning and understanding, telling the story of our ocean, coastal and harbour seafaring from the earliest Polynesian explorers to the present day.

Budget (\$m)

Operating revenue	3.445
Operating expenditure	9.015
Net cost of service	5.570
Capital budget	2.737
% opex funded through non-rates revenue	38%
Net cost of service per patron	\$34.10

Operational metrics

Total attendance	163,144
Ticketed attendance	95,250
No. school children	6,470
Net Promoter Score (NPS)	45
No. of programmes contributing to presence/visibility of Māori	10



Auckland Stadiums delivers engaging and memorable experiences for the benefit of Auckland's people, communities and visitors through a diverse range of sport and live entertainment in its stadiums. Integrated management of three of the four main stadiums in Auckland's network enables safe and enjoyable events delivered in a cost-effective way, driven by industry leading expertise.

Auckland Stadiums:

- Showcases sports events, concerts, and music festivals in its venues.
- Supports high-performance sport organisations through the provision of appropriate training and administration facilities.
- Ensures the portfolio of stadia assets are managed to ensure prudent and efficient use of limited capital funding.
- Provides facilities for a significant community sport programme for schools, regional sports organisations, and local clubs.

Budget (\$m)

Operating revenue	14.544
Operating expenditure	17.867
Net cost of service	3.323
Capital budget	18.128
% opex funded through non-rates revenue	81%
Net cost of service per patron	\$4.40

Operational metrics

Total attendance	760,380
Ticketed attendance	533,330
No. school children	20,000
Net Promoter Score (NPS)	20



AUCKLAND LIVE

**AUCKLAND
CONVENTIONS**
venues & events

Auckland Live is the leader in performing arts, culture, entertainment, and events in Tāmaki Makaurau Auckland, and is Aotearoa New Zealand's largest performing arts platform. Auckland Conventions Venues & Events manages a diverse portfolio of Auckland's most sought after and unique venues for business events of all types.

Its impressive venues and public spaces (including Aotea – Te Pokapū | Aotea Centre, Auckland Town Hall, The Civic, Bruce Mason Centre, Shed 10, Viaduct Events Centre and The Cloud) are its stages for presenting a programme of live arts, entertainment and events for the enjoyment, inspiration and benefit of Aucklanders and visitors, every day.

Whether it's an international musical at The Civic, a conference at the Aotea Centre, family friendly shows at the Bruce Mason Centre, a gala dinner at the Viaduct Events Centre or a major festival in Aotea Square, Auckland Live takes pride in welcoming Aucklanders and visitors, and providing them with memorable experiences.

Budget (\$m)

Operating revenue	29.775
Operating expenditure	38.449
Net cost of service	8.674
Capital budget	16.715
% opex funded through non-rates revenue	77%
Net cost of service per patron	\$13.30

Operational metrics

Total attendance	651,000
Ticketed attendance	593,400
No. school children	71,400
Net Promoter Score (NPS)	40
No. of programmes contributing to presence/visibility of Māori	10

Major and Delivered Events (part of Destination)

Tātaki Auckland Unlimited supports events across Tāmaki Makaurau at a number of levels:

- Hosted events:** These events are delivered by a third party but are hosted by TAU in our venues and facilities – in particular, Auckland Live venues and Auckland Stadiums. Hosted events include cultural, sporting and business events. These events deliver outcomes for attendees, Aucklanders and the Auckland economy. They also deliver commercial returns for TAU through the use of our venues.
- Major events:** These sporting, cultural and business events are delivered by a third party but supported by TAU either through bidding support, direct sponsorship, facilitation, activation, leverage and marketing or other in-kind support. The level of support provided by TAU is determined based on event outcomes delivered for Auckland, including economic, social and cultural outcomes and available funding. Some major events are hosted in our venues (as above), but the focus of major events is on social and economic returns for Auckland. Our strategy over the coming years is to develop anchor major events for Auckland that will also deliver commercial returns.
- Delivered events:** Events delivered by TAU on behalf of the council are the annual Diwali, Lantern and Pasifika festivals, and Moana Auckland: New Zealand’s Ocean Festival. These events are delivered to achieve economic, social, and commercial outcomes through bringing Aucklanders and visitors together to enjoy world-class events.

Budget and metrics related to hosted events are predominantly covered through the Auckland Stadiums and Auckland Live sections above. As such, information below is for major and delivered events only.

Major events

At the time of writing, TAU has an agreed portfolio of major events for the 2024/25 year. This portfolio has been finalised and is funded through the remaining Regional Events Fund (the COVID-19 recovery fund administered by MBIE in 2020) Auckland Council funding, and other funding sources as available. The most significant events within the portfolio and key metrics for the total portfolio during 2024/25 are:

Key major events

World Choir Games	10–20 Jul 2024
All Blacks vs England/Argentina	13 Jul, 17 Aug 2024
Auckland Marathon	3 Nov 2024
Pearl Jam, Coldplay	8-9, 13-15 Nov 2024
<i>Lord of the Rings A Musical Tale</i>	7 Nov–8 Dec 2024
ASB Classic	Jan 2025
Sail GP	18-19 Jan 2025
Synthony in the Domain	Feb 2025
Moana Auckland Festival	Feb / Mar 2025
Auckland Writer’s Festival	May 2025

Operational metrics

Contribution to regional GDP	\$50.0m
Estimated visitor nights	450,000
Estimated attendance	500,000

Delivered events

Our delivered events include three of the largest cultural festivals in the country and an umbrella festival (Moana Auckland) that aggregates and encompasses a range of events delivered by others.

Delivered events

Auckland Diwali Festival	19-20 Oct 2024
Auckland Lantern Festival	13–16 Feb 2025
Moana Auckland – New Zealand’s Ocean Festival	Feb-Mar 2025
Pasifika Festival	8–9 Mar 2025

Operational metrics

Estimated attendance	240,000
Attendee satisfaction	80%

Economic Development

Tātaki Auckland Unlimited supports regional economic development to attract and retain investment, business and talent to deliver an international, resilient future Auckland. Key functions within that remit include:

1. **Economic transformation, intelligence and place:** Building and using a strong evidence base to stimulate discussion and drive work for Auckland's future economy, supporting the Crown and council-led precinct and infrastructure, programmes, council spatial planning, and identifying and building the case for transformative economic development initiatives.
2. **Climate innovation and sustainability:** Leading Climate Connect Aotearoa, a climate innovation hub that supports a just transition across Auckland's key economic sectors and delivers collaborative climate action. Driving the relevant economy priority actions in Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan.
3. **Screen:** Supporting the screen sector through attracting screen productions to Auckland, facilitating permitting, advocacy and developing the broader sector including visual effects, gaming and post-production.
4. **Te Puna Creative Innovation Quarter (Henderson):** Leading the place-based regeneration development that supports growth of the regional creative economy.
5. **Tech and innovation:** Leading delivery of the *Tech Tāmaki Makaurau* Strategy and strengthening Auckland's entrepreneurial ecosystem through the regional GridAKL innovation network including GridAKL startup hub, GridAKL scale up hub, Te Ngahere/GridMNK, Reserve, and Click Studios.
6. **Destination Partnership Programme:** Growing the Destination Partnership Programme alongside industry to provide a sustainable funding model to underpin development, support and promotion of the visitor economy and drive attraction of visitors.

Budget and metrics related to economic development are predominantly delivered through the above major programmes.

Budget (\$m)

Operating revenue	18.156
Operating expenditure	30.579
Net cost of service	12.423

Operational metrics

Stakeholder satisfaction	85%
Film permits issued in 5 working days	80%
No. of businesses supported through GridAKL network	125
Attributable private sector investment secured for Auckland	\$100m
Destination Partnership Programme funding secured	\$2m

Performance outlook

The Service Level Measures have been developed in the context of recovery from previous global disruptions and the associated constrained economic environment, and Auckland Council group funding pressures.

Tātaki Auckland Unlimited will report on its performance against the key performance indicators below through its regular quarterly reporting to Auckland Council. As part of this reporting, TAU will also report on its progress against our Māori Outcomes Plan, *Te Mahere Aronga*.

