



DESTINATION
COROMANDEL

www.thecoromandel.com



ANNUAL REPORT

2020 / 21



Coromandel Coastal Walkway

When dealing with something as significant as a global pandemic other issues can often be overwhelming. While challenged by the issues posed by Covid-19 over the past year, the team at Destination Coromandel (DC) have remained focussed throughout and worked harder than ever to generate business for our regional economy.

Domestic tourism, now total tourism, generated \$387m for the region for the 20/21 period. This represents a 28% increase on the previous year's domestic spend and helped in no small way to make up for the loss of international visitors and the challenges that flowed from the first lockdown in March/April 2020.

During this time we have been reviewing the strategic focus of the organisation in light of the opportunities that have come with central government funding (via MBIE), the renewed contracts with the settlers of Destination Coromandel Trust, (Thames Coromandel District Council and Hauraki District Council) and the business plan for the next three years.

Aware of the good fortune our location and environment provides, tourism should always be a significant contributor to the economies and well being of the communities for Hauraki Coromandel; proximity to New Zealand's growing population on the one hand and inhibited population growth due to the very attributes that attract visitors here on the other. This makes the responsibility to look after the natural tāonga of the peninsula, the plains and surrounding ocean, all the more important. Manuhiri (visitors) will expect this of us, and they'll support locals where there's provision to do so.

Regional Tourism Organisations (RTO's) such as DC are now required to broaden their mandate beyond marketing to Destination Management and Planning. In essence Covid-19 has forced the tourism sector nationally to identify long term gains, beyond simple economics. To maximise this opportunity Destination Coromandel will need to grow and step up into a greater leadership role when considering all things tourism. The performance of the team in the last year leaves no doubt in the board's eyes that they can do it – just not alone.

Our team have now turned their attention towards Destination Management and beginning to understand the priorities of our communities as we seek to commit to the future. Marketing and communications will still be central to this approach, from start to finish. The team have refined their approach over many years, adding depth and connection to *The Coromandel good for your soul* brand.

The next couple of years will see the DC team continue to perform their core marketing functions as they transition towards a Destination Management approach. Project and fiscal management is a strength based on past experience and the MBIE funded programme to date. RTO's have been identified as ideal entities to help the country navigate the significant challenges and opportunities caused by the world-wide effects of the pandemic and chart a course to an enhanced visitor experience whether domestic or international. Collectively, Regional Tourism New Zealand (RTNZ) provides an unparalleled representation of the industry. However to make good on this position and investment requires genuine engagement from all stakeholders such as hapū, iwi, local government, local DOC offices, business and hospitality associations, the events sector, tourism businesses (from owner operated to multi nationals) and all of our communities. Hopefully in 10 years time we can reflect on the pandemic as a period of short term pain while we enjoy the benefits tourism brings to our lives, our communities, our regional economy, our social fabric and our natural environment.



John Sandford

Chairperson, Destination Coromandel Trust

The last year has put the team to the test. Battling workloads, deadlines and maintaining desired standards has been constant. While we remain grateful to still be employed we're also energised by the potential impact we can make right now and in years to come.

The team has been looking out for each other, health and wellbeing is no longer an obligation of the employer, but part of our culture. On occasion we feel this throughout the industry too, which acts as another reminder to persevere even when there's no light at the end of the tunnel.

Through all the adversity we remain optimistic, particularly when we take the time to step back and assess the situation. There's an underlying confidence in the team to deliver against the odds. I've always been grateful for the expertise DC has managed to retain (acknowledging that *The Coromandel* lifestyle is a big part of this), but 'grateful' doesn't do it justice for the performance in the last 12 months.

The delivery of the *Where Kiwis Holiday* campaign is case in point. Understanding that a strong summer is crucial for our whole economy we had to form a strong connection with our market. The campaign report demonstrates the results in detail. However a simple indication of success is the market validation that's beyond our control. The local industry and visitor market continue to tag #wherekiwisholiday in social media. The promotion took on its own momentum and continues today despite the fact there's no advertising budget behind it. Given this is our core business there is an expectation that we would deliver and what appears simple at a glance belies the work that goes on behind the scenes.

