



Statement of intent 2020/21



Company directory

SOUTHLAND REGIONAL DEVELOPMENT AGENCY LIMITED

Trading as Great South

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DIRECTORS

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BANK

Westpac New Zealand Limited

AUDITORS

Audit New Zealand (on behalf of the Office of the Auditor General)

PURPOSE OF THIS STATEMENT OF INTENT

In accordance with the requirements of Section 64(1) of the Local Government Act 2002, this Statement of Intent publicly sets out the overall intentions and activities for Great South – Southland's Regional Development Agency - for the next year, and the objectives to which those activities will contribute.

The objectives and strategic activities outlined in this document have been established in response to the shareholders' letter of expectation, which was received in February 2020, and as a result of ongoing discussions with class A shareholders in response to COVID-19. Great South will adopt an agile approach to its work programme to help support the economic restart of the Southland region, with the letter of expectation and consequent conversations used to hold the organisation accountable for achieving its overall vision and goals.

SHAREHOLDERS

<i>Class A Shareholders</i>	<i>Class B Shareholders</i>
Invercargill City Council	Invercargill Licensing Trust
Southland District Council	Mataura Licensing Trust
Gore District Council	Southland Chamber of Commerce
Environment Southland	Southern Institute of Technology

MEMBERS

Community Trust South

LEGAL STATUS

Southland Regional Development Agency Limited ("SRDA") was incorporated in New Zealand on 10 March 2019 under the Companies Act 1993 (NZBN 9429042001096).

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Foreword

Great South has been given a clear mandate to drive, advocate for, and support the region's development and future success.

Our commitment to delivering on this is made in recognition of the region's long, rich and indigenous history and its role as the stern of Te Waka o Aoraki – what we believe to be the driving force of Aotearoa.

While we have always embraced this, Aoraki's adventurous spirit and the unquestionable potential of Southland in our planning, the unexpected and evolving impact of COVID-19 has created a vastly different landscape that we, our stakeholders and the wider Southland community must respond to.

We are under no illusion of the hard work and unity that is required to ignite the region's economic restart and continue our path for driving our people and place forward. As a result of this, we have revised our direction for 2020-2021 to reflect the unprecedented times.

To lead Great South in this approach, we are delighted to have had Graham Budd join as the permanent Chief Executive for the organisation. This is a significant milestone in the development of Great South and Graham's wealth of knowledge, experience and proven success across a range of roles and industries, is the perfect fit for Great South being able to achieve great success for the wider Southland region.

With Graham at the helm, we are confident that the direction we have decided on for 2020-2021 will contribute to the region's economic re-start and redevelopment in a post-COVID-19 environment.

The strategy required to achieve this is outlined in this revised Statement of Intent. It highlights the clear thinking, prioritization and agile approach which will be essential to facilitating the economic restart, stimulating our economy, helping to retain jobs, supporting each industry sector and assisting local businesses to survive the unparalleled impacts of the virus.

Despite the challenges presented by COVID-19, our focus for working alongside local business owners/operators and regional leaders to build a resilient and diverse economy remains an absolute focus of the Great South team.

With this in mind we are committed to building an enduring partnership with Mana Whenua Ki Murihiku and acknowledge that the support of our councils: Invercargill City, Southland District, Gore District and Environment Southland, and partnerships with Invercargill Licensing Trust, Matura Licensing Trust, Southern Institute of Technology, Chamber of Commerce and Community Trust South are pivotal to the region's economic recovery and future success.

Above all, our unwavering passion for Southland will be front and centre of this approach as we look to deliver on the key objectives and expectations of our shareholders for the benefit of the wider Southland community

Ian Collier
Great South Board Chair



About us

Great South was established as Southland's regional development agency in March 2019 and began full operations in July 2019.

Committed to driving economic, social and cultural growth, Great South has a clear mandate to leverage opportunities for Southland in the areas of economic and business development, tourism and events. This involves incorporating Southland's Regional Tourism Organisation, central government's Regional Business Partner (RBP) Network, delivering a range of events, regional initiatives, and government-funded contracts that pave the way for regional development.

Through the essential support provided to Southland sectors and industries, Great South provides a unified voice for the region, establishes a strong platform for regional success and takes strides towards its clear vision of better lives through sustainable development.

Great South is a council-controlled organisation, jointly owned by Invercargill City Council, Southland District Council, Gore District Council, Environment Southland, Invercargill Licensing Trust, Matura Licensing Trust, Southland Chamber of Commerce, Southern Institute of Technology and its member Community Trust South.

