

GREAT SOUTH



Southland Regional Development Agency

Statement of Intent

2024 - 2027



COMPANY DIRECTORY

SOUTHLAND REGIONAL DEVELOPMENT AGENCY LIMITED TRADING AS GREAT SOUTH

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DIRECTORS

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REGISTERED OFFICE

Southland Regional Development Agency Limited
143 Spey Street, Invercargill

BANK

Westpac New Zealand

AUDITORS

KPMG (on behalf of the Office of the Auditor General)

SHAREHOLDERS

Class A Shareholders

Invercargill City Council
Southland District Council
Gore District Council
Environment Southland

Class B Shareholders

Invercargill Licensing Trust
Mataura Licensing Trust
Southland Chamber of Commerce
Southern Institute of Technology

MEMBERS

Community Trust South

LEGAL STATUS

Southland Regional Development Agency Limited ("SRDA") was incorporated in New Zealand on 29 March 2019 under the Companies Act 1993 (NZBN 9429047359185).

COMPANIES OWNED BY THE SOUTHLAND REGIONAL DEVELOPMENT AGENCY LTD.

Space Operations New Zealand Limited – 100%
New Zealand Functional Foods Limited – 49%

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 states the planned activities, intentions and performance measures for Great South, Southland Regional Development Agency, for the next three years. It is written in response to the shareholders' letter of expectation, received 10 November 2023.

Great South is tasked with leading the future growth aspirations of Southland on behalf of its shareholders, stakeholders and the wider Southland community.



Contents

3 Foreword

WHO WE ARE

- 4 About us
- 5 What we value
- 6 Our vision
- 7 Southland snapshot
- 8 How we operate
- 10 Our priorities

OUR WORK

- 12 Regional development leadership
- 14 Regional promotion
- 16 Business support and diversification
- 18 Net Zero Southland
- 20 Performance measures
- 23 Space Operations New Zealand

FINANCIAL STATEMENTS

- 24 Statement of comprehensive revenue and expense
- 25 Statement of financial position
- 26 Statement of cash flows
- 27 Accounting policies

30 Shareholder requirements

**Mātai ki te Tonga
Te māhirahira a Tamarereti
Whakawhiti Te Moana Tapokapoka a Tawhaki
Ara te Kurakura o Hinenui te pō
Whakahoki ma te hau nui a Rakamaomao
Ki te muramura a Rakitamau
Whitianga Te Ara a Kiwa
Anei te mahi a Tuterakiwhanoa
Ki uta, ngā puna o Rākaihautū
Ki uta, ngā ngahere a Kahukura
Ki tai, ngā mahinga kai a Marokura
Te mana o Murihiku
Auē**

Gaze to the south
The curiosity of Tamarereti
Across the great southern ocean of Tawhaki
There are the quivering lights of the Aurora
Return on the great wind Rakamaomao
to the blushing isle of Rakiura
Cross the pathway of Kiwa
Here are the works of Tuterakiwhanoa
inland are the waters of Rākaihautū
the forests of Kahukura
Return to the bountiful foodbaskets of Marokura
Alas this is Murihiku

Foreword

We are pleased to present our Statement of Intent for 2024 – 2027.

With the recent news confirming the future of the New Zealand Aluminium Smelter at Tiwai Point for the next 20 years, Southland has good reason to look forward with certainty and confidence rather than living with the uncertainty we have endured over the last few years. There are also a number of new large-scale projects in the pipeline, all which will contribute to a resilient local economy.

Whilst I will always be an optimist by nature, there is no doubt that we are all facing challenging times as New Zealand responds to and recovers from a recessionary economic cycle. We enter this new financial year with each of our shareholding councils looking at ways to keep rates increases to a minimum. Great South are not immune to these measures, and we have also made operationally structural adjustments in light of this changing landscape.

Along with our partners, we are progressing the various pieces of work that make up our guiding document, Beyond 2025 Southland. Data storage, Space Operations, housing, and an aquaculture strategy are key projects we will work on this year.

Great South is leading the design and development of a Data and Insights Southland Hub (DISH), which will be a definitive tool for anyone requiring in-depth understanding of our region. It will be accessible to our residents as well as prospective businesses, investors, and those charged with decision making for our region.

Tourism continues to be a key diversification opportunity for Murihiku Southland, and we have an incredibly exciting opportunity to make a nationally significant mark in this space. The concepts for Te Taurapa o Te Waka – Motupōhue Visitor Experience are now public, and this is exactly the kind of tourism opportunity we need that will get people talking about our region and further encourage high value visitation.

As a result of work that Great South has done in the energy sector, we have also been approached by multiple parties regarding renewable energy generation, which is exciting for the development of our economy.

As your regional development agency, we will continue to advocate on behalf of our wonderful region. This work includes liaison with our local members of parliament, forging new relationships with government ministers and their departmental managers, making sure Southland is front of mind as they progress their decision making.



Ian Collier
Great South Board Chair

About Us

Great South, Southland Regional Development Agency, is responsible for economic development and promotion of Murihiku Southland.

This involves managing Murihiku Southland's Regional Tourism Organisations (RTOs), central government's Regional Business Partner (RBP) network, Callaghan Innovation R&D Experience grants, as well as delivering a range of events, regional initiatives and government-funded contracts that pave the way for development. Through the essential support provided to Murihiku Southland, Great South provides a united voice for the region, establishes a strong platform for regional success and takes strides towards its vision of even better lives through sustainable regional 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, Maitaia Licensing Trust, Southland Business Chamber, SIT | Te Pūkenga, and member organisation Community Trust South.

Established in March 2019, we began full operations in July that year. We receive funding from our shareholding Councils to cover core operational costs as well as contract service delivery. Great South also works with Central Government agencies as well as private sector partners to deliver on contracted services.

We have a memorandum of understanding, which underpins our relationship with all four Papatipu Rūnaka in Murihiku Southland – Awarua, Hokonui, Ōraka-Aparima, and Waihōpai, which was signed on 8 August 2022.

Great South wholly owns Space Operations New Zealand Ltd., which is a council-controlled trading organisation as defined in section 6 of the Local Government Act 2022. It has its own board of directors and CEO and produces its own Statement of Intent. Great South also has a 49% share in New Zealand Functional Foods.

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

A board of up to seven independent directors are 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 the 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.



What we value

KAITIAKITANGA

We see ourselves as guardians of this region we call home and are serious about our responsibility to protect our home for future generations. We are committed to ensuring our people, place and environment continue to thrive.

HERITAGE

Murihiku Southland has a rich history. It is this history that has led us to where we are today and, as we move forward, we will continue to recognise and pay respect to our heritage and the journey we have taken so far.