Key performance indicators

Key Performance Indicator	2022/23	2023/24	Targets		
	Actual	Forecast	2024/25	2025/26	2026/27
Experiences and Events					
Ticketed attendance at Auckland Live, Auckland Zoo, Auckland Art Gallery, New Zealand Maritime Museum, and Auckland Stadiums venues and events. (LTP measure)	2.08m	2.08m	2.12m	2.16m	2.21m
The number of children participating in educational experiences through TAU venues and facilities.	New measure	163,000	150,000	150,000	150,000
Percentage of Auckland residents surveyed who consider that TAU programmes, events and exhibitions enrich their lives.	76%	70%	70%	72%	72%
The number of programmes, initiatives and events contributing to the visibility and presence of Māori in Tāmaki Makaurau. (LTP measure)	88	40	45	45	50
Percentage of customer complaints resolved within 10 working days.	86%	80%	80%	80%	80%
Taonga and Venues					
The net promoter score for TAU's audiences and participants. ⁵ (LTP measure)	45	40	40	42	45
Percentage change in greenhouse gas emissions against 2018/19 baseline (Scope 1 and 2 only) ⁶ . (Baseline: 2472 tCO ₂ e)	+16.6% (2884 tCO ₂ e)	-17% (2050 tCO ₂ e)	-20% (1977 tCO ₂ e)	-20% (1977 tCO ₂ e)	-27% (1804 tCO ₂ e)
The percentage of operating expenses funded through non-rates revenues ⁷ . (LTP measure)	51%	59%	59%	60%	60%

⁵ Net promoter score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a product or service to others.

⁶ In addition to reporting change in Scope 1 & 2 emissions, we will also continue to report on Scope 3 greenhouse gas emissions and actions to reduce these, consistent with the Auckland Council group approach.

⁷ Tātaki Auckland Unlimited Trust measure only.

Percentage of milestones completed as per TAU Board agreed capital programme.	New measure	80%	80%	80%	80%
Percentage of critical TAU assets in acceptable condition.	New measure	Benchmark set	95%	95%	95%
Auckland's Prosperity⁸					
Attributable value of private sector investment secured during the year.	\$325m	\$100m	\$100m	\$100m	\$100m
The contribution to regional GDP from major events and business events attracted or supported. (LTP measure)	\$74.2m	\$71m	\$50m	\$50m	\$55m

Developing our indicator framework

TAU will continue to refine its indicator framework to ensure our KPIs reflect the impact of the work we do and inform all key stakeholders of the effectiveness of our activities. We will continue to align our KPIs with our strategic framework outcomes and ensure appropriate targets are in place.

Monitoring indicators

In addition to our performance measures, TAU has identified a range of monitoring indicators which we report regularly through the AKL Index (www.aucklandnz.com/auckland-index). These indicators reflect outcomes at the regional level that are impacted by a range of factors outside of our direct control (e.g. exchange rates, natural disasters, government policy) but that we aim to influence through our activity. We take a leadership role in monitoring, reporting and influencing these indicators as we can, however, we do not measure our performance against them.

⁸ The Key Performance Indicators (KPIs) under Auckland's Prosperity are Tātaki Auckland Unlimited Limited measures. All other KPIs are Tātaki Auckland Unlimited Trust measures. These KPIs will be reported through separate Statement of Service Performance sections of the Tātaki Auckland Unlimited Limited and Tātaki Auckland Unlimited Trust Annual Reports.

Consolidated financial statements

The following summary of financial information supports the delivery of the strategic deliverables and performance targets for Tātaki Auckland Unlimited. TAU operates a diverse business model with external revenue earned from commercial activities such as admission charges, venue hire, event-related services, and property rental.

As part of the Auckland Council group, TAU will continue to demonstrate value for money across all expenditure, provide transparency on operating expenditure and maintain a strong focus on managing sensitive expenditure.

The financial information provided in this *Statement of Intent 2024-2027* has been adjusted for CPI. This will be updated each year to reflect the cyclical and volatile nature of TAU's external revenue, to balance to the operational funding received from Auckland Council. Financial data is actuals for 2022/23, Annual Plan for financial year 2023/24 and forecasts based on the Long-Term Plan for financial years 2024/25, 2025/26 and 2026/27, although this has been adjusted for additional Māori Outcome successful funding grants of \$3.36m for the next three years (which was not confirmed until post the LTP approval), alongside some minor categorisation changes which have been the result of the detailed FY25 operating budget process run concurrent to the Long Term Planning process, those changes do not change the Long Term Plan anticipated net direct expenditure and therefore anticipated Auckland Council ratepayer funding. The tables below include deferred programme expenditure as applicable.

Consolidated Financial Information for Tātaki Auckland Unlimited⁹

Tātaki Auckland Unlimited Operating Budget

Financial year ending 30 June	2022/2023 Actual	2023/2024 Annual Plan ¹⁰	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
NET DIRECT EXPENDITURE / (INCOME)	124.9	93.7	94.3	84.6	86.9
Direct Revenue (\$m)					
Fees and user charges	46.8	54.2	59.5	60.8	61.4
Operating grants and subsidies	17.2	25.4	16.7	17.5	18.2
Other direct revenue	25.6	14.9	25.9	33.7	34.2
TOTAL REVENUE	89.6	94.5	102.1	112.0	113.8
Direct Expenditure (\$m)					
Employee benefits	87.6	77.9	88.8	90.9	92.5
Grants, contributions and	21.6	7.7	11.6	11.8	12.1
Other direct expenditure	105.4	102.6	96.0	93.9	96.1
TOTAL EXPENDITURE	214.5	188.2	196.6	196.6	200.7
Other key operating lines (\$m)					
Operational funding from Auckland Council	124.9	93.7	94.3	84.6	86.9
Capital funding from Auckland	73.1	67.2	84.8	85.0	64.8
Vested assets	-	-	-	-	-
Depreciation and amortisation	54.2	55.7	55.9	57.2	57.9
Net finance expense	(0.1)	(0.1)	-	-	-

⁹ A breakdown of Operating and Capital Budgets for Tātaki Auckland Unlimited Limited and its trust operations, Tātaki Auckland Unlimited Trust are contained in Appendix 1.

¹⁰ 2023/24 Annual plan numbers have been restated to include the deferrals from 2022/23 which were approved by Governing Body in August 2023 in order to facilitate comparison between years.

Tātaki Auckland Unlimited Māori Outcomes Expenditure

Financial year ending 30 June	2022/2023 Actual	2023/2024 Annual Plan	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
Tāmaki Herenga Waka Festival	0.5	0.5	0.5	0.5	0.5
Māori Outcomes Programme	1.5	1.5	1.5	1.5	1.5

Tātaki Auckland Unlimited Operating Budget by Operating Divisions¹¹

Financial year ending 30 June	2022/2023 Actual	2023/2024 Annual Plan	2024/2025 Forecast	2025/2026 Forecast ¹²	2026/2027 Forecast
Revenue (\$m)					
Economic Development ¹³	22.6	18.5	18.2	19.0	19.4
Destination & Major Events (incl. FIFA)		6.4	11.3	16.3	16.4
Auckland Art Gallery		7.1	6.4	7.4	7.5
Auckland Zoo		14.7	16.2	19.2	19.6
NZ Maritime Museum		2.8	3.4	4.1	4.2
Auckland Stadiums		15.4	14.5	15.6	15.7
Auckland Live & Conventions		27.3	29.8	27.6	28.1
TAU+ (on behalf of Auckland Council)		2.1	2.1	2.6	2.7
Other	57.6	0.2	0.2	0.2	0.2
TOTAL REVENUE	80.2	94.5	102.1	112.0	113.8
Expenditure (\$m)					
Economic Development	81.4	34.5	30.6	29.0	29.4
Destination & Major Events (incl. FIFA)		23.6	32.6	31.6	32.2
Auckland Art Gallery		25.0	26.3	27.4	27.9
Auckland Zoo		29.1	32.0	33.9	34.7
NZ Maritime Museum		8.4	9.0	9.5	9.7
Auckland Stadiums		19.5	17.8	18.6	18.9
Auckland Live & Conventions		37.8	38.5	36.5	37.5
TAU+ (on Behalf of Auckland Council)		6.6	5.2	5.5	5.7
Other	123.5	3.7	4.4	4.6	4.7
TOTAL EXPENDITURE	204.9	188.2	196.4	196.6	200.7
Net cost to serve (\$m)					
Economic Development	58.8	16.0	12.4	10.0	10.0
Destination & Major Events (incl. FIFA)		17.2	21.3	15.3	15.8

¹¹ Financial information from FY 2023/24 has been reformatted in order to present a more detailed level of information of the operating divisions. In prior years this has been presented at an LTP activity level only.