The STAPP funding detailed in the report provides an indication of future priorities and direction. An approach that goes beyond sustainability is woven throughout. Determining the priority projects coincided with the development of our 3-year business plan. This is best encapsulated by our new vision that also acts as a filter for our work; *Tourism enriches life for locals and visitors, contributing directly to the protection and enhancement of our cultural and natural environment.*

Prior to Covid-19 DC began discussions with Predator Free Hauraki Coromandel Community Trust. A partnership has been formalised and we look forward to tourism supporting their kaupapa.

To make a genuine difference DC needs to continue working on strengthening partnerships with our industry and our Trust settlers, Thames-Coromandel District Council and Hauraki District Council. But also in supporting the priorities of the Department of Conservation and manawhenua, which require a considered effort and broadening of perspective on our part.

At the time we're taking on more responsibilities we're also reducing others. Moving on from the i-SITE contracts on behalf of TCDC was a considered decision. The i-SITE staff have been the unsung heroes in the last year. The uncertainty for them has been relentless. However the closed border highlighted the inadequacies of the existing model. DC struggled to deliver a suitable standard under the existing terms let alone future conditions – which are better suited to a community centric operation. Like the rest of the industry the information centre model has to rediscover what makes them relevant during this time.

Regional Tourism Organisations will be next as we transition towards a Destination Management and Planning role over the next 3 years.



Hadley Dryden

General Manager, Destination Coromandel

MARKETING

Our successive focus on the domestic market in the last decade stood us in good stead for the massive changes that affected our industry. In addition to 'Home & Away' locals (e.g. absentee property owners and multi generational visitors) and our proximity to a large population base, Destination Coromandel has established a solid rapport with our drive market who we've come to rely on as a regular and reliable base support for our local economy. Off-season promotions such as the *Coastal Walkway*, *Hauraki Rail Trail* and *Winter Wellness* campaigns encouraged travel outside of the typical summer period.

The national tourism response to Covid-19 threatened the reliability of this valued drive market (Auckland, Waikato and Bay of Plenty). Regions that had traditionally focussed on offshore travellers 'pivoted' to attract our established comfort base and Aucklanders in particular. Tourism New Zealand delivered the *Do Something New New Zealand* campaign and at one point encouraged domestic travellers to go anywhere other than the bach. While DC completely understood (and leveraged) the campaign, we also understood that it all amounted to increased competition for our tourism businesses and communities.

Considering the ongoing uncertainty, commentary from leading economists and given the magnitude of the contribution by tourism to our local economy, DC decided to launch the region's first-ever summer campaign. We saw the approaching holiday season as the lifeline for the industry, providing some security and confidence to rebuild towards the following summer.

September 2020 saw the *Where Kiwis Holiday* campaign launch to our favoured drive market to encourage November/December travel. This campaign utilised the STAPP budget (see STAPP Projects page 5).

Traffic to www.thecoromandel.com increased by 5% accounting for over 510,000 visits from September to January. The participation from businesses across the region was significant, presenting over 100 packages and deals with valued added incentive. The campaign generated over 23,000 views and 1.8 million page impressions to thecoromandel.com. A media-first approach generated over \$400,000 of earned media (free) across print and digital channels with more than 80 third-party features.

Overall, data for the summer of 2020-2021 was positive; domestic visitors spent 33% more in *The Coromandel* during the campaign period, which equated to an additional \$76 million over the same period in 2019/20. The average value of each transaction remained about the same at \$41.18, but the number of transactions increased by 23%. This made up for the impact of the absence of international visitors, with total regional spend up 19%.

While most businesses have suffered losses there has been cautious optimism for others who've enjoyed catering to a more relaxed but discerning Kiwi visitor. The level of industry engagement and market response has encouraged DC to follow through with a second iteration of the *Where Kiwis Holiday* campaign for the approaching summer. Again, one-time funding from MBIE will provide scope for most of the activity.

All other marketing activity that provides the foundation of our annual schedule continued in some form, with the exception of International Marketing. Contact has been maintained with travel trade where possible and together with our Explore Central North Island partners we remain prepared to resume offshore activity when it makes sense to do so.

The omnipresent visitor guide was revised to a motivational guide, encouraging travel to the region – but not featuring any tourism business advertisements. Likewise we committed to free business listings on thecoromandel.com (and thereby free access to leverage all campaign activity). Such decisions impacted our budget and threatened to disrupt our schedule as we continued to incur costs delivering value across these marketing channels. This pressure was alleviated by the funding support for RTOs received via the Strategic Tourism Assets Protection Programme.

