

Tātaki Auckland Unlimited Limited

Pūrongo ā-tau mo te tau mutu 30 o Pipiri 2022

Annual Report for the year ended 30 June 2022





*Front cover image:
Performers at the
vibrant Taste of Pasifika
Festival.*

*Shrooms light up
Aotea Square – an
Elemental AKL event*

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Kia mārama ki ngā pārongo i te Pūrongo ā-Tau **Understanding the information provided in the Annual Report**

Tātaki Auckland Unlimited Limited (TAUL), previously known as Auckland Unlimited Limited (AUL), is a Council Controlled Organisation (CCO) of Auckland Council.

Auckland Unlimited Limited (AUL) changed its name to Tātaki Auckland Unlimited Limited (TAUL) on 13 May 2022.

The company is also the corporate trustee for Tātaki Auckland Unlimited Trust (TAUT), previously Regional Facilities Auckland (RFA), the Trust.

The financial statements, Notes and Statement of Service Performance are for a full twelve months – from 1 July 2021 to 30 June 2022.

Financial Year 30 June 2021 Comparative Numbers

The outcome of a review of Auckland Council's council-controlled organisations was captured in the Report of the Independent Panel dated July 2020 and issued to the public on 11 August 2020. The Auckland Council Governing Body met on 27 August 2020 and agreed to the establishment of a merged council-controlled organisation entity by amalgamating Regional Facilities Auckland Limited (RFAL) and Auckland Tourism, Events and Economic Development Limited (ATEED). The Auckland Council Governing Body delegated to the Auckland Council Chief Executive the ability to facilitate the transition to, and establishment of the merged entity with effect from 1 December 2020.

RFAL's name was changed on 1 December 2020 to Auckland Unlimited Limited (AUL) and Auckland Tourism, Events and Economic Development Limited (ATEED) was de-registered as an entity on 1 December 2020. Auckland Unlimited Limited (AUL) subsequently changed its name to Tātaki Auckland Unlimited Limited (TAUL) on 13 May 2022.

Prior to the merger, the primary objective of RFAL was to act as a Corporate Trustee for the Trust. RFAL's only transactions included the payment of directors' fees, which are reimbursed by the Trust.

The FY21 comparative numbers in the financial statements in this annual report only reflect the post-merger transactions for the seven months relating from merged ATEED operations, plus the full year's RFAL director fees.

TAUL NGĀ TUTUKINGA KI TĀMAKI MAKAURAU TAUL DELIVERS FOR AUCKLAND

<p>Delivered</p> <p>Activate</p> <p>Tāmaki</p> <p>Makaurau -</p> <p>processing 12,700+ successful applications</p>	<p>\$197m attributable private sector investment secured during the year by Tātaki Auckland Unlimited</p>	<p>Delivered Taste of Pasifika, and digital celebrations of Diwali and Lantern festivals</p>
<p>1080 Māori businesses through an Auckland Unlimited programme or benefited from an Auckland Unlimited intervention</p>	<p>Secured \$35m+ funding for two new sound stages at the region’s centrepiece</p> <p>Auckland Film Studios</p>	<p>50+ events featured as part of Elemental AKL festival curated by Tātaki Auckland Unlimited</p>
<p>Delivered Explore</p> <p>Tāmaki</p> <p>Makaurau –</p> <p>105,830 vouchers redeemed, spent at 100+ businesses</p>	<p>102 business event opportunities won for Auckland forecast to generate an estimated 120,000+ visitor nights</p>	<p>Convened the third successful Auckland’s Future, Now event to help drive economic recovery</p>

He kōrero nā te Heamana / Statement from the Chair



It is hard to imagine a more challenging operational environment for an economic and cultural agency than the one Tātaki Auckland Unlimited Limited (TAUL) faced during its first full post-merger year.

But through a dedication to partnership, and a mindset of turning challenges into opportunities, we delivered significant value and support for Tāmaki Makaurau Auckland throughout the year.

While we began the reporting period amid optimism that the COVID-19 pandemic's impacts were dissipating and Auckland would start returning to normality, that proved to be a false dawn. The arrival of the Delta and Omicron variants in the first half of 2021/22 – along with further lockdowns, border re-opening delays, and extension of public health orders restricting events – meant considerable economic pain was still to come for our region.

The challenges for TAUL were wide ranging. Auckland Council's pandemic-related emergency budget constrained our financial situation; key parts of our work programme supporting tourism, major and business events, and international education were significantly affected; but opportunities emerged to re-prioritise our resources and remain a crucial contributor to Auckland's resilience.

More than ever, Aucklanders needed a highly focused, efficient and hard-working economic and cultural agency to strongly advocate for their region, then deliver equitable outcomes for all Aucklanders. Through our ability to rapidly move resources to new focus support programmes, we did just that.

Our commitment to collaboration was fundamental to our success. In particular, the excellent relationship we have established with central government and other partners meant we were at the forefront of major efforts to help the region's hard-hit businesses and industries, and therefore support the retention of jobs within communities most affected by the pandemic.

It was a proud moment towards the end of the reporting year when we officially launched our organisation's bilingual name – Tātaki Auckland Unlimited – in collaboration with the Tāmaki Makaurau Mana Whenua Forum and Ngāti Whanaunga.

Our name recognises the equal weight and importance of te reo Māori as an official language and reinforces the importance we place on cultural leadership and economy. The word 'Tātaki' embodies a quality of positive leadership that sets the pace, leading by example. The word 'taki' literally means the spearhead formation used in battle.

As the agency responsible for enriching cultural and economic life in the city, we create vibrant experiences and support businesses and industry partners towards excellent economic outcomes for the region. Our name establishes a tangible and emotional connection between our people and the community we serve.

It stands for the organisation we aspire to be: an organisation that leads by example in honouring Te Tiriti o Waitangi and one that is culturally inclusive, creative and bold, with the determination to deliver true action on behalf of Auckland Council.

The Board believes the period of immense challenges Auckland has experienced also presents significant opportunities, and as an organisation we understand the need to be in a position to seize those by being bold and dynamic.

It is a time to think and do things differently. Our recent merger and subsequent move to a new operational model gave us a chance to embrace change. More of that attitude will be needed as we join with partners to drive an Auckland economic recovery that is shared by the communities in the south and west most affected by the pandemic.

With borders re-opening, and international visitors due to start returning during the 2022/23 year, it is time for our region to re-assert itself as New Zealand's true global city, and for our nation's economic engine to get back to firing on all cylinders.

TAUL is committed to being at the forefront of efforts to attract new investment, new talent and world-class cultural experiences and events; and at the same time, create a local environment which supports innovation, and inspires creativity and fresh ideas in our talented young people.

I feel privileged to lead this organisation's Board as we look towards our region's economic recovery, and the crucial part we will play in that.

I am proud to present the Tātaki Auckland Unlimited Limited Annual Report 2021/22, which should be read in conjunction with the annual report for Tātaki Auckland Unlimited Trust, the part of our organisation which operates the much-loved cultural institutions Auckland Stadiums, New Zealand Maritime Museum, Auckland Zoo, and Auckland Art Gallery Toi o Tāmaki on behalf of Auckland Council.

Finally, I would like to acknowledge Mark Franklin – TAU Chair – who passed away in November 2022. Tāmaki Makaurau Auckland has lost one of its most passionate and highly respected advocates.

Mark was hugely respected in the business, local and central government arena. He was appointed Chair of Auckland Tourism, Events & Economic Development in November 2018, and then became founding Chair of the newly merged entity Auckland Unlimited (now TAU) from September 2020.

His mana and direct style provided the confidence for all around him to make big decisions and to see them through. Mark had a deep respect for mana whenua, Te Ao Māori, Te Tiriti o Waitangi jurisprudence and developing models of co-governance.

His passion for people, for Auckland, and for the work we do was an inspiration for many of those who worked with him, and I was proud to work alongside him. The legacy of his leadership lives on in the organisation which he played a huge role in shaping.

Kua hinga he totara i te wao nui a Tane
A totara has fallen in the forest of Tane



Jennah Wootten

Acting Chair

He kōrero nā te Tāhūhū Rangapū / Statement from the Chief Executive



This reporting year we made good progress on the internal transformation required following the merger in December 2020 which established Tātaki Auckland Unlimited, and the subsequent development of a new operating model.

With clarity about our bedrock purpose as Auckland Council's economic and cultural agency, we set about re-aligning resources into the operating model's four rōpū (work areas) – including the establishment of a Māori Outcomes division that recognises our commitment to Council's Te Tiriti partnerships with mana whenua, and our priority to support Māori economic aspiration across the region.

Critical to that focus was the development of the TAU *Māori Outcomes Plan – Te Mahere Aronga*. During the year, work took place to establish a formal delivery and monitoring mechanism for the plan that weaves across all our business units and rōpū.

There is a core group of leaders and staff guiding this process, which will involve a deep understanding of te ao Māori and raising our organisation's competency of tikanga and te reo Māori. Early outcomes from the plan including bilingual wayfinding and signs at our operating sites, and a proposed Māori information portal for tourism and events.

Another important development this year was a focus on a multi-generational approach and questioning how Tāmaki Makaurau Auckland can become a truly global, liveable, and sustainable city that is fit for the future.

To help gain clarity, Tātaki Auckland Unlimited – with the support of the wider Auckland Council group – commissioned Auckland University-based think tank Koi Tū: The Centre for Informed Futures to look forward two generations – five decades – to suggest the kinds of evolution the region needs.

The outcome of the Koi Tū team led by Professor Sir Peter Gluckman was *Reimagining Tāmaki Makaurau Auckland: harnessing the region's potential* – a comprehensive independent report on Auckland's long-term future which was released in March 2022. Following extensive research, it outlined nine scenarios of what Auckland could become with the right forward thinking.

TAUL is looking to pick up and further explore two of the report's nine scenarios: a 'region of creativity and culture'; and an 'innovative region', areas which align with our remit. I am excited about where those roads will take us.

Other parts of Council, businesses and interested organisations will develop other scenarios outlined in the report, which also shaped the third *Auckland's Future, Now* event, which we delivered in May.

Attended by 190 in person, and about 360 online, this event was an insightful exploration of how the private and public sectors can collaborate to harness the potential of Tāmaki Makaurau and build a better future.



Auckland's Future, Now

The event built on two previous *Auckland's Future, Now* summits and brought together Auckland's leading business and economic thinkers, including young people, to focus on our region's economic recovery and how we can collectively support our communities, businesses, and industries through challenges such as COVID-19, climate change and uncertainty. Key discussions included how to save the city centre, re-engage with the world, and harness and support the region's Māori and Pacific businesses and entrepreneurship.

The end of this financial year is also the end of an era for Tātaki Auckland Unlimited – and previously legacy agency ATEED – which has been the Government's Regional Business Partner (RBP) for Auckland for 11 years. In that time, we have facilitated a huge number of government-funded business capability vouchers, and research and development grants for small to medium businesses across the region. But as part of our re-prioritisation, our Board agreed with management's recommendation to not tender for the contract in the coming year. Most staff working on the RBP are expected to move to the new provider, ensuring continuity of delivery for Auckland businesses.

As an organisation, we are working within the new realities of Auckland Council in the COVID-19 era. The continued pandemic-related suspension of Auckland Council's accommodation provider targeted rate (APTR) – a mechanism instigated to help fund the region's visitor attraction activity – again caused challenges for our financial planning. The future of the APTR remains uncertain due to ongoing legal action, so as the agency responsible for promoting our region to the world we must plan into the future with that in mind.

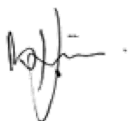
The impact of Auckland, New Zealand and Australian border closures and lockdowns on events and visitation, hospitality, tourism, accommodation, arts and culture and the city's reputation was continually top of mind for us as an organisation in the reporting year.

So too was the need to be part of helping our region meet the coming challenge of climate change. Our first *Climate Change and Sustainability Report* was produced in November 2021, highlighting the organisation's ongoing work on corporate sustainability and our contribution to *Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan*.