SOUTHLAND PROUD

At the core of every successful region, you will find great people who passionately contribute to the growth of the place they call home. Murihiku Southland is no different. We are proud of where we come from, what we stand for and are excited to play a part in helping Murihiku Southland achieve its potential.

COMMUNITY SUPPORT

We know that it is only with the support of our communities that we will achieve our ambitious goals. We're committed to working together to develop a vibrant, diverse and thriving region and to provide our communities with a strong foundation for the future.

BEING REAL

We will embrace the region's strong entrepreneurial spirit, where if you can dream it, you can do it. We're not about the flashy stuff, we're real, down to earth, and committed to making great things happen.

QUALITY OVER QUANTITY

We will focus on doing a smaller number of things well, rather than spreading ourselves too thinly across everything. The nature of our involvement may vary across different regional initiatives, but we will at all times be committed to the development of the place we call home.

SUSTAINABILITY

Our natural environment is unique, attracting people from all over the world. We're realistic about our future and know that adopting a sustainable approach, from both an environmental and longevity perspective, is fundamental for the future success of this region.

SHAREHOLDER CONFIDENCE

We are committed to working with our shareholders to instil in them a confidence in both Great South and the future of this region. Together, we'll make great things happen for Murihiku Southland.





Our vision

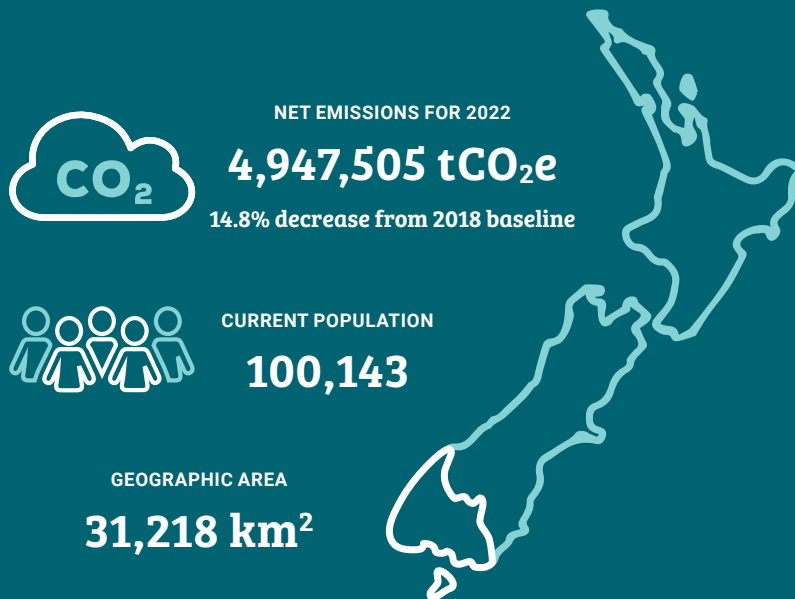
Even better lives through sustainable regional development

Our vision of 'even better lives through sustainable regional development' frames all the work we do, ensuring Southland is the best place to live, work and visit. We want our region to be the best place to start and sustain a business, the best place to travel in, to host an event or conference, to study, migrate to, or invest in. By creating a region that is the best place in New Zealand to live, visit and work, we create a platform for the region to prosper – economically and in terms of vibrancy and liveability.

New Zealand has seen a shift in government, which means there will be changes to government policies. This will likely provide opportunities for regional development which Great South will pursue on behalf of the region. However, major industry changes driven by climate effects will continue to force a shift in activity and taking a sustainable approach in its widest sense (environmental, economic and social), will continue to be critically important.



Southland snapshot



MAIN INDUSTRIES BASED ON NUMBER OF EMPLOYEES



Agriculture



Retail



Health Care

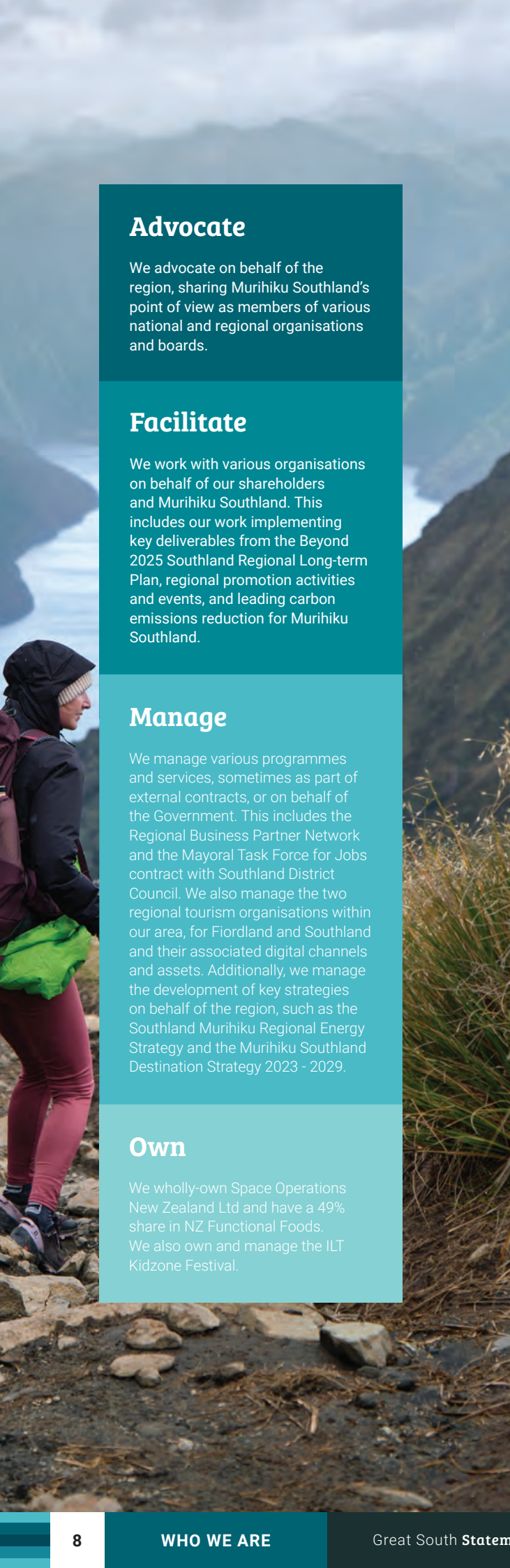


Manufacturing



Construction

Figures sourced from MBIE, Infometrics & Statistics New Zealand



Advocate

We advocate on behalf of the region, sharing Murihiku Southland's point of view as members of various national and regional organisations and boards.

Facilitate

We work with various organisations on behalf of our shareholders and Murihiku Southland. This includes our work implementing key deliverables from the Beyond 2025 Southland Regional Long-term Plan, regional promotion activities and events, and leading carbon emissions reduction for Murihiku Southland.

