



ANNUAL REPORT

2022 / 23



Destination  
**HAURAKI  
COROMANDEL**

Karangahake Gorge

## BOARD & MANAGEMENT *review*

The last year has tested the resolve of the team at Destination Hauraki Coromandel (DHC) as it has for many in our region; a small group dealing with consecutive external challenges while trying to embed a post-pandemic destination management approach and maintain a busy marketing calendar.

Easily the toughest year on record, we are fortunate for experienced team members who've maintained a steady course and high output in the face of adversity. Like the Hauraki Coromandel region, challenges for DHC have been exposed by the desperate situation caused by severe weather events, and it will take time to recover. The silver lining is the opportunity to better understand the challenges and move forward to realise the full potential defined in the region's first destination management plan (DMP).

We adapted our work schedule in response to cascading events including the cancellation of the Auckland Coromandel ferry, extreme weather and multiple closures of our roading network, the Hauraki Rail Trail, conservation campgrounds and attractions – including Karangahake Gorge, the Coromandel Coastal Walkway and to Cathedral Cove. We presented a simple recovery plan focusing on business resilience, regional promotion and transport linkages.

The New Zealand Visitor Sector Agency Emergency Group was the ideal channel (among many for us) to communicate the needs and safety of our visitors and businesses, impacts to our communities and to advocate for regional support. Thames-Coromandel District Council (TCDC) and the Cyclone Recovery Group, that included DHC Chair John Sandford, went on to administer the cyclone recovery grant for Waikato businesses most affected, all of which were in Hauraki Coromandel.

Promotion kicked off quickly with a simple effective map showing available routes and new travel times. This was followed by the 'Welcome to our World' digital marketing campaign, facilitation of a targeted Newstalk ZB radio campaign and the delivery of a novel 'Lucky Loop' promotion to remind people that roads and businesses in the region were open and waiting.

Communicating the impacts of the huge loss of income to the region became pivotal:

- From January to June 2023 regional spend was down 25% compared to the same time last year, representing a \$60m decrease in electronic card spend (this does not even include cash and online payments)
- We were the worst performing region in New Zealand, at a time when growth in travel across the country has been recovering strongly
- The closure of SH25A until March 2024 had an immediate impact and will represent further losses for the upcoming summer
- The loss of the Cathedral Cove walking track which is a hero attraction for the region
- No ferry connection to Auckland for the upcoming summer

Advocacy alongside TCDC and further support from Hauraki District Council (HDC) has been crucial in securing the additional promotional funds to deliver our single largest ever marketing campaign for the upcoming visitor season, summer 2023/24.

DHC contributed insights to the Waka Kotahi Coromandel and Hauraki resilience response that mapped and prioritised remedial work (by road, sea and air) – with this obviously being the most urgent phase of the regional response. These events and the destination management planning process has highlighted the need to build stakeholder collaboration to improve alignment and address underinvestment in the Hauraki Coromandel tourism ecosystem if the region is to build back better.

We acknowledge the support of our funding Councils, the critical role they will play in Destination Management and the challenges to fund this approach, particularly given our location, typically high volume of visitation and small rate payer base. Greater collaboration and focus on priority actions will improve outcomes for our communities that are desperately needed after such a rough time.

As part of Regional Tourism New Zealand we continue to express the urgent necessity for an adapted funding model for regional tourism organisations such as ours, with less reliance on local government. If we are not funded in a more robust and sustainable way, we risk tourism returning to an unsustainable industry in the face of nationwide efforts to deliver regenerative benefits.

Hauraki Coromandel is ideally positioned to be ambitious in our quest for tourism to deliver a net positive future – where tourism gives more than it takes. However we can't achieve material progress in isolation. We must work together and advocate harder.