¹² Forecast operating division information is indicative only and subject to revision through the planning processes for 2026-27.

¹³ Economic Development for 2022/23 includes Destination and Major Events.

¹⁴ TAU+ represents activity and support that is specified and funded by Auckland Council such as The Trusts Arena, Due Drop Events Centre, Eventfinda Stadium, Stardome Observatory and Planetarium, and MOTAT.

Auckland Art Gallery		17.9	19.9	20.0	20.4
Auckland Zoo		14.4	15.8	14.7	15.1
NZ Maritime Museum		5.6	5.6	5.4	5.5
Auckland Stadiums		4.1	3.3	3.0	3.2
Auckland Live & Conventions		10.5	8.7	8.9	9.4
TAU+ (on behalf of Auckland Council)		4.5	3.1	2.9	3.0
Other	65.9	3.5	4.2	4.4	4.5
TOTAL COST TO SERVE	124.7	93.7	94.3	84.6	86.9

Tātaki Auckland Unlimited Capital Budget

Financial year ending 30 June	2022/2023 Actual	2023/2024 Annual Plan	2024/2025 LTP	2025/2026 LTP	2026/2027 LTP
TOTAL CAPITAL EXPENDITURE	58.0	67.2	84.8	85.0	64.8
To meet additional demand	0.4	2.1	1.4	1.4	1.7
To improve the level of service	0.6	5.0	10.3	10.1	7.9
To replace existing assets	57.0	60.1	73.1	73.5	55.2
TOTAL CAPITAL FUNDING					
Sources of capital expenditure					
Capital funding from Auckland	58.0	67.2	84.8	85.0	64.8
Subsidies and grants – capex	-	-	-	-	-

Other financial information

Current value of assets

The value of Tātaki Auckland Unlimited Trust's assets at 30 June 2023 was \$2,237.7 million, based on the year end accounts (non-current assets only).

The value of Tātaki Auckland Unlimited Limited's assets at 30 June 2023 was \$7.4 million, based on the year end accounts (non-current assets only).

Accounting policies

Tātaki Auckland Unlimited's accounting policies are consistent with those of the Auckland Council group. A summary of our significant accounting policies can be found in Appendix 3 of this document, in addition to those on page 29 of our Tātaki Auckland Unlimited Limited Annual Report for the year ended 30 June 2023 and throughout our Tātaki Auckland Unlimited Trust Annual Report for the year ended 30 June 2023, from page 33.

Financial reporting

Tātaki Auckland Unlimited's financial reporting to council will be in accordance with requirements of the Public Benefit Entity International Public Sector Accounting Standards.

	2023/24 Actual	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast
Asset sales (\$m)	NA	NA	NA	NA
Shareholder equity ratio	95%	95%	95%	95%

Appendix 1: Detailed Financial Statements

Financial information for Tātaki Auckland Unlimited Limited

Tātaki Auckland Unlimited Limited Operating Budget

Financial year ending 30 June	2022/2023 Actual	2023/2024 Annual Plan ¹⁵	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
NET DIRECT EXPENDITURE / (INCOME)	58.8	45.5	37.1	24.7	25.5
Direct revenue (\$m)					
Fees and user charges	0.5	0.7	3.4	3.8	3.8
Operating grants and subsidies	7.5	8.0	10.2	11.6	11.9
Other direct revenue	14.6	15.8	15.2	21.7	22.1
TOTAL REVENUE	22.6	24.5	28.8	37.1	37.8
Direct expenditure (\$m)					
Employee benefits	31.9	22.9	23.4	24.1	24.5
Grants, contributions and	7.4	5.2	10.5	10.6	10.8
Other direct expenditure	42.1	41.9	32.0	27.1	28.0
TOTAL EXPENDITURE	81.4	70.0	65.9	61.8	63.3
Other key operating lines (\$m)					
Operational funding from Auckland	58.8	45.5	37.1	24.7	25.5
Capital funding from Auckland	-	-	2.0	-	-
Vested assets	-	-	-	-	-
Depreciation and amortisation	1.6	3.0	1.9	1.9	1.0
Net finance expense	-	-	-	-	-

Tātaki Auckland Unlimited Limited Capital Budget

Financial year ending 30 June	2022/2023 Actual	2023/2024 Annual Plan	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
TOTAL CAPITAL EXPENDITURE	0.2	-	2.0	-	-
To meet additional demand	-	-	-	-	-
To improve the level of service	-	-	2.0	-	-
To replace existing assets	0.2	-	-	-	-
TOTAL CAPITAL FUNDING	0.2	-	2.0	-	-
Sources of capital expenditure					
Capital funding from Auckland	0.2	-	2.0	-	-
Subsidies and grants – capex	-	-	-	-	-

Financial information for Tātaki Auckland Unlimited Trust

Tātaki Auckland Unlimited Trust Operating Budget

Financial year ending 30 June	2022/2023 Actual	2023/2024 Annual Plan	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
NET DIRECT EXPENDITURE / (INCOME)	65.9	48.2	57.2	59.9	61.4
Direct revenue (\$m)					
Fees and user charges	46.3	53.5	56.0	57.0	57.6
Operating grants and subsidies ¹⁶	2.5	17.4	6.5	5.9	6.3
Other direct revenue	8.8	(0.9)	10.8	12.0	12.1
TOTAL REVENUE	57.6	70.0	73.3	74.9	76.0
Direct expenditure (\$m)					
Employee benefits	63.5	55.1	65.4	66.8	67.8
Grants, contributions and	3.6	2.5	1.7	1.8	1.8
Other direct expenditure	56.5	60.7	63.4	66.2	67.8
TOTAL EXPENDITURE	123.5	118.2	130.5	134.8	137.4
Other key operating lines (\$m)					
Operational funding from Auckland Council	65.9	48.1	57.2	59.9	61.4
Capital funding from Auckland Council	57.8	67.2	82.8	85.0	64.8
Vested assets	-	-	-	-	-
Depreciation and amortisation	52.6	52.7	54.0	55.2	56.9
Net finance expense	(0.1)	(0.1)	-	-	-

Tātaki Auckland Unlimited Trust Capital Budget

Financial year ending 30 June	2022/2023 Actual	2023/2024 Annual Plan	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
TOTAL CAPITAL EXPENDITURE	57.8	67.2	82.8	85.0	64.8
To meet additional demand	0.4	2.1	1.4	1.4	1.7
To improve the level of service	0.6	5.0	8.3	10.1	7.9
To replace existing assets	56.8	60.1	73.1	73.5	55.2
TOTAL CAPITAL FUNDING	57.8	67.2	82.8	85.0	64.8
Sources of capital expenditure					
Capital funding from Auckland Council	57.8	67.2	82.8	85.0	64.8
Subsidies and grants – capex	-	-	-	-	-

¹⁶ In the 2023/2024 Annual Plan the Trust carried some adjustments to revenue and cost distribution to level the underlying Annual Plan back to the revenue and cost allocations approved by the Governing Body. Efforts have been made to reverse these out for future years.