Manage

We manage various programmes and services, sometimes as part of external contracts, or on behalf of the Government. This includes the Regional Business Partner Network and the Mayoral Task Force for Jobs contract with Southland District Council. We also manage the two regional tourism organisations within our area, for Fiordland and Southland and their associated digital channels and assets. Additionally, we manage the development of key strategies on behalf of the region, such as the Southland Murihiku Regional Energy Strategy and the Murihiku Southland Destination Strategy 2023 - 2029.

Own

We wholly-own Space Operations New Zealand Ltd and have a 49% share in NZ Functional Foods. We also own and manage the ILT Kidzone Festival.

How we operate

Great South works for the benefit of the whole region, placing equal importance on Southland's people, place, environment and economy.

With the future of New Zealand's Aluminium Smelter at Tiwai Point now confirmed for the next 20 years, we understand this will be a time of unprecedented change for Southland and strong leadership is required.

ROLES OF GREAT SOUTH

Our role varies depending on the nature of the project or initiative we are involved with. We are always building on relationships with sector representatives and key Southland stakeholders, and now that we are more established as an organisation, increasingly our role is to lead.

Our roles may be:



PARTNERING FOR SUCCESS

The future success of Murihiku depends on partnerships. Great South works closely with stakeholders and the wider community and is committed to telling the shared stories of Murihiku Southland - people and place. Great South is committed to meeting its obligations under Te Tiriti o Waitangi and collaborates with the four Murihiku-based Rūnaka on numerous projects.

SUSTAINABLE FOCUS

Great South is a certified carbon conscious organisation and is taking positive action towards becoming carbon neutral and integrating sustainable considerations into all activities, including purchasing decisions and operational practises. We will set an example for the region including for businesses, stakeholders and communities we work with.

TE REO MĀORI

We will seek opportunities to support and raise the presence of Te Reo Māori through our activities and our day-to-day operations. This includes:

- A commitment to facilitating the upskilling of our team in both Te Reo and Tikanga Māori
- Introducing Te Reo into communications and marketing material where appropriate
- Incorporating Te Ao Māori into our business growth work as appropriate

PEOPLE AND CULTURE

The most valuable asset at Great South is our people. We are committed to creating a positive work environment and ensuring staff skills are relevant and up to date, allowing our people to thrive. A key focus will be to embed our internal organisation values:

- respect each other's contribution
- work together to achieve great things for our region
- care for each other and our place
- enjoy work and have fun

HEALTH AND SAFETY

Great South will take every practicable step to ensure the health and safety of our employees, contractors, visitors and attendees at events we manage.

OPERATIONAL EFFICIENCIES

In line with best management practice, we seek continuous improvement, improving processes and IT systems, to allow staff to operate in the most effective manner.

We continue to assess each purchasing decision and

contract negotiation to ensure it can withstand a level of scrutiny as expected in the public sector.

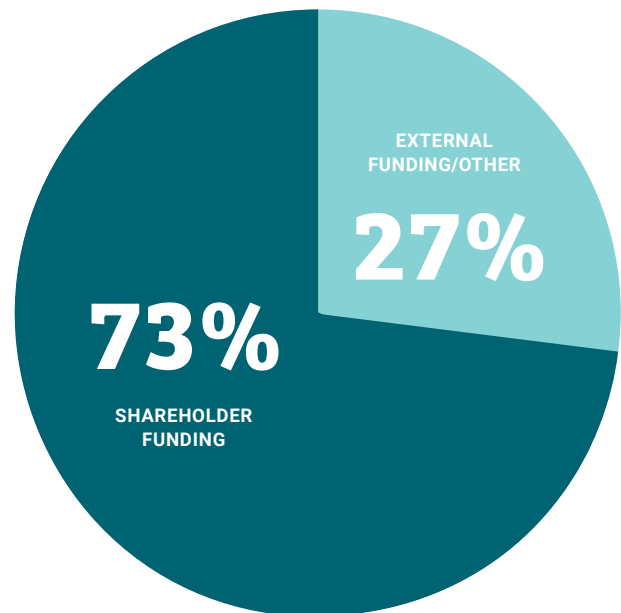
HOW WE ARE FUNDED

Great South receives its primary funding from its shareholding councils. It has also successfully secured funding from commercial and government partners. Examples of this include:

- MBIE and Callaghan Innovation for the Regional Business Partner Network (RBP).
- Commercial engagements

Great South also receives funding from Community Trust South to undertake impetus and investigation activities.

Our revenue sources for 2024-2025

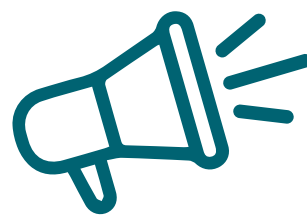


Our priorities



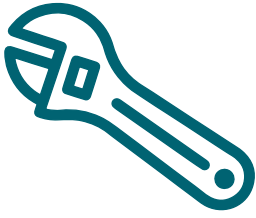
Regional development leadership

Great South provides leadership for the region by facilitating the implementation of the Beyond 2025 Southland Long Term Plan and through advocacy, writing submissions and representing Murihiku Southland nationally.



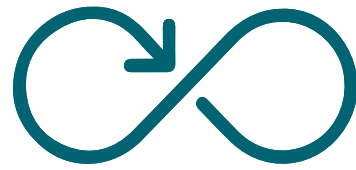
Regional promotion

Great South promotes Murihiku Southland as a great place to live, work and visit. We prioritise destination management and work to develop our regional tourism sector in a way that brings benefit to our people and place. We also manage and support events that attract visitors to our region.



Business support and diversification

Great South supports the growth of the business sector in Murihiku Southland and investigates and aids opportunities to diversify the economy. We also support the attraction and retention of a skilled workforce to our region which will support new and existing industries.



Net Zero Southland

Great South works with businesses across Murihiku Southland to address carbon emissions. Subject to external funding, we will facilitate and support businesses to make reductions, as the region heads towards being carbon neutral by 2050.

Regional development leadership

Advocate Facilitate Manage Own

Regional strategic planning

Great South will continue to facilitate implementation of the Beyond 2025 Southland Regional Long Term Plan with a focus on aligning regional development aspirations with the rules and infrastructure that will enable them to happen. Aquaculture, Housing and Data will continue to be areas of focus and Great South will continue to work towards alignment of regional planning to ensure a clear regional voice.

As required by shareholders, Great South will facilitate and deliver new regional strategies, feasibility assessments and plans, and will seek to align these with central and local government planning, policy and funding as appropriate.

Advocate Facilitate Manage Own

Data and insights

Up-to-date data is essential for successful regional planning and for attracting new investment to the region. Great South has access to regional data and insights that it will continue to share with regionwide decision makers. It will also continue to analyse regional trends and liaise with Central Government on areas of our economy that require support.