**John Sandford**  
Chairperson,  
Destination Hauraki Coromandel Trust



**Hadley Dryden**  
General Manager,  
Destination Hauraki Coromandel



Otama Beach

## MARKETING

Following on the success of previous “Where Kiwis Holiday” campaigns the team ran a third series of activations to keep The Coromandel top of mind as the place to go for summer holidays. Driving referrals to local businesses and the uptake of packages was again a primary component. This year there was an additional focus on late summer/early spring travel for returning Australian visitors (our largest international market) via paid Australian media placements.

Early phases of the campaign were strong, but planned activity was withdrawn as the sustained negative impacts of the bad weather on the region became apparent. Our activity shifted to recovery mode, providing updated regional access maps and using our Google partnership to correct route-finding issues. “Welcome to our World” and “Lucky Loop” promotions were activated to reassure people that roads and businesses were open for business. From here, we were able to run a “Winter our Way” campaign and promote local business packages.

While New Zealand’s Covid-related travel restrictions lasted longer than those in many other countries, by March 2023 international travel to New Zealand had resumed to more than 67% of the annual 2019 level for the primary markets for Hauraki Coromandel. Our team attended the two-day Regional Tourism New Zealand – Inbound Tour Operators connection event which attracted 100-plus trade representatives and agents from about 50 companies. The trade sector of the travel industry was decimated by travel restrictions so the opportunity to train rebuilding teams was furthered at the Explore Central North Island trade show, which our team attended with 4 Hauraki Coromandel Businesses. In May the first in-person post- Covid TRENZ event was held in Christchurch with our team meeting with 70 agents from our key international markets of Australia, North America, UK and Europe. We also hosted international agents on three in-region familiarisation visits.

Our marketing content is generated in-house with paid external media placements, but we also rely on earned media to augment our reach. We hosted two media organisations in-region in early summer, but with the ensuing media focus on the negative effects on the region of weather events, our opportunities for positive PR became severely limited as disaster news stories dominated.

The primary regional marketing asset for Hauraki Coromandel is the official visitor website, [www.thecoromandel.com](http://www.thecoromandel.com). This year we were able to upgrade to a new site with funding from MBIE under the Tourism Communities: Support, Recovery and Re-Set Plan. It is a large undertaking for our team, our single greatest investment of resources and the digital platform for all our marketing activity.



Cathedral Cove Kayaks, Hahei

Having completed the Destination Management Plan we have adopted the vision expressed by our communities for the future of tourism in our region and continue to re-shape our organisation's activity. In time the DMP will help guide key stakeholder decisions and actions according to local priorities. Initiatives that have progressed most often have passionate people driving them, with local communities well aware of the potential impacts, which are predominantly positive. DHC staff have supported select projects, in addition to our marketing roles, advancing successful outcomes to benefit the region long term.

DHC's PR & Content Manager, Lynette Dey, has been instrumental in highlighting the potential of Ridges Mountain Bike Park early on. Supporting the development of their strategy, funding applications and track development has contributed to the momentum that continues to build. Lynette has respectfully worked within the bike scene, behind the scenes, even before locals identified multi day walking and biking tracks as the second region wide priority in the DMP.

Working with local Mountain Bike specialist Ally Davey, Lynette expanded the brief to Thames and Coromandel Town before going region-wide. Ally continues to take the project to another level ensuring the only dust from this strategy comes by way of bike tyres. TCDC are now leading this development, resuming their early initiative that began with their popular 'Tracks and Trails' forums.

The Paeroa Historical Maritime Park has taken off under the attention of DHC's Marketing Manager, Megan Nunn. Having first developed a park strategy, Megan then worked with Hauraki District Council (HDC) and Gr8 Job Hauraki to secure a Product Development role for the Park. Megan has supported park management and local consultant, Lisa D'Souza, who have combined to deliver an immediate increase in wedding enquiries, hosted familiarisation tours, commissioned a photo shoot and driven river cruise bookings.

When combined with the HDC's Wharf St upgrades and the Hauraki Rail Trail loop, the Maritime Park will deliver reciprocal value between the visitor and Paeroa communities, becoming an iconic tourism attraction for Hauraki Coromandel.