Appendix 2: Forecast Financial Statements

Forecast Financial Information for Tātaki Auckland Unlimited Limited

Tātaki Auckland Unlimited Limited Forecast Statement of Comprehensive Revenue and Expenses

Financial year ending 30 June (\$m)	2022/2023 Actual	2023/2024 Annual Plan ¹⁷	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
REVENUE					
Service and other revenue	107.139	70.013	65.948	61.776	63.280
Interest Revenue	0.032	0.019	0.019	0.024	0.021
Total revenue	107.171	70.032	65.967	61.800	63.301
EXPENDITURE					
Personnel costs	28.669	22.901	23.407	24.090	24.523
Depreciation and amortisation	1.633	2.996	1.931	1.960	1.015
Finance costs	0.001	0.001	0.001	0.001	0.001
Other expenses	70.359	47.131	42.541	37.686	38.777
Total expenditure	100.662	73.029	67.880	63.737	64.316
(Deficit) / surplus before tax	6.509	(2.997)	(1.913)	(1.937)	(1.015)
Income tax benefit	1.325	-	-	-	-
Surplus / (deficit) from continuing operations	7.834	(2.997)	(1.913)	(1.937)	(1.015)
Surplus / (deficit) after tax	7.834	(2.997)	(1.913)	(1.937)	(1.015)
(DEFICIT)/ SURPLUS IS ATTRIBUTABLE TO:					
Equity holders of Tātaki Auckland Unlimited Limited	7.834	(2.997)	(1.913)	(1.937)	(1.015)
TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR IS ATTRIBUTABLE TO:					
Equity holders of Tātaki Auckland Unlimited	7.834	(2.997)	(1.913)	(1.937)	(1.015)

Note: Tax effects have not been included in the original SOI budget

Tātaki Auckland Unlimited Limited Forecast Statement of changes in equity

Financial year ending 30 June (\$m)	2022/2023 Actual	2023/2024 Annual Plan	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
Opening Balance 1 July	9.794	17.628	14.631	12.718	10.781
COMPREHENSIVE REVENUE AND EXPENSE					
Surplus / (deficit) for the year	7.834	(2.997)	(1.913)	(1.937)	(1.015)
Transfer from Accumulated funds	(6.960)	-	-	-	-
Transfer to Restricted reserves	6.960	-	-	-	-
Balance as at 30 June	17.628	14.631	12.718	10.781	9.766

¹⁷ 2023/24 Annual plan numbers have been restated to include the deferrals from 2022/23 which were approved by Governing Body in August 2023 in order to facilitate comparison between years.

Tātaki Auckland Unlimited Limited Forecast Statement of Financial Position

As at 30 June (\$m)	2022/2023 Actual	2023/2024 Annual Plan	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	0.005	0.198	0.242	0.355	0.296
Trade and other receivables	40.097	38.503	32.672	33.446	34.260
Total current assets	40.102	38.701	32.914	33.801	34.556
NON-CURRENT ASSETS					
Property, plant and equipment	7.395	4.699	4.906	2.975	1.015
Intangible assets	0.001	0.001	0.001	0.001	0.001
Non-current - Accrued income	-	-	-	-	-
Total non-current assets	7.396	4.700	4.907	2.976	1.016
Total assets	47.498	43.401	37.821	36.777	35.572
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	22.441	22.704	20.046	22.044	21.775
Employee entitlements	2.031	1.931	1.735	1.785	1.817
Provisions	3.254	2.479	1.512	0.415	0.448
Total current liabilities	27,726	27.114	23.293	24.244	24.040
NON - CURRENT LIABILITIES					
Trade and other payables	1.507	1.009	1.050	1.071	1.102
Provisions	0.053	0.063	0.176	0.097	0.080
Deferred tax liabilities	0.584	0.584	0.584	0.584	0.584
Total non-current liabilities	2.144	1.656	1.810	1.752	1.766
Total liabilities	29.870	28.770	25.103	25.996	25.806
Net assets	17.628	14.631	12.718	10.781	9.766
EQUITY					
Share capital	-	-	-	-	-
Contributed equity	4.377	4.377	4.377	4.377	4.377
Accumulated surplus / (deficit)	6.291	3.294	1.381	(0.556)	(1.571)
Restricted reserve	6.960	6.960	6.960	6.960	6.960
Total equity	17.628	14.631	12.718	10.781	9.766

Tātaki Auckland Unlimited Limited Forecast Statement of cash flows

Financial year ending 30 June (\$m)	2022/2023 Actual	2023/2024 Annual Plan	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
CASH FLOWS FROM OPERATING					
Interest received	0.031	0.019	0.020	0.024	0.021
Receipts from council funding, customers and other services	96.107	71.656	71.779	61.001	62.466
Payments to suppliers and employees	(95.063)	(71.261)	(71.715)	(60.609)	(62.385)
Goods and services tax (GST) received from / (paid to) IRD	(0.251)	(0.049)	(0.039)	(0.302)	(0.160)
Other cash flows from operating activities	(0.429)	-	-	-	-
Net cash from operating activities	0.395	0.365	0.045	0.114	(0.058)
CASH FLOWS FROM INVESTING ACTIVITIES					
Disposals / (purchases) of property, plant and equipment	(0.595)	(0.300)	-	-	-
Other cash flows from investing activities	0.133	0.128	-	-	-
Net cash from investing activities	(0.462)	(0.172)	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES					
Other cash flows from financing activities	-	-	(0.001)	(0.001)	(0.001)
Net cash from financing activities	-	-	(0.001)	(0.001)	(0.001)
Net increase/(decrease) in cash and cash equivalents	(0.067)	0.193	0.044	0.113	(0.059)
Cash and cash equivalents at the beginning of the period	0.072	0.005	0.198	0.242	0.355
Cash and cash equivalents at end of the year	0.005	0.198	0.242	0.355	0.296

Forecast Financial Information for Tātaki Auckland Unlimited Trust

Tātaki Auckland Unlimited Trust Forecast Statement of Comprehensive Revenue and Expenses

Financial year ending 30 June (\$m)	2022/2023 Actual	2023/2024 Annual Plan	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
Revenue					
Commercial revenue	64.569	52.495	63.667	64.327	65.216
Finance income	1.750	0.100	0.498	0.503	0.501
Total revenue from exchange	66.319	52.595	64.165	64.830	65.717
Philanthropic revenue	187.128	9.389	9.698	10.518	10.888
Government subsidies	0.280	8.240	-	-	-
Auckland Council funding	104.776	115.370	142.004	144.890	125.999
Total revenue from non-exchange transactions	292.184	132.999	151.702	155.408	136.887
Total revenue	358.503	185.594	215.867	220.238	202.604
Expenditure					
Employee benefits	63.726	55.087	65.393	66.781	67.981
Depreciation expense	52.576	52.675	54.045	55.200	56.870
Amortisation expense	0.602	-	0.900	-	-
Finance expenditure	1.073	-	0.516	0.527	0.521
Other expenses	69.156	63.265	65.127	67.949	69.519
Total expenditure	187.133	171.027	185.981	190.457	194.891
Surplus from continuing operations	171.370	14.567	29.886	29.781	7.713
Surplus after tax attributable to:					
Tātaki Auckland Unlimited Trust	171.370	14.567	29.886	29.781	7.713
Other comprehensive income					
Gain on property and art revaluations	194.960	-	-	-	-
Total other comprehensive income	194.960	-	-	-	-
Total comprehensive income after tax	366.330	14.567	29.886	29.781	7.713

Note: Gains on revaluations of land, buildings and artworks are not budgeted

Tātaki Auckland Unlimited Trust Forecast Statement of changes in equity

Financial year ending 30 June (\$m)	2022/2023 Actual	2023/2024 Annual Plan	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
Opening Balance 1 July	1,843.441	2,209.890	2,224.345	2,253.450	2,283.789
Total comprehensive revenue and expenses for the year	366.330	14.567	29.886	29.781	7.713
Owner transactions					
Contribution to restricted reserves	(2.000)	-	-	-	-
Movement in restricted equity	2.119	(0.112)	(0.781)	0.558	(0.112)
Balance as at 30 June	2,209.890	2,224.345	2,253.450	2,283.7899	2,291.390