Information will be available to decision makers via Data and Insights Southland Hub (DISH) which is a single point of reference data repository including multiple dashboards. Development of this tool which will be available via a website will continue over time and as funding allows.

Advocate Facilitate Manage Own

Murihiku Southland representation

Great South is an ambassador for Murihiku Southland, participating on various regional and national forums, organisations and boards. We also attend conferences and trade shows to promote the region.

Advocate Facilitate Manage Own

Communications

Great South shares information about our activities and services with stakeholders, shareholders and the wider community via a range of channels including its website greatsouth.nz, social media, newsletters and via presentations. We see this as an absolute priority.

The Great South website will be redesigned to ensure up-to-date and accurate information is easily accessible.



Advocate

Facilitate

Manage

Own

Advocacy

On behalf of the region, Great South will continue to advocate to government and regulation setting bodies on issues within its priority areas, to ensure Murihiku Southland is resourced appropriately and that the nuances of the region are understood. We will continue to advocate for agriculture, housing, roading, policy changes to unrestricted forestry, and infrastructure investment.

We hope to engage with central government agencies biannually, including with MBIE, NZTE, Ministry of Housing and Urban Development, Ministry for the Environment and Ministry for Primary Industries. Submissions will also be completed on issues that arise in the aforementioned areas.



Regional promotion



Murihiku Southland regional story

Great South will continue to develop the Murihiku Southland regional story to ensure a cohesive and regionwide approach is taken to attract people to live, study, work and visit. Capturing the region's essence, its people and distinctive qualities, this story will be used to support communications and marketing by organisations that represent and promote our region.



Tourism product and destination development

As a core focus for Great South, we will continue to deliver, develop and progress various projects identified within the Murihiku Southland Destination Strategy 2023 - 2029. These include establishing Murihiku Southland as a food tourism destination, Fiordland National Park as an International Dark Sky Sanctuary, Murihiku Southland as a sustainable tourism destination and tourism development within Motupōhue Bluff.



Deliver and support major events

Major and iconic events are a key reason why New Zealanders travel. Dependent on funding, Great South intends to deliver the iconic family event, ILT Kidzone Festival and hopes continue to provide delivery support to the Burt Munro Challenge, another iconic event celebrating our region's heritage. We will continue to implement the Southland Murihiku Events Strategy, with a focus on building event organiser capability and event marketing.



Business events

Business events are an important opportunity for Murihiku Southland, particularly to attract visitors during tourism off seasons. To realise this opportunity, Great South will complete a business events strategy. Acting as Business Events Southland, Great South will continue to prospect for national and international events that could be held in our region. We aim to put Murihiku Southland on the map as a business events destination.



Advocate Facilitate Manage Own

Invercargill City Centre activation

A thriving Invercargill city centre is essential for the benefit of the whole of Murihiku Southland. In partnership with Invercargill City Council, Great South delivers city centre activities and events. We also partner with organisers of existing events to support them with event design and promotion to create vibrancy in the city centre. We will continue to specifically promote these city centre events widely and keep CBD stakeholders informed about them. All events will be listed on our promotional website southlandnz.com.

Advocate Facilitate Manage Own

Destination marketing

Great South will continue to profile Southland and Fiordland as unique visitor destinations, utilising southlandnz.com as the primary destination promotion website, as well as fiordland.org.nz, along with each brand's associated social media platforms. The focus will be on reaching our key markets, which are domestic, plus Australia, North America, Europe and Asia.

[Southlandnz.com](https://southlandnz.com) is our key tool to promote Murihiku Southland as a great place to live, work and visit. It is a valued promotional platform for local businesses and event organisers who list on this site and provides practical information to support decision making and travel for international and domestic visitors. We will continue to work closely with key national tourism partners, including Tourism NZ, and will continue to partner with Air New Zealand and Invercargill Airport to advocate for flights into Invercargill, as the gateway to Murihiku Southland. Marketing and trade initiatives will be targeted at visitors from key international markets as well as domestic visitors. Familiarisation opportunities will continue to be held for tourism operators, travel media companies and business events organisers.

Business support and diversification

Advocate Facilitate Manage Own

Business diversification

Great South will support businesses within Murihiku Southland to identify opportunities for diversification and to develop plans to implement these opportunities. Through contracted work, we will also undertake feasibility studies to attract new and complementary businesses to the region that support existing and/or new business opportunities.

Advocate Facilitate Manage Own

Economic diversification

While continuing to support Space Operations New Zealand Limited, hydrogen, aquaculture and data centre opportunities, Great South's focus will be on encouraging new investment to support new and existing businesses.

Advocate Facilitate Manage Own

Support the agriculture sector

Acknowledging that agriculture is the main economic contributor to our region, we will continue working to support farmers with land-use change opportunities and decision making. Working with Councils, we will also support further investigation of the impacts of unrestricted forestry in our region and will undertake ongoing analysis and monitoring of livestock numbers, forestry growth and water allocation.

Advocate Facilitate Manage Own

Support CBD businesses

Activations in Invercargill's CBD will support business activity in that area (see 'Invercargill city centre activation', under Regional Promotion).



Advocate Facilitate Manage Own

Building business capability

Great South supports small to medium-sized businesses in Southland through delivery of the Regional Business Partner Programme. We work on behalf of MBIE and Callaghan Innovation, building capability through connections to expertise and resources, and occasionally offering workshops and training opportunities. We often work in partnership with COIN South and Southland Business Chamber to deliver these opportunities and meet with business owners one-on-one to identify their needs and how they can best be supported.

Advocate Facilitate Manage Own

Southland Youth Futures and the Mayoral Taskforce for Jobs

Subject to funding, Great South aims to continue to deliver the Southland Youth Futures Programme in 2024. The programme is important for young people to get exposure to the variety of jobs available within the region and is of benefit to employers in connecting them with a future workforce.

The Mayoral Taskforce for Jobs (MTFJ) is a new contract Great South entered into with Southland District Council. MTFJ is a network of New Zealand's Mayors, administered by LGNA, who work together towards the vision of all young people under 25 being engaged in employment, education, training and other positive activities in their communities.



Net Zero Southland



Encourage low impact industry

To support the region towards meeting net zero emissions goals by 2050, Great South will provide data and insights that enable major decisions to be made on behalf of the region and encourage new industries to address climate change and emissions reduction targets.



Monitor emissions

The region's annual emissions have been monitored by Great South since 2018. We will continue to measure our regional emissions reporting against the 2018 baseline. Our progress will be shared with regional leaders and the public.