The Pūkorokoro Miranda Shorebird Centre was identified by DHC, HDC and the Hauraki Rail Trail Trust as a potential world class attraction. The opportunity to grow awareness and protection of Shorebird habitat was validated with support from the Pūkorokoro Miranda Naturist Trust and Ngāti Pāoa prior to engaging tourism Tourism Recreation and Conservation TRC consultants. TRC developed a strategic plan and business case where the final vision raised the bar on initial expectations: The Pūkorokoro shorebird coast is a world-renowned conservation site – host to a thriving shorebird population, inspiring conservation at a local and global scale, and providing wide reaching social and cultural benefits. Over \$400,000 of conservation funds have been secured to support restoration and protection of this special habitat since.

DHC Company Administrator Cara Jordan has been involved to some degree in all of the DMP work, including featured projects above. Residing in Mercury Bay, Cara was also tasked with supporting the Kūaotunu Dark Sky Trust. This involved making a variation submission to the proposed TCDC District Plan on regional lighting standards. Once approved by TCDC the International Dark Sky Association has indicated that KDST will be accepted as a Dark Sky Community. This project has historical significance and positive impacts on nature (in particular a population of Coromandel kiwi) that align with Hauraki Coromandel priorities identified by locals – such as the protection and preservation of biodiversity and the regenerative tourism future we aspire to. Cara's corporate background has helped the Trust navigate technical requirements that otherwise stall progress. The longterm goal is to influence the wider region, beginning with northern Coromandel and Mercury Islands, growing the region's dark sky reserve and biosphere.

The DMP has highlighted both opportunities and challenges, but importantly provided points of focus. Hauraki Coromandel needs to rapidly progress to having projects with business cases ready to go and due diligence completed to gain necessary support from external funders. Businesses and communities that want to progress tourism goals must adopt the DMP guiding stars within their projects. They reflect the values of the Hauraki Coromandel and act as a checklist to remind people what is important from the outset.

## SUSTAINABILITY

Together with local sustainability professionals at Instep, DHC established a simple sustainability programme, Forever good for your soul. Instep met with 70 local businesses assessing their carbon and waste footprint. Each business has also made a donation towards a community conservation group to support biodiversity in the region.

The greatest contribution was delivered by the Hauraki Rail Trail Trust (HRTT), who secured and committed \$114,000 towards their Traps and Trees initiative. Concentrated along sections of the Hauraki Rail Trail this will eventually act as a Predator Proof fence for the Peninsula and greatly increase the geography of protected land in Hauraki Coromandel. HRTT Chief Executive Officer, Diane Drummond, has been involved in multiple destination development projects across the region encouraging partnerships and aspiration.

The latest development that was initiated courtesy of Diane's relationships with mana whenua is tourism's support of the Pare Hauraki Nursery programme. DHC are working to enable support of local biodiversity initiatives beginning with the nursery at Ngāti Maru.

Predator Free Hauraki Coromandel led the second region wide kiwi call survey with 80 volunteers from local community conservation groups at 35 sites. Kiwi were heard at 22 sites. 515 calls, 137 female and 378 male. There has also been public sightings of kiwi shared on social media in Kūaotunu, Thames Coast and as far south as Pāuanui. We hope to see more signs of kiwi as the protection expands. Working with CEO Jude Hooson and the PFHC team we will also seek to grow awareness among locals and visitors of how they can help protect wildlife, such as keeping dogs on a lead and having them kiwi aversion trained.

While DHC's high sustainability standards have been maintained, the Forever good for your soul programme was interrupted, ironically by the unseasonal weather events. We continue to share knowledge with other Regional Tourism Organisations and Tourism Industry Aotearoa to align activity and simplify the process for businesses.