CONSTITUTION OBJECTIVES

1. Achieve the objectives of our shareholders, both commercial and non-commercial, as specified in this Statement of intent
2. Be a good employer
3. Exhibit a sense of social and environmental responsibility
4. Conduct our affairs in accordance with sound business practice

GREAT SOUTH GOVERNANCE

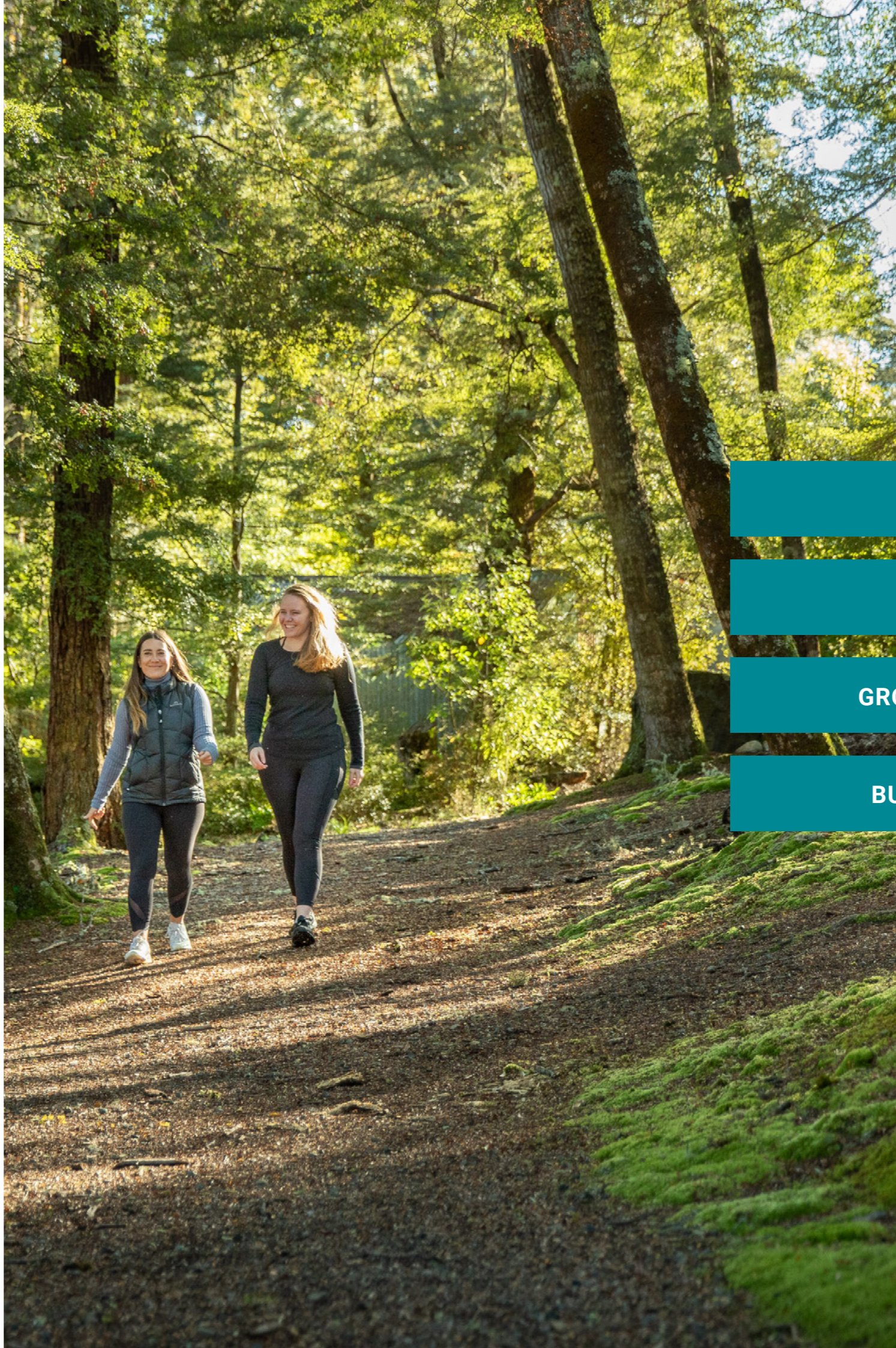
The Board of up to seven (currently five) independent directors is responsible for the strategic direction of Great South and the initiatives it is involved with. The Board oversees the business undertaken by Great South in accordance with the Local Government Act 2002, Companies Act 1993, the Company's Constitution and this Statement of Intent. The Chief Executive is responsible for the day to day operations of Great South, including the management of staff and reporting to directors on the performance against set priorities.

Our vision

Even better lives through sustainable development

This vision represents the ambitious goals of the Great South Board, its shareholders and the whole Southland region. It speaks to the potential for Southland to be recognised as the best place to live, work and play, and to the sustained approach that will be adopted in making this happen.

Southland has the drive, enthusiasm and leadership needed to establish itself on the world stage as a contemporary, connected and competitive place that is home to even better lives, and Great South is committed to achieving this vision.



Our goals

LONG TERM STRATEGIC GOALS

These goals have been set to provide a pathway to achieving Great South's vision and to ultimately contribute to the overall success of the Southland region. By investing in these four goals, better lives through sustainable development will be achieved and more social and economic growth encouraged.