Sustainable tourism destination management

Sustainability is one of the key pillars of the Murihiku Southland Destination Strategy and Great South will continue to offer the Murihiku Southland Sustainable Tourism Programme. The programme takes a holistic approach, supporting businesses to look at reducing their carbon emissions, while also improving their sustainability from an economic, visitor, community, and environmental perspective. In addition to this, Great South will work with key partners to implement environmental stewardship projects within the Murihiku Southland Destination Strategy 2023 – 2029.










Energy planning









Following the release of the Southland Murihiku Regional Energy Strategy 2022-2050, Great South will continue to facilitate implementation of the strategy.








Reports will be prepared on biogenic capture and use, as well as woody biomass availability.



Performance measures

DESCRIPTION	LTP CONNECTION	KPI 2024-25	KPI 2025-26	KPI 2026-27
 Data and Insights Provide up-to-date and accurate data and insights to inform decision making via regional data dashboards and repository	Economic Development	<ul style="list-style-type: none"> • Launch DISH – Digital Insights Southland Hub including 6 dashboards, a website and a cloud-based processing system. • Prepare a shared service proposal for councils to use and support DISH 	<ul style="list-style-type: none"> • Shared services proposal for DISH is accepted and Councils are supporting this data hub. • Two new dashboards identified and developed 	<ul style="list-style-type: none"> • Shared services proposal for DISH is accepted and Councils are supporting this data hub. • Two new dashboards identified and developed
 Advocacy and Submission Advocate for and/or prepare submissions and funding applications for issues of importance to the region	Economic Development	<ul style="list-style-type: none"> • Hold bi-annual meetings with central government officials at MBIE, NZTE, MHUD, MfE, MPI etc. • Prepare a minimum of two submissions on issues of regional significance. • Support councils and stakeholders to apply for RIF as applicable. 	<ul style="list-style-type: none"> • Hold bi-annual meetings with central government officials at MBIE, NZTE, MHUD, MfE, MPI etc. • Prepare a minimum of two submissions on issues of regional significance. • Support councils and stakeholders to apply for RIF as applicable. 	<ul style="list-style-type: none"> • Hold bi-annual meetings with central government officials at MBIE, NZTE, MHUD, MfE, MPI etc. • Prepare a minimum of two submissions on issues of regional significance. • Support councils and stakeholders to apply for RIF as applicable.
 Housing Implement priorities from the Murihiku Southland Housing Action Plan	Economic Development	<ul style="list-style-type: none"> • Deliver four projects from the Housing Action Plan. • Support individual Councils with their housing planning considering current and future community and industry needs. 	<ul style="list-style-type: none"> • Deliver two further projects from the Housing Action Plan. • Support individual Councils with their housing planning considering current and future community and industry needs. 	<ul style="list-style-type: none"> • Deliver two further projects from the Housing Action Plan. • Support individual Councils with their housing planning considering current and future community and industry needs.
 Aquaculture Facilitate and develop a regional approach to realise the benefits of Aquaculture as a diversification opportunity	Economic Development	<ul style="list-style-type: none"> • Facilitate development of a Regional Aquaculture Strategy. • Support local and central government and Iwi, to provide enabling regulation and infrastructure to build an aquaculture industry in Southland. 	<ul style="list-style-type: none"> • Produce and distribute regular reports • Source additional datasets (<i>subject to funding</i>) 	<ul style="list-style-type: none"> • Produce and distribute regular reports • Source additional datasets (<i>subject to funding</i>)
 Agriculture Support agricultural sector land-use and support farmer decision making	Economic Development	<ul style="list-style-type: none"> • Analysis of relevant agricultural sector data to feed into the Regional Emissions Report for 2025. 	<ul style="list-style-type: none"> • Undertake analysis of relevant agricultural sector data to feed into the Regional Emissions Report for 2026. 	<ul style="list-style-type: none"> • Undertake analysis of relevant agricultural sector data to feed into the Regional Emissions Report for 2027.
 Forestry Support further investigation of the impacts of unrestricted forestry	Economic Development	<ul style="list-style-type: none"> • Provide data and insights regarding changing land use and the impacts of carbon forestry. 	<ul style="list-style-type: none"> • Provide data and insights regarding changing land use and the impacts of carbon forestry. 	<ul style="list-style-type: none"> • Provide data and insights regarding changing land use and the impacts of carbon forestry.
 Connectivity Monitor digital connectivity in the region	Economic Development	<ul style="list-style-type: none"> • Deliver the Digital Connectivity Report which tracks mobile phone coverage across the region. 	<ul style="list-style-type: none"> • Deliver the Digital Connectivity Report which tracks mobile phone coverage across the region. 	<ul style="list-style-type: none"> • Deliver the Digital Connectivity Report which tracks mobile phone coverage across the region.

DESCRIPTION	LTP CONNECTION	KPI 2024-25	KPI 2025-26	KPI 2026-27
 Communications Continue to connect with businesses within the region to provide information on RBP and Callaghan Innovation opportunities.	Business Development	<ul style="list-style-type: none"> • Publish Beyond Great – Great South's Business Newsletter 6 times per year. • Showcase 6 Southland businesses achieving success. 	<ul style="list-style-type: none"> • Publish Beyond Great – Great South's Business Newsletter 6 times per year. • Showcase 6 Southland businesses achieving success. 	<ul style="list-style-type: none"> • Publish Beyond Great – Great South's Business Newsletter 6 times per year. • Showcase 6 Southland businesses achieving success.
 Business in Southland - A regional guide Resource document that outlines useful information for new & potential businesses to the region.	Business Development	<ul style="list-style-type: none"> • Develop and publish a regional guide to support new businesses to Southland. 	<ul style="list-style-type: none"> • Maintain the regional guide to support new businesses to Southland. 	<ul style="list-style-type: none"> • Review and change the regional guide as needed.
 Consumer Marketing Promote Murihiku Southland as a year-round destination for travellers from New Zealand, Australia and other key markets, resulting in more visitors.	Tourism Development	<ul style="list-style-type: none"> • Ensure 85% of website traffic comes from key markets in NZ, Australia, North America, Europe, Asia • 3 digital campaigns 	<ul style="list-style-type: none"> • Ensure 85% of website traffic comes from key markets in NZ, Australia, North America, Europe, Asia • 3 digital campaigns 	<ul style="list-style-type: none"> • Ensure 85% of website traffic comes from key markets in NZ, Australia, North America, Europe, Asia • 3 digital campaigns
 Content Development Increase awareness and preference for Murihiku Southland as a year-round destination for travellers through improved marketing materials	Tourism Development	<ul style="list-style-type: none"> • 3 Marketing collateral updated including Murihiku Visitor Guide, Murihiku Eats and Hike Fiordland. 	<ul style="list-style-type: none"> • 3 Marketing collateral updated 	<ul style="list-style-type: none"> • 3 Marketing collateral updated
 Media Increase positive travel media coverage for Murihiku Southland, promoting the region's diverse activities and experiences and drive visitor numbers.	Tourism Development	<ul style="list-style-type: none"> • 3 media famils • 15 media results 	<ul style="list-style-type: none"> • 3 media famils • 15 media results 	<ul style="list-style-type: none"> • 3 media famils • 15 media results
 Showcasing our region Trade Events, Trade Famils and TRENZ.	Event Development	<ul style="list-style-type: none"> • Attend 5 trade shows. • Attend 2 partnered famils • 2 Murihiku itineraries adopted from Milford Opportunities Project 	<ul style="list-style-type: none"> • Attend 5 trade shows. • Attend 2 partnered famils • 2 Murihiku itineraries adopted from Milford Opportunities Project 	<ul style="list-style-type: none"> • Attend 5 trade shows. • Attend 2 partnered famils • 2 Murihiku itineraries adopted from Milford Opportunities Project
 New Experiences	Tourism Development	<ul style="list-style-type: none"> • Develop 1 new iwi experience 	<ul style="list-style-type: none"> • Develop 1 new iwi experience 	<ul style="list-style-type: none"> • Develop 1 new iwi experience
 Business Events Develop Murihiku Southland as a Business Events destination	Event Development	<ul style="list-style-type: none"> • Attend 3 conference events 	<ul style="list-style-type: none"> • Attend 3 conference events 	<ul style="list-style-type: none"> • Attend 3 conference events