Our own operational emissions were audited under the Toitū CARBONREDUCE certification programme and we subsequently received certification. That is a line in the sand as we move forward doing our part and encouraging Auckland businesses to address climate change.

During the year, we worked with a range of partners on the development of a climate innovation hub we plan to launch in the next reporting year. The hub is envisaged as a national centre of excellence for climate innovation – connecting climate change challenges with solutions and offering a collaboration space for the climate innovation community.

The hub is a great example of the kind of opportunities we identify, and the actions we take to deliver on them. In the following highlights, there are many more examples of the value we are determined to deliver for all Aucklanders.



Nick Hill

Chief Executive

Te pūrongo a ngā Kaiwhakahaere / Directors' report

The Board of Directors has pleasure in presenting the annual report of Tātaki Auckland Unlimited Limited, incorporating the financial statements, statement of service performance and the auditors' report, for the year ended 30 June 2022.

The Annual Report was authorised for issue by the board of TAU on 30 November 2022. Neither Auckland Council nor TAU Board has the power to amend the financial statements once adopted.



Jennah Wootten

Acting Chair

Carol Cheng

Chair of Risk Committee

Independent Auditor's Report

To the readers of Tātaki Auckland Unlimited Limited's financial statements and performance information for the year ended 30 June 2022

The Auditor-General is the auditor of Tātaki Auckland Unlimited Limited (the company). The Auditor-General has appointed me, David Walker, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the company on his behalf.

Opinion

We have audited:

- the financial statements of the company on pages 22 to 60, that comprise the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the company on pages 61 to 67.

In our opinion:

- the financial statements of the company on pages 22 to 60:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2022; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards; and
- the performance information of the company on pages 61 to 67 presents fairly, in all material respects, the company's actual performance compared against the performance targets and other measures by which performance was judged in relation to the company's objectives for the year ended 30 June 2022.

Our audit was completed on 30 November 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

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

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

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

Responsibilities of the Board of Directors for the financial statements and the performance information

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

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Directors is responsible on behalf of the company for assessing the company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

Responsibilities of the auditor for the audit of the financial statements and the performance information

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We evaluate the appropriateness of the reported performance information within the company's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 1 to 10, 15 to 21 and page 68, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

Independence

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

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



David Walker
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand



**Ngā mea
whakahirahira o
Highlights**

2021 / 2022

Hei tautoko i te manawaroa o Tāmaki Makaurau Supporting Auckland's resilience

As one of the agencies focused on our region's economic development, TAUL played an important role in helping Auckland's economy stay as resilient as possible despite the pandemic's severe impacts on individual businesses and, in some cases, entire industries. TAUL attracted \$85 million in government funding support and helped deliver critical programmes to struggling businesses around the region.

We worked closely with Auckland business leaders to advise the Government on a business support package for Auckland that would target the most adversely affected small to medium businesses.

As a result, the Government announced the \$60 million **Activate Tāmaki Makaurau** programme in October 2021. It was designed to support Tāmaki Makaurau businesses through the uncertainty caused by the Delta variant lockdown on top of wider pandemic impacts. It provided small businesses with support across advice and planning, implementation, mental health and wellbeing, and business community resources.

This was followed by another government announcement on 1 December 2021 of the \$25 million **Reactivating Tāmaki Makaurau Auckland Support Package (Reactivate Tāmaki Makaurau)** to encourage locals to support tourism and events operators.

TAUL has been the long-time delivery partner for the Government's Regional Business Partner Network programme in Auckland, which in the reporting year consisted of more than \$300,000 in Business Capability/Tourism Transition funding and more than \$3 million in R&D support, in addition to the new package. TAUL was the natural agency to design and deliver significant parts of the major new programmes. Despite the lockdown and alert level settings, TAUL was able to demonstrate its capability to quickly prioritise staff resources and work with partners to ensure they were successfully rolled out.

Activate Tāmaki Makaurau was mainly distributed through two grant categories led by TAUL: Business Advice, and Implementation. To reach Auckland's diverse business community, including Māori and Pacific businesses, TAUL partnered with the wider business support network in the region. This included Whāriki – Māori Business Network and Amotai along with nearly 80 Māori service providers to deliver services to Māori businesses.

A total of 6,540+ Business Advice applications, and 6,820+ Implementation grant applications were approved for businesses to receive support from the more than 1,170 suppliers which were part of the programme. The approved applications included more than 1,250 from Māori businesses, and more than 1,240 from Pacific businesses.

The service providers included experts in business planning; financial planning and cashflow management; digital marketing; and health and wellbeing workforce planning.

Other important parts of the overall programme were delivered by the Auckland Business Chamber (First Steps expert health and wellbeing support) and the Employers and Manufacturers Association (an online business community platform).

Reactivate Tāmaki Makaurau included a \$9 million Explore Tāmaki Makaurau voucher programme, \$10m local activation programme, and a \$3 million discount programme. The programme was designed to be consumer-driven and to support tourism operators, attractions, and event organisers at a local level. More than 225,000 Aucklanders registered for the Explore Tāmaki Makaurau programme. By the end of June, the programme had resulted in:

- About \$7.5 million of vouchers redeemed with activity and attraction operators
- 105,830 vouchers used
- 438,954 experiences (individual tickets) booked
- 100+ businesses received voucher bookings.

For many Auckland attractions, the voucher programme was a lifeline during tough operational conditions. TAUL held two bonus draws to maximise the programme's boost to local businesses and offer every valid registrant the opportunity to use a voucher.

Participating businesses included major attractions such as Sky Tower, Rainbow's End, SEA LIFE Kelly Tarlton's, MOTAT, Snowplanet and Auckland Zoo as well as ten pin bowling, escape rooms, mini putt, go karting, ice skating, guided tours, sailing, equipment rental and ferry services such as Kawau Island Super Cruise.

The **Local Activation Fund** received 200 applications; 135 were approved, and more than \$7.5 million granted to local community events. The **Discount Scheme** received 19 applications, of which 15 were approved and more than \$1.7 million of funding granted to provide discounted and free entry to facilities for Aucklanders.

In addition to that work, TAUL developed phase two of the **Auckland is Calling** campaign in support of the tourism, hospitality, and accommodation sectors. It initially targeted domestic travellers, from late March and until May. Promotion of events and visitor experiences across Auckland, hospitality and accommodation were included in the advertising. Australian market activity ran through June. An *Auckland is Calling* trade event was held in Sydney in May, with 14 Auckland operators. By year end, there had been more than 2.6 million complete views of *Auckland is Calling* videos; and more than 500,000 New Zealanders aged 20+ were reached via social media, with more than 52,000 clicks to campaign website content.

As part of *Auckland is Calling*, TAUL worked with partners to develop the *Stay Auckland Now* campaign – which launched in May 2022. It had special offers on more than 10,000 room nights from 59 participating accommodation providers across the region and was designed to help re-boot Auckland's accommodation sector.

Together, the support delivered by TAUL made a real difference for many Auckland businesses during a very difficult period.



The Fieldhouse in Pakuranga got a big boost from the Explore Tāmaki Makaurau vouchers

Whanaketanga ohaoha / Economic Development

From supporting the region’s Pacific people workforce to become more future-ready, to securing game-changing investment in the region’s film studio infrastructure, TAUL remain committed to continuing to add value as an economic development agency. The region’s innovation precinct network continues to thrive, with TAUL support, and a range of initiatives and partnerships helped Auckland’s crucial tourism sector prepare for a return to relative normality.

Several key projects continued or initiated in the 2021/22 year exemplified the value TAUL delivers for the region in supporting industries or community sectors.

The **Alo Vaka Pacific Skills Shift Initiative** – an \$8m four-year programme being delivered in partnership with the Government and Auckland employers – continues to train and build a future-ready Pacific peoples workforce. It connects employers in target industries with fully funded in-work training to upskill their Pacific workers.

The focus is on ‘*micro-credentials*’ – small, stand-alone formal awards that recognise the achievement of specific skills or knowledge in a particular area that employers are looking for. Since the programme began in July 2021, 408 Pacific workers from 45 Auckland employers have been awarded an externally accredited micro-credential. At year end, more than 220 workers were completing digital or financial literacy courses.



Sara from Van Den Brink Poultry - Alo Vaka Pacific Skills Shift money confidence course graduate

Supporting the region’s billion-dollar screen industry is a priority for TAUL. The industry and the thousands of Aucklanders working in it has been on a roller coaster since the start of the pandemic, with both on-location and studio work intermittently affected by lockdowns, and productions hampered by border restrictions; while two major productions announced unexpected departures during the reporting period, Netflix confirmed it would return to produce a new season of *Sweet Tooth*.



Screen Auckland – a TAUL unit which on behalf of Council facilitates permits to film in public spaces around the region, which are granted in accordance with the appropriate bylaws, requirements, and other relevant functions – launched FilmApp, an Auckland-wide film permit application to streamline film permitting processes. It set new records for permits issued in the months of April and May 2022 – a good indication of confidence returning to the industry. The two major film studios operated by TAUL are in high demand, with a strong pipeline of future inquiries and bookings. Screen Auckland also developed a new Auckland showreel to highlight the fantastic locations and studios available in the region to international producers.

A key focus for TAUL (and previously as ATEED) has been helping the industry's growth through facilitating studio infrastructure expansion. During the year, TAUL secured \$30 million government funding for a major expansion of Auckland Council-owned **Auckland Film Studios**. The Government's funding was announced in August 2021 alongside \$5 million from Auckland Council. The project involves the construction of two new sound stages and the development of workshops and offices on site which will create a world-class studio capable of housing multiple productions at once. The work is due to finish in November 2022.

In May, as a result of the demonstrated growth and increasing participation in this sector, it was considered an appropriate time for TAUL to exit this sector, on that basis Auckland Council's Finance & Performance Committee agreed to a proposal from TAUL for Council to seek a buyer for the studios – a move that will allow further private sector investment in the screen industry. In addition, the funding agreement TAUL secured with the Government required that following any sale, its \$30 million contribution for the studio expansion must be invested by Council in further Auckland screen infrastructure that will support new jobs and revenue in the region.



The \$35+ million expansion of AFS is well underway

Auckland's visitor economy has been devastated by the pandemic closing borders, so supporting that sector is a priority for TAUL. That includes forming a new partnership in May 2022 with Auckland Airport and Destination Queenstown to accelerate the return of North American travellers to New Zealand as borders re-open. The aim is to work together to develop a compelling offering for North American leisure, business and incentive travellers, emphasising the complementary nature of the two destinations to enjoy an Auckland-Queenstown experience.

TAUL also participated in a 'NZ Inc' border reopening communications and marketing strategy led by NZ Story.

While tens of thousands of international students were prevented from returning to Tāmaki Makaurau, TAUL Study Auckland team continued to promote the region as a destination. As part of a new partnership with Education New Zealand, it selected 20 high achieving international student ambassadors from tertiary and high school partners to promote local tourism and event experiences over summer to the thousands of students who remained in the region.

Supporting innovation is a core focus of TAUL, with a key part of that being the **innovation precincts network** which now includes the thriving GridAKL campus, GridMKN, and Click Studios. The network had 182 companies and 1,257 individuals at year end. Excellent progress was made on establishing the Tāmaki Innovation Hub, which officially opened just after the reporting year finished – it was a key deliverable in the Tāmaki Employment Precinct Strategy which benefitted from \$100,000 of support from legacy ATEED. Tāmaki Regeneration Ltd provided the space at Line Rd, Glenn Innes as the physical centre for this local innovation and entrepreneurship pilot, bringing together local Māori and Pacific innovators and entrepreneurs, subject-matter experts, business mentors, and investors from within Tāmaki and further afield.

Ngā mahi toi, ngā mahi a Rēhia, me ngā Kaupapa Arts, entertainment and events

Tātaki Auckland Unlimited's ability to adapt to immense challenges and still deliver fantastic experiences for Aucklanders and visitors was demonstrated regularly in the 2021/22 year from successful and innovative cultural celebrations, to supporting a strong line up of future world-class sporting, business, and cultural events for the region.