GROW THE POPULATION

DIVERSIFY THE ECONOMY

GROW INNOVATIVE BUSINESSES

BUILD A SKILLED WORKFORCE

SHORT TERM STRATEGIC GOALS

In response to the evolving situation presented by COVID-19, Great South has also identified the following short-term goals that will see Southland best-placed to encourage the resilience of its economy, people and place.

1. Retain jobs and a skilled workforce
2. Lead and facilitate the economic restart and rebuild
3. Champion significant projects
4. Identify opportunities to build resilience and diversify

How we operate

Great South will aim to operate sustainably and in line with best management practice by adopting an approach that places equal importance on our people, place, environment and economic development. This will involve regularly reviewing processes, identifying opportunities to reduce the organisation's carbon footprint, working in partnership with local iwi, and ensuring practices and expenditure can withstand public scrutiny.

ROLES OF GREAT SOUTH

Great South's involvement in regional projects and initiatives will vary along a continuum. Depending on the nature or scope of the initiative, Great South may either support, govern, own, manage, facilitate/collaborate or advocate for its success. Essential to this is the partnerships established with sector representatives and key Southland stakeholders.

SUSTAINABLE FOCUS

The passing of the Zero Carbon bill has highlighted at a national level the urgency around addressing climate change and considering the environment in any new or existing initiatives and operations. Great South is proactively taking steps to equip Southland, and the rest of New Zealand, to transition to a low emission future. This involves developing environmentally focused initiatives, helping to insulate businesses against the rising costs of carbon, and taking steps to reduce the organisation's carbon footprint. In valuing the region's unique biodiversity, Great South will ensure that any promotional or economic initiatives align with the environment and allow for sustainable growth.

THE GREAT SOUTH TEAM

It is the people who work at Great South who are the organisation's most valuable asset and who are essential to being able to achieve the goals set for both the organisation and wider Southland region. To support the development of the Great South team, investment will be made to ensure individual skills are relevant and up to date and that staff can contribute to the organisation working efficiently and effectively.

HEALTH AND SAFETY

Great South embraces the belief that everyone has a right to a healthy and safe work environment and is committed to ensuring staff and anyone else on site is safe. While ensuring that the organisation meets its obligations with respect to New Zealand laws and regulations, Great South will also strive to create a culture where workers can contribute to the development of a thriving work environment and a place where social engagement is equally valued.

PARTNERING FOR SUCCESS

We are proud of our history and heritage as a region and we are committed to working alongside our treaty partners to share the story of our people and our place. We will establish a unified response to regional development that encapsulates the views of our treaty partners, stakeholders and our wider community. Now more than ever, these partnerships are essential for identifying and championing the opportunities that will leverage the future success of Murihiku. Recent events have once again proven that it is the people who work at Great South who are the organisation's most valuable asset, essential to achieving the goals of the organisation and the wider Southland region. We are all focussed on delivering beyond the expectations of our shareholders and we look forward to that challenge.

FUNDING

As a council-controlled organisation, Great South receives funding from its Class A shareholders to cover core operational costs. Contractually, shareholders and various other local and national funders invest in Great South for the advancement of specific projects, initiatives and contracts that fall within Great South's mandate for regional development.

WHAT WE VALUE

Supporting Great South's vision, instilling a strong sense of culture and highlighting a commitment to the development of the Southland region, are the following organisational values.

These form the essence of Great South's identity and encapsulate all that we do.



Community support



Kaitiakitanga



Heritage

Southland proud

Sustainability



Quality over quantity



Shareholder confidence



Being real

WHAT WE DO

Facilitate economic restart and resilience

Leveraging economic performance through initiatives that increase gross domestic product, extend local industry capability and create employment opportunities will be vital to the region's recovery and future prosperity. This will involve seeking opportunities for economic diversification that complement traditional channels and instilling a sense of confidence in existing and new sectors and industries re-positioning themselves in response to COVID-19.

ECONOMIC DIVERSIFICATION

With Southland's economy built upon a small number of key industries, Great South will identify opportunities to support and build resilience in these areas. In partnership with local councils and sector representatives, Great South will help to strategically foster innovation, spark industry and sector success and encourage the region's economic diversification. Of significance will be the support provided to the agriculture sector, businesses affected by the Invercargill inner-city development and tourism operators who will be looking to re-start their businesses post COVID-19. Great South will lead knowledge sharing across these areas and help to extract more value in what Southland can produce.

STIMULUS PROJECTS

To gain momentum in the region's economic recovery, Great South will work with key stakeholders to identify significant projects and advocate for central government funding. A proactive and coordinated approach to this process will support the region's economic growth. This will involve investigating, supporting and facilitating initiatives that have the potential to bring significant benefits to the region and build resilience against environmental and economic challenges. For the coming year, Great South will focus on opportunities associated with oats, hemp, seaweed, alternative protein and extending ground station services.