DESCRIPTION	LTP CONNECTION	KPI 2024-25	KPI 2025-26	KPI 2026-27
 Destination Development Progress projects from the Murihiku Southland Destination Strategy (MSDS)	Destination Development	<ul style="list-style-type: none"> Develop an Implementation Plan for MSDS Progress 3 projects from MSDS which includes delivering the Murihiku Southland Sustainable Tourism programme 	<ul style="list-style-type: none"> Progress 3 projects from MSDS which includes delivering the Murihiku Southland Sustainable Tourism programme 	<ul style="list-style-type: none"> Progress 3 projects from MSDS which includes delivering the Murihiku Southland Sustainable Tourism programme
 Regional Events Calendar Maintain southlandnz.com website calendar listings for regional events	Event Development	<ul style="list-style-type: none"> 10% increase on number of events listed (baseline: 690) 10% increase on number of overall page views (baseline: 40,000) 15% increase on number of overall page views from within Southland (baseline: 14,000) 	<ul style="list-style-type: none"> 10% increase on number of events listed 10% increase on number of overall page views 15% increase on number of overall page views from within Southland 	<ul style="list-style-type: none"> 10% increase on number of events listed 10% increase on number of overall page views 15% increase on number of overall page views from within Southland
 Unmissable Regional Events	Event Development	<ul style="list-style-type: none"> Support delivery of Burt Munro Challenge Deliver ILT Kidzone Festival 	<ul style="list-style-type: none"> Support delivery of Burt Munro Challenge Deliver ILT Kidzone Festival (Subject to external funding) 	<ul style="list-style-type: none"> Support delivery of Burt Munro Challenge Deliver ILT Kidzone Festival (Subject to external funding)
 Regional Marketing of Events	Event Development	<ul style="list-style-type: none"> Six cluster events Four seasonal campaigns Marketing of unmissable events 	<ul style="list-style-type: none"> Six cluster events Four seasonal campaigns Marketing of unmissable events 	<ul style="list-style-type: none"> Six cluster events Four seasonal campaigns Marketing of unmissable events
 Monitor Emissions Complete annual regional emissions reporting	Economic Development	<ul style="list-style-type: none"> Produce the Regional Emissions Report for 2024 	<ul style="list-style-type: none"> Produce the Regional Emissions Report for 2025 	<ul style="list-style-type: none"> Produce the Regional Emissions Report for 2026
 Energy Planning Implement the Net Zero Southland Report	Economic Development	<ul style="list-style-type: none"> Review and update the Net Zero Southland - Economic Mitigation Pathways Analysis to Net Zero Emissions for Southland Report (March 2021) 	<ul style="list-style-type: none"> Implement Net Zero Southland Strategy and support regional climate change strategic planning 	<ul style="list-style-type: none"> Implement Net Zero Southland Strategy and support regional climate change strategic planning
 Implementation of the Regional Energy Strategy	Economic Development	<ul style="list-style-type: none"> Prepare an Action Plan to guide implementation of the Regional Energy Strategy. Prepare two technical reports to support the development 'biogenic methane capture and use' opportunities and 'woody bio-mass' market growth. Prepare a spatial plan identifying favourable locations for renewable energy generation. 	<ul style="list-style-type: none"> Implement 2 actions from the reports. 	<ul style="list-style-type: none"> Implement 3 actions from the reports.

Space Operations **New Zealand**

Great South founded Space Operations New Zealand Limited (SpaceOps NZ) in 2021 as a standalone company that now owns the Awarua Satellite Ground Station. As a 100% subsidiary of Great South, SpaceOps NZ is a Council-Controlled Trading Organisation (CCTO) and as such will present its own Statement of Intent and associated financials to the shareholding councils.

SpaceOps NZ's role is to meet demand from rapid growth in the international small satellite (smallsat) community.

The Awarua Satellite Ground Station hosts antennas for international customers and has its own antennas to provide southern hemisphere ground segment support for space agencies and commercial satellite operators.

Customers' satellites are used for all manner of purposes, including tracking shipping containers, measuring the atmosphere, imaging the Earth, calibrating satellite navigation systems and providing internet services.

Some of the antennas provide downrange support for international launch companies, including Rocket Lab, founded by Invercargill's Peter Beck. It is the first station with spacecraft visibility on the western side of the Pacific Ocean and is New Zealand's only commercial low Earth orbit satellite ground station.

On the strength of its services, there are now two international space businesses based in Invercargill.

Two new 11 metre antennas have been added to the station as part of a collaboration with Lockheed Martin Australia. This is part of the broader Trans-Tasman SouthPAN (Southern Positioning Augmentation Network) project, that will allow New Zealanders and Australians centimetre accuracy positioning from their smartphones. The antennas are supported by a mission operations centre in Invercargill.