Though the Pasifika Festival 2022 was cancelled in March following consultation with the community, TAUL's event team worked hard with partners to design a new event. The result was a stunning **Taste of Pasifika** celebration at Queens Wharf in early June, followed by further weekends of events during the month.

The much-loved Diwali and Lantern festivals also had to be cancelled due to Government health restrictions in place when they were due to be delivered, but in each case, our teams worked with the communities and partners to ensure appropriate cultural celebrations took place.



Taste of Pasifika

The **Auckland Diwali Festival 2021** was delivered in October and November as an online digital celebration generating strong engagement with a revised digital platform; a lantern trail was installed at Auckland Showgrounds in February 2022 to allow a virtual lantern trail experience to be filmed as part of replacement online **Auckland Lantern Festival** content.

Elemental AKL 2021 ran successfully from 14 July to 1 August 2021 with more than 50 events taking place across the region. Fifteen of these events sold out. Five events were impacted by the trans-Tasman travel bubble closure – but only two were cancelled and the others were either postponed or swapped out for local artists.

While the cancellation of a string of major events deprived the region of tens of thousands of visitor nights and many millions in anticipated GDP, it was hugely heartening that about 15 events were postponed into the next financial year and beyond – with their forecast tens of thousands of visitor nights and millions in GDP.

A decision was made at the end of October to postpone **Te Matatini** festival – which was supported by TAUL and scheduled for February 2022 – for a year. That meant participating teams would have the mandatory time required to practise, and also meant Australian teams would probably be able to participate in February 2023.

Global sporting events returned Auckland in March when Eden Park hosted two key -matches in **ICC Women's World Cup 2022**. In June, TAUL's investment in the **New Zealand v Tonga** rugby league double header resulted in a stunning event at Mt Smart Stadium.

TAUL has helped to attract some fantastic future events for the region. FIFA finalised the match schedule for the **FIFA Women's World Cup 2023**, confirming a line-up of nine matches to be held in Auckland between July and August 2023, in addition to the hosting of the FIFA draw event in October 2022 and co-hosting the Play-Off Tournament in February 2023.

Rally New Zealand was confirmed on the 2022 FIA World Rally Championship calendar, with the event to be hosted in Auckland in September and October 2022. A decade since it was last staged, and two years after the pandemic prevented an historic return of the rally, the announcement was a major morale boost. Similarly, **Supercars** was confirmed for a September 2022 return to Pukekohe, after having to cancel the planned November 2021 event; while **Sail GP** confirmed Auckland legs for 2024 and 2026.

Key TAUL units **Auckland Conventions** and **Auckland Convention Bureau (ACB)** worked hard to help the business events sector stay resilient and ready for when borders allow international conventions to return to the region.

A total of 235 bids and proposals were submitted across the year for events to be held by 2028. These events, if successfully brought to Auckland, would be expected to generate a total economic impact value of \$136.96 million, and 303,552 visitor nights

In addition, 102 new business event wins for the region were secured during the year. These events (to be held through to 2026) are expected to generate a total economic impact value of \$75.52 million and 120,399 visitor nights.

Major conventions secured included the first Australasian hosting of the Global Conference on Robot Learning (December 2022); and the 2024 Computer Applications and Quantitative Methods in Archaeology Conference.

A much anticipated second **Iconic Auckland Eats** was announced in November 2021 – created following nominations by nearly 1000 food-loving Aucklanders who shared stories of their favourite eats across Tāmaki Makaurau. The guide provided Aucklanders and visitors with an updated list of 100 superb dishes to be discovered across the region.



ICC Women's World Cup 2022 at Eden Park



Mt Smart Stadium became a sea of colour for the Tonga v Kiwis rugby league test



Azabu's Iconic Auckland Eats dish



**Ngā pūrongo
tahua pūtea**

**Financial
statements**

Tātaki Auckland Unlimited Limited
Pūrongo o ngā whiwhinga me ngā whakapaunga pūtea mō te tau i mutu i te 30 o Pipiri 2022
Statement of comprehensive revenue and expense for the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
REVENUE			
Service and other revenue	4	129,385	47,656
Interest Revenue		8	-
Total revenue		129,393	47,656
EXPENDITURE			
Personnel costs	5	(27,709)	(15,070)
Depreciation and amortisation	10,11	(1,871)	(1,324)
Finance costs		(1)	(2)
Other expenses	6	(101,828)	(32,386)
Total expenditure		(131,409)	(48,782)
(Deficit) / surplus before tax		(2,016)	(1,126)
Income tax benefit	7	678	802
(Deficit) / surplus from continuing operations		(1,338)	(324)
(Deficit) / surplus after tax		(1,338)	(324)
(DEFICIT) OR SURPLUS IS ATTRIBUTABLE TO:			
Equity holders of Tātaki Auckland Unlimited Limited		(1,338)	(324)
TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR IS ATTRIBUTABLE TO:			
Equity holders of Tātaki Auckland Unlimited Limited		(1,338)	(324)

The notes to the financial statements form part of, and should be read in conjunction with, these financial statements. Explanations of major variances against budget are provided in Note 25.

Tātaki Auckland Unlimited Limited
Pūrongo o te panoni rawa pūtea mō te tau i mutu i te 30 o Pipiri 2022
Statement of changes in equity for the year ended 30 June 2022

					ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY			
					Contributed equity	Accumulated funds	Total equity	
					\$'000	\$'000	\$'000	
					Notes			
Balance as at 1 July 2020					-	-	-	
COMPREHENSIVE REVENUE AND EXPENSE								
(Deficit) / surplus for the year					-	(324)	(324)	
OTHER EQUITY MOVEMENTS								
Contributed equity arising on amalgamation					16	4,377	7,079	11,456
Balance as at 30 June 2021					4,377	6,755	11,132	
Balance as at 1 July 2021					4,377	6,755	11,132	
COMPREHENSIVE REVENUE AND EXPENSE								
(Deficit) / surplus for the year					-	(1,338)	(1,338)	
OTHER EQUITY MOVEMENTS								
Contributed equity arising on amalgamation					16	-	-	-
Balance as at 30 June 2022					4,377	5,417	9,794	

The notes to the financial statements form part of, and should be read in conjunction with, these financial statements. Explanations of major variances against budget are provided in Note 25.

Tātaki Auckland Unlimited Limited
Pūrongo o te tahua pūtea i te 30 o Pipiri 2022
Statement of financial position as at 30 June 2022

	Notes	2022 \$'000	2021 \$'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		72	1,063
Trade and other receivables	9	47,881	28,663
Total current assets		47,953	29,726
NON-CURRENT ASSETS			
Property, plant and equipment	10	10,405	11,975
Intangible assets	11	1	2
Non-current - Accrued income		82	-
Total non-current assets		10,488	11,977
Total assets		58,441	41,703
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	40,585	22,829
Employee entitlements	13	2,128	1,966
Provisions	14	1,803	623
Total current liabilities		44,516	25,418
NON-CURRENT LIABILITIES			
Trade and other payables	12	1,810	2,175
Provisions	14	412	391
Deferred tax liabilities	15	1,909	2,587
Total non-current liabilities		4,131	5,153
Total liabilities		48,647	30,571
Net assets		9,794	11,132
EQUITY			
Share capital	16	-	-
Contributed equity	16	4,377	4,377
Accumulated surplus / (deficit)	16	5,417	6,755
Total equity		9,794	11,132

The notes to the financial statements form part of, and should be read in conjunction with, these financial statements. Explanations of major variances against budget are provided in Note 25.

Tātaki Auckland Unlimited Limited
Pūrongo o te kapewhiti pūtea mō te tau i mutu i te 30 o Pipiri 2022
Statement of cash flows for the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		8	-
Receipts from council funding, customers and other services		121,930	52,353
Payments to suppliers and employees		(121,804)	(51,439)
Goods and services tax (GST) received from / (paid to) IRD		(869)	(908)
Other cash flows from operating activities		1	-
Net cash from operating activities	17	(734)	6
CASH FLOWS FROM INVESTING ACTIVITIES			
Disposals / (purchases) of property, plant and equipment		(257)	1,057
Other cash flows from investing activities		-	-
Net cash from investing activities		(257)	1,057
CASH FLOWS FROM FINANCING ACTIVITIES			
Other cash flows from financing activities		-	-
Net cash from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(991)	1,063
Cash and cash equivalents at the beginning of the period		1,063	-
Cash and cash equivalents at end of the year		72	1,063

The GST component of cash flows from operating activities reflects the net GST paid to and received from the Inland Revenue.

The GST component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes and to be consistent with the presentation basis of the other primary financial statements.

The notes to the financial statements form part of, and should be read in conjunction with, these financial statements. Explanations of major variances against budget are provided in Note 25.



**Ngā taipitopito ki
ngā pūrongo
tahua pūtea**

**Notes to the
financial
statements**

1 Ngā pārongo matua / General information

Reporting Entity

On 13 May 2022 Auckland Unlimited Limited changed its name to Tātaki Auckland Unlimited Limited (TAUL).

Tātaki Auckland Unlimited Limited is a Council- controlled organisation (CCO) and a wholly owned subsidiary of Auckland Council (the shareholder).

The company is also the corporate trustee for Tātaki Auckland Unlimited Trust, the Trust.

Background

In August 2020, an independent panel reviewed Auckland Council's CCOs and recommended that two of the CCOs, Regional Facilities Auckland Limited (RFAL) and Auckland Tourism, Events and Economic Development Limited (ATEED), be merged. The Auckland Council Governing Body met on 27 August 2020 and approved this recommendation to be effective 1 December 2020. Regional Facilities Auckland Limited, as the continuing entity, changed its name to Auckland Unlimited Limited effective from 1 December 2020.

The Auckland Council Governing Body delegated to the Auckland Council Chief Executive, the ability to facilitate the transition and establishment of the merged entity, with effect from 1 December 2020.

On 1 December 2020, Auckland Tourism, Events and Economic Development Limited amalgamated into Regional Facilities Auckland Limited (RFAL), the continuing entity.

The performance measures from the statement of intent (SOI) included in the statement of service performance report, reflects the measures assigned to this entity on amalgamation, and were approved by Auckland Council on 24 November 2020 and came into effect on 1 December 2020.

Presented in Note 3.6 are the details of the amalgamation financials of ATEED.

Tātaki Auckland Unlimited Limited, a 100% owned subsidiary of Auckland Council, continues to be the corporate trustee of Tātaki Auckland Unlimited Trust, a charitable trust.

Nature of Business

TAUL has a strong focus on working with a range of public and private sector partners to support the growth of quality jobs for all Aucklanders, and helping make Auckland a desirable place to live, work, visit, invest and do business. This has been achieved by developing Auckland's culture of innovation and entrepreneurship, recognising that innovation is a crucial driver of sustained revenue and business growth. Additional areas of focus include raising Auckland's international profile, developing improved international connectivity through trade, and driving the attraction of new business and investment. Today TAUL both leads and supports Auckland Council's interventions in local board economic development, screen attraction, tourism, major events, Auckland Convention Bureau, international students, innovation and entrepreneurship, and business attraction and investment.

TAUL does not have the primary objective of making a financial return. TAUL is designated as a public benefit entity and applies New Zealand Tier 1 Public Benefit Entity Accounting Standards (PBE Accounting Standards).

The financial statements of TAUL are for the year ended 30 June 2022. The financial statements were authorised for issue by the Board of Directors, on the date they were signed.

2 He whakarāpopotonga o ngā kaupapa here matua mō ngā take kaute / Summary of significant accounting policies

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

2.1 Basis of preparation

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently for the period 1 July 2021 to 30 June 2022.

Statement of compliance

The 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 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 significant accounting policies have been applied on a consistent basis.

Measurement base

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

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000).

Implementation of new and amended accounting standards

PBE FRS 48 Service Performance Reporting

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 Presentation of Financial Statements and is effective for the year ending 30 June 2023, with early application permitted. TAUL has not yet determined how application of PBE FRS 48 will affect its statement of service performance. It does not plan to adopt the standard early.