AMPLIFYING SOUTHLAND'S VOICE

Great South will embrace its role to provide a unified voice for Southland at a national level. This will involve advocating for increased support for the region in response to COVID-19, championing for improved infrastructure, housing and services, and attracting investment. Great South will provide valuable insight to inform decision making across the region and proactively work alongside major stakeholders to coordinate a regional response to matters of significance. It is within this area that Great South's range of roles will be most evident with involvement in management, governance, ownership, facilitation and collaboration, support and advocacy roles.

PROVIDE DATA AND INSIGHTS

It is recognised that up-to-date data is essential for successful regional planning and to being able to attract new investment to the region. Great South will analyse regional trends, including the economic impact of COVID-19, and liaise with central government on the areas of the Southland economy that require support. Economic updates and information provided by Great South will inform decision making at a local and national level and the proposed establishment of a data centre will enable the delivery of several regional initiatives, including adding value to Great South's space operations and contributing to the development of an application for land use decision making.



Identify opportunities that encourage development and support new investment in the region



Build capability, capacity and increase confidence in Southland's business sector

Support local business

Supporting, developing and extending local business can have a cascading effect upon the region's economic and social success by stimulating innovation, creating employment opportunities and increasing confidence in the sector. Support in this area involves supporting business capability and competitiveness, addressing labour market challenges and retaining talent in the region. Together, this paves the way for new thinking and contributes to more people wanting to work and invest in the region.

PROVIDE BUSINESS DEVELOPMENT SERVICES

As the Regional Business Partner Network provider, Great South will connect businesses with the essential resources and information needed to grow efficiently and effectively and, in some cases, re-establish themselves post COVID-19. Significant to this will be Great South's role to encourage planning, management capability and research and development opportunities across the business sector. This approach will support new and innovative thinking, which will be further strengthened by the growth and development funding that Great South can administer. A collaborative approach, both locally and with national organisations, will provide a complete support package for the sector and be particularly relevant for businesses post COVID-19 and whilst the Invercargill CBD redevelopment takes place.

MANAGE BUSINESS DEVELOPMENT PROGRAMMES

Through partnerships with New Zealand Trade and Enterprise, Business Mentors New Zealand, and Callaghan Innovation, Great South will lead business capability building across the region. By connecting businesses with capability training, facilitating a business mentoring programme and connecting businesses with research and development funding, Great South will foster business resilience and innovation across the region. The support offered to Southland businesses through these programmes will be vital to the re-establishment of a thriving business sector in Southland.

RETAIN A STRONG WORKFORCE

With significant change to Southland's economic landscape, initiatives that reinvigorate the Southland labour force, drive innovation, and help to re-establish local business will be essential to safeguarding the future prosperity of the region. Great South will be proactive in identifying initiatives that address the region's current and future labour market needs. This will, for the immediate future, include focusing on the retention of skills and talent in the region by connecting with Southland youth, up skilling those who have been out of the workforce, and supporting local businesses with their recruitment practices. The development of a second Southland workforce strategy will provide further direction for the region in the long-term by looking at opportunities to fill regional skills shortages and increase promotion of Southland as a preferred place to live and work.

INSULATING AGAINST THE COST OF CARBON

With the potential for some Southland businesses to be entering a re-building phase post COVID-19, there is an opportunity for this re-establishment to happen alongside increased environmental awareness. In support of this, Great South will connect businesses with the information and tools to help reduce their carbon footprint and insulate against the rising cost of carbon. Through the Carbon Neutral Advantage programme, Great South will identify initiatives that support the adoption of low-emission technologies and provide offsetting opportunities that ensure Southland businesses are best equipped to deal with change in this area.

Restart regional tourism

Guided by the Southland Murihiku Destination Strategy, Great South will lead the rejuvenation of the Southland tourism sector to deliver the best outcomes for the Southland region and its future visitors. A renewed focus on local, regional and domestic markets will present exciting opportunities to shape Southland's development as a preferred visitor destination and establish strong foundations for the sector moving forward. With appreciation of the changed psyche and motivation of visitors to travel, Great South will focus on making Southland attractive for domestic visitors, new investment and by positioning Invercargill as the gateway to the Southland region.

TOURISM SECTOR COORDINATION AND LEADERSHIP

Through partnerships with industry representatives, Iwi, locals and governing authorities, Great South will encourage the reimagination of the tourism sector and capitalise on opportunities to position Southland as a preferred visitor destination. As an extension of the essential support provided through the Regional Business Partner Programme, Great South will establish a strong foundation for local tourism operators to build upon, encourage capability building across the sector and facilitate interregional collaboration to support growth and development. Pivotal to this will be partnerships Great South establishes with the tourism stakeholders to provide clear leadership for the regeneration of the sector.