With 400km of coastline, vertiginous ranges and low lying plains our landscape is susceptible to climate change. 2023 has been beyond tough. Recovery work from different agencies and individuals in an effort to return us back to normal has been huge. However if we're honest, we are yet to build back better, understanding the opportunities that a regenerative tourism model can present for Hauraki Coromandel. Building support for this approach and securing funds to implement it, so we can deliver net positive outcomes will be more challenging still. Game on.



Predator Trapping Hauraki Coromandel

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*Financial Statements have been prepared independently.*

## COMPILATION REPORT

### Destination Hauraki Coromandel Trust For the year ended 30 June 2023

Compilation Report to the Trustees of Destination Hauraki 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 Hauraki Coromandel Trust for the year ended 30 June 2023.

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 Hauraki 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: 12 September 2023



## ENTITY INFORMATION

### Destination Hauraki Coromandel Trust For the year ended 30 June 2023

#### LEGAL NAME OF ENTITY

Destination Hauraki Coromandel Trust

#### ENTITY TYPE AND LEGAL BASIS

Charitable Trust

#### REGISTRATION NUMBER

2555842

#### ENTITY'S PURPOSE OR MISSION

Destination Hauraki 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 Hauraki 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 1957. 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, MBIE and other entities.

#### MAIN METHODS USED BY ENTITY TO RAISE FUNDS

Operating grants are the main revenue of the entity. A small amount of income is received from commissions.

**Physical Address**

200 Mary Street, Thames, New Zealand, 3500

**Postal Address**

PO Box 592, Thames, New Zealand, 3540

**Website**

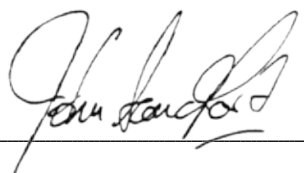
[www.thecoromandel.com](http://www.thecoromandel.com)

## APPROVAL OF FINANCIAL REPORT

**Destination Hauraki Coromandel Trust  
For the year ended 30 June 2023**

The Trustees are pleased to present the approved financial report including the historical financial statements of Destination Hauraki Coromandel Trust for the year ended 30 June 2023.

APPROVED



John Sandford

Trustee, Chairperson



Anthony Coombe

Trustee



Scott Lee

Trustee

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## STATEMENT OF SERVICE PERFORMANCE

### Destination Hauraki Coromandel Trust For the year ended 30 June 2023

#### DESCRIPTION OF ENTITY'S OUTCOMES

Destination Hauraki Coromandel Trust (DHC) is funded by our two local Councils, supported by direct local tourism industry investment and other available grants for tourism such as the Ministry of Business, Innovation and Employment's (MBIE's) Strategic Tourism Assets Protection Programme. We are one of 31 Regional Tourism Organisations (RTOs) in New Zealand, and we promote our region under *The Coromandel - good for your soul* brand.

Traditionally DHC has been tasked with the role of destination marketing to bring as many visitors as possible to the region; increase visitor spend; and support tourism operators to develop new and innovative attractions in the region. The impacts of Covid-19 have resulted in time for reflection within the New Zealand tourism industry, and this model is increasingly becoming outdated.

In consultation with our stakeholders, we are evolving into a Destination Management Organisation (DMO), with the region's first destination management plan at the heart of our business planning. As a DMO it is our job to establish a competitive edge for the destination, ensure long-term sustainability and protection of our environment, advocate for community needs, strengthen institutional governance, and build a strong and vibrant brand identity around Hauraki Coromandel. We also need to find ways to lower the direct impacts of tourism on our communities, infrastructure and local residents, whilst still providing a "good for your soul" experience for the visitor.

#### DESCRIPTION OF THE ENTITY'S OUTPUTS

This year has been a year of two halves. Recovery from Covid-19 impacts started strongly with non-restrictive travel and the return of international visitors. But the severe impact of summer weather events has caused irretrievable damage with far-reaching impacts to our local economy. Hauraki Coromandel was the worst performing region in New Zealand for January to April 2023, in what is typically the busiest and most productive time of the year. Our resilience has been sorely tested, but with hard work and a clear perspective of the road ahead, we have also made significant gains.