Tātaki Auckland Unlimited Trust Forecast Statement of Financial Position

As at 30 June (\$m)	2022/2023 Actual	2023/2024 Annual Plan	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	15.162	23.292	28.413	12.174	7.105
Receivables	27.530	33.201	34.221	38.339	38.817
Prepayments	1.860	2.748	3.062	2.557	2.789
GST receivable	(0.088)	(0.165)	0.187	(0.022)	-
Derivative financial instruments	(0.013)	-	-	-	-
Other financial assets	0.050	-	-	-	-
Inventories	0.991	1.193	1.291	1.446	1.464
Total current assets	45.492	60.269	67.174	55.494	50.175
NON-CURRENT ASSETS					
Property, plant and equipment	1,678.917	1,693.442	1,713.994	1,751.838	1,758.704
Artwork collections	550.843	553.453	556.338	559.338	562.338
Heritage and cultural assets	3.794	3.900	3.905	3.905	3.905
Intangible assets	2.897	3.303	2.403	2.276	2.148
Other financial assets	0.511	0.508	0.523	0.514	0.543
Receivables	0.751	0.700	0.700	0.717	0.706
Total non-current assets	2,237.713	2,255.306	2,277.863	2,328.588	2,328.344
Total assets	2,283.205	2,315.575	2,345.037	2,373.082	2,378.519
LIABILITIES					
CURRENT LIABILITIES					
Payables	55.936	76.909	76.969	75.042	73.278
Borrowings and other financial liabilities	0.269	0.253	0.269	0.269	0.269
Employee entitlements	6.967	7.263	7.504	7.664	7.800
Provisions	1.613	-	0.488	0.499	0.500
Total current liabilities	64.785	84.425	85.230	83.474	81.847
NON - CURRENT LIABILITIES					
Borrowings and other financial liabilities	8.515	6.792	6.357	5.819	5.282
Derivative financial instruments	0.015	0.013	-	-	-
Total non-current liabilities	8.530	6.805	6.357	5.819	5.282
Total liabilities	73.315	91.230	91.587	89.293	87.129
Net assets	2,209.890	2,224.345	2,253.450	2,283.789	2,291.390
EQUITY AND RESERVES					
Contributed capital	1,053.532	1,053.532	1,053.532	1,053.532	1,053.532
Accumulated surplus / (deficit)	242.042	256.609	286.495	316.276	323.989
Restricted equity	5.254	5.142	4.361	4.919	4.807
Asset revaluation reserves	909.062	909.062	909.062	909.062	909.062
Total equity	2,209.890	2,224.345	2,253.450	2,283.789	2,291.390

Tātaki Auckland Unlimited Trust Forecast Statement of cash flows

Financial year ending 30 June (\$m)	2022/2023 Actual	2023/2024 Annual Plan	2024/2025 Forecast	2025/2026 Forecast	2026/2027 Forecast
<i>CASH FLOWS FROM OPERATING</i>					
Receipts from Auckland Council funding	103.190	115.370	142.004	144.890	125.999
Receipts from commercial revenue	37.131	41.565	72.345	70.710	75.637
Receipts from third parties held in relation to future events	10.535	18.087	9.219	9.403	9.592
Government subsidies received	0.280	-	-	-	-
Net GST received / (paid)	2.139	0.654	(0.352)	0.209	(0.022)
Interest revenue	1.792	0.100	0.498	0.503	0.501
Payments to suppliers and employees	(131.135)	(100.434)	(139.781)	(146.077)	(149.506)
Interest paid	(1.073)	-	(0.529)	(0.527)	(0.521)
Net cash from operating activities	22.859	75.342	83.404	79.111	61.680
<i>CASH FLOWS FROM INVESTING ACTIVITIES</i>					
Loan repayments received	0.054	(0.012)	(0.015)	0.009	(0.029)
Proceeds from sale of asset	0.080	-	-	-	-
Purchase of property, plant and equipment	(39.910)	(67.200)	(77.487)	(95.917)	(66.608)
Purchase of intangible assets	(2.713)	-	-	-	-
Net cash from investing activities	(42.489)	(67.212)	(77.502)	(95.908)	(66.637)
<i>CASH FLOWS FROM FINANCING ACTIVITIES</i>					
Distributions to / (from) restricted reserves	0.204	-	(0.781)	0.558	(0.112)
Net cash from financing activities	0.204	-	(0.781)	0.558	(0.112)
Net increase/(decrease) in cash and cash equivalents	(19.426)	8.130	5.121	(16.239)	(5.069)
Cash and cash equivalents at the beginning of the period	34.588	15.162	23.292	28.413	12.174
Cash and cash equivalents at end of the year	15.162	23.292	28.413	12.174	7.105

Appendix 3: Significant Accounting Policies

Significant accounting policies for Tātaki Auckland Unlimited Limited

The principal accounting policies applied in the preparation of the forecast financial statements for Tātaki Auckland Unlimited Limited (TAUL) are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation

The forecast financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently for the period 2024-2027.

Statement of compliance

The forecast financial statements of TAUL have been prepared in accordance with the requirements of section 69 of the Local Government Act 2002 and the Companies Act 1993, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

TAUL is a public sector public benefit entity (PBE) as defined under the External Reporting Board (XRB) Standard A1.

These forecast financial statements comply with International Public Sector Accounting Standards (IPSAS) and other applicable financial reporting standards as appropriate for public benefit entities designated Tier 1.

TAUL's significant accounting policies have been applied on a consistent basis.

Measurement base

These forecast financial statements have been prepared under the historical cost convention, except for financial instruments.

Presentation currency and rounding

The forecast financial statements are presented in New Zealand dollars (\$million) and are rounded as appropriate. The functional currency of TAUL is New Zealand dollars (NZD).

Implementation of new and amended accounting standards

PBE IPSAS 41 Financial Instruments

PBE IPSAS 41 Financial Instruments was issued in March 2019. It is effective for reporting periods beginning on or after 1 January 2022. TAUL has adopted PBE IPSAS 41 Financial Instruments, and the adoption did not result in any significant impact on TAUL's forecast financial statements.

Standards issued but not yet effective

TAUL will adopt the following accounting standard in the reporting period after the effective date.

2022 Omnibus Amendments to PBE Standards, issued June 2022

The 2022 Omnibus Amendments include several general updates and amendments to several Tier 1 and Tier 2 PBE accounting standards. The adoption of these standards occurred on 1 July 2023 which did not result in any significant impact on TAUL's forecast financial statements.

All other standards, interpretations and amendments for the current year are either not applicable to TAUL or are not expected to have a material impact on the forecast financial statements, and therefore have not been disclosed.

Foreign currency translation

Foreign currency transactions (including those for which foreign exchange contracts are held) are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the statement of comprehensive revenue and expense.

Property, plant and equipment

Property, plant and equipment consists of fitout for leased premises, plant and machinery, computer equipment, furniture, fittings and equipment and capital work in progress.

Initial recognition

Property, plant and equipment is shown at cost, less accumulated depreciation and impairment losses, if any.

Additions

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

Plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit in the statement of comprehensive revenue and expense.

Depreciation

Depreciation on all property, plant and equipment, is provided on a straight line basis at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The residual value and remaining useful life of an asset is reviewed, and adjusted if applicable, at each financial period end. The useful lives of major classes of assets have been estimated as follows:

<u>Class of asset depreciated</u>	<u>Estimated useful life (years)</u>
· Leased Assets	1-14
· Plant and machinery	1-15
· Furniture, fittings & equipment	1-14
· Computer equipment	1- 8

Capital work in progress

Capital work in progress is recognised at cost less impairment and is not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated.

Carrying amount

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Intangible assets*Computer software*

Acquired computer software licences are capitalised based on the costs incurred to acquire and bring to use. Costs are amortised using the straight-line method over their estimated useful lives (1 to 8 years).

Costs directly associated with the development of identifiable and unique software products for internal use are recognised as an intangible asset to the extent it is probable such costs are expected to be recoverable.

Computer software development costs recognised as assets are amortised using the straight-line method over their estimated useful lives (not exceeding 3 years).

Impairment of non-financial assets

At each balance date, TAUL reviews the carrying amounts of its other tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, TAUL estimates the recoverable amount of the cash generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units; otherwise, they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable value. An impairment loss is recognised immediately in the surplus or deficit in the statement of comprehensive revenue and expense

Trade and other receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for expected credit loss arising from non-payment. There is no concentration of TAUL credit risk with respect to trade receivables as there are a large number of customers. Related-party receivables are predominantly with entities within the Auckland Council (ultimate parent) group structure. TAUL does not hold any collateral or other credit enhancements over these balances as security. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit in the statement of comprehensive revenue and expense.