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 financial statements, and therefore have not been disclosed.

2.2 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.

2.3 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. In the case of the assets transferred to TAUL on amalgamation at 1 December 2020, cost was the carrying value of the asset by the disestablished Company, ATEED.

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.

2.4 Intangible assets

Computer software

Acquired computer software licenses 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).

2.5 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.

2.6 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

The provision for impairment of receivables is determined based on an expected credit loss (ECL) model.

In assessing credit losses for receivables, TAUL applies the simplified approach and records lifetime ECL on receivables. Lifetime ECL results from all possible default events over the expected life of a receivable. TAUL uses a provision matrix based on historical credit loss experience upon initial recognition of a receivable, using reasonable assumptions and any available customer information.

In assessing ECL on receivables TAUL considers both quantitative and qualitative inputs.

Quantitative inputs include past collection rates, ageing of receivables and trading outlook. Qualitative inputs include past trading history with TAUL.

To measure the ECL, all receivables have been grouped based on shared credit risk characteristics and the days overdue. Expected loss rates are applied based on payment profiles and corresponding historical credit losses experienced within the year. Expected loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debt.

Impact of COVID-19 on the provision for impairment on receivables

The large majority of TAUL's trade receivables have not been significantly exposed to the financial impact of current COVID-19 lockdowns on their organisation's and this has been evidenced by minimal default on their accounts subsequent to 30 June 2022.

TAUL has applied the ECL model of provisioning to those smaller trade receivables who have been adversely exposed to COVID-19 related financial constraints. TAUL considers the ECL model appropriate in its provisioning of these higher risk trade receivables at 30 June 2022.

2.7 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.

2.8 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.

2.9 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.

2.10 Goods and Services Tax (GST)

All items in the 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, the Inland Revenue is included as part of receivables or payables in the statement of financial position.

2.11 Employee entitlements

Short term employee entitlements

Employee benefits that TAUL expects to be settled within 12 months of balance date are measured at accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and 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.

2.12 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.

Grant Received - Activate Tāmaki Makaurau

On 21 October 2021, the COVID-19 Ministerial Group announced a support package for Auckland businesses affected by alert level restrictions, and as the country transitions to the new COVID-19 Protection Framework. The support package of up to \$60m receivable by TAUL, from the COVID-19 Response and Recovery Fund, was announced by Ministers Robertson and Nash.

This package helps Auckland businesses access:

- Business advice support services
- Business advice implementation
- Mental health and wellbeing

Activate Tāmaki Makaurau has been set up to connect existing Auckland businesses with that support. It is an opportunity to assist the business community to navigate the current environment and build more resilient businesses by supporting them to work through tough decisions, seize future opportunities and adapt where necessary to enable businesses to thrive.

Grant Received - Reactivating Tāmaki Makaurau Auckland Support Package

On 29 November 2021, the Cabinet announced a support package to help revive economic, social and cultural activities in Auckland over summer 2021/2022. Up to \$25.5 million funding receivable by TAUL, from the COVID-19 Response and Recovery Fund, is divided across three core programmes:

- The Explore Tāmaki Makaurau this Summer Voucher Programme
- The Explore Tāmaki Makaurau this Summer Discount Programme
- The Local Activation Programme Fund
- Funding to deliver the core programmes and support destination marketing activities

The grant funding for both packages have been recognised as non-exchange revenue and held in the balance sheet until the expenditure has been incurred. Any funding not utilised by the end of the programmes of work will be returned. The current year revenue amount recognised for Activate Tāmaki Makaurau is \$46.1m and Reactivating Tāmaki Makaurau Auckland Support Package is \$16.5m.

Lease, license to occupy and membership revenue

TAUL receives rental revenue in relation to sublease agreements and license to occupy agreements.

Rental revenue from operating leases and license 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.

2.13 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.

2.14 Provisions

TAUL recognises a provision for future expenditure of uncertain amount or timing when:

- There is a present obligation (legal or constructive) as a result of past events
- It is probable that expenditures will be required to settle the obligation, and
- A reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, using a pre-tax discount rate, that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in “finance expenses”.

2.15 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

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

TAUL’s objectives, policies and processes for managing capital are discussed in Note 24.

3 Ngā whakapae me ngā whakatau tata / Significant judgements and estimates

In preparing these 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.

3.1 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.

3.2 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.

3.3 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.

3.4 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.

3.5 COVID-19 global pandemic

In March 2020, the World Health Organisation designated COVID-19 to be a pandemic noting that it had the potential to threaten the health and well-being of large numbers of people across the world. COVID-19 has created increasing levels of societal and economic uncertainty.

In response to mitigating the impact of COVID-19, New Zealand entered a Government-directed 'Alert Level' system. The Government's Alert Level system dictates the level of business activity and societal interaction that can take place.

Alert Level 4 (highest alert level) - strong border restrictions are in place and only essential services can trade. People must remain at home, venturing out to access only the most essential goods and services.

Alert Level 3 - allows for regional travel and operation of some businesses, including construction and food retailing, providing they operate under strict social-distancing practices that were outlined.

Alert Level 2 - provides a move to operating closer to the pre-pandemic environment allowing national travel, schools to re-open and businesses able to trade, with some remaining restrictions around social-distancing and mass gatherings and contact tracing measures required to be followed.

Alert Level 1 - strict border controls remain. Schools and workplaces open, and must operate safely, with no restrictions on personal movement or on gatherings, but it is encouraged to maintain records of movements to enable contact tracing.

From 2 December 2021 New Zealand entered a traffic light (COVID-19 Protection Framework) to protect Aotearoa New Zealand from COVID-19, while allowing people greater freedoms.

Red - We need to take action to protect our vulnerable communities and our health system from COVID-19. Restrictions are in place to slow the spread of COVID-19.

Orange - There is community transmission of COVID-19, with increasing risks to vulnerable communities, and pressure on the health system. Restrictions are in place to protect vulnerable communities.

Green - There is limited community transmission, and our health system is ready to respond. There are no restrictions.

Over the course of the FY2022 financial year, the Government directed Auckland through the following alert levels:

Auckland Level	From	Comment
L4	17 August 2021, 11:59pm	All of New Zealand
L4	31 August 2021, 11:59pm	Auckland & Northland L4, rest of NZ south of Auckland to L3
L4	2 September 2021, 11:59pm	Auckland L4, rest of NZ at L3
L4	7 September 2021, 11:59pm	Auckland L4, rest of NZ at L2
L3	21 September 2021, 11:59pm	Auckland & Upper Hauraki L3, rest of NZ at L2
L3	25 September 2021, 11:59pm	Auckland L3, Upper Hauraki L2, rest of NZ at L2
L3	3 October 2021, 11:59pm	Auckland L3, Hamilton areas L3, rest of NZ at L2
L3	5 October 2021, 11:59pm	Auckland L3 Step 1 restrictions are eased, Waikato areas L3, rest of NZ at L2
L3	7 October 2021, 11:59pm	Auckland L3 Step 1 restrictions are eased, Waikato areas L3 extended, rest of NZ at L2
L3	8 October 2021, 11:59pm	Auckland L3 Step 1 restrictions are eased, Waikato areas L3, Northland to L3, rest of NZ at L2
L3	19 October 2021, 11:59pm	Auckland L3 Step 1 restrictions are eased, Waikato areas L3, Northland to L2, rest of NZ at L2
L3	27 October 2021, 11:59pm	Auckland and Waikato areas L3 Step 1 restrictions are eased, rest of NZ at L2
L3	2 November 2021, 11:59pm	Auckland L3 Step 1 restrictions are eased, Waikato areas L3 Step 2, Northland to L3, rest of NZ at L2
L3	9 November 2021, 11:59pm	Auckland L3 Step 2 further restrictions eased
Red	2 December 2021, 11:59pm	COVID19 Protection Framework - Auckland and various districts
Orange	30 December 2021, 11:59pm	Auckland and various districts
Red	23 January 2022, 11:59pm	All of New Zealand due to Omicron in the community
Orange	13 April 2022, 11:59pm	All of New Zealand

During alert levels, TAUL's employees were able to work entirely remotely and could continue core functions. GridAKL properties and Film Studios were closed until Level 2 which included the Lysaght Co-working space operated by TAUL.

TAUL implemented a number of measures to manage potential financial impacts. Key among these was the introduction of a comprehensive cost approach to activity, including the suspension of all non-essential projects and operating expenditure.

Due to restrictions on travel and mass gatherings and the impact of this on the accommodation providers, TAUL proposed that Auckland Council suspend the Accommodation Provider Targeted Rate (APTR) and that TAUL would reduce spending on visitor attraction and major events activity funded by the APTR. TAUL proposed suspension for 12 months from 1 April 2020.

On 16 April 2020, Auckland Council Emergency Committee confirmed this approach to provide immediate support for accommodation businesses. The suspension was continued for the full FY2021 financial year, with a reduction in annual budget of \$14.6m and for the full FY2022 financial year, with a reduction in annual budget of \$14.8m.

3.6 Amalgamation of Auckland Tourism, Events and Economic Development Limited (ATEED)

On 1 December 2020, ATEED was amalgamated into Regional Facilities Auckland Limited (RFAL) on the “short form basis” as per the Companies Act (1993, para 222) resulting in the transfer of its net assets to RFAL. All non-cash assets of ATEED were transferred at their carrying value at 30 November 2020. There are no elimination entries arising from the amalgamation between TAUL and ATEED.

Statement of comprehensive revenue and expense

	ATEED 30 November 2020 \$'000	RFAL 30 November 2020 \$'000
REVENUE		
Service and other revenue	27,760	152
Interest revenue	-	
Total revenue	27,760	152
EXPENDITURE		
Personnel costs	(10,390)	-
Depreciation and amortisation	(1,131)	-
Finance costs	(3)	-
Grants and other transfer payments	(1,945)	
Other expenses	(15,394)	(152)
Total expenditure	(28,863)	(152)
(Deficit) / surplus before tax	(1,103)	-
Income tax expense	-	-
(Deficit) / surplus from continuing operations	(1,103)	-
(Deficit) / Surplus after tax	(1,103)	-
Total comprehensive revenue and expense for the year	(1,103)	-
(DEFICIT) OR SURPLUS IS ATTRIBUTABLE TO:		
Equity holders of Tātaki Auckland Unlimited Limited	(1,103)	-
TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR IS ATTRIBUTABLE TO:		
Equity holders of Tātaki Auckland Unlimited Limited	(1,103)	-
Accumulated funds as at 30 June 2020	11,571	
Accumulated funds as at 30 November 2020	10,468	

Statement of financial position

	Notes	Net value on date of amalgamation 01 December 2020 \$'000
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents		135
Trade receivables net of doubtful debt provision		5,510
Prepayments and other receivables		710
Inter-group loans		10,622
GST receivable		26
Total current assets		17,003
NON-CURRENT ASSETS		
Property, plant and equipment	10	14,384
Intangible assets	11	3
Total non-current assets		14,387
Total assets		31,390
LIABILITIES		
CURRENT LIABILITIES		
Employee entitlements		2,614
Creditors and other payables		10,973
Provisions		246
Total current liabilities		13,833
NON-CURRENT LIABILITIES		
Deferred tax liabilities	15	3,389
Other non-current liabilities		2,712
Total non-current liabilities		6,101
Total liabilities		19,934
Net assets		11,456
EQUITY		
Contributed equity arising on amalgamation	16	4,377
Accumulated surplus arising on amalgamation	16	7,079
Total equity		11,456

Deferred tax adjustment recognised on amalgamation

A deferred tax adjustment not reflected in the accounts of ATEED at 30 November 2020, has been recognised in the accounts of TAUL on 01 December 2020 as part of the amalgamation. The adjustment arises from timing differences on depreciable assets funded by grants, originally from Auckland Council, which should have been but had not been accounted in ATEED prior to amalgamation (refer Note 15). The impact of this adjustment on the amalgamation entries of TAUL is as follows:

	Notes	Deferred tax \$'000	Accumulated surplus \$'000
DEFERRED TAX ADJUSTMENT RECOGNISED ON AMALGAMATION			
ATEED closing balance 30 November 2020		-	10,468
Deferred tax adjustment recognised on amalgamation	15	3,389	(3,389)
Net value on date of amalgamation		3,389	7,079

ATEED was de-registered as an entity at 1 December 2020 and the transaction was settled with the transfer of the net assets to TAUL.