SOUTHLAND MURIHIKU DESTINATION STRATEGY

With the establishment of The Southland Murihiku Destination Strategy, Southland is well-placed to capitalise on the opportunities presented by the sector's changing landscape. The Strategy provides a framework for Southland's recovery by identifying the initiatives that will support local tourism operators in the short-term, and the key projects that will help to strengthen the overall sector, and Southland's unique offering, in the future. Fundamental to the Strategy's success will be stimulating the development of more commissionable product and embracing a holistic approach to planning for, and sustainably growing, the visitor economy across the five pillars of destination management: product development, marketing and promotion, sustainability, infrastructure and governance.

DESTINATION PROMOTION

Historically Southland has experienced a higher proportion of domestic visitation, with approximately two thirds of all visitors to the region being domestic, and is therefore uniquely placed to respond to changes within the travel sector. Great South will build on this position by inspiring travel to and around the Southland region within the local, regional and domestic markets. Promotion to these key markets will focus on the repositioning of Invercargill as the gateway to the Southland region, sharing Southland's story, and for the local market, encouraging Southlanders to explore their own backyard and support local. Through partnerships with industry representatives and a collaborative approach with neighbouring regions, Great South will encourage maximum exposure for the region and build upon the region's digital and media presence.

FACILITATING PRODUCT DEVELOPMENT

New tourism products and experiences were identified in the Southland Murihiku Destination Strategy as providing significant opportunities for the Southland tourism sector. With the Strategy providing a foundation for work in this area, including key areas of potential, Great South will support product development by providing the information, resources and advice needed to guide products to market and supporting operators re-positioning themselves in response to COVID-19. Essential to this will be understanding the new environment in which a product or experience will operate, the importance of the local market, the changing motivation of visitors and identifying opportunities to cluster experiences together to create a unique offering.



Leverage the potential of tourism to support Southland's economic restart

Re-establish Southland's event sector to help instil a sense of belonging across the Southland community

Strengthen Southland's events sector

From encouraging diversity, creating vibrancy and improving overall social wellbeing, events have long been recognised to bring significant benefits to the Southland region. In response to COVID-19, connection for locals to each other and their community will be of even greater importance. To encourage this, and instil a greater sense of belonging, Great South will focus on strengthening the local events sector. This will involve providing support for community events, delivering events that further support regional wellbeing and strengthening Southland's position as a preferred conference destination.

STRATEGIC EVENT PLANNING

To support the development of the Southland events sector, Great South will coordinate the development of the Southland Regional Events Strategy. The strategy will provide a strong foundation for the recovery of the sector by identifying the value of events, understanding how the sector supports Southland's story and by building upon the region's profile to establish an integrated approach to major events, visitor marketing, and economic development. From a strategic and operational perspective, this will provide strong direction for the sector and help to re-build Southland's event calendar.

EVENT MANAGEMENT SUPPORT

To re-establish an exciting and action-packed events calendar which can be enjoyed by locals and those from further afield, Great South will identify opportunities to deliver events and provide support to many of Southland's iconic events. This will involve managing the ILT Kidzone Festival, while also supporting

the delivery of the Burt Munro Challenge and other events across the Southland region. To support regional event delivery, Great South will connect event organisers with the resources, advice and promotional tools needed to encourage success, and highlight the social value events bring to the Southland region.

ATTRACTING CONFERENCES TO SOUTHLAND

With travel motivations likely to have changed significantly, the national conferencing sector presents exciting opportunities for the Southland region. Conferences play a unique role in encouraging repeat visitation and utilising commercial accommodation, particularly in the off seasons, and therefore are extremely beneficial for the Southland region. Great South will build upon key relationships with sector representatives, both nationally and locally, to encourage maximum exposure for the region as a conferencing destination.

Performance measures

REGIONAL ECONOMIC DEVELOPMENT

Identifying opportunities, encouraging development and supporting new initiatives and investment in the region that influence the creation of a diverse, resilient and strong economy.

Key strategic outcome	Great South contribution	Performance measure	2020/21
Develop a diverse and resilient economy	Identify and support opportunities that encourage economic development, sector extension, resilience and support new investment in the region	Investigate opportunities that diversify the economy	Deliver and increase investment for ground station services Support the development of the aquaculture industry Investigate the potential of land-use initiatives and associated products Support the re-establishment and foundations for development of the tourism industry Identify stimulus projects for funding Support funding applications, including the Provincial Growth Fund (new and existing)
		Support recovery and resilience through providing valuable data that supports informed decision making	Facilitate opportunities for industry and community collaboration as part of the Thriving Southland initiative Empower a farmer-led response to environmental challenges by supporting the development of an application that supports environmental and financial planning
		Provide data and insights on the region's performance to inform decision making	Investigate the establishment of a data centre Provide economic updates and host events on topics of relevance
Develop a diverse and resilient economy	Advocate for improved connectivity, infrastructure and services across the region	Attract investment to the region for improved housing	Support the Southland Housing Forum to increase housing stock across the region
		Encourage improved connectivity and digital services across the region	Lobby for and monitor the deployment of the rural broadband programme

BUSINESS DEVELOPMENT SERVICES

Building capacity and capability, encouraging innovation and business competitiveness, and increasing confidence in the Southland region.