DESTINATION MANAGEMENT (STAPP)

In response to Covid-19 the government announced the Strategic Tourism Asset Protection Policy. This fund included a \$20.2 million contribution to Regional Tourism Organisations who maintained local government funding. DC's application qualified for a \$700,000 MBIE grant to be applied across 3 categories (see below).

1. Destination Management and Planning

- Destination Management Plan
- Ambassador Programme (importance of biodiversity, heritage and tourism)
- Kaimoana Coast (provenance of place - ocean to plate)
- Research & Insights subscriptions (e.g. Marketview, Trip Tech)

2. Industry Capacity Building and Product Development

- Gold Heritage (assessment of product potential along the Hauraki Rail Trail)
- Pūkoro Shorebird Centre (hero product case study: tourism/education/conservation)
- Whangamatā Ridges Mountain Bike Park (progression plan to park of national calibre)
- Te Ara ā Toi (RTO collaboration – Māori tourism businesses in The Coromandel, Bay of Plenty and Tairāwhiti Gisborne)
- Regenerative Tourism Programme (RTO collaboraton – tourism by design)
- Sustainability Programme (advancing business performance)

3. Domestic Marketing

- Significance of Place (celebrating biodiversity and cultural heritage)
- Where Kiwis Holiday (inaugural summer campaign)
- eXplore Central North Island Consumer Show (RTO collaboration)
- Signature Event Marketing (to stimulate domestic travel)

To find out more and monitor the progress on these projects sign up to Destination Coromandel's industry newsletter or visit <https://www.thecoromandel.com/stapp/>

REGIONAL EVENT FUND (*REF*)

The Events industry were also offered a lifeline from Central Government under the Regional Event Fund. Events have a significant effect to *The Coromandel* economy. The purpose of the fund is to stimulate 'out of region' visitation through funding events that will encourage expenditure missed by the international visitor markets. The fund was allocated based on the regions' respective shares of the international visitor spend prior to COVID-19.

DC worked within our International Marketing Alliance (IMA), a grouping of Regional Tourism Organisations. The Pacific Coast Highway IMA (which includes *The Coromandel* plus Tourism Bay of Plenty, Tairāwhiti Gisborne and Hawke's Bay Tourism) received \$2m as part of the fund and the decision was taken to distribute the allocation with the same rationale of share i.e percent share of international visitor spend. *The Coromandel* was eligible for \$400k over 4 years.

The four regions have agreed that success will be achieved when events are delivered that promote the well-being pillars of:

1. Cultural: increasing iwi and community engagement.
2. Social: enhancing community spirit, improving job opportunities for residents and fostering a sense of place and pride among residents.
3. Environmental: striving to be environmentally friendly and, where possible, target zero waste for events.
4. Economic: increasing visitation and visitor spend, increasing awareness of the Pacific Coast Highway.

Further detail, including the terms specific to events in the Thames-Coromandel and Hauraki Districts and year one recipients can be viewed at <https://www.thecoromandel.com/stapp/regional-event-fund-application/>

i-SITES (*sales & information*)

Having finished the previous year aiding stranded international travellers, as we began dealing with Covid-19, this past year was harder still. Adapting to a new operating environment with reduced travel options, including disestablished bus services, was made more difficult by fewer people coming through the centres' doors.

Like the rest of the tourism industry the i-SITE staff persevered, with the level of uncertainty exacerbated by a national i-SITE review and questions around future funding included in TCDC's Long Term Plan. DC has delivered i-SITE services for Thames and Whitianga on behalf of TCDC via 3-year funding agreements. However DC determined that the model and operating terms needed to be more flexible and relevant to the visitor of the future.

With DC not to deliver future i-SITE contracts, the centres will likely return to a more community centric service. With centre operational decisions pending, DC proposed and undertook a 3-month extension to the contract to help the transition process.

VISION

Tourism enriches life for locals and visitors, contributing directly to the protection and enhancement of our natural environment.

PURPOSE

To increase value from visitation to The Coromandel.