4 Ngā ratonga me ngā moniwhiwhi / Service and other revenue

	2022	2021
	\$'000	\$'000
REVENUE FROM NON-EXCHANGE TRANSACTIONS		
Operating funding from Auckland Council	42,983	28,590
Capital funding from Auckland Council	327	198
Grants and subsidies *	69,866	6,149
Sponsorships	83	159
Total revenue from non-exchange transactions	113,259	35,096
REVENUE FROM EXCHANGE TRANSACTIONS		
Rental, license and membership revenue	13,300	10,513
Other transfer revenue	2,826	2,047
Total revenue from exchange transactions	16,126	12,560
Total service and other revenue	129,385	47,656

2021 comparison numbers are for the seven months from 1 December 2020 to 30 June 2021.

2022 numbers are for the full year to 30 June 2022.

* Includes \$62,678,572 grants received relating to Activate and Reactivate support packages

5 Ngā utu kaimahi / Personnel costs

	2022	2021
	\$'000	\$'000
PERSONNEL COSTS		
Salaries and wages	25,764	14,508
Defined contribution plan employer contributions	728	389
Redundancy expense	994	360
Other staff expenses	(187)	23
Increase / (Decrease) in employee entitlements	410	(210)
Total personnel expenses	27,709	15,070

2021 comparison numbers are for the seven months from 1 December 2020 to 30 June 2021.

2022 numbers are for the full year to 30 June 2022.

For the year ended 30 June 2022, TAUL made severance payments to employees totaling \$124,000 (2021: \$38,000).

Personnel costs include employees for project activity covered by external grant funding.

6 Ētahi atu whakapaunga / Other expenses

	2022 \$'000	2021 \$'000
OTHER EXPENSES		
Fees paid for audit services *	149	90
<i>Fees paid to principal auditor for audit of financial statements</i>		
Service delivery contracts	1,471	2,570
Impairment of receivables	(3)	14
Marketing expenses ¹	5,079	4,535
Professional services **	10,806	3,346
Repairs and maintenance	736	266
Utilities and occupancy	15,629	11,203
Other operating expenses ²	5,275	4,083
Directors' fees and expenses	402	358
Grant, contributions and sponsorship ***	62,157	5,873
Deficit / (surplus) on disposal of assets	5	52
Interest expense	36	(5)
Impairment of assets	88	-
Net foreign exchange loss	(2)	1
Total other expenditure	101,828	32,386

2021 comparison numbers are for the seven months from 1 December 2020 to 30 June 2021.

2022 numbers are for the full year to 30 June 2022.

* The auditors of the financial statements are Audit New Zealand. Other than fees in relation to the audit of the financial statements, no other remuneration was paid. The FY2021 comparison full year fees paid for audit services is \$143k. The first 5 months provision of \$53k related to ATEED pre merger, and the balance of \$90k relates to the final seven months for TAUL.

** Includes \$5,129,727 professional services paid out relating to Activate and Reactivate support packages

*** Includes \$55,153,541 grants paid out relating to Activate and Reactivate support packages

7 Te whakapaunga tāke (takuhe) moniwhiwhi / Income tax (benefit) expense

	2022 \$'000	2021 \$'000
COMPONENTS OF INCOME TAX EXPENSE		
Current tax expense	-	-
Deferred tax	(678)	(802)
Total income tax (benefit) / expense	(678)	(802)

RELATIONSHIP BETWEEN TAX EXPENSE AND ACCOUNTING (DEFICT) / SURPLUS

Net (deficit) / surplus before tax	(2,016)	(1,126)
Less net (deficit) / surplus from non-taxable activities	-	-
(Deficit) / surplus before tax	(2,016)	(1,126)
Prima facie income tax at 28%	(564)	(315)
Taxation effect of permanent differences	(57)	(35)
Other - difference in movement between statement of taxable income & deferred tax	85	(315)
Timing difference of expense not recognised	132	-
Loss offset	(274)	(137)
Total income tax (benefit) / expense	(678)	(802)

¹ Details of all marketing expenses are published on our website (www.aucklandnz.com).

² Other operating expenses comprise mainly of operating lease expenses, travel costs, venue hire, shared service costs for services delivered by related parties and operational & software maintenance costs. Details of our travel costs are published on our website.

8 He pūtea tāwere hīkaro uara / Imputation Credit Account

TAUL is part of the Auckland Council consolidated tax group and does not maintain its own imputation credit account. The total imputation credit available for use by each of the members of the consolidated income tax group amount is \$3 million (2021: \$3 million).

9 Ngā tauhokohoko me ngā whiwhinga / Trade and other receivables

	2022 \$'000	2021 \$'000
CURRENT RECEIVABLES FROM EXCHANGE TRANSACTIONS		
Trade receivables	4,271	2,058
Sundry receivables	1,184	3,936
Prepayments	468	396
Total current receivables from exchange transactions	5,923	6,390
CURRENT RECEIVABLES FROM NON EXCHANGE TRANSACTIONS		
Related party receivables	40,886	22,145
Goods and services tax	1,072	128
Total current receivables from non-exchange transactions	41,958	22,273
Total trade and other receivables	47,881	28,663

As at 30 June 2022, trade receivables of \$4,271,000 (2021: \$2,058,000) were due. Impairment of receivables has been provided for of \$29,000 (2021:\$33,000).

Provisioning for trade receivables is based on the expected credit loss model (refer Note 2.6).

The aging analysis and provisioning is shown below.

	2021 Gross carrying amount \$'000	Expected loss rate	2021 Expected loss \$'000
AGING ANALYSIS AND PROVISIONING 2021			
Current	819	0.0%	-
Past due 1-60 days	1,149	(0.7)%	(8)
Past due 61-90 days	58	(3.2)%	(2)
Past due 90+ days	32	(71.3)%	(23)
Total current trade receivables	2,058		(33)
	2022 Gross carrying amount \$'000	Expected loss rate	2022 Expected loss \$'000
AGING ANALYSIS AND PROVISIONING 2022			
Current	344	0.0%	-
Past due 1-60 days	3,865	(0.2)%	(7)
Past due 61-90 days	16	0.0%	-
Past due 90+ days	46	(50.0)%	(23)
Total current trade receivables	4,271		(29)

10 Ngā rawa, ngā whare umanga, me ngā taputapu / Property, plant and equipment

	PRIOR YEAR MOVEMENTS						30 JUNE 2021					
	1 DECEMBER 2020											
	Opening accumulated depreciation amount \$'000	Opening carrying amount \$'000	Additions \$'000	Disposal cost \$'000	Disposal accumulated depreciation \$'000	Transfers \$'000	Impairment charges \$'000	Depreciation \$'000	Carrying amount \$'000			
OPERATIONAL ASSETS												
At cost												
Leased asset*	18,843	(6,664)	12,179	18	(3,392)	2,202	28	-	(1,036)	15,497	(5,498)	9,999
Plant and machinery	434	(277)	157	-	(18)	15	9	-	(30)	425	(292)	133
Computer equipment	1,664	(1,613)	51	-	(528)	528	-	-	(28)	1,136	(1,113)	23
Furniture, fittings and equipment	3,315	(1,318)	1,997	-	(200)	91	69	-	(229)	3,184	(1,456)	1,728
Capital work in progress	-	-	-	198	-	-	(106)	-	-	92	-	92
Total operational assets	24,256	(9,872)	14,384	216	(4,138)	2,836	-	-	(1,323)	20,334	(8,359)	11,975

	CURRENT YEAR MOVEMENTS						30 JUNE 2022					
	1 JULY 2021											
	Opening accumulated depreciation amount \$'000	Opening carrying amount \$'000	Additions \$'000	Disposal cost \$'000	Disposal accumulated depreciation \$'000	Transfers \$'000	Impairment charges \$'000	Depreciation \$'000	Carrying amount \$'000			
OPERATIONAL ASSETS												
At cost												
Leased asset*	15,497	(5,498)	9,999	(15)	-	-	88	-	(1,419)	15,570	(6,917)	8,653
Plant and machinery	425	(292)	133	-	(99)	2	189	-	(44)	515	(334)	181
Computer equipment	1,136	(1,113)	23	-	-	-	2	-	(20)	1,138	(1,133)	5
Furniture, fittings and equipment	3,184	(1,456)	1,728	-	(31)	16	48	-	(387)	3,201	(1,827)	1,374
Capital work in progress	92	-	92	427	-	-	(327)	-	-	192	-	192
Total operational assets	20,334	(8,359)	11,975	412	(130)	18	-	-	(1,870)	20,616	(10,211)	10,405

*Leased assets relate to the fitout costs for Grid AKL. There are two buildings that TAUL (as head lesses) are sub leasing (Lysaght and Madden Street). Capital expenditure funded by Auckland Council this reporting period was \$327,000 (2021: \$198,000).

11 Ngā rawa ōkiko kore / Intangibles

		PRIOR YEAR MOVEMENTS						30 JUNE 2021	
1 DECEMBER 2020								Accumulated	
	Opening accumulated carrying amount \$'000	Opening amount \$'000	Additions \$'000	Disposal cost amortisation \$'000	Disposal accumulated amortisation \$'000	Transfers \$'000	Impairment charges \$'000	Amortisation charges \$'000	Carrying amount \$'000
AT COST									
Computer software	126	(123)	3	-	(115)	115	-	(1)	11
									(9)
									2

		CURRENT YEAR MOVEMENTS						30 JUNE 2022	
1 JULY 2021								Accumulated	
	Opening accumulated carrying amount \$'000	Opening amount \$'000	Additions \$'000	Disposal cost amortisation \$'000	Disposal accumulated amortisation \$'000	Transfers \$'000	Impairment charges \$'000	Amortisation charges \$'000	Carrying amount \$'000
AT COST									
Computer software	11	(9)	2	-	-	-	-	(1)	11
									(10)
									1

Amortisation \$1,000 (2021: \$1,000) is included in depreciation and amortisation expense in the statement of comprehensive revenue and expense

12 Ngā tauhokohoko me ngā nama utu / Trade and other payables

	2022 \$'000	2021 \$'000
CURRENT TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS		
Trade payables	3,066	2,135
Accrued expenses	6,847	4,801
Sundry payables	6,242	7,777
Revenue in advance	355	384
Total current trade and other payables from exchange transactions	16,510	15,097
CURRENT TRADE AND OTHER PAYABLES FROM NON-EXCHANGE TRANSACTIONS		
Related party payables	205	(55)
Lease inducement payment	326	326
Revenue in advance *	23,544	7,461
Total current trade and other payables from non-exchange transactions	24,075	7,732
Total current trade and other payables	40,585	22,829
NON CURRENT TRADE AND OTHER PAYABLES FROM NON-EXCHANGE TRANSACTIONS		
Lease inducement payment	1,810	2,175
Total non current trade and other payables from non-exchange transactions	1,810	2,175
Total trade and other payables	42,395	25,004

Trade and other payables are normally non-interest bearing and settled on 30 day terms, therefore the carrying value approximates fair value.