Key strategic outcome	Great South contribution	Performance measure	2020/21
Strengthen local business	Support businesses at all stages of their recovery by providing the resources and training needed to position them to achieve growth	Manage business development programmes as part of the Regional Business Partner Network	Increase the number of businesses actively engaged with across the range of services offered Host workshops on relevant topics Connect businesses with training opportunities
Strengthen local business	Identify initiatives that support the region's transition to a low-emission future and mitigate the impact of climate change	Provide support to businesses and members of the community to insulate themselves against environmental challenges	Increase number of businesses planning carbon reduction strategies Create a local carbon measurement tool Provide ongoing measuring of Southland's carbon emissions Deliver workshops to increase awareness of environmental initiatives
Retain a skilled workforce	Coordinate initiatives that support the retention of talent in Southland	Strengthen pathways between education and employment through the Southland Youth Futures programme	Increase number of students engaged with Increase number of Employer Excellence Partners Increase number of at-risk youth worked with Host events that highlight training and employment opportunities available
Retain a skilled workforce	Coordinate initiatives that retain skilled migrants in Southland	Connect skilled migrants with employment opportunities in Southland and support local businesses with their recruitment practices	Increase number of skilled migrants engaged with Host events that support skilled migrants with their job-seeking journey Increase the number of businesses supported with the recruitment of skilled migrants



REGIONAL TOURISM DEVELOPMENT

Leveraging the potential of tourism across the region and building Southland's reputation as a preferred place to visit, live and work.

Key strategic outcome	Great South contribution	Performance measure	2020/21
Restart regional tourism	Engage and work alongside industry representatives and key stakeholders to restart the Southland tourism sector	Lead tourism sector coordination and leadership	Increase support for local tourism operators Participate in interregional collaboration Act as local, regional and national tourism stakeholder liaison
Restart regional tourism	Embrace a holistic approach to planning for and sustainably growing the visitor economy	Champion the Southland Murihiku Destination Strategy	Increase overnight visitation (dependent on the government determining new source of measurement for this) Increase tourism expenditure per visitor Activate selected projects in the Strategy
Restart regional tourism	Promote and inspire travel to Southland both domestically and internationally* *when international markets reopen	Manage regional tourism organisation services and work with local tourism operators, media and industry representatives to position Southland as a preferred place to visit	Increase media presence and features of the region Support product development Increase digital presence via website traffic and social media channels

REGIONAL EVENTS

Enhancing liveability, influencing infrastructure investment and showcasing the region's uniqueness through the delivery of events.

Key strategic outcome	Great South contribution	Performance measure	2020/21
Restart regional tourism	Profile Southland's range of events to give people further motivation to stay in Southland	Support development of Southland's event sector	Facilitate the development of the Southland Regional Events Strategy
		Support delivery and encourage the attraction of destination events	Deliver the ILT Kidzone Festival in 2021
Retain the population	Support event delivery to enhance regional wellbeing and encourage vibrancy and diversity across the region	Support the delivery of community events	Provide support to events across Southland
		Profile Southland as a preferred conference destination	Increase number of conferences prospected



Financial information

Southland Regional Development Agency STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the 12 months to June

	2020/21 Budget	2021/22 Forecast	2022/23 Forecast
Revenue			
Shareholder Investment			
Core	1,600,000	1,600,000	1,600,000
Contract	1,405,000	1,405,000	1,405,000
Total	3,005,000	3,005,000	3,005,000
Other Revenue			
Service Revenue	1,306,197	1,606,197	1,706,197
Project Revenue	922,751	727,751	737,751
Total	2,228,948	2,333,948	2,443,948
Total Revenue	5,233,948	5,338,948	5,448,948
Expenditure*			
Project and Service Expenditure			
Regional Economic Development	1,141,122	1,096,988	1,168,928
Business Support Services	1,003,414	1,023,482	958,952
Regional Tourism Development	925,195	943,699	959,837
Regional Event Delivery	562,350	573,597	585,069
Total	3,632,080	3,637,766	3,672,786
Core Expenditure			
Directors Fees	100,000	150,000	200,000
Employee Expense	770,077	785,478	801,188
Depreciation	50,000	70,000	70,000
Other Expenses	681,439	695,468	704,857
Total	1,601,516	1,700,946	1,776,045
Total Expenditure	5,233,596	5,338,712	5,448,830
Net Surplus / (Deficit) Before Tax	352	236	118

*All expenditure includes an increase of 2% per year, before any other adjustments