To progress towards this bold vision and fulfil our purpose we need to walk the talk

Office – Journey to Zero Waste;

- All rubbish (e.g. lunch) to be taken home for composting, recycling or disposal
- BYO Milk (e.g. in a jar, no half-drunk plastic bottles of milk)
- Print only when needed. Recycle paper or shredded for compost

Travel and Meetings

- Always use Keep cups or 'have here' option for coffee when representing DC
- Consider zoom rather than travel when possible (optimum results in mind)
- Always offset carbon emissions when flying for work

Sustainability Programme

- Partake and deliver Sustainability Programme
- Assess and achieve Zero Waste
- Assess and achieve Carbon Zero
- Progress Predator Free goals

Company Practice

- Flexi work option (balance between home and office work)
- Move towards environmentally friendly vehicles
- Annual enviro commitment (e.g. KNZB, Pick it Up Now)

Destination Marketing

- Commit to our vision (e.g. projects consider tourism impacts)
- Promote sustainable travel, desired travel etiquette
- Consider impacts of travel (e.g. capacity, infrastructure, seasonality, dispersal)
- Consider impacts of marketing collateral (e.g. FSC enviro paper)
- Demonstrate commitment to environment when hosting (e.g. donation to PFHCT)



FINANCIAL *statements*

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Financial Statements have been prepared independently.

COMPILATION REPORT

Destination Coromandel Trust For the year ended 30 June 2021

Compilation Report to the Trustees of Destination Coromandel Trust.

SCOPE

On the basis of information provided and in accordance with Service Engagement Standard 2 Compilation of Financial Information, we have compiled the financial statements of Destination Coromandel Trust for the year ended 30 June 2021.

These statements have been prepared in accordance with the accounting policies described in the Notes to these financial statements.

RESPONSIBILITIES

The Trustees are solely responsible for the information contained in this financial report and have determined that the accounting policies used are appropriate to meet your needs and for the purpose that the financial statements were prepared.

The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

NO AUDIT OR REVIEW ENGAGEMENT UNDERTAKEN

Our procedures use accounting expertise to undertake the compilation of the financial statements from information you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

INDEPENDENCE

We have no involvement with Destination Coromandel Trust other than for the preparation of financial statements and management reports and offering advice based on the financial information provided.

DISCLAIMER

We have compiled these financial statements based on information provided which has not been subject to an audit or review engagement. Accordingly, we do not accept any responsibility for the reliability, accuracy or completeness of the compiled financial information contained in the financial statements. Nor do we accept any liability of any kind whatsoever, including liability by reason of negligence, to any person for losses incurred as a result of placing reliance on this financial report.

S M Fisher

Fisher Accounting Limited

137 Centennial Drive, Whitianga

Dated: 30 August 2021

ENTITY INFORMATION

Destination Coromandel Trust
For the year ended 30 June 2021

LEGAL NAME OF ENTITY

Destination Coromandel Trust

ENTITY TYPE AND LEGAL BASIS

Charitable Trust

REGISTRATION NUMBER

2555842

ENTITY'S PURPOSE OR MISSION

Destination Coromandel Trust is a not for profit Charitable Trust established to promote tourism and travel in the Coromandel and Hauraki Regions to collectively market the two districts as *The Coromandel* for the benefit of the people in these communities.

Destination Coromandel's vision is that: Tourism enriches life for locals and visitors, contributing directly to the protection and enhancement of our cultural and natural environment.

The Trust aims are:

To promote *The Coromandel* as a leading visitor destination by marketing the Coromandel and visitor attractions within *The Coromandel*.

To support, promote and assist in activities and projects that will increase the opportunities for employment in the tourism and visitor industries in the Coromandel and as such, contribute to the social development and well being of the communities in *The Coromandel*.

To support and benefit the communities of *The Coromandel* by promoting and assisting in sustaining the "green image" of the Coromandel with the aim to have tourism and visitor activities align with this concept; and

All things as are incidental or conducive to the attainment of the purposes above.

ENTITY STRUCTURE

The trust is run by an elected Executive Committee consisting of three Trustees, and employees or contractors of the Trust. A Chairperson and Deputy Chairperson are elected from the Trustees and a Secretary elected from the Committee. The trustees are appointed by the settlors.

A manager is responsible for day-to-day operations and reporting to the Executive Committee, and other staff provide support to the manager in delivering the Trust's objectives.