* Includes revenue in advance of \$17,008,427 relating to Activate and Reactivate support packages

13 Ngā tikanga kaimahi / Employee entitlements

	2022 \$'000	2021 \$'000
CURRENT		
Annual leave	1,724	1,418
Accrued salaries and wages	404	548
Total current	2,128	1,966
Total employee benefit liabilities	2,128	1,966

14 Ngā whakarato / Provisions

	Staff costs	Other	Total
	\$'000	\$'000	\$'000
CURRENT PROVISIONS			
Opening balance 1 July 2020	-	-	-
Provision transferred from ATEED as part of amalgamation	193	53	246
Additional provisions and increases to existing provisions	529	7	536
Amounts used	(11)	-	(11)
Reversal of previously recognised provisions	(95)	(53)	(148)
Balance 30 June 2021	616	7	623
Opening balance 1 July 2021	616	7	623
Additional provisions and increases to existing provisions	1,241	471	1,712
Amounts used	(432)	-	(432)
Reversal of previously recognised provisions	(97)	(3)	(100)
Balance 30 June 2022	1,328	475	1,803

	Staff costs	Other	Total
	\$'000	\$'000	\$'000
NON CURRENT PROVISIONS			
Opening balance 1 July 2020	-	-	-
Provision transferred from ATEED as part of amalgamation	-	378	378
Additional provisions and increases to existing provisions	-	13	13
Amounts used	-	-	-
Reversal of previously recognised provisions	-	-	-
Balance 30 June 2021	-	391	391
Opening balance 1 July 2021	-	391	391
Additional provisions and increases to existing provisions	-	21	21
Amounts used	-	-	-
Reversal of previously recognised provisions	-	-	-
Balance 30 June 2022	-	412	412

15 Ngā pūnama o ngā tāke tārewa / Deferred tax liability

Movements in deferred tax comprise:

	Notes	Property, plant and equipment \$'000	Provisions \$'000	Total \$'000
MOVEMENTS IN DEFERRED TAX				
Opening balance 1 July 2020		-	-	-
Deferred tax adjustment recognised on amalgamation	3.6	4,027	(638)	3,389
(Credited) / charged to (deficit) / surplus	7	(674)	(128)	(802)
Balance 30 June 2021		3,353	(766)	2,587
Opening balance 1 July 2021		3,353	(766)	2,587
(Credited) / charged to (deficit) / surplus	7	(440)	(238)	(678)
Balance 30 June 2022		2,913	(1,004)	1,909

16 Tūtanga / Equity

	Notes	2022 \$'000	2021 \$'000
SHARE CAPITAL			
Share capital		-	-
		-	-
CONTRIBUTED EQUITY			
Balance 01 July		4,377	-
Arising on amalgamation	3.6	-	4,377
Balance 30 June		4,377	4,377
ACCUMULATED SURPLUS / (DEFICIT)			
Balance at 1 July		6,755	-
Arising on amalgamation	3.6	-	7,079
(Deficit) / surplus for the year		(1,338)	(324)
Balance at 30 June		5,417	6,755
Total equity		9,794	11,132

Share capital	2022	2021
	Shares	Shares
Opening number of ordinary shares issued	1,000	1,000
Closing balance of ordinary shares issued	1,000	1,000

At 30 June 2022, share capital comprised of 1,000 authorised and issued ordinary shares.

Contributed equity

Contributed equity represents the amount of net assets arising on amalgamation on 01 December 2020. These contributions originally arose in 2010, in the former ATEED, 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

The accumulated surplus arising on amalgamation (\$7,079,000) reflects the accumulated operating results of ATEED from incorporation as a CCO in 2010 to date of amalgamation on 01 December 2020 and is net of the deferred tax adjustment. (refer note 3.6)

Deficit for the current year includes \$327,000 (2021: \$198,000) received from Auckland Council as capital grants.

17 Aromātai kurutete o te tōpūtanga (tarepa) more mō muri i te utu tāke ki ngā moniwhiwhi more i ngā whakahaere hinonga / Reconciliation of net (deficit) surplus after tax to net cash inflow from operating activities

	Notes	2022 \$'000	2021 \$'000
RECONCILIATION OF NET (DEFICIT) / SURPLUS AFTER TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES			
(Deficit) / surplus after tax		(1,338)	(324)
ADD/(LESS) NON-CASH ITEMS:			
Depreciation and amortisation expense	10,11	1,871	1,324
Other losses and (gains)		(1,147)	2,251
ADD/(LESS) MOVEMENTS IN WORKING CAPITAL:			
Trade and other receivables	9	(19,218)	(28,663)
Trade and other payables	12	17,756	22,829
Provisions	14	1,180	623
Employee benefits	13	162	1,966
Net cash inflow (outflow) from operating activities		(734)	6

18 Ngā takohanga me ngā rīhi whakahaere / Commitments and operating leases

In August 2021, TAUL received notices of contract termination in respect of some Auckland film studio sites effective August 2022. TAUL is a Lessor in those contracts, and as TAUL also leases film studios from other parties, is also recognised as a Lessee. Both Lessor and Lessee contracts are treated as operating leases and accounted for under PBE IPSAS 13 Leases.

18.1 Operating leases as lessee

TAUL leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term, varying from 1 to 14 years. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

	2022 \$'000	2021 \$'000
MINIMUM OPERATING LEASE PAYMENTS PAYABLE:		
Less than one year	11,960	18,643
Between one and five years	28,944	70,674
More than five years	11,609	48,632
Total non-cancellable operating leases as lessee	52,513	137,949

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

18.2 Operating leases as lessor

TAUL subleases property to third parties under operating leases. The leases contain non cancellable periods ranging from 1 month to 12 years. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	2022 \$'000	2021 \$'000
MINIMUM OPERATING LEASE PAYMENTS RECEIVABLE:		
Less than one year	10,800	17,861
Between one and five years	16,884	59,538
More than five years	7,861	44,601
Total non-cancellable operating leases as lessor	35,545	122,000

19 Ngā tikanga tūpono / Contingencies

TAUL does not recognise contingent liabilities and contingent assets in the financial statements due to their uncertainty or the fact that they cannot be reliably measured. Contingent liabilities and assets are assessed continually to ensure that developments are appropriately reflected in the financial notes.

TAUL has no quantifiable contingent assets or contingent liabilities at 30 June 2022.

Disclosures are provided for as follows:

19.1 Unquantifiable contingent lease liability

TAUL inherited a lease obligation at amalgamation with the lease entered into prior to TAUL formation (pre-2011). TAUL is responsible for a share of remaining lease term if a specific event occurs, however at balance date this was confirmed as unlikely. Potential liability is unquantifiable, uncertain, and unlikely.

20 Ngā kurutete a te hunga hāngai / Related party transactions

Auckland Council is the ultimate parent of TAUL as outlined in Note 1. Auckland Council has other CCO's that TAUL also transacted with during the period including Auckland Transport, Watercare, and Eke Panuku, as well as in its capacity of Trustee of Tātaki Auckland Unlimited Trust.

Related parties include key management personnel, the Directors of the Board and their close family members and entities controlled by them. Key management personnel are the Chief Executive and executive leadership team. Close family members are spouses or domestic parties, children, dependents.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on the terms and condition no more or less favorable than those that it is reasonable to expect TAUL 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 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.

All related party transactions have been at an arm's length.

The interest registers are publicly available in the open board minutes on the Auckland Unlimited website.

21 Te whiwhi pūtea / Remuneration

	2022 \$'000	2021 \$'000
KEY MANAGEMENT REMUNERATION		
Director Fees	402	358
Senior management salaries and other short term benefits	4,234	1,037
Total key management remuneration	4,636	1,395

	2022	2021
SENIOR MANAGEMENT TEAM INCLUDING CHIEF EXECUTIVE		
Full-time equivalent members	11	6
Remuneration (\$'000)	4,234	1,037

A management fee has been charged to Tātaki Auckland Unlimited Trust to reflect the share of costs relating to the Tātaki Auckland Unlimited Limited executive leadership team. Management fee for 2022 of \$1,996,000 (2021 total remuneration costs within Tātaki Auckland Unlimited Trust \$3,982,000)

	2022 Number of employees	2021 Number of employees
THE NUMBER OF EMPLOYEES THAT RECEIVED OVER \$100,000 AS AT 30 JUNE IS AS FOLLOWS: *		
\$100,000 - \$109,999	22	2
\$110,000 - \$119,999	16	1
\$120,000 - \$129,999	17	-
\$130,000 - \$139,999	14	2
\$140,000 - \$149,999	8	-
\$150,000 - \$159,999	9	-
\$160,000 - \$169,999	3	-
\$170,000 - \$179,999	4	1
\$180,000 - \$189,999	-	2
\$190,000 - \$199,999	1	-
\$200,000 - \$209,999	1	-
\$220,000 - \$229,999	2	-
\$230,000 - \$239,999	1	-
\$240,000 - \$249,999	1	-
\$260,000 - \$269,999	2	-
\$270,000 - \$279,999	1	1
\$280,000 - \$289,999	3	-
\$300,000 - \$309,999	1	-
\$320,000 - \$329,999	1	-
\$340,000 - \$349,999	1	-
\$390,000 - \$399,999	1	-
\$450,000 - \$459,999	1	-
\$520,000 - \$529,999	1	-
\$610,000 - \$619,999	1	-

2021 comparison remuneration numbers are for the seven months from 1 December 2020 to 30 June 2021.

2022 remuneration numbers are for the full year to 30 June 2022.

* Remuneration includes employees for project activity covered by external grant funding.

21 Te whiwhi pūtea / Remuneration (continued)

	2022 \$'000	2021 \$'000
DIRECTORS' REMUNERATION BY DIRECTOR		
Mark Franklin (Chair)	82	65
Jannah Wootten (Deputy Chair)	51	53
Carol Cheng	48	38
Fabian Partigiani	43	41
Daniel Walker	34	19
Jennifer Rolfe	48	52
Alistair Carruthers	41	-
Hinurewa te Hau	41	-
Evan Davies (retired 31 October 2021)	14	33
Andrew Barnes (retired 9 September 2020)	-	22
Joanna Perry (retired 9 September 2020)	-	13
Andrew Collow (retired 9 September 2020)	-	12
Candace Kinser (retired 9 September 2020)	-	10
Total directors' remuneration	402	358

2021 comparison remuneration numbers are for the seven months from 1 December 2020 to 30 June 2021.

2022 remuneration numbers are for the full year to 30 June 2022.

FY2021 comparison - As per Note 3.5 COVID-19 global pandemic, the Chair and Chief Executive voluntarily took a six month temporary 20% pay reduction, the Board of Directors and Senior Management Team agreed to a six month temporary 10% pay reduction effective from May 2020, and some staff also volunteered to temporary pay reductions effective from June 2020.

Tātaki Auckland Unlimited Limited (formerly Auckland Unlimited), as the corporate trustee of Tātaki Auckland Unlimited Trust (formerly Regional Facilities Auckland), merged with Auckland Tourism, Events and Economic Development on 1 December 2020. As a result of this merger, a decision was made to disclose the director fees and management personnel (executive leadership team) remuneration in Tātaki Auckland Unlimited Limited, not Tātaki Auckland Unlimited Trust from 1 July 2021.

A trustee fee has been charged to Tātaki Auckland Unlimited Trust to reflect the share of costs relating to the Tātaki Auckland Unlimited Directors. Trustee fee \$221,026 (2021 \$283,580)

22 Ngā tūāhuatanga whai muri i te rā tapeke / Subsequent events occurring after the balance date

There were no significant events occurring after the balance date.

23 Ngā whakahaere tūraru ahumoni / Financial risk management

TAUL's activities expose it to a variety of financial risks: market risk, liquidity risk and credit risk.

TAUL's risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of TAUL.

TAUL's treasury management is carried out by the Auckland Council Treasury group, and their policies and procedures are applied.

These policies do not allow any transactions that are speculative in nature to be entered into.

	Notes	Carrying amount		Fair value	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
FINANCIAL ASSETS					
Trade and other receivables	9	47,881	28,663	47,881	28,663
Cash and cash equivalents		72	1,063	72	1,063
Total financial assets		47,953	29,726	47,953	29,726
FINANCIAL LIABILITIES					
Trade and other payables	12	(42,395)	(25,004)	(42,395)	(25,004)
Total financial liabilities		(42,395)	(25,004)	(42,395)	(25,004)
Net financial assets (liabilities)		5,558	4,722	5,558	4,722

(a) Market risk

TAUL is not exposed to foreign exchange risk.

(b) Credit risk

Credit risk is the risk that a third party will default on its obligation to TAUL causing TAUL to incur a loss. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions and credit exposures to receivables and other receivables.