Southland Regional Development Agency STATEMENT OF FINANCIAL POSITION

	30 June 2021 Budget	30 June 2022 Forecast	30 June 2023 Forecast
Assets			
Current Assets			
Cash and Cash Equivalents	1,039,993	991,327	952,650
Receivables and Accruals	500,000	500,000	500,000
Prepayments	15,000	15,000	15,000
Inventories	10,000	10,000	10,000
Total	1,564,993	1,516,327	1,477,650
Non-Current Assets			
Property, Plant and Equipment	703,642	683,642	663,642
Intangible Assets	293,138	286,276	279,414
Total	996,780	969,918	943,056
Total Assets	2,561,773	2,486,245	2,420,706
Liabilities			
Non-Current Liabilities			
Payables and Accruals	300,000	300,000	300,000
Borrowings and Other Financial Liabilities	250,000	200,000	150,000
Deferred Revenue	650,000	585,000	520,000
Employee Entitlements	100,000	139,000	150,000
Other Current Liabilities	100,000	100,000	100,000
Total	1,400,000	1,324,000	1,220,000
Total Liabilities	1,400,000	1,324,000	1,220,000
Net Assets	1,161,773	1,162,245	1,200,706
Equity			
Contributed Capital	1,328,421	1,328,657	1,367,000
Retained Earnings	(166,648)	(166,412)	(166,294)
Total Equity	1,161,773	1,162,245	1,200,706

Southland Regional Development Agency STATEMENT OF CASH FLOWS

For the 12 months to June

	2019/20 Budget	2020/21 Forecast	2021/22 Forecast
Cash Flow From Operating Activities			
Receipts of shareholder investment	3,005,000	3,005,000	3,005,000
Receipts from other operating activities	2,228,948	2,333,948	2,443,948
GST	(287,033)	(292,755)	(292,737)
Payment to suppliers and employees	(5,183,349)	(4,994,859)	(5,094,887)
Total Cash Flow From Operating Activities	(18,007)	51,334	61,323
Cash Flow From Investing Activities			
Purchase of fixed assets and intangibles	(325,000)	(50,000)	(50,000)
Total Cash Flow From Investing Activities	(325,000)	(50,000)	(50,000)
Cash Flow From Financing Activities			
Proceeds from borrowings	250,000	0	0
Repayment of borrowings	0	(50,000)	(50,000)
Total Cash Flow From Financing Activities	250,000	(50,000)	(50,000)
Net Cash Flows	(93,007)	(48,666)	(38,677)
Cash Balances			
Cash, cash equivalents and overdrafts at beginning of period	1,133,000	1,039,993	991,327
Cash, cash equivalents and overdrafts at end of period	1,039,993	991,327	952,650
Net Change In Cash Balances For Period	(93,007)	(48,666)	(38,677)



Accounting policies

BASIS OF PREPARATION

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, the Companies Act 1993, and the Financial Reporting Act 2013. This includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) Reduced Disclosure Regime (RDR). Great South is eligible and has elected to report in accordance with Tier 2 PBE standards RDR on the basis the entity has no public accountability and has expenses > \$2m and < \$30m.

PRESENTATION CURRENCY

The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

HISTORICAL COST

The financial statements have been prepared on an historical cost basis.

GOODS AND SERVICES TAX

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following particular accounting policies, which materially affect the measurement of the results and financial position, have been applied:

REVENUE

Revenue is measured at the fair value of consideration received. Where funding is not conditional and the Company has no obligation to deliver a specific event or service, the revenue will be recognised when received.

Where the funding has conditions attached to it, the funding is recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. The funding is held as a liability until the specific conditions are met.

In certain circumstances funding is not received until after the event, in which case the revenue will be accrued when it is highly probable the funding will be received.

REVENUE IN ADVANCE

Revenue in advance is recognised where amounts received are in excess of the amounts recognised as revenue.

EXPENDITURE

All expenditure is recognised as incurred unless the liability is known and can be reasonably estimated, in which case the expenditure is accrued.

EMPLOYEE-RELATED EXPENDITURE

Wages, salaries and annual leave are recognised as an expense as staff provide services and become entitled to wages, salaries and leave entitlements.

INCOME TAX

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax.

CASH AND CASH EQUIVALENTS

Bank accounts and cash comprise of cheque and savings accounts held at call with banks.

DEBTORS

Debtors are measured at the amount owed.

CREDITORS AND ACCRUED EXPENSES

Creditors and accrued expenses are measured at the amount owed.

EMPLOYEE COSTS PAYABLE

A liability for employee costs payable is recorded when an employee has earned the entitlement.