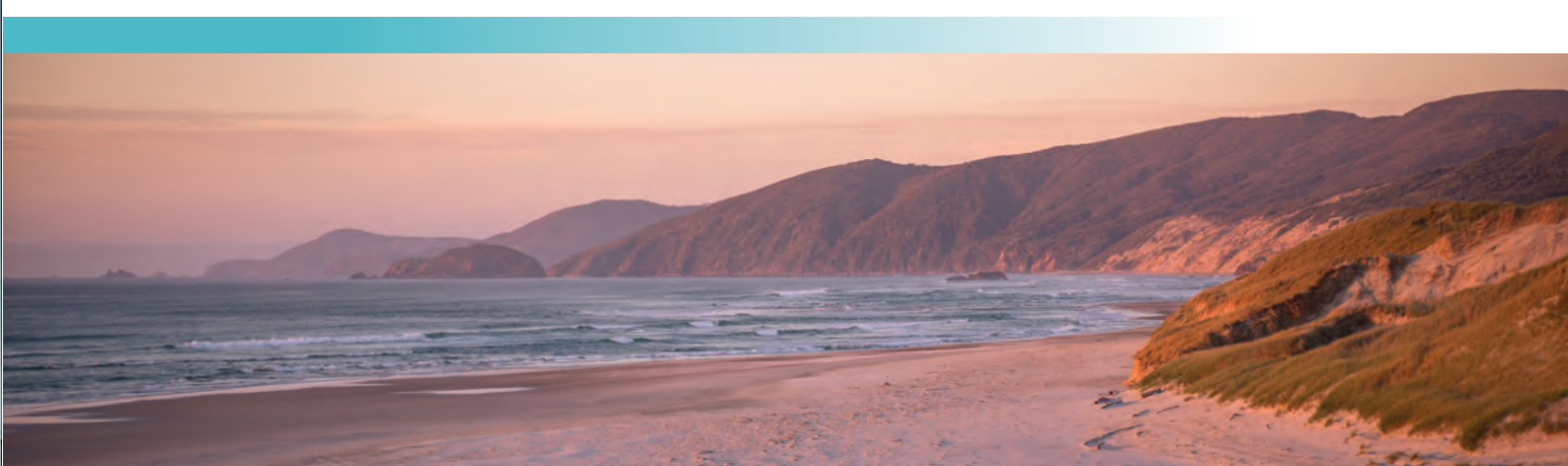
In July 2023, SpaceOps NZ took over Auckland University of Technology's radio astronomy operations at Spark's Warkworth Satellite Earth Station. As a result, it now operates a 12 metre and a 30 metre in diameter antenna. The 12 metre antenna is used to pinpoint New Zealand to within a couple of millimetres by tuning into radio waves emitted by some of the most distant objects in the universe. SpaceOps NZ's core business has until now been providing telecommunications to spacecraft orbiting 400 to 600 km above the Earth but the 30m antenna is used for radio astronomy and communicating with spacecraft in deep space.



Statement of comprehensive revenue and expense

For the 12 months to June

	2024/25 Budget	2025/26 Budget	2026/27 Budget
Revenue			
Shareholder Investment			
Core	1,981,000	2,066,183	2,115,029
Contract	1,609,027	1,609,027	1,609,027
Total	3,590,027	3,675,210	3,764,056
Other Revenue			
Service Revenue	1,112,453	531,675	531,675
Project Revenue	220,197	200,000	200,000
Total Other Revenue	1,332,650	731,675	731,675
Total Revenue	4,922,677	4,406,885	4,495,731
Expenditure			
Project and Service Expenditure			
Regional Economic Development	1,048,839	1,012,183	1,040,326
Business Support Services	534,088	82,616	85,683
Regional Tourism Development	724,116	721,788	740,322
Regional Event Delivery	667,642	679,065	687,794
Total Project Expenditure	2,974,685	2,495,653	2,554,126
Core expenditure			
Directors Fees	176,000	183,568	191,461
Employee Expense	1,017,225	1,027,189	1,062,614
Depreciation and Amortisation	60,000	53,142	47,852
Other Expenses	736,871	718,344	747,728
Total Core Expenditure	1,990,097	1,982,243	2,049,655
Total Expenditure	4,964,782	4,477,895	4,603,781
Net Surplus / (Deficit)	(42,105)	(71,010)	(108,050)
Taxation			
Net Surplus / (Deficit) After Taxation	(42,105)	(71,010)	(108,050)



Statement of financial position

As at 30 June

	2024/25 Budget	2025/26 Budget	2026/27 Budget
Assets			
Current Assets			
Cash and cash equivalents	1,521,268	1,363,010	1,227,555
Receivables and accruals	919,682	894,566	899,675
Prepayments	88,622	88,622	88,622
Total Current Assets	2,529,572	2,346,198	2,215,852
Non-current Assets			
Investments	1,072,589	1,072,589	1,072,589
Deferred Tax	31,071	31,071	31,071
Property, plant and equipment	202,480	179,338	161,486
Total Non-current Assets	1,306,140	1,282,998	1,265,146
Total Assets	3,835,712	3,629,196	3,480,998
Liabilities			
Current Liabilities			
Payables and accruals	185,441	187,684	192,047
Income tax payable	(41,201)	(41,201)	(41,201)
Income Received in Advance	581,956	531,956	481,956
Employee entitlements	285,536	285,536	285,536
Other current liabilities	418,750	331,001	336,488
Total Current Liabilities	1,430,482	1,294,976	1,254,826
Total Liabilities	1,430,482	1,294,976	1,254,826
Net Assets	2,405,231	2,334,221	2,226,171
Equity			
Contributed capital	1,338,421	1,338,421	1,338,421
Retained earnings	1,066,810	995,800	887,750
Total equity	2,405,231	2,334,221	2,226,171



Statement of cash flows

For the 12 months to June

	2024/25 Budget	2025/26 Budget	2026/27 Budget
Cash Flows from Operating Activities			
Receipts of Shareholder investment	3,590,027	3,675,210	3,764,056
Receipts from other operating activities	2,101,890	1,417,824	1,400,926
Income tax paid	-	-	-
Payments to employees	(2,823,761)	(2,673,289)	(2,664,450)
Payment to suppliers	(2,829,020)	(2,543,503)	(2,601,487)
Total cash flow from Operating Activities	39,136	(123,758)	(100,955)
Cash flow from Investing Activities			
Purchase of fixed assets and intangibles	(34,500)	(34,500)	(34,500)
Total cash flow from Investing Activities	(34,500)	(34,500)	(34,500)
Net Cash flows	4,636	(158,258)	(135,455)
Cash Balances			
Cash, cash equivalents and overdrafts at beginning of period	1,516,632	1,521,268	1,363,010
Cash, cash equivalents and overdrafts at end of period	1,521,268	1,363,010	1,227,555
Net change in cash for period	4,636	(158,258)	(135,455)



Accounting policies

REPORTING ENTITY

Southland Regional Development Agency Limited is a New Zealand registered company under the Companies Act 1993, and is deemed to be a Council Controlled Organisation under section 6 of the Local Government Act 2002.

Southland Regional Development Agency (trading as Great South) was established as Southland's regional development agency in March 2019. The registered office for Southland Regional Development Agency is 143 Spey Street, Invercargill.

Committed to driving economic, social and cultural growth, Southland Regional Development Agency 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 Organisations, 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.