Provision for impairment of trade receivables

TAUL has determined a provision for impairment of receivables based on an expected credit loss model. It has applied the simplified approach to providing for expected credit losses, which requires the recognition of a lifetime expected loss provision for trade receivables. The calculation of the allowance provision incorporates forward-looking information, such as forecasted economic conditions.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value, and bank overdrafts.

Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost, using the effective interest rate method.

Current and deferred income tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Deferred tax is recognised on the temporary difference between the carrying amount of assets and liabilities and their taxable value. Deferred tax assets are not recognised unless recovery is considered probable.

As a member of the Auckland Council consolidated group, any tax liability of members of the group are offset against losses available from other group member(s), so that no tax is payable by TAUL.

Goods and Services Tax (GST)

All items in the forecast financial statements are stated exclusive of GST, except for trade receivables and other receivables, and trade payables and other payables, which are presented on a GST inclusive basis. Where GST is not recoverable as an input tax, it is recognised as part of the related expense or asset.

The net amount of GST recoverable from, or payable to, Inland Revenue is included as part of receivables or payables in the statement of financial position.

Employee entitlements

Short term employee entitlements

Short-term employee benefits, including annual leave, are recognised as an expense over the period in which they accrue. 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 accrued based on entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned, but not yet taken at balance date and long service entitlements expected to be settled within 12 months.

Superannuation schemes

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit in the statement of comprehensive revenue and expense when they are incurred.

Revenue recognition

Revenue is comprised of exchange and non-exchange transactions. Exchange transaction revenue arises when one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value in exchange.

Non-exchange transaction revenue arises from transactions without an apparent exchange of approximately equal value. Non-exchange revenue includes grants, subsidies and sponsorship.

Revenue is measured at the fair value of consideration received or receivable. The specific accounting policies for significant revenue are explained below:

Funding from Auckland Council

Funding is recognised as revenue upon entitlement based on the eligibility of expenditure in accordance with the statement of intent between TAUL and Auckland Council.

Grants and sponsorships received

Council, government, and non-government grants and sponsorships are received as assistance for specific purposes and these grants or sponsorships usually contain restrictions on their use. They are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions of the grant or sponsorship agreement are not met. If there is such an obligation, the grants or sponsorships are initially recorded as grants or sponsorships received in advance and recognised as revenue when conditions of the contract are satisfied.

In 2022, TAUL received significant grant funding from the COVID-19 Response and Recovery Fund to support Auckland businesses impacted by the prevailing COVID-19 alert restrictions. This COVID-19 Response and Recovery grant funding of \$62.6m was recognised in 2022 as non-exchange revenue in terms of two support packages (Activate Tāmaki Makaurau Support Package \$46.1m; Reactivating Tāmaki Makaurau Auckland Support Package \$16.5m). These funds were not fully utilised in 2022, and \$7.3m has been distributed in 2023 (Activate Tāmaki Makaurau Support Package \$5.7m; Reactivating Tāmaki Makaurau Auckland Support Package is \$1.6m).

Lease, licence to occupy and membership revenue

Rental revenue from operating leases and licence to occupy agreements are recognised as revenue on a straight-line basis over the lease and agreement term. Membership revenue relates to short term membership access to TAUL facilities, usually a seat/desk that is paid for on a monthly cycle.

Provision of services

Provision of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Goods or services revenue

Revenue from the sale of goods or services is recognised when a product is sold, or service is provided to the customer. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

Interest revenue

Interest revenue is recognised on a time proportion basis using the effective interest method.

Leases

TAUL as Lessee

TAUL leases property, plant and equipment. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the surplus or deficit in the statement of comprehensive revenue and expense on a straight-line basis over the period of the lease.

TAUL as Lessor

TAUL subleases property to third parties under operating leases. Rental revenue (net of any incentives given to lessees) is recognised on a straight-line basis over the period of the lease.

Provisions

Provisions are recognised when the group has a present obligation as a result of a past event, it is probable that there will be a future outflow of resources, and the amount of the provision can be reliably measured.

Provisions are not recognised for future operating losses and are measured at the present value of the expenditures expected to be required to settle the obligation.

A restructuring provision is recognised when an approved, detailed, formal plan for the restructuring has either been announced to those affected, or for which implementation has already started.

Equity

Equity is the Auckland Council's interest in TAUL, being a council controlled organisation, as measured by total assets less total liabilities. Equity has been classified into various components to identify those portions of equity held for specific purposes. The components of equity are:

- Accumulated funds
- Contributed equity
- Restricted reserves

Contributed equity represents the transfer of assets on establishment of TAUL.

Capital management

TAUL's equity comprises contributed equity and accumulated funds. Equity is represented by total assets less total liabilities. The Local Government Act 2002 requires TAUL to manage its revenues, expenses, assets, liabilities and general financial dealings prudently to meet its long-term objective of remaining a going concern, and in a way that promotes the current and future interests of the community. Equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities and general financial dealings.

Significant judgements and estimates

In preparing these forecast financial statements, TAUL has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are

continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates, judgements and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year have been included below.

Grant and sponsorship revenue

Judgement is exercised when recognising revenue from grants or sponsorship to determine if conditions of the contract have been satisfied. The judgement will be based on the facts and circumstances that are evident for each contract.

Major events contracts

TAUL enters into contractual arrangements for hosting, delivering and/or sponsoring major events. Where there is a clear obligation to pay, regardless of the timing and occurrence of the event, this will be recognised as an expense and liability in the year the obligation falls due.

TAUL uses judgement to determine the likelihood of an event happening. This will consider, amongst other things, history of the event or event holder, publicity and contractual clauses. In most cases, if a contract has been entered into to provide financial support to an event, it is assumed that the event will happen.

Grant and contributions expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where TAUL has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by TAUL, and approval has been communicated to the applicant.

Discretionary grants awarded have no substantive conditions attached.

Estimating useful lives and residual values of property, plant, and equipment

At each balance date, TAUL reviews the useful lives and residual values of its property, plant, and equipment. Assessing the appropriateness of useful life and residual value estimates requires TAUL to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by TAUL, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciable amount of an asset, therefore affecting the depreciation expense recognised in the surplus or deficit in the statement of comprehensive revenue and expense and the asset's carrying amount. TAUL minimises the risk of this estimation uncertainty by:

- Physical inspection of assets
- Asset replacement programmes
- Review of second hand market prices for similar assets
- Analysis of prior asset sales.

TAUL has not made significant changes to past assumptions concerning useful lives and residual value.

Financial risk management

Financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are recognised initially at fair value plus transaction costs, and subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the surplus or deficit.

Financial liabilities are initially recorded at fair value plus directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method.

Financial instrument risk

TAUL's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. Management has a series of policies to manage the risks associated with the financial instruments and seeks to minimise the exposure on those instruments. TAUL is risk-averse and manages its exposure to key financial risks by applying policies that do not allow it to enter any transactions which are speculative in nature.

Classification and measurement of financial instruments

TAUL classifies its financial instruments in the following categories:

- at fair value through surplus or deficit (FVTSD)
- at fair value through other comprehensive revenue and expenditure (FVTOCRE)
- at amortised cost.

Significant accounting policies for Tātaki Auckland Unlimited Trust

The principal accounting policies applied in the preparation of these forecast financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation

The forecast financial statements of Tātaki Auckland Unlimited Trust (TAUT) have been prepared in accordance with the Local Government Act 2002. These forecast financial statements comply with International Public Sector Accounting Standards (IPSAS) and other applicable financial reporting standards as appropriate for public benefit entities designated Tier 1.

The forecast financial statements are presented in New Zealand dollars (\$million) and are rounded as appropriate. The functional currency of TAUT is New Zealand dollars (NZD).

Measurement base

These forecast financial statements have been prepared on a historical-cost basis, modified by the revaluation of land and buildings and art collections.

Going concern

The forecast financial statements have been prepared on a going-concern basis.