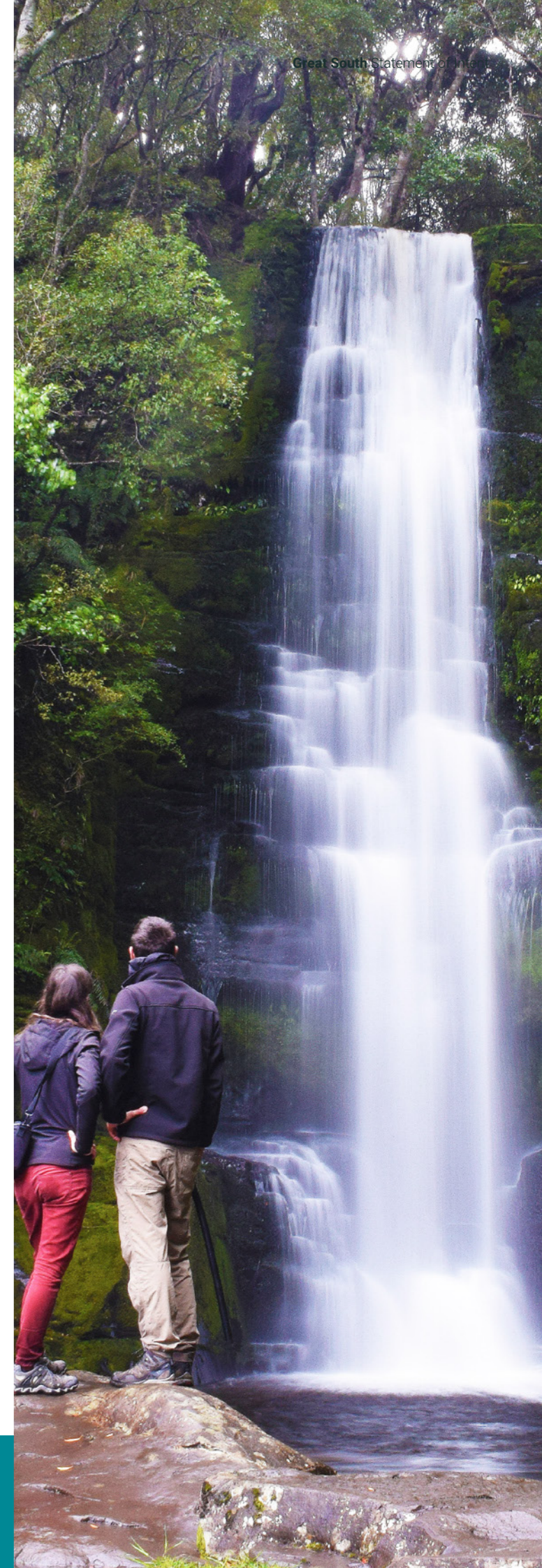
PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are 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 de-recognition 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 rates are yet to be determined.

EQUITY

Equity is the shareholders' interest in SRDA and is measured as the difference between total assets and total liabilities.



Shareholder requirements

STATEMENT OF INTENT

By 1 December each year Great South will deliver a draft Statement of Intent to the joint shareholders as required by the Local Government Act. The Joint Shareholders will provide feedback to the Great South board by 1 May each year, and the final document will be delivered by 15 June each year.

REPORTING

HALF YEARLY REPORTING

By the end of February each year the Board must deliver to the Shareholders a report on the organisation's operations during that half year. The report must include the information required to be included by the LGA 2002 and the Statement of Intent and any other information requested by the Shareholders.

ANNUAL REPORT

By the end of September each year, the Board must deliver to the Shareholders and make available to the public a report on the company's operations during the year. This will include audited financial statements and the performance targets and other measures by which performance was judged in relation to that organisation's objectives.

SHAREHOLDER MEETINGS

An annual meeting will be held before the end of September each year to present the annual report. The notice of the Annual Meeting will be no less than 10 working days before the meeting, unless agreed by all Shareholders who are entitled to attend and vote at the meeting.

SHAREHOLDER APPROVAL

Any subscription, purchase or acquisition by Great South of shares in a company or organisation will, require shareholder approval by special resolution as will the other matters outlined in Great South's constitution.

DIVIDEND POLICY

The Great South Board is not authorised to approve any dividends.

COMPENSATION FROM LOCAL AUTHORITIES

The Directors do not envisage any circumstances arising that would give rise to any claim from any local authority during the year other than those already stated in the financial statements.

NO SURPRISES

The Great South Board will keep the Shareholders, through the Joint Shareholders Committee informed on a "no surprises" basis. The board will be sensitive to the demand for accountability placed on the Councils from their respective ratepayers.

PUBLIC EXPECTATIONS

Great South is very mindful of the public scrutiny that comes with being a CCO. Great South will:

Build accountability and constructive working practices between their organisation and the shareholders.

Commit to transparency and accountability to the public. This includes fulfilling the planning, reporting and disclosure requirements of the Local Government Act 2002 as it applies to CCOs, and the requirements of the Local Government Official Information and Meetings Act 1987 as it applies to CCOs.

Ensure their organisation is fiscally disciplined with expenditure.

Embrace the Shareholder Councils' strategic priorities as set out in their Long-term Plans 2018-2028 and any other relevant documents.