Destination Hauraki Coromandel (DHC) maintained a busy schedule throughout the pandemic as we took on an extensive project list courtesy of MBIE's Strategic Tourism Asset Protection Programme (STAPP) and Reset (RSS) funding. In addition to business as usual, these projects included the region's first Destination Management Plan (DMP) as a highlight.

Throughout the development of the DMP key themes surfaced again and again representing the values of Hauraki Coromandel communities. Termed as Guiding Stars they include:

- Regenerate the environment
- Honour past and future
- Uphold mana whenua aspirations
- Reflect community priorities
- Nourish creativity, arts and culture

These Guiding Stars are now incorporated in everything we do.

As we closed in on the final 6 months of the MBIE funded projects, incessant poor weather turned for the worst resulting in a domino of challenges that consumed what was left of this reporting period. Responding to the Fullers Auckland-Coromandel Ferry cancellation, road slips and closures, disruptions to Karangahake Gorge, Hauraki Rail Trail, and Cathedral Cove walking tracks has absorbed time and resource. DHC became focused on working towards business resilience, destination marketing, and majorly roading access, awareness and improvements.

MBIE funds also allowed DHC to support tourism projects that also feature in the DMP. Examples include Pūkorokoro Shorebird Centre, Paeroa Historical Maritime Park, Hauraki Coromandel Bike Strategy, Kūaotunu Dark Sky and the Forever good for your soul programme (70 businesses received sustainability assessments).

Our traditional core business, promoting the region, was in greater demand due to the challenging conditions of 2023. The Where Kiwis Holiday campaign kicked off prior to summer. It was paused while we responded to storm events, with responsive marketing activity activated including a Travel Times map, *Welcome to our World* digital content, targeted Newstalk ZB radio ads and a national *Lucky Loop* promotion.

This all coincided with the return of the international trade marketing activity. Working with 7 other regions in the Explore Central North Island alliance we resumed targeted activity to our key markets in North America and UK/Europe. This included the eXplore inbound trade show attended by 172 buyers at Eden Park. DHC attended alongside Orakawa Bay Retreat, Driving Creek Railway, Kiwi Dundee and Waihi Gold Discovery Centre. This event was followed by TRENZ in Christchurch with ourselves and Driving Creek Railway in attendance. One trade famil was also hosted and media visits from Kia Ora magazine and Nourish magazine took place to raise the region's profile.

DHC works with Tourism New Zealand across trade and media marketing, including domestic in the last year. However activity is predominantly offshore, including Australia – where this year we profiled the region with a Trail Towns TV and radio series, in partnership with the Hauraki Rail Trail.

Digital activity is ongoing with thecoromandel.com reaching 570,000 users and 750,000 sessions. We also take the good for your soul brand to trade with 6 newsletters, 12 consumer e-news plus social activity across facebook (61k followers), instagram (18kfollowers) and youtube (587 subs).

To read the DMP, recent project case studies and the annual report, please visit [www.thecoromandel.com](http://www.thecoromandel.com).

## STATEMENT OF FINANCIAL PERFORMANCE

Destination Hauraki Coromandel Trust  
For the year ended 30 June 2023

	NOTES	2023	2022
<b>REVENUE</b>			
Council funding	1	631,618	637,416
Grants and sponsorship	1	440,982	700,465
Website, advertising, i-SITEs & brochures	1	112	22,576
Interest revenue	1	4,399	528
Other revenue	1	-	3,478
<b>Total Revenue</b>		<b>1,077,112</b>	<b>1,364,463</b>
<b>EXPENSES</b>			
Employee related costs	2	309,044	362,538
Advertising and marketing costs	2	656,144	891,950
Property, plant & equipment depreciation	2	11,641	14,302
Costs of providing goods and services	2	45,025	68,594
Trustee Fees	2	33,000	33,000
Grants and donations	2	400	25,602
<b>Total Expenses</b>		<b>1,055,254</b>	<b>1,395,985</b>
<b>Surplus/(deficit)</b>		<b>21,858</b>	<b>(31,522)</b>
<b>Surplus/(deficit) for the year</b>		<b>21,858</b>	<b>(31,522)</b>