TAUL have limited exposure to credit risk on receivable accounts due. The main receivables at any point in time are Auckland Council and government agencies. These receivables are parties to signed contracts with TAUL. Exposure to credit risk on other receivables is limited by having contractual support, payment in advance of services received, and by spreading the risk (e.g. many advertising sales in publications). When it is deemed prudent, a credit risk assessment is undertaken.

TAUL have no collateral or other credit enhancements for financial instruments that give rise to credit risk. No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by counterparties.

TAUL's maximum credit exposure for each class of financial instrument is best represented by the carrying amount in the statement of financial position. Ongoing credit evaluation is performed on the financial condition of customers and the ageing of their existing outstanding balances. Cash and deposits are held with ASB Bank which is a registered bank in New Zealand, and is rated Standard & Poors AA- for their long-term credit rating.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings, (if available), or to historical information about counterparty default rates.

Counterparties with credit ratings for cash and cash equivalents is 2022 \$72,000 (2021: \$1,063,000).

Counterparties without credit ratings for receivables is 2022 \$47,881,000 (2021: \$28,663,000).

23 Ngā whakahaere tūraru ahumoni / Financial risk management (continued)

(c) Liquidity risk

Liquidity risk represents TAUL's ability to meet its contractual obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. TAUL mostly manages liquidity risk by continuously monitoring forecasted expenditure and actual cash flow requirements. TAUL's payables are mainly those reported as trade and other payable, and operating leases.

Contractual maturity and analysis of financial assets

		On demand	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount liabilities
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 JUNE 2021								
NON-DERIVATIVES								
Trade and other receivables	9	28,663	-	-	-	-	28,663	28,663
Total		28,663	-	-	-	-	28,663	28,663

		On demand	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount liabilities
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 JUNE 2022								
NON-DERIVATIVES								
Trade and other receivables	9	47,881	-	-	-	-	47,881	47,881
Total		47,881	-	-	-	-	47,881	47,881

Contractual maturity and analysis of financial liabilities

		On demand	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount liabilities
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 JUNE 2021								
NON-DERIVATIVES								
Trade and other payables	12	(25,004)	-	-	-	-	(25,004)	(25,004)
Total		(25,004)	-	-	-	-	(25,004)	(25,004)

		On demand	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount liabilities
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 JUNE 2022								
NON-DERIVATIVES								
Trade and other payables	12	(42,395)	-	-	-	-	(42,395)	(42,395)
Total		(42,395)	-	-	-	-	(42,395)	(42,395)

23 Ngā whakahaere tūraru ahumoni / Financial risk management (continued)

d) Financial instruments by category

The following tables present TAUL's assets and liabilities that are measured at fair value as at 30 June 2022.

	Notes	Total Receivables	
		2022 \$'000	2021 \$'000
AT 30 JUNE			
Cash and cash equivalents		72	1,063
Trade and other receivables	9	47,881	28,663
Total		47,953	29,726

Liabilities as per balance sheet

		Total Payables	Total Payables
		2022 \$'000	2021 \$'000
AT 30 JUNE			
Trade and other payables	12	(42,395)	(25,004)
Total		(42,395)	(25,004)

24 Ngā whakahaere ā-pūtea / 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.

25 Ngā rerekētanga i te mahere pūtea me te tauākī whakamaunga atu (SOI) / Variances against budget in the statement of intent (SOI)

	Actual 2022 \$'000	Budget 2022 \$'000	Variance 2022 \$'000
OPERATING BUDGET			
Revenue			
Operating funding from Auckland Council	42,983	42,358	625
Fees, user charges and other revenue	16,217	21,333	(5,116)
Subsidies and grants	69,866	14,779	55,087
Total revenue	129,066	78,470	50,596
Expenditure			
Personnel costs	27,709	24,537	(3,172)
Other employee benefits	455	751	296
Employee benefits	28,164	25,288	(2,876)
Depreciation and amortisation	1,871	2,976	1,105
Grant, contributions and sponsorship	62,157	10,849	(51,308)
Other operating expenses	39,217	42,333	3,116
Total expenses	131,409	81,446	(49,963)
Net operating revenue	(2,343)	(2,976)	633
CAPITAL BUDGET			
Capital funding from Auckland Council	327	634	(307)
Total capital expenditure	327	634	(307)
(Deficit) / surplus before tax	(2,016)	(2,342)	326

Operating funding from Auckland Council	Reduced property rental than budget allowance resulted in requiring more operating funding from Auckland Council.
Fees, user charges and other revenue	Reduced property rental and cancelled events less than budget allowance.
Subsidies and grants	Grants received of \$62.678m relating to external government grant (Activate and Reactivate) to support Auckland's COVID-19 recovery, that was not included in the budget.
Employee benefits	Increase in Employee Benefits that have been offset by reductions in other operating expenses, in response to activity relating to COVID-19 and additional support costs relating to external government grant (Activate and Reactivate) to support Auckland's COVID-19 recovery, that was not included in the budget.
Grants, contributions and sponsorship	Grants paid out of \$55.153m relating to external government grant (Activate and Reactivate) to support Auckland's COVID-19 recovery, that was not included in the budget.
Other operating expenses	Mainly due to savings relating to activity across the business that did not proceed due to suspension of non-essential projects and operating expenditure.
Capital funding from Auckland Council	Less Capital spent on leasehold properties than planned.
The budget is derived from the SOI.	



**He kōrero mō
ngā mahi
ratonga**

**Statement
of Service
Performance**






He kōrero mō ngā mahi ratonga i Tātaki Auckland Unlimited Limited / Tātaki Auckland Unlimited Limited Statement of Service Performance

Huanga ā-tau (FY 2021/22) / Annual Result (FY 2021/22)

This statement of service performance presents the performance of Tātaki Auckland Unlimited against the four Tātaki Auckland Unlimited Limited (TAUL) key performance indicators (KPIs) set out in the Tātaki Auckland Unlimited Statement of Intent (SOI) 2021-2024. This SOI includes separate KPIs for Tātaki Auckland Unlimited Limited and Tātaki Auckland Unlimited Trust (TAUT). Results for the TAUT KPIs are presented separately in the Tātaki Auckland Unlimited Trust Annual Report 2021/22.

Performance Status

KPIs have been assessed for 2021/22 according to the criteria below. Tātaki Auckland Unlimited's performance against the KPIs is set out in the following pages, along with commentary regarding the results, measurement methods, and previous year's performance as appropriate.

Symbol	Status	Definition
	Achieved	Result has met or exceeded target (also includes where baseline has been established)
	Substantially achieved	Result within 2% of target
	Not achieved but progress made	Target not achieved, but improvement over previous year
	Not achieved	Target not achieved and no improvement over previous year
	No result	Unable to measure

In summary, of the 4 KPIs:

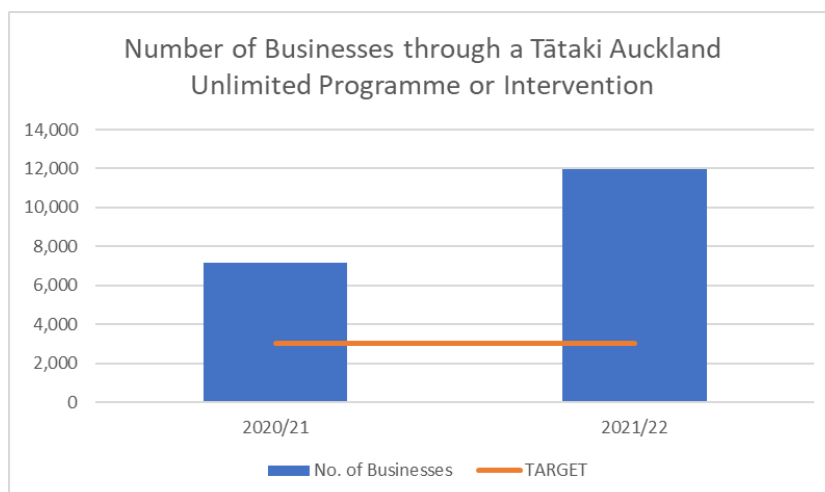
- 2 were achieved
- 1 was substantially achieved
- 1 was not achieved, but improvement was made over last year,

Number of businesses that have been through a Tātaki Auckland Unlimited programme or benefited from a Tātaki Auckland Unlimited intervention

2020/21 Result	2021/22 Target	2021/22 Result	2021/22 Status
7,162	3,000	11,976	✓

Result

Over 2021/22, 11,976 businesses have been through a Tātaki Auckland Unlimited programme or benefited from a Tātaki Auckland Unlimited intervention. This year’s result is significantly above the target of 3,000 businesses and is a 67% increase compared to last year. As was the case last year, the primary reason for the significant increase was Tātaki Auckland Unlimited’s response to the COVID-19 crisis. In particular, as the lead agency for Activate Tāmaki Makaurau, the delivery programme for the Government’s Auckland business support package, over 9,000 businesses were supported to access support from over 800 service providers. In addition, Tātaki Auckland Unlimited supported over 1,100 businesses through the Regional Business Partner programme, over 200 businesses to gain film permits and over 150 businesses through the Auckland Convention Bureau. Some businesses benefitted from more than one programme or intervention.



Why do we measure this?

Measurement of the number of businesses that have been through a Tātaki Auckland Unlimited programme or benefited from a Tātaki Auckland Unlimited intervention provides an indicator of the breadth of Tātaki Auckland Unlimited’s reach across the economy. As a ratepayer funded organisation Tātaki Auckland Unlimited’s role is to develop the regional economy for the benefit of all Aucklanders and as part of this looks to maintain a wide reach across the economy.

How do we measure this?

The number of businesses that have been through a Tātaki Auckland Unlimited programme or benefited from an Tātaki Auckland Unlimited intervention is measured via an internal process. The programmes and interventions run by Tātaki Auckland Unlimited across the Industry and Investment and Arts, Entertainment and Events ropu are captured and defined. On a quarterly basis, details related to the businesses that have been through each programme or intervention are captured internally via Tātaki Auckland Unlimited’s Customer Relationship Management and other internal systems.

It is assumed that if a business has been through one of the defined Tātaki Auckland Unlimited programmes or interventions, then they have benefited from this. No further verification of this is captured through this measure.

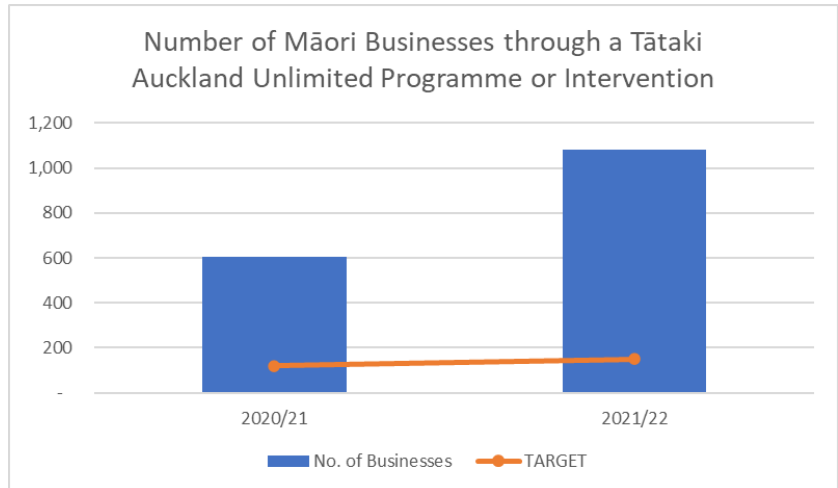
The measure includes only businesses that went through a Tātaki Auckland Unlimited programme or intervention and doesn’t capture the wider downstream benefits of each intervention. It also excludes individuals or entrepreneurs. Businesses that have been involved in multiple Tātaki Auckland Unlimited programmes or interventions, are counted only once in the final result.