The Trust is incorporated in New Zealand under the Charitable Trusts Act 195. The Hauraki District Council and the Thames-Coromandel District Council ("the settlors") intended that the Trust would not be a Council Controlled Organisation and that the nature and intent of the Trust is that it would be a "small operation" that would not operate as a trading operation for the purposes of making a profit.

The Trust is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

MAIN SOURCES OF ENTITY'S CASH AND RESOURCES

Operating grants are the primary source of funding received from the settlors of the Trust. Other funds are received from the sale of advertising, commissions, retail sales and sponsorship.

MAIN METHODS USED BY ENTITY TO RAISE FUNDS

The Trust operates two i-SITES which provide information services to locals and visitors. The i-SITES sell retail goods, make commission sales and sell website, signage and brochure advertising.

Physical Address

200 Mary Street, Thames, New Zealand, 3500

Postal Address

PO Box 592, Thames, New Zealand, 3540

Website

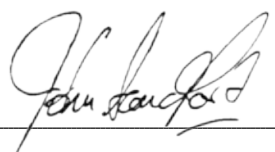
www.thecoromandel.com

APPROVAL OF FINANCIAL REPORT

Destination Coromandel Trust

For the year ended 30 June 2021

The Trustees are pleased to present the approved financial report including the historical financial statements of Destination Coromandel Trust for the year ended 30 June 2021.



John Sandford

Trustee, Chairperson

Date 3rd September 2021



Anthony Coombe

Trustee

Date 3rd September 2021



Scott Lee

Trustee

Date 3rd September 2021

STATEMENT OF SERVICE PERFORMANCE

Destination Coromandel Trust
For the year ended 30 June 2021

DESCRIPTION OF ENTITY'S OUTCOMES

Destination Coromandel Trust is a not for profit Charitable Trust established to promote tourism and travel in the Coromandel and Hauraki Regions for the benefit of the people in these communities.

The Coromandel is an area of low population that relies largely on tourism for employment. Visitor numbers increase significantly during the summer months. Promoting *The Coromandel* as a visitor destination, especially in the shoulder seasons, supports the viability of local business, increasing opportunities for employment in the tourism and visitor industries which contributes to the social development and well-being of these communities.

Greater job opportunities directly benefit the youth in the area, enabling them to find employment in their home town. Greater visitor numbers allow local businesses to become more profitable and viable, resulting in a more stable community. This benefits the wider community as it is these businesses that often provide financial and other support and sponsorship to the local schools and sports, arts, environmental and community groups, enhancing the well-being of all members of the community.

The Trust runs two i-Sites which provide information services to locals and visitors.

DESCRIPTION OF THE ENTITY'S OUTPUTS

This last year is best summarised in two words, relentless uncertainty. The impact of Covid-19 to *The Coromandel* and New Zealand tourism industry was swift and severe. The financial year kicked off in time for Kiwis to come out of a historical lockdown, eager to spread their wings, without actually flying offshore. The cessation of inbound travel was countered by a greater domestic market. The countrywide call to support local, support the tourism industry, do something new New Zealand and a saturation of domestic marketing activity all meant that it was game on for the Destination Coromandel team.

Social license and infrastructure pressures were parked while the nation's tourism businesses went into survival mode. Destination marketing became the immediate priority with Destination Coromandel delivering our first ever summer campaign. Typically, our focus has been shoulder and off-season promotions that favour land-based year-round attractions and experiences. The Coromandel Coastal Walkway, Hauraki Rail Trail and Winter Wellness campaigns are case in point. Having lost approximately \$50m in visitor spend in March and April alone (when compared to the same time last year) we determined that it would be two summers until we could understand the long-term effects on the tourism industry.

Where Kiwis Holiday became our summer anthem, the call to our loyal domestic market whose senses were overloaded with enticing messages to go elsewhere. The level of competition was reflected in fewer visitors to the region than previous years. However, visitors secured spent more during the campaign period, an increase of 33%, and an additional \$76 million dollars over the same period in 2019/20. While the average value of each transaction remained about the same at \$41.18, the number of transactions increased by 23%. This made up for the impact of the absence of international visitors, with total regional spend up 19%.

The focus on value was intended and reflected in results online. The 1.8 million page views on thecoromandel.com channeled visitors to over 100 travel packages, with 23,000 views direct to these packages. While business boomed for some, others felt the pain having lost their favoured international manuhiri.