# DESTINATION HAURAKI COROMANDEL *trust*

## STATEMENT OF FINANCIAL POSITION

Destination Hauraki Coromandel Trust  
For the year ended 30 June 2023

	NOTES	30 JUNE 2023	30 JUNE 2022
<b>ASSETS</b>			
<b>Current Assets</b>			
Bank account and cash	3	189,466	637,234
Debtors and prepayments	3	63,967	35,276
<b>Total Current Assets</b>		<b>253,433</b>	<b>672,509</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5	26,921	37,362
<b>Total Non-Current Assets</b>		<b>26,921</b>	<b>37,362</b>
<b>Total Assets</b>		<b>280,354</b>	<b>709,872</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	4	219,229	143,303
Employee costs payable	4	7,285	5,038
Unused donations and grants with conditions	4	102,236	631,689
<b>Total Current Liabilities</b>		<b>328,750</b>	<b>780,030</b>
<b>Total Liabilities</b>		<b>328,750</b>	<b>780,030</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>(48,396)</b>	<b>(70,159)</b>
<b>ACCUMULATED FUNDS</b>			
Accumulated surpluses or (deficits)	7	(48,396)	(70,159)
<b>Total Accumulated Funds</b>		<b>(48,396)</b>	<b>(70,159)</b>

## STATEMENT OF CASH FLOWS

Destination Hauraki Coromandel Trust  
For the year ended 30 June 2023

	2023	2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Council funding	631,618	637,416
Grants and sponsorship	437,982	700,465
Receipts from providing goods or services	112	14,410
Revenue in Advance	(559,453)	(4,346)
Interest revenue	4,399	528
Payments to suppliers and employees	(938,310)	(1,289,357)
GST	(10,083)	(1,114)
Cashflows from other operating activities	(33,000)	(30,250)
<b>Total Cashflow from Operating Activities</b>	<b>(446,569)</b>	<b>27,751</b>
<b>CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES</b>		
Receipts from sale of property, plant and equipment	-	3,478
Payments to acquire property, plant and equipment	(1,199)	(10,385)
<b>Total Cash Flows from Investing and Financing Activities</b>	<b>(1,199)</b>	<b>(6,907)</b>
<b>Net Increase/(Decrease) in Cash</b>	<b>(447,768)</b>	<b>20,844</b>
<b>BANK ACCOUNTS AND CASH</b>		
Opening Cash	637,234	616,390
Closing Cash	189,466	637,234
<b>Net change in cash for period</b>	<b>(447,768)</b>	<b>20,844</b>

*Revenue in Advance includes Council Funding, and the Regional Grant received in Advance.*

## STATEMENT FOR ACCOUNTING POLICIES

**Destination Hauraki Coromandel Trust**  
**For the year ended 30 June 2023**

### **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	7 to 30% SL
Computer Equipment	40 to 67% SL
Motor Vehicles	21% SL
Plant and Equipment	7 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

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.