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). Southland Regional Development Agency 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 AND ROUNDING

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of Southland Regional Development Agency is New Zealand dollars.

MEASUREMENT BASE

The financial statements have been prepared on an historical cost or fair value basis as per the following policies.

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 Southland Regional Development Agency 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 from ticket sales is recognised upon receipt unless the terms and conditions for the ticket state that Southland Regional Development Agency is required to repay the customer if the event does not take place. Where the terms and conditions contain a refund clause, the revenue will be recognised upon completion of the event.

Revenue from the rendering of services is recognised by reference to the stage of completion at the balance sheet date, based on the actual service provided.

Products held for sale are recognised when a product is sold to the customer. Sales are usually in cash or by credit card. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

Southland Regional Development Agency acts as an agent for third parties for some transactions. When incurring expenditure as an agent, this is accounted for via the Statement of Financial Position, and not as revenue and expenditure on the Statement of Comprehensive Revenue and Expense. Any revenue component within these transactions will be treated accordingly.

Interest revenue is recognised using the effective interest method.

Volunteer services received are not recognised as revenue or expenditure as Southland Regional Development Agency is unable to reliably measure the fair value of the services 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.

Foreign Exchange Transactions

Foreign currency transactions are translated into NZ\$ (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Goods and Services Tax (GST)

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.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position. The net GST paid to or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Income Tax

Income tax expense in relation to the profit or loss for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date.

Current tax and deferred tax is charged or credited to the Statement of Comprehensive Revenue and Expense, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

Equity

Equity is the shareholders interest in Southland Regional Development Agency, as measured by total assets less total liabilities.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

Trade and Other Receivables

Trade and other receivables are initially measured at fair value and subsequently measured at cost, amortised where necessary, using the effective interest method, less any provision for impairment.

A receivable is considered impaired when there is evidence that Southland Regional Development Agency will not be able to collect the amount due. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected.

Property, Plant and Equipment

Property, plant, and equipment consists of the following asset classes: buildings, furniture and fittings, IT equipment, ILT Kidzone equipment, vehicles, and land. All asset classes are measured at cost, less accumulated depreciation and impairment losses. Individual assets are capitalised if they meet the definition of an asset and the cost exceeds \$1,000.

Additions

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

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained. Work in progress is recognised at cost less impairment and is not depreciated.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Comprehensive Revenue and Expense.

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Southland Regional Development Agency and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Buildings:	3% - 7%	14.3 - 33.3 years
Furniture & Fittings:	6% - 33%	3 - 16.7 years
IT Equipment:	17.5% - 67%	1.5 - 5.7 years
ILT Kidzone:	13.5% - 33%	3 - 7.5 years
Vehicles:	13.5%	7.5 years
Land:	0%	

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end. An annual review for impairment is also undertaken on all assets and any impairment loss is recognised in the Statement of Comprehensive Revenue and Expense.

Impairment of Property, Plant and Equipment

Property, plant and equipment held that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use. If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable service amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

Value in Use For Non-Cash Generating Assets

Value in use is the present value of the asset's remaining service potential. Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in Use For Cash Generating Assets

Southland Regional Development Agency does not hold any cash generating assets.

Intangible Assets

Goodwill

Goodwill on acquisition of businesses and subsidiaries is included in "intangible assets". Goodwill on acquisition of an associate is included in "investment in other entities" and impairment is considered as part of the overall investment balance.

Goodwill is allocated to cash-generating units for the purposes of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Goodwill has been assessed to have an infinite useful life on the basis the business is ongoing. Goodwill is subject to annual impairment testing.

Impairment of Intangible Assets

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

Joint Venture

The Company's 49% share of its associate NZ Functional Foods Limited is equity accounted for in the Companies financial statements.

A joint venture is an entity over which the Company has significant influence and that is neither a subsidiary nor an associate. The Company's investment is accounted for in the financial statements using the equity method. The investment in a joint venture is initially recognised at cost and the carrying amount in the financial statements is increased or decreased to recognise the Company's share of the surplus or deficit in the joint venture after the date of acquisition. Distributions received from a joint venture reduce the carrying amount of the investment in the financial statements.

If the share of deficits of a joint venture equals or exceeds its interest in the joint venture, the Company discontinues recognising its share of further deficits. After the Company's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the Company has incurred legal or constructive obligation or made payments on behalf of the joint venture. If the joint venture subsequently reports surpluses, the Company will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Leases

Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and benefits incidental to ownership of an asset. Payments under these leases are recognised as expenses in the Statement of Comprehensive Revenue and Expense in periods in which they are incurred. Lease incentives received are recognised.

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the Statement of Financial Position

at the lower of the fair value of the leased item and the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty as to whether the Company will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Payables

Short-term payables are recorded at their fair value.

Financial Instruments

Southland Regional Development Agency is party to financial instruments as part of its normal operation. These financial instruments give rise to financial assets and liabilities and include cash and on-call deposits, accounts receivable, investments, and accounts payable, deposits held, other financial liabilities and financial guarantees. They also include equity interests in other entities.

All financial instruments are recognised in the Statement of Financial Position on the basis of Southland Regional Development Agency Limited's general and, where applicable, particular accounting policies. All financial instruments disclosed in the Statement of Financial Position are recorded at fair value or amortised cost. Revenue and expenditure arising from these financial instruments is recognised in the Statement of Comprehensive Revenue and Expense.

Statement of Cash Flows

Cash includes cash and cash equivalents as defined above.

Operating activities include cash received from all revenue sources of Southland Regional Development Agency and cash payments made for the supply of goods and services. Investing activities are those activities relating to the acquisition and disposal of non-current assets. Financing activities comprise the change in equity and debt capital structure of Southland Regional Development Agency.

Personnel Costs

Salaries and Wages

Salaries and wages are recognised as an expense as employees provide services.

Defined Contribution Superannuation Schemes

Employer contributions to KiwiSaver, the Government Superannuation

Fund, and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Employee Entitlements

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date. No liability is recognised for sick leave.

A liability and an expense are recognised for bonuses where Southland Regional Development Agency has a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements, Southland Regional Development Agency has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities recognised in the financial statements are described in the notes to the financial statements.

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 March each year, and the final document will be delivered by 30 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 the organisation's objectives.

SHAREHOLDER MEETINGS

An annual general meeting will be held before the end of September each year to present the annual report. The notice of the Annual General Meeting (AGM) 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 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

Great South, through the Joint Shareholders Committee will work with the shareholders to develop trust and a common understanding on a "no surprises" basis. The board will be sensitive to the demands 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 the 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.

Great South is tasked with leading the future growth aspirations of Murihiku Southland on behalf of our shareholders, stakeholders and the wider Murihiku Southland community.



www.greatsouth.nz

Visit our website to find out more about us and sign up for our newsletters to receive regular updates