Increased communication to the domestic market was matched by correspondence informing our industry of recommended pandemic response and future opportunities. Opportunities of note came in the form of the Strategic Tourism Asset Protection Policy (STAPP) fund. Qualifying for \$700,000 support Destination Coromandel initiated multiple projects across 3 categories; destination management & planning, industry capability & product development, and domestic marketing. The latter affording us the opportunity to invest \$100,000 in the summer *Where Kiwis Holiday* campaign.

The STAPP fund required we broaden our brief. Step one, employing a Project Manager to deliver the regions first Destination Management Plan that will help define a regenerative future pathway. The Regenerative, Sustainability and Ambassador Programmes were three other projects our latest recruit was tasked with delivering. The common theme to select initiatives that deliver on the Destination Coromandel vision was deliberate. The latest iteration of the organisation business plan was developed to include STAPP projects, to be measured over the next 3 years.

Product development briefs developed, consultants selected, business viability screening were just some of the steps performed across a dozen significant projects. All the while maintaining core business and working with stakeholders through Long Term Plans (LTPs) to understand community and local government priorities.

The Thames and Whitianga i-SITES, included in Thames-Coromandel District Council LTP consultation, were also required to adjust in a post Covid environment. Having assisted with accommodating stranded international guests during the first lockdown the i-SITES were then required to deliver the same standard of care and service in a completely new environment. The i-SITES continue to live with the relentless uncertainty that it is the current new norm. This pressure has been felt across our organisation, but more so in the whole tourism industry working to survive through another summer.

STATEMENT OF FINANCIAL PERFORMANCE

Destination Coromandel Trust
For the year ended 30 June 2021

	NOTES	2021	2020
REVENUE			
Council funding	1	772,297	722,615
Grants and sponsorship	1	276,015	2,885
Website, advertising, i-SITEs & brochures	1	114,807	317,904
Interest revenue	1	352	96
Total Revenue		1,163,470	1,043,501
EXPENSES			
Employee related costs	2	496,832	504,698
Advertising and marketing costs	2	509,859	339,691
Property, plant & equipment depreciation	2	13,940	12,985
Costs of providing goods and services	2	110,366	155,830
Trustee Fees	2	33,000	33,000
Total Expenses		1,163,997	1,046,204
Surplus/(deficit)		(526)	(2,703)
Surplus/(deficit) for the year		(526)	(2,703)

STATEMENT OF FINANCIAL POSITION

Destination Coromandel Trust
For the year ended 30 June 2021

	NOTES	30 JUNE 2021	30 JUNE 2020
ASSETS			
Current Assets			
Bank account and cash	3	616,390	119,904
Debtors and prepayments	3	26,269	24,187
Inventory	3	32,807	47,969
Total Current Assets		675,466	192,060
Non-Current Assets			
Property, Plant and Equipment	5	47,854	25,825
Total Non-Current Assets		47,854	25,825
Total Assets		723,319	217,885
LIABILITIES			
Current Liabilities			
Creditors and accrued expenses	4	736,983	232,489
Employee costs payable	4	24,222	21,512
Total Current Liabilities		761,205	254,001
Total Liabilities		761,205	254,001
Total Assets less Total Liabilities (Net Assets)		(37,886)	(36,116)
ACCUMULATED FUNDS			
Accumulated surpluses or (deficits)	7	(37,886)	(36,116)
Total Accumulated Funds		(37,886)	(36,116)

STATEMENT OF CASH FLOWS

Destination Coromandel Trust
For the year ended 30 June 2021

	2021	2020
CASH FLOW FROM OPERATING ACTIVITIES		
Council funding	718,297	776,615
Grants and sponsorship	276,015	2,885
Receipts from providing goods or services	117,607	319,726
Revenue in Advance	624,937	(36,609)
Interest revenue	352	96
Payments to suppliers and employees	(1,155,722)	(1,001,240)
GST	(14,531)	9,796
Cashflows from other operating activities	(34,500)	(31,500)
Total Cashflow from Operating Activities	532,454	39,770
CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES		
Payment to acquire property, plant and equipment	(35,968)	(7,756)
Total Cash Flows from Investing and Financing Activities	(35,968)	(7,756)
Net Increase/(Decrease) in Cash	496,486	32,013
BANK ACCOUNTS AND CASH		
Opening Cash	119,904	87,890
Closing Cash	616,390	119,904
Net change in cash for period	496,486	32,013

Revenue in advance includes Council funding, signboard advertising, sponsorship for the Hauraki-Coromandel Business Awards, STAPP grant and REF grant.