# DESTINATION HAURAKI COROMANDEL *trust*

## NOTES TO THE PERFORMANCE REPORT

Destination Hauraki Coromandel Trust  
For the year ended 30 June 2023

	2023	2022
<b>1. ANALYSIS OF REVENUE</b>		
<b>Council funding</b>		
Grant from Thames-Coromandel District Council	502,918	517,416
Grant from Hauraki District Council	128,700	120,000
<b>Total Council Funding</b>	<b>631,618</b>	<b>637,416</b>
<b>Grants and Sponsorship</b>		
Coummunity Conservation Sponsorship	3,000	-
Hauraki Coromandel Business Awards Sponsorship	-	21,000
Regional Event Fund Grant	68,610	84,002
STAPP Grant	369,372	595,463
<b>Total Grants and sponsorship</b>	<b>440,982</b>	<b>700,465</b>
<b>Website, advertising, i-SITES &amp; brochures</b>		
Brochures & advertising	-	16,015
Commissions	112	2,880
i-SITE retail	-	3,682
<b>Total Website, advertising, i-SITES &amp; brochures</b>	<b>112</b>	<b>22,576</b>
<b>Interest Revenue</b>		
Interest Income	4,399	528
<b>Total Interest revenue</b>	<b>4,399</b>	<b>528</b>
<b>Other Revenue</b>		
Gain on Disposal of Fixed Assets	-	3,478
<b>Total Other revenue</b>	<b>-</b>	<b>3,478</b>
	<b>2023</b>	<b>2022</b>
<b>2. ANALYSIS OF EXPENSES</b>		
<b>Employee Related Costs</b>		
ACC	803	1,094
Salaries and wages	299,575	349,930
Employer superannuation contributions	8,665	11,514
<b>Total Employee related costs</b>	<b>309,044</b>	<b>362,538</b>

	2023	2022
<b>2. ANALYSIS OF EXPENSES</b>		
<b>Advertising and marketing costs</b>		
Domestic Marketing	141,187	131,781
International Marketing	24,484	21,009
Digital Marketing	19,574	30,970
Marketing Data Management	32,925	28,725
Regional Event Fund	68,610	84,002
STAPP Expenditure	369,364	595,463
<b>Total Advertising and marketing costs</b>	<b>656,144</b>	<b>891,950</b>
<b>Property, plant and equipment depreciation</b>		
Depreciation	11,641	14,302
<b>Total Property, plant and equipment depreciation</b>	<b>11,641</b>	<b>14,302</b>
<b>Costs related to providing goods or services</b>		
Cost of goods sold	-	7,782
Administration Expenses	45,025	60,812
<b>Total Costs related to providing goods or services</b>	<b>45,025</b>	<b>68,594</b>
<b>Trustee Fees</b>		
Trustee Fees	33,000	33,000
<b>Total Trustee Fees</b>	<b>33,000</b>	<b>33,000</b>
<b>Grants and donations</b>		
Donations	400	450
Donated Stock	-	25,152
<b>Total Grants and donations made</b>	<b>400</b>	<b>25,602</b>

#### **Donated Stock**

In 2022 The Destination Hauraki Coromandel Trust donated inventory valued at \$25,152 to the Whitianga Information Centre Charitable Trust when the i-SITE operation was handed over. This inventory had been purchased for the overseas tourism market and was unable to be sold by Destination Hauraki Coromandel Trust when the Trust ceased operating the i-SITE. It was anticipated that the Whitianga Information Centre Charitable Trust might be able to sell this inventory as international tourism increases.

	2023	2022
<b>3. ANALYSIS OF ASSETS</b>		
<b>Bank accounts and cash</b>		
Cheque accounts	189,466	637,234
<b>Total bank accounts and cash</b>	<b>189,466</b>	<b>637,234</b>
<b>Debtors and prepayments</b>		
Debtors	34,992	-
GST	28,766	32,791
Prepayments	209	2,485
<b>Total Debtors and prepayments</b>	<b>63,967</b>	<b>35,276</b>