Goods and services tax (GST)

All items in the forecast financial statements are stated exclusive of goods and services tax (GST), except for trade and other receivables and payables, which are presented on a GST-inclusive basis. GST not recoverable as input tax is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (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 an operating cash flow in the statement of cash flows. Commitments and contingencies are disclosed exclusive of GST.

Income tax

TAUT is registered as a charity under the Charities Act 2005 and is not liable for income tax.

Accounting judgements, estimates and assumptions

In preparing these forecast financial statements, TAUT has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed within the applicable notes.

Significant judgements relate to:

- assessing the recognition of grants revenue received
- determining the appropriate asset classes and useful lives of property, plant and equipment; estimating the depreciated replacement costs and the residual value of certain assets
- the inherent uncertainty relating to the fair value of artworks, given their unique nature
- determining the discount rate for community loans
- accounting for the operating lease with regard to Spark Arena

Implementation of new and amended standards

Standards issued but not yet effective

TAUT will adopt the following accounting standard in the reporting period after the effective date.

2022 Omnibus Amendments to PBE Standards, issued June 2022

The 2022 Omnibus Amendments include several general updates and amendments to several Tier 1 and Tier 2 PBE accounting standards. The adoption of these standards occurred on 1 July 2023 which did not result in any significant impact on TAUT's forecast financial statements.

PBE IPSAS 41 Financial Instruments

PBE IPSAS 41 Financial Instruments was issued in March 2019. It is effective for reporting periods beginning on or after 1 January 2022. TAUT has adopted PBE IPSAS 41 Financial Instruments, and the adoption did not result in any significant impact on TAUT's forecast financial statements.

Use of estimates and judgements

A number of judgments and estimates were made in the preparation of these forecast financial statements. Judgement was used in determining which information obtained subsequent to period end provided evidence of conditions that existed as at the end of the reporting period.

In particular, asset carrying values have been assessed at balance date. Particular consideration has been given to the provision for doubtful debts, the valuation of land and buildings and the valuation of artworks. These assumptions are based on TAUT's best estimate of the most likely expectations at balance date.

There have been no revisions to the nature and amount of estimates reported in prior periods.

At the time of preparing these forecast financial statements TAUT has not identified any material risk to its ability to continue as a going concern.

Revenue

Revenue is measured at the fair value of consideration received or receivable, net of discounts and GST, when the amount of revenue can be reliably measured. Specific accounting policies for significant revenue items are explained below.

Auckland Council funding – TAUT receives operating and capital funding from Auckland Council. Operational funding is recognised as revenue upon entitlement based on the eligibility of expenditure in accordance with the Statement of Intent between TAUT and council. Capital funding is a reimbursement for approved capital works as outlined in TAUT's asset management plan and recognised as a related party receivable at the time the capital expense is incurred by TAUT.

Entrance and admission fees – These are recognised on an accrual basis in the period that the corresponding event occurs, on completion of that event.

Donations and bequests – These are recognised when physically received or when it is probable that a reliably measurable amount will be receivable.

Gifted artwork – Where a physical asset is gifted to TAUT or acquired by TAUT for nil consideration or at a subsidised cost, the asset is recognised at fair value and the difference between the considerations provided, and the fair value of the asset is recognised as revenue. The fair value of the donated assets is determined as follows:

- For new assets, fair value is usually determined by reference to retail price of the same or similar asset at time of receipt of asset.
- For used assets, fair value is usually determined by reference to market information for assets of a similar type, condition and age.

Sale of goods – Revenue from the sale of goods is recognised when the risks and rewards of the ownership of the goods pass to the purchaser.

Interest revenue – Interest is recognised on a time-proportion basis using the effective interest method.

Rental revenue from property leases – Lease receipts under operating leases and subleases are recognised as revenue on a straight-line basis over the lease term.

Grants received

TAUT must exercise judgement when recognising grant revenue to determine if conditions of the grant contract have been satisfied. This judgement will be based on the facts and circumstances evident for each grant contract.

Restricted cash balances

In accordance with the Local Government Act 2002, TAUT operates a restricted bank account. This bank account is used for the deposit of ticketing box office funds and is accordingly considered to be restricted funds.

Trade and other receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for expected credit loss arising from non-payment.

Provision for impairment of trade receivables

TAUT has determined a provision for impairment of receivables based on an expected credit loss model. We have applied the simplified approach to providing for expected credit losses, which requires the recognition of a lifetime expected loss provision for trade receivables. The calculation of the allowance provision incorporates forward-looking information, such as forecasted economic conditions.

Inventory

Inventory held for use in the production of goods and services on a commercial basis is valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the first in, first out (FIFO) method.

The amount of any write-down to net realisable value of inventory is recognised in the surplus or deficit in the period of the write-down.

Payables

Creditors and accrued expenses are recorded at their face value.

Revenue in advance is recognised in the statement of comprehensive revenue and expenses in the period the income is earned.

Employee entitlements

Short-term employee benefits, including annual leave, are recognised as an expense over the period in which they accrue. 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 accrued based on entitlements at current rates of pay.

Provisions

Provisions are recognised when the group has a present obligation as a result of a past event, it is probable that there will be a future outflow of resources, and the amount of the provision can be reliably measured.

Provisions are not recognised for future operating losses and are measured at the present value of the expenditures expected to be required to settle the obligation.

Restructuring – A provision for restructuring is recognised when an approved, detailed, formal plan for the restructuring has either been announced to those affected, or for which implementation has already started.

Property, plant and equipment (PPE)

Operational assets – These include land, buildings, plant and machinery, computer equipment, furniture, fittings and equipment, and motor vehicles.

Zoological assets – Zoo animals are valued at a nominal value of \$1, in line with international practice.

Property held to meet service-delivery objectives

Property held to meet service-delivery objectives, rather than to earn rentals or for capital appreciation (i.e. investment property), is recognised as land and buildings under PPE.

As a result, properties leased to third parties under operating leases are not classified as investment property.

Initial recognition – PPE are initially shown at cost or fair value where an asset is acquired at no cost or for a nominal cost. Cost includes any costs directly attributable to the acquisition of the items. Note that in the case of the assets acquired by TAUT on establishment on 1 November 2010, cost was the carrying value of the assets by the previously owning council and CCO.

Subsequent measurement – PPE are measured at cost or fair value, less accumulated depreciation and impairment losses.

Revaluation – Revaluations of PPE are accounted for on a class-of-asset basis. Land and buildings are revalued with sufficient regularity to ensure their carrying amount does not differ materially from fair value and at least once every five years. All other asset classes are carried at depreciated historical cost.

The carrying values of revalued assets are assessed annually to ensure they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

The net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive income. Depreciation rates are adjusted on building revaluations.

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

Work in progress – Work in progress is recognised at cost less impairment and is not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated.

Disposals – Gains and losses on disposals are determined by comparing the proceeds on disposal with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Depreciation – Land is not depreciated. Depreciation is provided on a straight-line basis on all PPE other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Asset class	Useful life	Rate
Buildings	3 – 100 years	(1.0% – 33%)
Plant and machinery	1 – 39 years	(2.6% – 100%)
Office equipment	1 – 25 years	(4.0% – 100%)
Computer equipment	3 – 8 years	(12.5% – 33%)
Motor vehicles	4 – 10 years	(10.0% – 25%)
Roads and civil structures	3 – 68 years	(1.4% – 33%)
Specialised sporting and cultural venues	3 – 100 years	(1.0% - 33%)
Works of art	Indefinite	
Specified and cultural heritage assets	Indefinite	

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciated replacement cost – Critical assumptions in estimating depreciated replacement cost for the revaluation of certain PPE are the estimated replacement cost of subject assets, estimated optimisation rates of subject assets and estimated remaining useful life of those assets.

Estimating useful lives and residual values of PPE – At each balance date, TAUT reviews the useful lives and residual values of its PPE. Assessing the appropriateness of useful life and residual value estimates requires TAUT to consider a number of factors such as the physical condition of the asset, expected period of our use of the asset, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciable amount of an asset, therefore affecting the depreciation expense recognised in the surplus or deficit and the asset's carrying amount. TAUT minimises the risk of this estimation uncertainty by:

- physical inspection of assets

- asset-replacement programmes
- review of second-hand market prices for similar assets
- analysis of prior asset sales.