STATEMENT FOR ACCOUNTING POLICIES

Destination Coromandel Trust
For the year ended 30 June 2021

BASIS OF PREPARATION

The Trust has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the Trust will continue to operate in the foreseeable future.

GOODS AND SERVICES TAX (GST)

The Trust is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

SPECIFIC ACCOUNTING POLICIES

REVENUE RECOGNITION

Council grants are recognised as revenue on receipt where no performance conditions have been specified on receipt of the grant.

Council grants requiring specified future conditions to be met are recognised as a liability on receipt. The grants are recognised as income over the period that the specified conditions are complete and the associated costs are recognised.

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, excluding goods and services tax rebates and discounts, to the extent it is probable that the economic benefits will flow to the entity and revenue can be reliably measured.

Sales of services are recognised in the period by reference to the stage of completion of the transaction at the end of the reporting period.

Interest received is recognised as interest accrues, gross of refundable tax credits received.

BANK ACCOUNTS AND CASH

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

INVENTORIES

Inventories are stated at the lower of cost, determined on a first-in-first-out basis, and net realisable value.

ACCOUNTS RECEIVABLE

Accounts receivable are recognised initially at fair value, less an allowance for any uncollectible amounts. Individual debts that are known to be uncollectable are written off in the period that they are identified.

PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment is stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Depreciation has been written off Fixed Assets at rates reflecting the useful life of each asset. The straight line method of depreciation is used, applied to Fixed Assets at the following rates:

Furniture and fittings 8.5 to 30% SL

Computer Equipment 40 to 67% SL

Motor Vehicles 21% SL

Plant and Equipment 6 to 67% SL

LEASES

Finance leases which effectively transfer to the trust substantially all of the risks and rewards incidental to ownership of the leased item are capitalised at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit or loss.

Operating lease payments, where the lessors effectively retain substantially all the risk and benefits of ownership of the leased items, are recognised as an expense in profit or loss on a straight line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

INCOME TAX

Nil Income Tax returns have been filed on behalf of the Trust until and including the year ended 30 June 2019. Following IRD approval, from 1 July 2019 Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue in respect of each reporting period after adjusting for any variances between estimated and actual income tax payable in the prior reporting period.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

NOTES TO THE PERFORMANCE REPORT

Destination Coromandel Trust
For the year ended 30 June 2021

	2021	2020
1. ANALYSIS OF REVENUE		
Council funding		
Grant from Thames-Coromandel District Council	649,910	600,825
Grant from Hauraki District Council	122,387	121,790
Total Council Funding	772,297	722,615
Grants and Sponsorship		
Pub Charity	-	2,885
Regional Event Fund Grant	13,650	-
STAPP Grant	262,365	-
Total Grants and sponsorship	276,015	2,885
Website, advertising, i-SITES & brochures		
Website listings	-	49,100
Brochures & advertising	48,932	111,160
Commissions	34,519	64,694
i-SITE retail	31,356	92,950
Total Website, advertising, i-SITES & brochures	114,807	317,904
Interest Revenue		
Interest Income	352	96
Total Interest revenue	352	96
	2021	2020
2. ANALYSIS OF EXPENSES		
Employee Related Costs		
ACC	1,327	1,089
Salaries and wages	481,417	489,234
Employer superannuation contributions	14,088	14,375
Total Employee related costs	496,832	504,698
Advertising and marketing costs		
Domestic Marketing	116,927	241,969
International Marketing	13,630	38,434
Digital Marketing	78,758	59,288
Marketing Data Management	24,529	-
Regional Event Fund	13,650	-
STAPP Expenditure	262,365	-
Total Advertising and marketing costs	509,859	339,691

DESTINATION COROMANDEL *trust*

	2021	2020
2. ANALYSIS OF EXPENSES		
Property, plant and equipment depreciation		
Depreciation	13,940	12,985
Total Property, plant and equipment depreciation	13,940	12,985
Costs related to providing goods or services		
Cost of goods sold	19,518	55,715
Administration Expenses	90,848	100,115
Total Costs related to providing goods or services	110,366	155,830
Trustee Fees		
Trustee Fees	33,000	33,000
Total Trustee Fees	33,000	33,000

COVID-19 Wage Subsidy

A wage subsidy was made available by the government to support employers who were significantly impacted by COVID-19 to retain employees. Destination Coromandel Trust applied for and was granted this subsidy, which totaled \$2,343. The subsidy has been offset against wages paid to employees.