# DESTINATION HAURAKI COROMANDEL *trust*

	2023	2022
<b>4. ANALYSIS OF LIABILITIES</b>		
<b>Creditors and accrued expenses</b>		
Accounts Payable	219,229	143,303
<b>Total Creditors and accrued expenses</b>	<b>219,229</b>	<b>143,303</b>
<b>Employee costs payable</b>		
Accrued salaries and wages	7,285	5,038
<b>Total Employee costs payable</b>	<b>7,285</b>	<b>5,038</b>
<b>Unused donations and grants with conditions</b>		
Unused Council Funding with Conditions	30,000	28,170
Unused Grants with Conditions	72,236	603,519
<b>Total Unused donations and grants with conditions</b>	<b>102,236</b>	<b>631,689</b>
	<b>2023</b>	<b>2022</b>
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Motor Vehicles</b>		
Opening Balance	19,729	25,936
Additions (Disposals)	-	(10,870)
Depreciation expense	(6,207)	4,663
<b>Total Motor Vehicles</b>	<b>13,522</b>	<b>19,729</b>
<b>Billboards</b>		
Opening Balance	-	2,721
Depreciation expense	-	(2,721)
<b>Total Billboards</b>	<b>-</b>	<b>-</b>
<b>Computers and Software</b>		
Opening Balance	3,720	3,923
Additions (disposals)	(2,347)	(4,958)
Depreciation expense	(266)	4,755
<b>Total Computers and Software</b>	<b>1,107</b>	<b>3,720</b>
<b>Furniture, Fittings and Equipment</b>		
Opening Balance	13,913	15,274
Additions (disposals)	(4,478)	(10,587)
Depreciation expense	2,856	9,226
<b>Total Furniture, Fittings and Equipment</b>	<b>12,292</b>	<b>13,913</b>
<b>Total Property, Plant and Equipment</b>	<b>26,921</b>	<b>37,362</b>

In the 2023 year STAPP grants were received on a “use or return” basis for Website expenditure of \$107,800 and a Travel App of \$65,000. These assets have not been recorded in the Depreciation Schedule. Grant revenue has been offset against the asset cost to leave a Nil value, in line with IRD guidance.

	2023	2022
<b>6. LOSSES TO CARRY FORWARD</b>		
<b>Net Trustees Income (Loss) for the year</b>		
Current Year Earnings	21,858	(31,522)
<b>Total Net Trustees Income (Loss) for the year</b>	<b>21,858</b>	<b>(31,522)</b>
<b>Deductions from Taxable Profits</b>		
Losses Brought Forward	34,752	3,230
<b>Total Deductions from Taxable Profits</b>	<b>34,752</b>	<b>3,230</b>
<b>Total Losses to Carry Forward</b>	<b>12,894</b>	<b>34,752</b>

	2023	2022
<b>7. ACCUMULATED FUNDS</b>		
<b>Accumulated Funds</b>		
Opening Balance	(70,159)	(37,886)
Accumulated surpluses or (deficits)	21,858	(31,522)
Entertainment - Non deductible	(96)	(751)
<b>Total Accumulated Funds</b>	<b>(48,396)</b>	<b>(70,159)</b>

#### 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 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.

	2023	2022
<b>9. TRUSTEE FEES</b>		
John Sandford	15,000	15,000
Anthony Coombe	9,000	9,000
Scott Lee	9,000	9,000

	2023	2022
<b>10. UNUSED DONATIONS AND GRANTS WITH CONDITIONS</b>		
Hauraki District Council - Business Support & Resilience Fund	30,000	-
MBIE - STAPP Fund	-	542,172
MBIE - Regional Event Fund	72,236	61,346
Thames-Coromandel District Council	-	28,170
<b>Total Unused donations and grants with conditions</b>	<b>102,236</b>	<b>631,689</b>

## **11. CONTINGENT LIABILITIES AND GUARANTEES**

There are no contingent liabilities or guarantees as at 30 June 2023 (Last year - nil).

## **12. CAPITAL EXPENDITURE COMMITMENTS**

There are no commitments for capital expenditure as at 30 June 2023 (Last year - nil).

## **13. 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).

## **14. ABILITY TO CONTINUE OPERATING**

Destination Hauraki Coromandel Trust 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 Regional Event fund grant to the entity to administer.