Revaluation of land and buildings

TAUT revalues land and buildings on a five-year cycle unless the fair value assessment requires revaluation of the entire class of land and buildings. These assets are valued at either market value or depreciated replacement cost.

Fair value

The fair value for each asset class for TAUT is represented by the net book value.

Impairment

Assets are assessed for indicators of impairment at each financial period. Where an asset's carrying value exceeds its recoverable value (being the greater of fair value less cost to sell or value in use), the asset is written down to its recoverable value, with losses recognised in profit or loss.

Artwork collections

TAUT's fine artwork collections are classified according to the national and cultural significance of the items held, where recognition of the mana and substance of Māori, European and other major cultural heritages are reflected. This is mediated by factors including rarity, provenance, historical connotations and social capital.

TAUT collections are recorded at cost or revaluation. Valuations of the fine art collection held at the Auckland Art Gallery are programmed annually to ensure each class of collection is valued at least once every three years. Acquisitions to collections between revaluations are recorded at cost or at fair value if donated.

The fair values of artworks are determined by reference to observable prices in an active market and recent transactions on arm's-length terms.

Public artwork has been recognised at fair value on acquisition. The collection largely comprises artwork attached to buildings or commissioned for specific display areas and is not revalued due to the limited market for these pieces.

As the fine art collections have an indefinite life and are not of a depreciable nature, depreciation is not applied to the collections.

Significant judgement Artwork collection

Estimates of value and quality may vary from one appraiser to another, with such variances not necessarily constituting an error on behalf of the appraiser; therefore, statements and data contained in the appraisal cannot be considered a guarantee or warranty of value.

Heritage and cultural assets

Heritage and cultural assets are carried at cost with any new collection items recognised at cost as additions to the collection, or in the case of donated collection items at fair value on acquisition. Due to the nature of the collection no depreciation will be recognised; however, an impairment assessment will be completed each reporting period. An impairment assessment was completed in June 2023 and no impairment was identified.

Intangibles

Intangible assets are initially recorded at cost. The cost of an internally generated intangible asset represents expenditure incurred in the development phase only.

Software acquisition and development

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

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

Costs associated with developing and maintaining websites are recognised as an expense when incurred where the website is used solely for promoting TAUT's services.

Alternatively, costs associated with developing and maintaining websites are capitalised as an intangible asset where the website is capable of generating revenue through direct orders and sales for TAUT.

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

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

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ends at the date that the asset is de-recognised.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation charge for each period is recognised in the surplus or deficit.

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

Acquired software 1 – 8 years, 12.5% – 100%

Developed software 1 – 8 years, 12.5% – 100%.

Community loans

Loans to community organisations made at nil or below-market interest rates are initially recognised at their expected future cash flows, discounted at the current market rate of return for a similar asset or investment. The difference between the face value and present value of expected future cash flows of the loan is recognised in the statement of comprehensive income as a fair value impairment. Community loans are subsequently measured at amortised cost using the effective interest method less impairment, if any.

Borrowings

Borrowings are financial liabilities classified as ‘other financial liabilities at amortised cost’.

They are initially recognised at their fair value net of transaction costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless TAUT has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Financial instruments

Financial assets comprise loans and receivables that are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are recognised initially at fair value plus transaction costs, and subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the surplus or deficit.

Loans to community organisations made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument.

Financial liabilities are initially recorded at fair value plus directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method.

Financial instrument risk

TAUT’s activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. TAUT has a series of policies to manage the risks associated with the financial instruments and seeks to minimise the exposure on those instruments. TAUT is risk-averse and we manage our exposure to key financial risks by applying policies that do not allow it to enter any transactions which are speculative in nature.

Classification and measurement of financial instruments

TAUT classifies its financial instruments in the following categories:

- at fair value through surplus or deficit (FVTSD)
- at fair value through other comprehensive revenue and expenditure (FVTOCRE)
- at amortised cost.

Equity

Equity represents the shareholder's interest in TAUT and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- contributed capital
- accumulated surplus / (deficit)
- restricted equity
- property revaluation reserve.

Restricted reserves

A component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the parent.

Restricted reserves are those subject to specific conditions accepted as binding by TAUT and which we may not revise without reference to the courts or a third party.

Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Restricted reserves include those restricted by TAUT's decision.

Auckland Council may alter restricted reserves without reference to any third party or the courts.

Capital Structure

The capital structure of TAUT consists of net debt (borrowings offset by cash and cash equivalents) and equity, which comprises:

- contributed capital
- accumulated surplus / (deficit)
- restricted equity
- property revaluation reserve.

Equity is represented by net assets.

Contributed capital

Contributed capital represents the amount of net assets initially injected into TAUT on its incorporation on 1 November 2010 as a result of the disestablishment of previous Auckland councils and council-controlled entities, and establishment of Auckland Council and its newly created council-controlled entities.

Accumulated surplus / (deficit)

Accumulated surplus / (deficit) represents the surpluses and deficits earned by the entity that have been retained since TAUT's incorporation on 1 November 2010, plus the current year's surplus and movement.

Restricted equity

TAUT sets aside specific amounts of retained surpluses in relation to its operations at Auckland Zoo. Specifically, restricted equity has been set aside for the Zoo's activities relating to conservation initiatives. As costs are incurred, they are recognised through profit and loss in the period to which they relate, and the corresponding funds are transferred from restricted equity to retained earnings.

Restricted equity also includes trusts and bequest funds administered by Auckland Council for the benefit of Auckland Art Gallery to buy art and for other specified purposes.

Asset revaluation reserve

TAUT operates an asset revaluation reserve to hold movements on the revaluation of non-current assets.

The asset revaluation reserve is maintained by the class of revalued non-current assets. Movements in the revaluation of items are restricted to the class of non-current assets to which they are allocated, in accordance with PBE IPSAS 17. Certain artworks in the substantial significance collection are initially revalued in foreign currencies, giving rise to foreign exchange differences at year-end. These foreign exchange differences are recognised in other comprehensive revenue and expense, and accumulated in the asset reserve for the artworks collection classified as substantial significance.

On exhaustion of the asset revaluation reserve of a particular class of non-current assets, any further devaluation is taken to profit or loss and is not offset by any remaining revaluation reserves of other classes of non-current assets, in accordance with PBE IPSAS 17.

Capital commitments

Capital commitment represent capital expenditure contracted at balance date but not yet incurred.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease revenue under an operating lease is recognised as income on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit over the lease term as an integral part of the total lease expense.

Significant judgement on Operating leases

The development and operations of Spark Arena are governed by a development agreement. This “build, own, operate, transfer” contract specifies that the residual interests at the end of the contract reside with TAUT. Our interests in Spark Arena have been recognised as an asset and the asset is independently revalued in line with our land and building valuation process. The initial contribution to the building development by the third party has been recognised in the cost of the building asset and as lease revenue in advance, which is recognised on a straight-line basis over the period of the development agreement.

The original contribution by Auckland City Council to build the Spark Arena asset has been recognised as a building asset, and associated contribution by the operator has been recognised as a liability under the current PBE accounting standards and is accounted for on the following basis.

- Recognition of asset: the building has been recognised as an asset with a restriction on title as TAUT does not hold the title at balance date. Beca has independently revalued the building in accordance with Auckland Council’s valuation policy for buildings. The building and associated improvements are depreciated over its estimated remaining useful life (currently estimated at between 31 and 78 years).
- Recognition of liability: unearned lease revenue is recognised as finance income over the remainder of the lease period on a straight-line basis.

Related party transactions

Related include associates, key management personnel and elected representatives of Auckland Council and their close family members and entities controlled by them. Key management personnel are the chief executive and executive leadership team. The elected representatives of the council are the mayor and councillors. Close family members include spouses or domestic partners, children and dependents.

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

Related party disclosures have also not been made for transactions with entities within the Auckland Council Group (such as funding and financing flows) where the transactions are consistent with the normal operating relationships between the entities and are on normal terms and conditions for such group transactions.