	2021	2020
3. ANALYSIS OF ASSETS		
Bank accounts and cash		
Cash on hand	800	845
Cheque accounts	615,590	119,059
Total bank accounts and cash	616,390	119,904
Debtors and prepayments		
Debtors	859	817
GST	25,039	23,370
Prepayments	372	-
Total Debtors and prepayments	26,269	24,187
Inventory		
Stock on Hand	32,807	47,969
Total Inventory	32,807	47,969

	2021	2020
4. ANALYSIS OF LIABILITIES		
Creditors and accrued expenses		
Accounts Payable	100,947	221,390
Income in advance	636,036	11,099
Total Creditors and accrued expenses	736,983	232,489
Employee costs payable		
Accrued salaries and wages	24,222	3,829
Annual leave and holiday pay	-	17,684
Total Employee costs payable	24,222	21,512
	2021	2020
5. PROPERTY, PLANT AND EQUIPMENT		
Motor Vehicles		
Additions	29,557	-
Depreciation expense	(3,621)	-
Total Motor Vehicles	25,936	-
Billboards		
Opening Balance	6,292	9,864
Depreciation expense	(3,571)	(3,571)
Total Billboards	2,721	6,292
Computers and Software		
Opening Balance	1,317	4,558
Additions (disposals)	(1,702)	-
Depreciation expense	4,308	(3,241)
Total Computers and Software	3,923	1,317
Furniture, Fittings and Equipment		
Opening Balance	18,216	16,633
Additions	2,045	7,756
Depreciation expense	(4,987)	(6,173)
Total Furniture, Fittings and Equipment	15,274	18,216
Total Property, Plant and Equipment	47,854	25,825

DESTINATION COROMANDEL *trust*

	2021	2020
6. LOSSES TO CARRY FORWARD		
Net Trustees Income (Loss) for the year		
Current Year Earnings	(526)	(2,703)
Total Net Trustees Income (Loss) for the year	(526)	(2,703)
Deductions from Taxable Profits		
Losses Brought Forward	2,703	-
Total Deductions from Taxable Profits	2,703	-
Total Losses to Carry Forward	3,229	2,703

	2021	2020
7. ACCUMULATED FUNDS		
Accumulated Funds		
Opening Balance	(36,116)	(30,712)
Accumulated surpluses or (deficits)	(526)	(2,703)
Entertainment - Non deductible	(1,244)	(2,700)
Total Accumulated Funds	(37,886)	(36,116)

8. RELATED PARTY TRANSACTIONS

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

John Sandford is a trustee and was paid through John Sandford Limited and Zabex Limited for trustee fees, mileage claims and other expenses.

Anthony Coombe is a trustee and was paid for trustee fees, mileage claims and other expenses.

Scott Lee is a trustee and was paid for trustee fees, mileage claims and other expenses.

	2021	2020
9. TRUSTEE FEES		
John Sandford	15,000	15,000
Anthony Coombe	9,000	9,000
Scott Lee	9,000	9,000

10. CONTINGENT LIABILITIES AND GUARANTEES

There are no contingent liabilities or guarantees as at 30 June 2021 (Last year - nil).

11. CAPITAL EXPENDITURE COMMITMENTS

There are no commitments for capital expenditure as at 30 June 2021 (Last year - nil).

12. EVENTS AFTER THE BALANCE DATE

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

13. ABILITY TO CONTINUE OPERATING

Destination Coromandel will continue to operate for the foreseeable future. Commitments have been made by both Settlers in their long-term plans to continue support for a regional tourism organisation. MBIE has also awarded a STAPP grant and Regional Event fund grant to the entity to administer. The two i-SITE's operated by Destination Coromandel are anticipated to be divested on the 30th September 2021, as our Settlers wish them to be run by local community based organisations.



DESTINATION
COROMANDEL

www.thecoromandel.com

Hahei Beach