Number of Māori businesses that have been through a Tātaki Auckland Unlimited programme or benefited from a Tātaki Auckland Unlimited intervention

2020/21 Result	2021/22 Target	2021/22 Result	2021/22 Status
604	150	1,080	✓

Result

Over 2021/22, 1080 Māori businesses have been through a Tātaki Auckland Unlimited programme or benefited from a Tātaki Auckland Unlimited intervention. This year’s result significantly exceeds the target of 150 businesses and is an 79% increase on last year’s result. The primary reason for the changes from last year’s result was the support provided to over 800 Māori businesses to participate in the Activate Tamaki Makaurau programme. Other key Tātaki Auckland Unlimited programmes or interventions that have benefited Māori businesses are the Regional Business Partner programme, Māori Business Clinics, and assistance provided to Māori tourism businesses to help their development of Māori tourism product for Tāmaki Makaurau.



Why do we measure this?

Tātaki Auckland Unlimited is the lead agency for the Kia ora te Umanga, Māori Business, Tourism and Employment priority within *Kia Ora Tāmaki Makaurau*, the council family’s Māori Outcomes Performance Measurement Framework. This priority is based around the Mana outcome statement that intergenerational wealth is created through a thriving Māori economy and will be achieved through the mahi objective that the council group supports a resilient and regenerative Māori economy by supporting economic opportunities for Māori businesses and iwi organisations. Measurement of the number of Māori businesses that have been through a Tātaki Auckland Unlimited programme or benefited from a Tātaki Auckland Unlimited intervention is one way that Tātaki Auckland Unlimited can measure its role in helping Māori businesses to play a significant role in the growth of the Auckland economy.

How do we measure this?

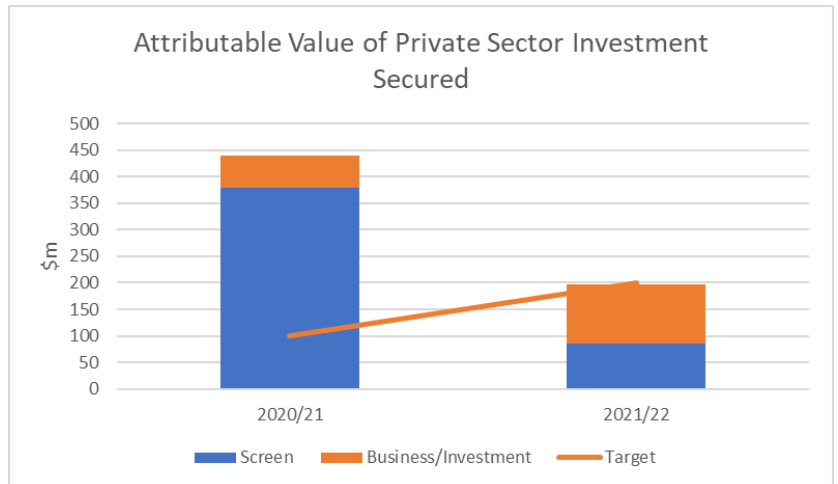
This is a sub measure of the total measure (Number of businesses that have been through a Tātaki Auckland Unlimited programme or benefited from a Tātaki Auckland Unlimited intervention. Where possible, Māori businesses have been self-defined and include businesses that consider themselves a Māori business due to ownership, philosophy, principles, goals, tikanga, management practices, branding, assets (both tangible and intangible), and employees. These categories align with those used by Statistics NZ to define Māori businesses.

Attributable value of private sector investment secured over the year

2020/21 Result	2021/22 Target	2021/22 Result	2021/22 Status
\$438.7m	\$200m	\$197.2m	✓

Result

Over 2021/22 the estimated attributable value of private sector investment secured by Tātaki Auckland Unlimited was \$197.2m. This is below, but within 2 percent of the target of \$200m and below the result achieved last year (\$438.7m). The largest contribution to this overall result came from activity in the screen/film sector (43% of result) including the attraction and/or the location of activity within Tātaki Auckland Unlimited managed facilities. A similar share of investment (43%) was secured in the construction



sector and a further 13% in the manufacturing sector. The primary reason for the significant drop in value from last year was the securing of the first season of the Amazon Lord of the Rings series in 2020/21, which did not continue into 2021/22. In addition, COVID-19 related restrictions made filming in Auckland difficult for much of the year – particularly for international productions – resulting in less international investment in the screen sector.

Why do we measure this?

One of Tātaki Auckland Unlimited’s key roles is to work collaboratively with others to help attract investment into the Auckland economy. Through our Statement of Intent, one of our key strategic priorities is increasing capital invested into Auckland for economic and cultural outcomes. As such, it is appropriate that Tātaki Auckland Unlimited measures the value of private sector investment secured each year.

How do we measure this?


For the purposes of this measure, Tātaki Auckland Unlimited has identified two key activities that attract direct private sector investment into Auckland. These activities are:

1. The attraction and support of screen production activity to Auckland (including film facilitation and the operation of Kumeu Film Studios and Auckland Film Studios).
2. The attraction and support of other business and investment to Auckland including through the InvestAKL digital platform.

The level of private sector investment from these activities is sourced directly from clients based on their best estimates of the level of investment they have or are intending to make into Auckland. The reported result relates to the level of investment secured over the year, but not necessarily occurring within the year. (e.g. securing a film deal that may happen the following season).

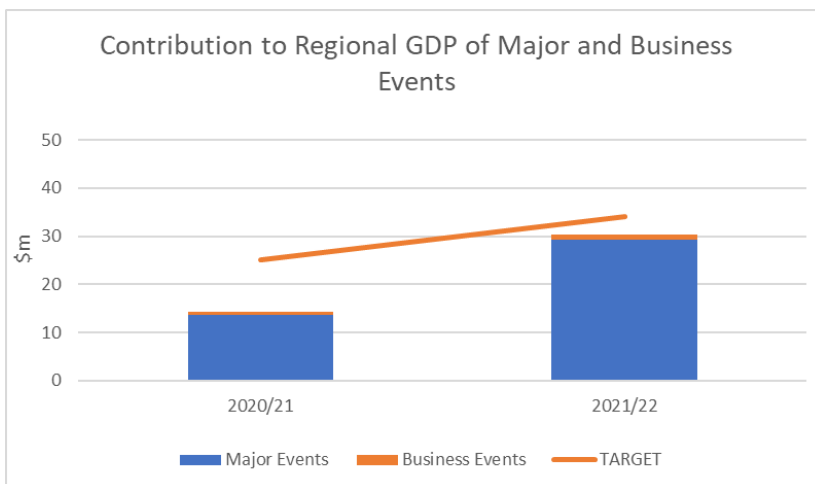
Recognising that Tātaki Auckland Unlimited usually collaborates with partners to secure investment activity, and is not solely responsible for investment occurring, a level of attribution is applied to each secured investment deal. The attribution level considers whether the investment activity would have occurred with or without Tātaki Auckland Unlimited’s involvement (based on a client view) and the level of Tātaki Auckland Unlimited’s involvement in securing the investment. On average, the level of attribution applied to screen investment deals is higher than that applied to general business investment deals due to Tātaki Auckland Unlimited’s significant involvement in attracting screen deals, running and sourcing studio infrastructure, and facilitating filming activity in public spaces.

The contribution to regional GDP from major events and business events attracted or supported

2020/21 Result	2021/22 Target	2021/22 Result	2020/21 Status
\$14.3m	\$34m	\$30.2m	

Result

Over 2021/22 the estimated contribution to regional GDP from major and business events attracted or supported by Tātaki Auckland Unlimited was \$30.2m, which is below the target of \$34.0m, but an increase on last year’s result of \$14.3m. Auckland’s hosting of the 2022 ICC Women’s Cricket World Cup organisation and two games, and The Lion King were significant contributors to this year’s portfolio result and the primary reason for the significant increase on last year’s result. The



primary reason for not achieving the target was the impact of the COVID-19 pandemic, which resulted in 23 major events and 13 business events that were due to occur over 2021/22 to be cancelled and a further 23 major and business events to be postponed. Additionally, some business events were held ‘virtually’ and as a consequence no visitor impact eventuated. Postponed major events included The Wedding Singer and the Six60 concert. Cancelled events included the 2021 Rally NZ – Round 10 World Rally Championship, the 2021 World Surf League Challenger Series, the 2021 ITM Auckland Supersprint, the 2021 Diwali Festival, the 2022 Pasifika Festival, and the 2022 Auckland Lantern Festival.

Why do we measure this?

Tātaki Auckland Unlimited (and previously ATEED) has measured and reported the contribution to regional GDP from major events attracted or supported on an annual basis since 2012. This reflects that a key objective of Tātaki Auckland Unlimited’s major events programme is to attract events that will contribute to growing Auckland’s regional economy. Historically, this measure has reported the GDP contribution from major events in the year in which events occur. From FY 2018/19, the impact of business events attracted or supported was also incorporated into the measure, and this has been continued since then.

How do we measure this?

The estimated contribution to regional GDP from major events is sourced directly from evaluation undertaken by external event evaluation company Fresh Information using a mixture of primary research with event organisers and event attendees, desk-based research and historic results. Over 2021/22 the major event portfolio included 39 events held over the year that Tātaki Auckland Unlimited played a role in attracting or supporting. However, for the purposes of this measure, only 19 of these events were formally evaluated as the smaller and more locally focussed nature of the remaining 20 events meant they would have had no or negligible additional impact on regional GDP.

Estimates of the contribution to regional GDP from business events attracted or supported are also undertaken by Fresh Information. Each business event attracted or supported by Tātaki Auckland Unlimited is evaluated based on a mixture of post-event primary data provided by event organisers and pre-event estimates. The result includes the impact of 19 business events held over the year that Tātaki Auckland Unlimited played a role in attracting or supporting.

Measurement accounts for the net additional regional impact only (i.e. local spend by local residents and businesses is not included), and figures represent the total net impact of major and business events delivered and/or attracted and/or supported by Tātaki Auckland Unlimited that have occurred over 2021/22.

Glossary

Term	Definition
Attributable value	The value that can be attributed to the work of Tātaki Auckland Unlimited. The attribution level considers whether activity would have occurred with or without Tātaki Auckland Unlimited's involvement (based on a client view) and the level of Tātaki Auckland Unlimited's involvement.
Business events	A term that is typically used to cover a range of business focussed events including meetings, incentive travel, conferences, conventions and exhibitions.
Intervention	A programme or service delivered by Tātaki Auckland Unlimited designed to assist business through providing support that might not otherwise be available and/or accelerating access to support through provision of information and resource.
Major events	A broad term encompassing the range of events that the Tātaki Auckland Unlimited Major Events team play a role in attracting to Auckland and/or supporting. This can include mega-events (significant, one-off, large scale), major events, national events and regional events, all of which bring benefit from outside of Auckland and/or play a role in defining regional identity.
Regional GDP	A geographic breakdown of national-level GDP (gross domestic product), which is New Zealand's official measure of economic activity. Measures the total of all value-added created within a region as a result of all the finished goods and services produced within a specific time period.

Rārangi mō te tau i mutu i te 30 o Pipiri 2022 / Directory for the year ended 30 June 2022

The Directors as at the year ended 30 June 2022 are as follows:

- Mark Xavier Franklin (Chair)
- Jennah Mary Wooten (Deputy Chair)
- Hongyu (Carol) Cheng
- Fabian Elio Partigiani
- Daniel Te Whenua Walker
- Jennifer Helen Rolfe
- Alistair Carruthers (appointed 1 July 2021)
- Hinurewa te Hau (appointed 1 July 2021)
- Evan Welch Davies (resigned 31 October 2021)

Shareholders	Auckland Council (100%) 135 Albert Street Auckland, 1010 New Zealand
Registered Office	Auckland Council, Aotea Centre Level 4, 50 Mayoral Drive Auckland, 1010 New Zealand
Auditors	Audit New Zealand Level 15, 88 Shortland Street, CBD Auckland 1010 New Zealand
Bankers	ASB Bank Limited 12 Jellicoe Street, Wynyard Quarter Auckland, 1010 New Zealand
Solicitor	Simpson Grierson, Level 27, 88 Shortland Street, Auckland, 1010 New Zealand
Registered Company Number	3089627